SYENSQO
ADVANCING HUMANITY

Financial Report
Full-year 2024

Regulated information

Published on February 27, 2025 at 7:00 a.m. CEST

Content

Forenote

In addition to IFRS accounts, Syensqo also presents alternative performance indicators ("underlying") to provide a more consistent and comparable indication of the Group's underlying financial performance and financial position, as well as cash flows. These indicators provide a balanced view of the Group's operations and are considered useful to investors, analysts and credit rating agencies as these measures provide relevant information on the Group's past or future performance, financial position or cash flows. These indicators are generally used in the sector it operates in and therefore serve as a useful aid for investors to compare the Group's performance with its peers. The underlying performance indicators adjust IFRS figures for the non-cash Purchase Price Allocation (PPA) accounting impacts related to acquisitions, for the coupons of perpetual hybrid bonds, classified as equity under IFRS but treated as debt in the underlying statements, for impairments and for other elements that would distort the analysis of the Group's underlying performance. The comments on the results made on pages 3 to 11 are on an underlying basis, unless otherwise stated.

UNDERLYING BUSINESS REVIEW

(€ million)	Q4 2024	Q4 2023	Q3 2024	YoY change	YoY organic	QoQ change	FY 2024	FY 2023	YoY change	YoY organic
Net sales	**1,598**	1,577	1,633	1.3%	1.6%	-2.1%	**6,563**	6,834	-4.0%	-2.8%
Gross profit	**482**	485	572	-0.6%	-	-15.7%	**2,219**	2,375	-6.6%	-
Gross profit margin	**30.2%**	30.8%	35.0%	-60 bps	-	-490 bps	**33.8%**	34.8%	-90 bps	-
Underlying EBITDA	**298**	294	374	1.2%	5.1%	-20.4%	**1,412**	1,618	-12.7%	-10.0%
Underlying EBITDA margin	**18.6%**	18.7%	22.9%	0 bps	60 bps	-430 bps	**21.5%**	23.7%	-220 bps	-170 bps
Operating cash flow	**345**	195	210	77.1%	-	64.5%	841	1,275	-34.0%	-
Op. cash flow excl. €167mn payment to NJDEP in Q2'24	**345**	195	210	77.1%	-	64.5%	**1,008**	1,275	-20.9%	-
Free cash flow	**159**	-35	27	n.m.	-	n.m.	**223**	448	-50.2%	-
Free cash flow excl. €167mn payment to NJDEP in Q2'24	**159**	-35	27	n.m.	-	n.m.	**390**	448	-12.9%	-
Cash conversion (LTM)	71%	85%	69%	n.m.	-	n.m.	71%	85%	n.m.	-
Cash conversion (LTM) excl. €167mn payment to NJDEP in Q2'24	**82%**	85%	81%	-260 bps	-	140 bps	**82%**	85%	-260 bps	-
ROCE (LTM)	**7.9%**	10.6%	8.1%	-280 bps	-	-20 bps	**7.9%**	10.6%	-280 bps	-

Q4 2024 Highlights

- **Net sales** of €1.6 billion increased by 2% year-on-year organically, driven by higher volumes (+3%), partially offset by lower pricing (-1%); On a sequential basis, pricing increased by 1% compared to Q3 2024;
- **Gross profit** of €482 million was approximately flat year-on-year including net pricing impact of €-26 million, resulting in **gross margin** of 30.2%;
- **Underlying EBITDA** of €298 million increased by 5% year-on-year organically, driven by growth in both the Materials and Consumer & Resources segments; **EBITDA margin** of 18.6% increased by approximately 60 basis points organically;
- **Underlying net profit** of €76 million;
- **Operating cash flow** of €345 million increased by 77% year-on-year; **Free cash flow** of €159 million;
- **Share buyback program**: repurchased and cancelled 843K shares, or €64 million

FY 2024 Highlights

- **Net sales** of €6.6 billion declined by 3% year-on-year organically driven by lower pricing (-4%), partially offset by higher volumes (+1%) with improved net sales momentum in the second half; double digit growth in Composite Materials;
- **Gross profit** of €2.2 billion included net pricing impact of €-97 million, resulting in **gross margin** of 33.8%;
- **Underlying EBITDA** of €1.4 billion, in-line with expectations; **EBITDA margin** of 21.5%;
- **Underlying net profit** of €553 million;
- **Operating cash flow** of €841 million, with **cash conversion** of 82%[1]; **Free cash flow**[1] of €390 million;
- **Balance sheet: net debt** of €1.86 billion with **leverage ratio** of 1.3x;
- Increased **shareholder returns**: €300 million **share buyback program** announced at the end of Q3; **Dividend** for 2024 of €1.62 (payout ratio of 31%) will be proposed to the 2025 Annual General Meeting by the Board of Directors

Register to the webcast scheduled at 14:00 CEST - Financial report - Financial calendar

[1] Excluding the €167 million payment to the New Jersey Department of Environmental Protection (NJDEP) made in Q2 2024

Dr. Ilham Kadri, CEO

"2024 was a milestone year for Syensqo. With our sharper focus and a deeper understanding of our customers' needs, we now have more clarity around how we will accelerate our innovation to outperform our markets and increase returns. We also used our balance sheet strength to increase direct shareholder returns, through the board's proposed dividend payment as well as the ongoing share buyback program.

"Our Q4 performance saw us return to year-on-year EBITDA growth, coupled with strong cash flow generation. This was achieved against the backdrop of macroeconomic softness and ongoing market uncertainties experienced across our sector. In this context, we will remain focused on executing initiatives in 2025 that we can control, accelerating cost actions to support our profitability, further refining our disciplined approach to capital allocation, and taking steps to unlock value. Underpinned by our strong balance sheet, we will also continue to balance cashflow generation and attractive growth investments with shareholder returns.

"2025 will also see us continue to assess options to accelerate value creation, including through divestments, to become an even more focused specialty company. Having already determined that we will divest the Oil & Gas business, we now plan to do the same with Aroma.

"The Americas is Syensqo's largest region, representing more than 40% of our revenues and people, as well as more than half of our industrial footprint. In addition, we expect a major part of our future growth and investments to be in this strategically important region. I am therefore pleased to share that our Board of Directors has approved the exploration of a potential dual listing in the US, in addition to Brussels, which has the potential added benefits of expanding and enhancing our investor base."

2025 Outlook

For 2025, we expect macroeconomic and demand uncertainty to continue across most of our end markets. Supported by our strong balance sheet, we will focus on accelerating initiatives that are within our control, increasing cost savings and further focusing our investments to outperform our markets.

Growth is expected to be led by Composite Materials, supported by strong underlying demand as well as our diverse range of customer programs and applications. For Specialty Polymers, we expect net sales to be approximately flat versus 2024, with growth primarily driven by Healthcare and Food Packaging, offset by the lower net sales in Electronics.

Overall, we expect flattish volumes in 2025. This includes the combined impact of approximately €80 million from customer headwinds in Electronics, driven by a design change in a customer program, and in Aerospace, as a result of strike action at a major customer and its related impact on demand in the first half of the year.

In order to enhance our profitability in 2025 and beyond, we also plan to accelerate cost savings initiatives. This is expected to both offset the inflationary impact on costs during the year, and also deliver more than €200 million of run rate savings by the end of 2026.

On a full year basis, our outlook is as follows[2]:

- **Underlying EBITDA** of at least €1.4 billion
- **Capital Expenditures** to be approximately €600 million
- **Free Cash Flow** of approximately €400 million

The first quarter of 2025 is expected to deliver the lowest quarterly EBITDA performance of 2025, given the expected impact of headwinds mentioned above as well as lower year-on-year overall demand. We therefore expect first quarter EBITDA to be at approximately the same level as Q4 2024.

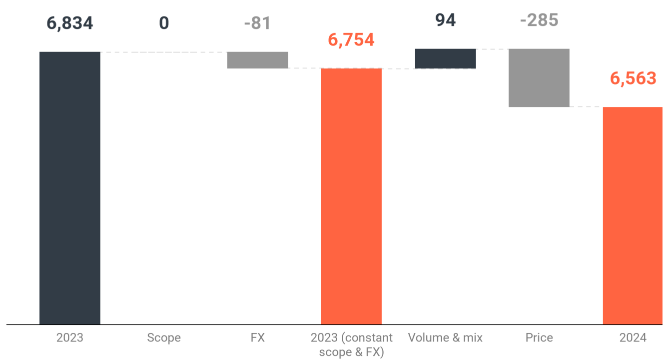
[2] Assumes no significant change in key macroeconomic variables, or disposals

FINANCIAL REVIEW

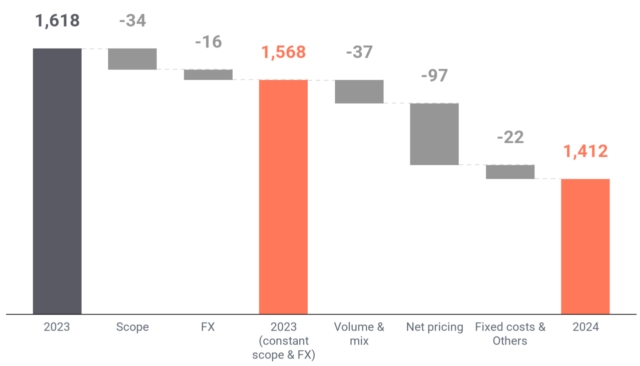
Summary Income Statement

Underlying (€ million)	Q4 2024	Q4 2023	Q3 2024	YoY change	QoQ change	FY 2024	FY 2023	YoY change
Net sales	**1,598**	1,577	1,633	1.3%	-2.1%	**6,563**	6,834	-4.0%
Gross profit	**482**	485	572	-0.6%	-15.7%	**2,219**	2,375	-6.6%
Gross profit margin	**30.2%**	30.8%	35.0%	-60 bps	-490 bps	**33.8%**	34.8%	-90 bps
EBITDA	**298**	294	374	1.2%	-20.4%	**1,412**	1,618	-12.7%
EBITDA margin	**18.6%**	18.7%	22.9%	0 bps	-430 bps	**21.5%**	23.7%	-220 bps
EBIT	**135**	155	243	-13.3%	-44.6%	**879**	1,134	-22.4%
Net financial charges	**-37**	-28	-32	30.4%	14.5%	**-148**	-159	-7.2%
Income tax expenses	**-21**	-21	-49	-2.2%	-57.6%	**-178**	-218	-18.3%
Profit / (loss) attributable to Syensqo shareholders	**76**	105	162	-27.3%	-53.0%	**553**	752	-26.5%
Basic EPS	**0.73**	0.99	1.55	-26.0%	-52.6%	**5.28**	7.10	-25.7%

Net sales bridge (€ million)



Underlying EBITDA bridge (€ million)



Net sales of €6,563 million in 2024 declined by 4% on a reported basis, or 3% organically, versus 2023 as higher volumes, particularly in Novecare and Composite Materials, were offset by lower pricing, most notably in Speciality Polymers and Novecare. In the fourth quarter of 2024, net sales of €1,598 million increased by 1% on a reported basis, or 2% organically, versus the fourth quarter of 2023 as higher volumes, most notably in Novecare and Technology Solutions were partially offset by modestly lower pricing, most notably in Specialty Polymers and Aroma.

On a sequential basis, pricing increased slightly compared to the third quarter of 2024.

Gross profit of €2,219 million in 2024 decreased by 7% on a reported basis versus 2023, primarily driven by the Materials Segment, partially offset by higher year-on-year gross profit in Composite Materials and, to a lesser extent, Technology Solutions.

On a year-on-year basis, gross margin of 33.8% in 2024 decreased by approximately 90 basis points. This was primarily driven by lower gross margin in the Materials segment, with stable year-on-year gross margin in the Consumer & Resources segment.

In the fourth quarter of 2024, gross profit of €482 million was approximately unchanged on a reported basis versus the fourth quarter of 2023, primarily driven by higher year-on-year gross profit in Technology Solutions, offset by lower year–on-year gross profit in Specialty Polymers.

On a year-on-year basis, gross margin of 30.2% in the fourth quarter of 2024 decreased by approximately 60 basis points. This was primarily driven by lower gross margin in the Materials segment, partially offset by slightly higher year-on-year gross margin in the Consumer & Resources segment.

Underlying EBITDA of €1,412 million in 2024 declined by 13% or a reported basis, or 10% organically. The decrease was driven by expected lower net pricing, unfavorable product mix and higher year-on-year fixed costs. On a reported basis, year-on-year underlying EBITDA growth was negatively impacted by dissynergies related to the partial demerger from Solvay and from the voluntary phase out of fluorosurfactant-based product lines within Specialty Polymers.

In the fourth quarter of 2024, underlying EBITDA of €298 million increased by 1% on a reported basis, or 5% organically, versus the fourth quarter of 2023 as higher volumes and lower fixed costs were partially offset by lower net pricing.

Underlying EBITDA margin of 21.5% in 2024 decreased by approximately 220 basis points versus 2023, driven by lower underlying EBITDA margin in the Materials segment as well as higher Corporate & Business Services expenses

In the fourth quarter of 2024, underlying EBITDA margin of 18.6% was approximately flat year-on-year as higher underlying EBITDA margin in both the Materials and Consumer & Resource segments was offset by higher Corporate & Business Services expenses.

Net sales by region and end-market

Net sales by region %	2024	2023	Chg. bps
Europe	23%	25%	-138
Americas	41%	41%	40
Asia & Rest of the World ex. China	21%	21%	*6*
China	15%	14%	*92*

Net sales by end-market %	Syensqo		Materials		Consumer & Resources	
	2024	2023	**2024**	2023	**2024**	2023
Aerospace	18%	15%	31%	26%	0%	0%
Automotive	15%	16%	24%	25%	4%	4%
Electronics	10%	10%	16%	16%	1%	1%
Building	6%	5%	3%	3%	10%	9%
Resources & Environment	16%	17%	5%	7%	29%	30%
Consumer goods, Healthcare & HPC	13%	13%	11%	12%	16%	16%
Agro & Food	10%	10%	3%	3%	19%	19%
Industrial & Chemical	13%	14%	7%	8%	22%	22%

Summary of Cash Flow and Net Debt

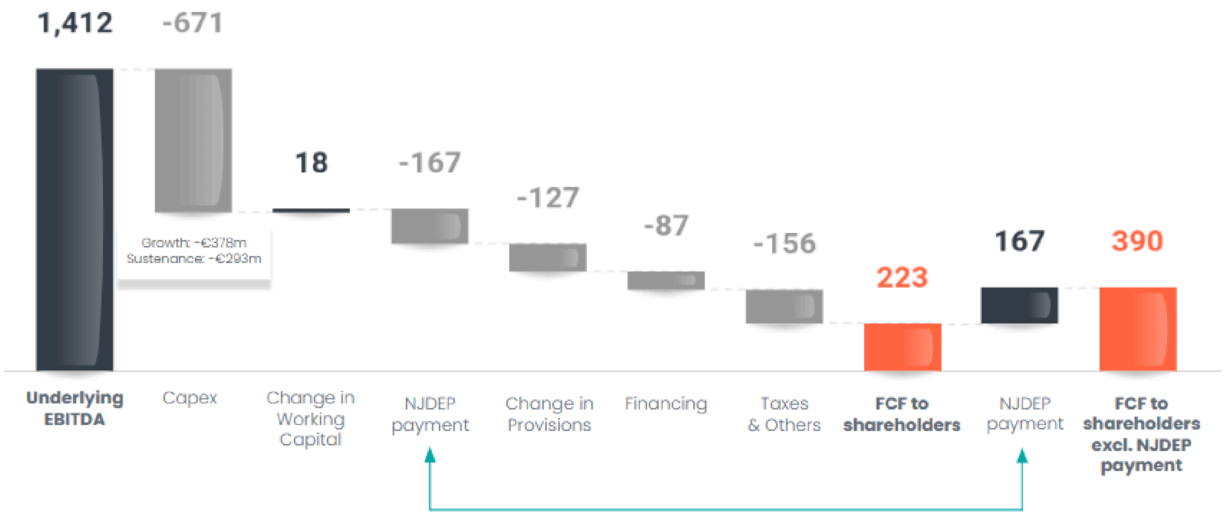
Cash flow from operating activities amounted to €841 million in 2024. Excluding the €167 million payment to the New Jersey Department of Environmental Protection (NJDEP) made in the second quarter of 2024, cash flow from operating activities totaled €1,008 million versus €1,275 million in 2023. This was primarily due to lower year-on-year profitability.

Cash conversion defined as (underlying EBITDA +/- changes in working capital - Sustenance Capital Expenditure) / (underlying EBITDA)) totaled 71% on a rolling 12-month basis, or 82%, excluding the payment to the New Jersey Department of Environmental Protection (NJDEP) made in the second quarter of 2024.

Free cash flow to shareholders was an inflow of €223 million in 2024. Excluding €167 million related to the payment to the NJDEP, free cashflow to shareholders amounted to €390 million. This included €671 million of capital expenditures, comprising €293 million of sustenance capital expenditure and €378 million of growth capital expenditure.

Cash and cash equivalents totaled €659 million at the end of 2024.

Free cash flow bridge (€ million)



Underlying net financial debt amounted to €1,859 million at the end of December of 2024, versus €1,584 million at the end of 2023, resulting in a leverage ratio of 1.3x and a gearing ratio of 21%. The increase in underlying net financial debt versus the end of 2023 was primarily driven by the €167 million payment to the New Jersey Department of Environmental Protection (NJDEP) and the dividend payment of €170 million, partially offset by positive free cash flow.

Underlying (€ million)	Dec 31, 2024	Dec 31, 2023	Change
Gross debt	**-2,615**	-2,813	-7.0%
Cash & cash equivalents	**659**	1,150	-42.7%
Other current & non current financial instruments	**97**	78	23.4%
Net debt	**-1,859**	-1,584	17.4%
Leverage ratio	**1.3x**	1.0x	0.3x
Gearing ratio	**21.0%**	18.2%	280 bps

Provisions decreased by €148 million at the end of 2024 to €928 million, primarily due to the reclassification of the €167 million settlement with NJDEP at the end of March as other current liabilities, following the Court approval on March 1, 2024 and then subsequently paid in April 2024.

(in € millions)	Dec 31, 2023	Payments	Net new provisions	Unwinding of provisions	Asset return	Remeasure ments	Changes in scope & other	Dec 31, 2024	YoY change
Employee benefits	**-373**	37	-2	-94	24	12	1	**-395**	**-21**
Environment	**-500**	47	15	-21	0	0	167	**-292**	**208**
Restructuring and other provisions	**-202**	43	-97	0	0	-4	19	**-241**	**-39**
Total	**-1,076**	**127**	**-84**	**-115**	**24**	**9**	**187**	**-928**	**148**

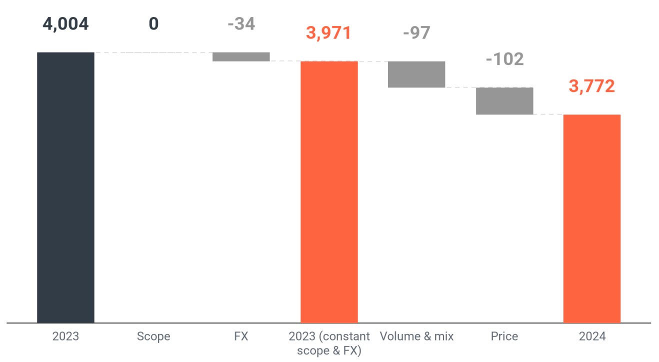
PERFORMANCE BY SEGMENT

Materials (58% of FY 2024 Group net sales, 73% of Group underlying EBITDA*)

* Excluding the contribution of Corporate & Business Services

Underlying (€ million)	Q4 2024	Q4 2023	Q3 2024	YoY change	YoY organic	QoQ change	FY 2024	FY 2023	YoY change	YoY organic
Net sales	**903**	927	941	-2.7%	-3.0%	-4.0%	**3,772**	4,004	-5.8%	-5.0%
Specialty Polymers	**610**	637	649	-4.2%	-4.2%	-5.9%	**2,590**	2,936	-11.8%	-10.7%
Composite Materials	**292**	290	292	0.7%	-0.3%	0.1%	**1,182**	1,069	10.6%	10.3%
EBITDA	**264**	261	307	1.2%	1.0%	-14.1%	**1,185**	1,312	-9.7%	-9.5%
EBITDA margin	**29.2%**	28.1%	32.7%	110 bps	120 bps	-340 bps	**31.4%**	32.8%	-130 bps	-160 bps

Materials net sales bridge (€ million)



Net sales of €3,772 million in 2024 decreased by 6% on a reported basis, or 5% organically, versus 2023. The year-on-year decrease was due to lower pricing and volumes in Specialty Polymers. This was partially offset by strong net sales growth in Composite Materials, driven by higher pricing and volumes.

In the fourth quarter of 2024, net sales of €903 million decreased by 3% on both a reported and organic basis, versus the fourth quarter of 2023 driven by lower net sales in Specialty Polymers.

Specialty Polymers net sales of €2,590 million in 2024 decreased by 12% on a reported basis, or 11% organically. Excluding the impact from the voluntary phase out of fluorosurfactant-based product lines, Specialty Polymers net sales decreased by [9%] in 2024 versus 2023 on a reported basis.

The year-on-year decrease in net sales was driven by lower demand across most end markets, most notably in the automotive, healthcare and industrial end markets.

In the fourth quarter of 2024, net sales of €610 million decreased by 4% on both a reported and organic basis, versus the third quarter of 2023. The decrease was driven by lower pricing, with approximately flat volumes. Lower year-on-year net sales was primarily driven by the automotive and electronics end markets, partially offset by year-on-year growth in healthcare and construction.

Composite Materials net sales of €1,182 million in 2024 increased by 11% on a reported basis, or approximately 10% organically, versus 2023. Growth was driven by higher pricing and volumes, with both civil aerospace and space and defense applications contributing to the strong year-on-year performance.

In the fourth quarter of 2024, net sales of €292 million increased by 1% on a reported basis, or approximately flat organically, versus the fourth quarter of 2023. The slight increase was driven by strong growth in space and defense applications, offset by lower net sales in civil aerospace and automotive. Lower year-on-year net sales in civil aerospace was primarily due to the strike actions at a major customer.

Underlying segment EBITDA of €1,185 million in 2024 declined by 10% on both a reported and organic basis versus 2023, primarily due to lower underlying EBITDA in Specialty Polymers, driven by lower year-on-year volumes. This was partially offset by higher underlying EBITDA in Composite Materials, supported by positive pricing and increased volumes. At the Materials segment level, overall net pricing was approximately flat in 2024.

In the fourth quarter of 2024, underlying segment EBITDA of €264 million increased by 1% on both a reported and organic basis versus the fourth quarter of 2023, as higher underlying EBITDA in Specialty Polymers was partially offset by lower underlying EBITDA in Composite Materials.

Underlying EBITDA margin of 31.4% in 2024 decreased by approximately 130 basis points versus 2023. The decrease was driven by lower year-on-year underlying EBITDA margin in Specialty Polymers as well as unfavourable net sales mix, as Composite Materials delivered stronger year-over-year growth compared to Specialty Polymers. This was partially offset by a margin improvement in Composite Materials.

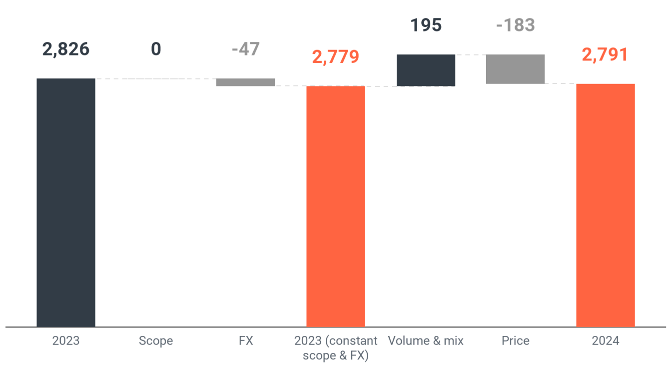
In the fourth quarter of 2024, underlying EBITDA margin of 29.2% increased by approximately 110 basis points compared to the fourth quarter of 2023 as higher underlying EBITDA margin in Specialty Polymers was partially offset by lower underlying EBITDA margin in Composite Materials, driven by the impact of lower volumes from the strike actions mentioned above.

Consumer & Resources (42% of FY 2024 Group net sales, 27% of Group underlying EBITDA*)

* Excluding the contribution of Corporate & Business Services

Underlying (€ million)	Q4 2024	Q4 2023	Q3 2024	YoY change	YoY organic	QoQ change	FY 2024	FY 2023	YoY change	YoY organic
Net sales	**696**	650	692	7.1%	8.3%	0.5%	**2,791**	2,826	-1.2%	0.4%
Novecare	**339**	318	353	6.7%	7.7%	-3.8%	**1,390**	1,367	1.6%	2.9%
Technology Solutions	**183**	171	162	6.8%	8.7%	12.7%	**680**	687	-1.1%	0.9%
Aroma Performance	**81**	78	75	3.7%	3.5%	7.0%	**321**	347	-7.6%	-6.7%
Oil & Gas	**93**	83	102	12.3%	14.4%	-8.5%	**401**	424	-5.5%	-2.5%
EBITDA	**93**	79	125	17.5%	22.3%	-25.8%	**449**	457	-1.7%	2.1%
EBITDA margin	**13.4%**	12.2%	18.1%	120 bps	150 bps	-470 bps	**16.1%**	16.2%	-10 bps	30 bps

Consumer & Resources net sales bridge (€ million)



Net sales of €2,791 million in 2024 declined by 1% on a reported basis, and approximately flat organically compared to 2023 as higher volumes in all business units, most notably in Novecare, was offset by lower pricing, particularly in Novecare and Aroma Performance.

In the fourth quarter of 2024, net sales of €696 million increased by 7% on a reported basis or 8% organically compared to the fourth quarter of 2023, driven by higher volumes across all business units, particularly in Novecare. This was partially offset by lower pricing, most notably in Aroma Performance.

Novecare net sales of €1,390 million in 2024 increased by 2% on a reported basis and 3% organically compared to 2023. The year-over-year growth was driven by broad-based volume increases, particularly in the Agro, Consumer, Construction, Industrial and Chemical Applications end markets. This was partially offset by lower pricing, most notably in the Agro and Consumer end markets.

In the fourth quarter of 2024, net sales of €339 million increased by 7% on a reported basis or 8% organically compared to the fourth quarter of 2023, driven by volume growth, most notably in the Agro and Consumer end markets. Pricing was approximately flat year-on-year.

Technology Solutions net sales of €680 million in 2024 decreased by 1% on a reported basis, but increased by 1% organically, versus 2023 as higher volumes in mining solutions and polymer additives were partially offset by lower pricing.

In the fourth quarter of 2024, net sales of €183 million increased by 7% on a reported basis, or 9% organically, versus the fourth quarter of 2023, driven by higher volumes in mining solutions and stable year-on-year pricing.

Aroma Performance net sales of €321 million in 2024 decreased by 8% on a reported basis, or 7% organically, versus 2023 as lower pricing was partially offset by higher year-on-year volumes.

In the fourth quarter of 2024, net sales of €81 million increased by 4% on both a reported and organic basis, as higher year-on-year vanillin volumes were partly offset by lower pricing.

Oil & Gas net sales of €401 million in 2024 decreased by 6% on a reported basis, or 3% organically, versus 2023 driven by lower pricing, partially offset by volume growth.

In the fourth quarter of 2024, net sales of €93 million increased by 12% on a reported basis, or 14% organically, driven by higher year-on-year volumes.

Underlying segment EBITDA of €449 million in 2024 decreased by 2% on a reported basis, but increased by 2% organically, versus 2023, as higher underlying EBITDA in Technology Solutions and Aroma Performance, was offset by lower underlying EBITDA in Novecare and Oil & Gas.

In the fourth quarter of 2024, underlying segment EBITDA of €93 million increased by 18% on a reported basis, or 22% organically versus the fourth quarter of 2023, primarily driven by higher year-on-year underlying EBITDA in Technology Solutions.

Underlying EBITDA margin of 16.1% in 2024 was approximately unchanged on a reported basis, but increased by approximately 30 basis points versus 2023 organically as higher underlying EBITDA margin in Technology Solutions and Aroma Performance was offset by lower underlying EBITDA margin in Novecare and Oil & Gas.

In the fourth quarter of 2024, underlying EBITDA margin of 13.4% increased by approximately 120 basis points on a reported basis, or approximately 150 organically, compared to the fourth quarter of 2023 primarily driven by underlying EBITDA margin improvement in Technology Solutions.

Corporate & Business Services

Underlying (€ million)	Q4 2024	Q4 2023	Q3 2024	YoY change	YoY organic	QoQ change	FY 2024	FY 2023	YoY change	YoY organic
Net sales	**0**	0	0	n.m.	n.m.	n.m.	**0**	4	n.m.	n.m.
EBITDA	**-59**	-45	-59	29.8%	9.7%	0.7%	**-222**	-150	48.4%	23.4%

Corporate and Business services reported a cost of €222 million to Syensqo's EBITDA in 2024, a year-on-year increase of €72 million versus 2023, primarily driven by planned dissynergies related to the partial demerger from Solvay, higher corporate costs, as well as higher spend on growth platforms.

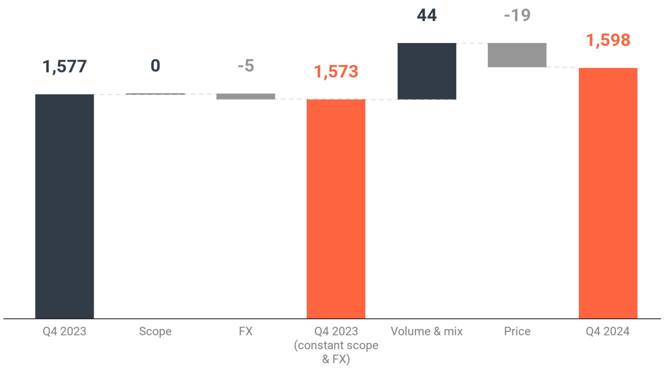
Key IFRS figures

	IFRS			Underlying			
(€ million)	Q4 2024	Q4 2023	% YoY	Q4 2024	Q4 2023	% YoY	YoY organic
Net sales	**1,598**	1,577	1.3%	**1,598**	1,577	1.3%	1.6%
EBITDA	**198**	180	10.1%	**298**	294	1.2%	5.1%
EBITDA margin	12.4%	11.4%	100 bps	18.6%	18.7%	0 bps	-
EBIT	**-64**	-111	-42.8%	**135**	155	-13.3%	-
Net financial charges	**-20**	-32	-38.9%	**-37**	-28	30.4%	-
Income tax expenses	**-50**	-65	-23.4%	**-21**	-21	-2.2%	-
Profit / (loss) attributable to Syensqo shareholders	**-133**	-209	-36.0%	**76**	105	-27.3%	-
Basic EPS (in €)	**-1.28**	-1.97	-34.9%	**0.73**	0.99	-26.0%	-

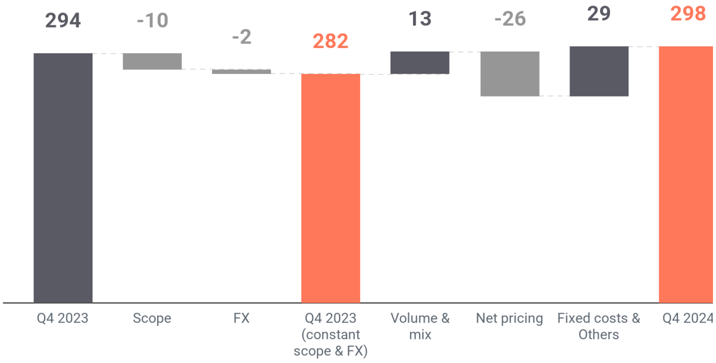
	IFRS			Underlying			
(€ million)	FY 2024	FY 2023	% YoY	FY 2024	FY 2023	% YoY	YoY organic
Net sales	**6,563**	6,834	**-4.0%**	**6,563**	6,834	-4.0%	-2.8%
EBITDA	**1,203**	1,286	**-6.5%**	**1,412**	1,618	-12.7%	-10.0%
EBITDA margin	18.3%	18.8%	-50 bps	21.5%	23.7%	-220 bps	-
EBIT	**471**	547	**-13.8%**	**879**	1,134	**-22.4%**	-
Net financial charges	**-119**	-158	-24.4%	**-148**	-159	-7.2%	-
Income tax expenses	**-357**	-192	85.7%	**-178**	-218	-18.3%	-
Profit / (loss) attributable to Syensqo shareholders	**-5**	193	**n.m.**	**553**	752	**-26.5%**	-
Basic EPS (in €)	**-0.05**	1.83	**n.m.**	**5.28**	7.10	**-25.7%**	-

Appendix

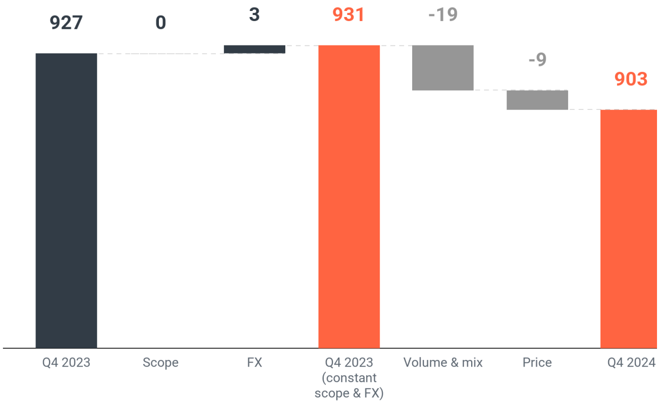
Group Q4 2024 net sales bridge (€ million)



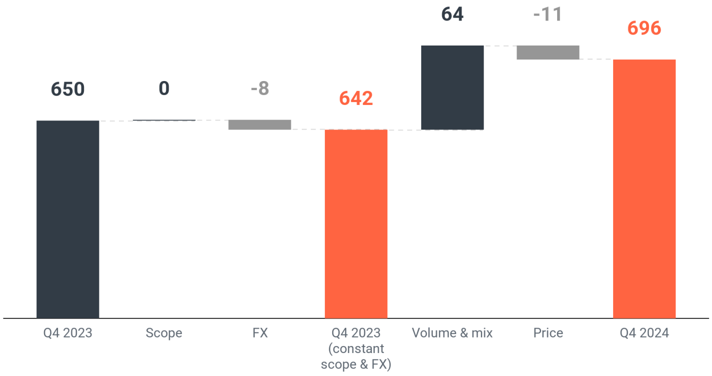
Group Q4 2024 underlying EBITDA bridge (€ million)



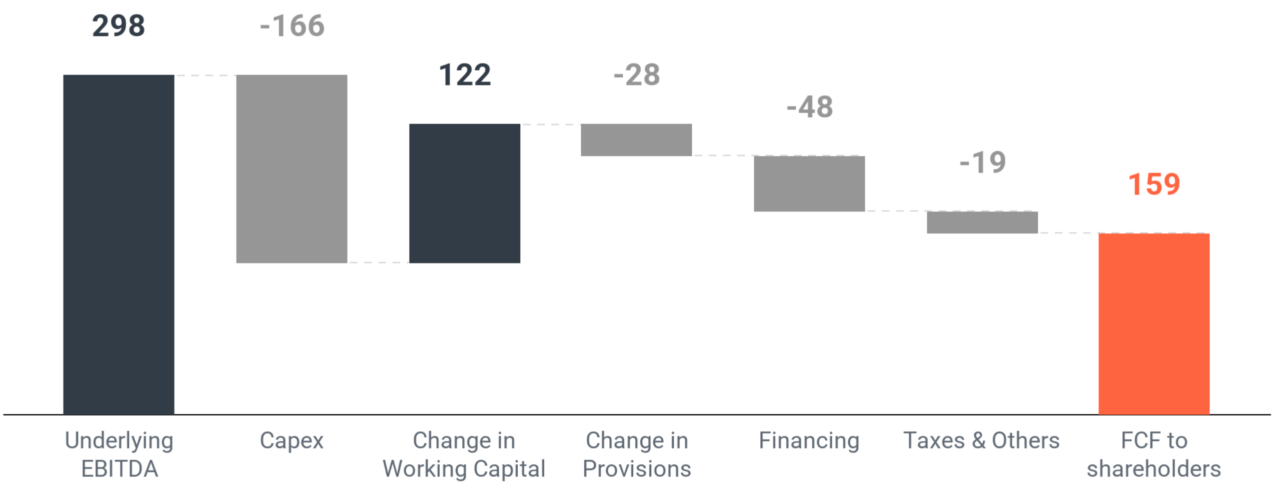
Materials Q4 2024 net sales bridge (€ million)



C&R Q2 2024 net sales bridge (€ million)



Q4 2024 Free cash flow bridge (€ million)



One Planet roadmap progress

The One Planet roadmap is based on three core pillars - Climate & Nature, Growth, and Better Life, aligned with our sustainability and financial targets.

Through this comprehensive roadmap, we aim to improve efficiency, while decreasing physical risks around our manufacturing sites, as well as those of our suppliers and customers across the value chain. As a result, this will improve our operational resilience and support our long term growth.

Our measurable goals provide us with a clear blueprint for sustainable product innovation, such as our portfolio of natural and bio-based polymers for consumer care, and polymers using recycled raw materials for automotive and consumer devices, which support a circular economy. Additionally, our innovation in the lightweighting of composite materials for aerospace advances clean mobility and is one of many examples of how we create value for our customers and share success.

Climate & Nature	2024 vs 2021	2024	2023	2021 baseline	2030 target
Scope 1 & scope 2 GHG emissions (Mt)	22% Structural reduction[6]	1.55 Mt	1.6 Mt[7]	2.1 Mt[7]	Reduce by 42%
Scope 3 GHG emissions (Mt) in Focus 5 categories[2]	13% Structural reduction[6]	5.1 Mt	5.0 Mt[7]	6.0 Mt[7]	Reduce by 25%
Growth	**2024 vs 2021**	**2024**	**2023**	**2021**	**2030 target**
Circular sales[8]	+4pp	16%	14%[7]	12%[7]	18%
Better Life	**2024 vs 2021**	**2024**	**2023**	**2021**	**Target**
Safety Reportable Injury and Illness rate - RIIR[9]	29% Reduction	0.32	0.28[A]	0.45[A]	Aim for zero

Climate & Nature

We aim to achieve carbon neutrality for scope 1 and 2 GHG emissions by 2040 across all businesses.[10] In 2024, Scope 1 and 2 GHG emissions decreased by 2% year-on-year, or a 22% structural reduction since 2021.[6] All of our industrial sites in the United States and China use 100% renewable electricity and our site in Kallo-Beveren, Belgium, operates now with zero emissions in scope 1 and 2.[11] In 2024, 75% of our sites[15], were powered by 100% renewable electricity.

In December 2024, we achieved validation from the Science Based Targets initiative (SBTi) for our greenhouse gas (GHG) emission reduction targets for 2030.[1] We now aim to reduce scope 1 and 2 GHG emissions by 42% and scope 3 GHG emissions in Focus 5 categories by 25%, compared to the 2021 baseline.[1,2]

In 2024 Scope 3 GHG emissions in Focus 5 categories increased 3% year-on-year, or a 13% structural reduction since 2021.[2,6] In January 2025, we announced a supplier Climate Pledge targeting a mutual agreement with our top 70 suppliers to create more sustainable value chains across all of our markets.[1] These suppliers account for approximately 80% of our GHG emissions from purchased raw materials.

In September 2024, we unveiled our first target for Nature, addressing water scarcity and protecting business continuity.[3] By 2030, we aim to reduce fresh water withdrawal by an average 20% compared to the 2021 baseline at sites exposed to water availability challenges, while anticipating business growth.[4] By 2026, 15 sites representing 90% of our total fresh water withdrawal will be equipped with water stewardship plans to address local impacts and risks.[5]

In 2024, fresh water withdrawal at sites exposed to water availability challenges increased 2% year-on-year.[4] Including production evolution and structural reductions, this equated to a 24% reduction since 2021.

Growth

Aligned with our strategy to support the global transition a more circular economy, we are aiming to increase our share of sales enabling circularity for our customers, targeting 18% of total net sales by 2030.[8] Sales generated by products that enable circularity, promote durability, or are based on renewable raw materials and energy amounted to 16% of total net sales in 2024. This represents a 2 percentage point improvement year-on-year, and a 4 percentage point improvement compared to the 2021 baseline.

Furthermore, sustainable solutions sales represented 63% of our revenue in 2024, or a 3 percentage point increase year-year and demonstrating progress towards a more sustainable portfolio.[12]

Better Life

The safety, inclusion, and wellbeing of our people is paramount and we provide equitable career opportunities for all employees. In 2024, we made progress towards achieving our goals of zero workplace accidents and 100% of employees receiving a living wage by 2026.

Since 2021, our employee engagement demonstrates a high level of awareness and focus on priority areas including safety and inclusion.[13] We have reduced safety incidents by 29% comparatively to the 2021 baseline. In 2024, our reportable injury and illness rate increased to 0.32 (versus 0.28 in 2023).[9] We have also provided comprehensive training on inclusive leadership for all newly hired and appointed team managers.

Finally, our newly launched Employee Shares Program, with a 21.5% participation rate, successfully strengthens the ownership mentality within the workforce, and in alignment with value creation, supports higher performance, productivity, and superior employee engagement. Regarding our Living Wage commitment, a global wage gap assessment was conducted in 2024 across more than 95% of our internal active workforce, and no employee was paid below Living Wage.[14]

Footnotes are above the glossary

SUPPLEMENTARY INFORMATION

Reconciliation of alternative performance metrics

Syensqo measures its financial performance using alternative performance metrics, which can be found below. Syensqo believes that these measurements are useful for analyzing and explaining changes and trends in its historical results of operations, as they allow performance to be compared on a consistent basis. Definitions of the different metrics presented here are included in the glossary at the end of this financial report.

Underlying tax rate

(in € million)		FY 2024	FY 2023
Profit / (loss) for the period before taxes	a	731	974
Earnings from associates & joint ventures	b	21	25
Income taxes	c	-178	-218
Underlying tax rate	d = -c/(a-b)	**25.1%**	**23.0%**

Free cash flow (FCF)

(in € million)		Q4 2024	Q4 2023	FY 2024	FY 2023
Cash flow from operating activities	a	345	195	841	1275
of which voluntary pension contributions		0	-86	0	-86
of which cash flow related to the Partial Demerger and portfolio management and excluded from Free Cash flow	b	-26	-90	-122	-105
Cash flow from investing activities	c	-147	-1422	-612	-1231
of which change in internal bank accounts with remaining Solvay Group	d	0	-1130	0	-570
of which capital expenditures required for the partial demerger and excluded from Free Cash Flow	e	-5	-3	-14	-54
Acquisition (-) of subsidiaries	f	0	-0	-4	-2
Acquisition (-) of investments - Other	g	0	-2	-3	-14
Loans to associates and non-consolidated companies and related parties	h	-1	30	-5	172
Sale (+) of subsidiaries and investments	i	5	23	13	32
Corporate costs after taxes	j	0	-11	0	-51
Payment of lease liabilities	k	-17	-16	-61	-53
Free cash flow (FCF)	l = a-b+c-d-e-f-g-h-i+j+k	**209**	**5**	**304**	**568**
Net interests received/(paid)	m	-48	-46	-74	-119
Coupons paid on perpetual hybrid bonds	n	0		-13	
Capital injections paid / received to / from non-controlling interests	o	0	7	9	7
Dividends paid to non-controlling interests	m	-1	-1	-2	-8
FCF to Syensqo shareholders	p = l+m+n+o	**159**	**-35**	**223**	**448**
FCF to Syensqo shareholders from continuing operations (LTM)	q	**223**	**448**	**223**	**448**
Dividends paid to non-controlling interests from continuing operations (LTM)	r	-2	-8	-2	-8
Underlying EBITDA (LTM)	s	1,412	1,618	1,412	1,618
FCF conversion ratio (LTM)	t = (q-r)/s	16.0%	28.2%	16.0%	28.2%

Net working capital

(in € million)		Dec 31, 2024	Dec 31, 2023
Inventories	a	1,273	1,244
Trade receivables	b	948	907
Other current receivables	c	297	385
Trade payables	d	-1,001	-918
Other current liabilities	e	-392	-417
Net working capital	f = a+b+c+d+e	**1,124**	**1,201**
Quarterly total sales	g	1,662	1,599
Annualized quarterly total sales	h = 4*g	6,650	6,396
Net working capital / quarterly total sales	i = f / h	**16.9%**	**18.8%**

Capital expenditure (capex) and Cash conversion

(in € million)		Q4 2024	Q4 2023	FY 2024	FY 2023
Acquisition (-) of tangible assets	a	-121	-313	-509	-762
of which capital expenditures required for the partial demerger and excluded from Free Cash Flow	b	-5	-3	-14	-54
Acquisition (-) of intangible assets	c	-33	-30	-115	-88
Payment of lease liabilities	d	-17	-16	-61	-53
Capex	e = a-b+c+d	**-166**	**-357**	**-671**	**-848**
Capex (LTM)		-671	-848	-671	-848
of which sustenance capital expenditure (LTM)	f	-293	-352	-293	-352
of which growth capital expenditure (LTM)		-378	-496	-378	-496
Change in Working Capital (LTM)	g	-123	108	-123	108
Underlying EBITDA (LTM)	h	1,412	1,618	1,412	1,618
Cash conversion (LTM)	i = (f+g+h)/h	**71%**	**85%**	**71%**	**85%**
Cash conversion (LTM) excl. €167mn payment to NJDEP	j = (f +g+h+167) / h	**82%**	**85%**	**82%**	**85%**

Net financial debt

(in € million)		Dec 31, 2024	Dec 31, 2023
Non-current financial debt	a	-1,822	-2,159
Current financial debt	b	-293	-154
IFRS gross debt	c = a+b	-2,115	-2,313
Underlying gross debt	d = c+h	-2,615	-2,813
Other financial instruments (current + non-current)	e	97	78
Cash & cash equivalents	f	659	1,150
Total cash and cash equivalents	g = e+f	755	1,228
IFRS net debt	i = c+g	**-1,359**	**-1,084**
Perpetual hybrid bonds	h	-500	-500
Underlying net debt	j = i+h	**-1,859**	**-1,584**
Underlying EBITDA (LTM)	k	**1,412**	1,618
Underlying leverage ratio	l = -j/k	**1.3**	**1.0**

ROCE		**FY 2024**	**FY 2023**
(in € million)		As calculated	As calculated
EBIT (LTM)	a	879	1,134
Accounting impact from Novation of energy hedges and amortization & depreciation of purchase price allocation (PPA) from acquisitions	b	-134	-134
Numerator	**c = a+b**	**745**	**1,000**
WC industrial	d	1,293	1,443
WC Other	e	-115	-146
Property, plant and equipment	f	3,629	3,243
Intangible assets	g	1,637	1,785
Right-of-use assets	h	194	199
Investments in associates & joint ventures	i	205	208
Other investments	j	14	8
Goodwill	k	2,604	2,648
Denominator	**l = d+e+f+g+h+i+j+k**	**9,460**	**9,388**
ROCE	**m = c/l**	**7.9%**	**10.6%**

Reconciliation of underlying income statement indicators

In addition to IFRS accounts, Syensqo also presents underlying Income Statement performance indicators to provide a more consistent and comparable indication of Syensqo's economic performance. These figures adjust IFRS figures for the non-cash

Purchase Price Allocation (PPA) accounting impacts related to acquisitions, for the coupons of perpetual hybrid bonds classified as equity under IFRS but treated as debt in the underlying statements, and for other elements to generate a measure that avoids distortion and facilitates the appreciation of performance and comparability of results over time.

Consolidated income statement Q4	Q4 2024			Q4 2023		
(in € million)	IFRS	Adjustments	Underlying	IFRS	Adjustments	Underlying
Sales	**1,662**	**-**	**1,662**	**1,599**	**0**	**1,599**
of which revenues from non-core activities	64	-	64	22	-	22
of which net sales	1,598	-	1,598	1,577	-	1,577
Cost of goods sold	-1,180	-	-1,180	-1,114	-	-1,114
Gross profit	**482**	**-**	**482**	**485**	**-**	**485**
Commercial costs	-79	-	-79	-83	-	-83
Administrative costs	-178	0	-178	-136	-14	-150
Research & development costs	-97	-	-97	-91	1	-89
Other operating gains & losses	-32	32	0	-8	-4	-12
Earnings from associates & joint ventures	6	-	6	4	-	4
Result from portfolio management & major restructuring	-161	161	0	-323	323	0
Result from legacy remediation & major litigations	-5	5	0	40	-40	0
EBITDA	**198**	**100**	**298**	**180**	**115**	**294**
Depreciation, amortization & impairments	-261	98	-163	-291	152	-139
EBIT	**-64**	**198**	**135**	**-111**	**267**	**155**
Net cost of borrowings	-18	-2	-20	-31	8	-24
Coupons on perpetual hybrid bonds	0	-3	-3	0	-1	-1
Cost of discounting provisions	2	-16	-14	-11	7	-4
Result from equity instruments measured at fair value	-4	4	0	10	-10	0
Profit / (loss) for the period before taxes	**-83**	**181**	**98**	**-143**	**270**	**127**
Income taxes	-50	29	-21	-65	44	-21
Profit / (loss) for the period	**-133**	**210**	**77**	**-208**	**314**	**106**
attributable to Syensqo share	-133	210	76	-209	313	105
attributable to non-controlling interests	-1	0	-1	1	0	1
Basic earnings per share (in €)	-1.28	2.02	0.73	-1.97	2.96	0.99
Diluted earnings per share (in €)	-1.29	2.02	0.73	-1.97	2.96	0.99

EBITDA on an IFRS basis totaled €198 million, versus €298 million on an underlying basis. The difference of €100 million is explained by the following adjustments to IFRS results, which are done to improve the comparability of underlying results:

- €96 million to adjust for the *"Result from portfolio management and major restructuring"* (excluding depreciation, amortization and impairment elements), mainly including costs incurred for the separation costs related to information technology, following the demerger from Solvay, and the restructuring plan announced in November 2024.
- €5 million to adjust for the *"Result from legacy remediation and major litigations"*, mainly due to adjustment for Legacy remediation and litigations related to accruals to environmental provisions and legal expenses.
- €-2 million to exclude net results related to energy hedges, to better reflect the related economic hedging intent, included in Other operating gains & losses.

EBIT on an IFRS basis totaled €-64 million, versus €135 million on an underlying basis. The difference of €198 million is explained by the above-mentioned €100 million adjustments at the EBITDA level and €98 million of *"Depreciation, amortization & impairments"*. The latter consist of the non-cash impact of amortization charges on intangible assets resulting from purchase price allocation (€34 million), which are adjusted in "*Other operating gains & losses*" and of the impairment loss on the Oil & gas group of CGUs (€55 million) and other non performing assets (€9 million), which are adjusted in the *"Result from portfolio management & major restructuring"*.

Net financial charges on an IFRS basis were €-20 million versus €-37 million on an underlying basis The adjustments made to IFRS net financial charges mainly consists of:

- €-3 million for the reclassification of coupons on perpetual hybrid bonds, which are treated as dividends under IFRS, and as financial charges in underlying results,
- €-16 million related to discount rates on environmental provisions
- €-2 million related to the remeasurement of the Long term incentive plans for which the beneficiaries will receive Solvay shares
- €4 million related to the exclusion of the results from investment at fair value through P&L.

Income taxes on an IFRS basis were €-50 million, versus €-21 million on an underlying basis. The €29 million adjustment mainly relates to valuation allowances on deferred taxes on losses.

Profit / (loss) attributable to Syensqo shareholders was €-133 million on an IFRS basis and €76 million on an underlying basis. The delta of €210 million reflects the above-mentioned adjustments to EBIT, net financial charges and income taxes.

2024 consolidated income statement	FY 2024	FY 2023

(in € million)	IFRS	Adjustments	Underlying	IFRS	Adjustments	Underlying
Sales	**6,846**	**-**	**6,846**	**7,065**	**-**	**7,065**
of which revenues from non-core activities	283	-	283	231	-	231
of which net sales	6,563	-	6,563	6,834	-	6,834
Cost of goods sold	-4,627	-	-4,627	-4,690	-	-4,690
Gross profit	**2,219**	**-**	**2,219**	**2,375**	**-**	**2,375**
Commercial costs	-308	-	-308	-296	-	-296
Administrative costs	-697	1	-697	-521	-66	-588
Research & development costs	-342	-	-342	-339	1	-338
Other operating gains & losses	-161	147	-14	-141	96	-45
Earnings from associates & joint ventures	21	-	21	25	-	25
Result from portfolio management & major restructuring	-243	243	0	-388	388	0
Result from legacy remediation & major litigations	-18	18	0	-168	168	0
EBITDA	**1,203**	**209**	**1,412**	**1,286**	**332**	**1,618**
Depreciation, amortization & impairments	-732	199	-533	-739	255	-484
EBIT	**471**	**408**	**879**	**547**	**587**	**1,134**
Net cost of borrowings	-95	-2	-97	-140	8	-133
Coupons on perpetual hybrid bonds	0	-13	-13	0	-1	-1
Cost of discounting provisions	-18	-20	-38	-28	2	-26
Result from equity instruments measured at fair value	-7	6	0	10	-10	0
Profit / (loss) for the period before taxes	**352**	**379**	**731**	**389**	**585**	**974**
Income taxes	-357	179	-178	-192	-26	-218
Profit / (loss) for the period	**-5**	**558**	**553**	**197**	**559**	**756**
attributable to Syensqo share	-5	558	553	193	559	752
attributable to non-controlling interests	0	0	0	3	0	4
Basic earnings per share (in €)	-0.05	5.33	5.28	1.83	5.28	7.10
Diluted earnings per share (in €)	-0.05	5.29	5.24	1.82	5.25	7.07

EBITDA on an IFRS basis totaled €1,203 million, versus €1,412 million on an underlying basis. The difference of €209 million is explained by the following adjustments to IFRS results, which are done to improve the comparability of underlying results:

- €178 million to adjust for the "*Result from portfolio management and major restructuring*" (excluding depreciation, amortization and impairment elements), mainly including costs incurred for the restructuring of the Aroma Performance GBU and separation costs primarily related to information technology after the demerger from Solvay and to the the restructuring plan announced in November 2024
- €18 million to adjust for the "*Result from legacy remediation and major litigations*", mainly due to adjustment for Legacy remediation and litigations related to accruals to environmental provisions and legal expenses
- €13 million to exclude net losses related to energy hedges, to reflect the related economic hedge (after the gain from novation recorded in 2023), included in *Other operating gains & losses*.

EBIT on an IFRS basis totaled €471 million, versus €879 million on an underlying basis. The difference of €408 million is explained by the above-mentioned €209 million adjustments at the EBITDA level and €199 million of "*Depreciation, amortization & impairments*". The latter consists of €134 million to adjust for the non-cash impact of amortization charges on intangible assets resulting from purchase price allocation, which are adjusted in "*Other operating gains & losses*", and for an impairment loss of €55 million on the Oil & Gas group of CGUs and of €9 million in relation to other non performing assets.

Net financial charges on an IFRS basis were €-119 million versus €-148 million on an underlying basis. The adjustments made to IFRS net financial charges mainly consists of:

- €-13 million for the reclassification of coupons on perpetual hybrid bonds, which are treated as dividends under IFRS, and as financial charges in underlying results,
- €-20 million related to the impact of increasing discount rates on environmental provisions
- €6 million relate to the exclusion of the results from investments at fair value through P&L

Income taxes on an IFRS basis were €-357 million, versus €-178 million on an underlying basis. The €179 million adjustment mainly relates to valuation allowances on deferred taxes on losses and deferred taxes on unremitted earnings.

Profit / (loss) attributable to Syensqo shareholders was €-5 million on an IFRS basis and €553 million on an underlying basis. The delta of €558 million reflects the above-mentioned adjustments to EBIT, net financial charges and income taxes.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS [1]

Consolidated income statement (in € million)	IFRS Q4 2024	Q4 2023	FY 2024	FY 2023
Sales	**1,662**	**1,599**	**6,846**	**7,065**
of which revenues from non-core activities	64	22	283	231
of which net sales [2]	1,598	1,577	6,563	6,834
Cost of goods sold	-1,180	-1,114	-4,627	-4,690
Gross profit	**482**	**485**	**2,219**	**2,375**
Commercial costs	-79	-83	-308	-296
Administrative costs [3]	-178	-136	-697	-521
Research & development costs	-97	-91	-342	-339
Other operating gains & losses [4]	-32	-8	-161	-141
Earnings from associates & joint ventures	6	4	21	25
Result from portfolio management & major restructuring [5]	-161	-323	-243	-388
Result from legacy remediation & major litigations [6]	-5	40	-18	-168
EBIT	**-64**	**-111**	**471**	**547**
Cost of borrowings [7]	-26	-42	-113	-190
Interest on loans & short term deposits [7]	3	18	22	81
Other gains & losses on net indebtedness	5	-7	-4	-31
Cost of discounting provisions	2	-11	-18	-28
Result from equity instruments measured at fair value	-4	10	-7	10
Profit / (loss) for the period before taxes	**-83**	**-143**	**352**	**389**
Income taxes [8]	**-50**	**-65**	**-357**	**-192**
Profit / (loss) for the period	**-133**	**-208**	**-5**	**197**
attributable to Syensqo share	-133	-209	-5	193
attributable to non-controlling interests	-1	1	0	3
Weighted average of number of outstanding shares, basic	103,923,180	105,834,886	104,769,297	105,834,886
Weighted average of number of outstanding shares, diluted	104,557,369	106,315,734	105,423,578	106,315,734
Basic earnings per share (in €)	-1.28	-1.97	-0.05	1.83
Diluted earnings per share (in €)	-1.28	-1.96	-0.05	1.82

Consolidated statement of comprehensive income (in € million)	IFRS Q4 2024	Q4 2023	FY 2024	FY 2023
Profit / (loss) for the period	**-133**	**-208**	**-5**	**197**
Gains and losses on hedging instruments in a cash flow hedge [9]	6	-50	40	-50
Currency translation differences from subsidiaries & joint operations [10]	285	-175	213	-169
Share of other comprehensive income of associates and joint ventures	9	-7	6	-6
Recyclable components	299	-232	260	-225
Gains and losses on equity instruments measured at fair value through other comprehensive income	-3	-6	-3	-6
Remeasurement of the net defined benefit liability [11]	-48	12	-78	-35
Non-recyclable components	-51	7	-81	-41
Income tax relating to recyclable and non-recyclable components	3	40	-10	28
Other comprehensive income/(loss), net of related tax effects	251	-186	168	-238
Total comprehensive income/(loss)	**118**	**-394**	**163**	**-41**
attributable to Syensqo share	115	-392	161	-42
attributable to non-controlling interests	3	-2	2	1

[1] Audited FY 2023 only. See note "9. Statement from the Statutory Auditor" for FY 2024.

[2] As more detailed in the Business review, Net sales of €1.6 billion increased by 2% year-on-year organically, driven by higher volumes (+3%), partially offset by lower pricing (-1%). On a sequential basis, pricing increased by 1% compared to Q3 2024.

[3] Administrative costs in Q4 and FY 2024 are not directly comparable to Q4 and FY 2023 since the 2023 comparatives do not include certain corporate allocated costs, which were considered only for Underlying metrics (€68 million).

[4] Other operating gains and losses for FY 2024 includes €13 million net losses related to energy hedges, "excluded from Underlying EBITDA" to reflect the related economic hedge (after the gain from novation recorded in FY 2023 prior to the Partial Demerger). Other operating gains and losses for Q4 and FY 2024 also includes €34 million and €134 million respectively of Depreciation, amortization & impairments to adjust for the non-cash impact of purchase price allocation (PPA), related to amortization charges on intangible assets.

[5] The Result from portfolio management & major restructuring in Q4 2024 and FY 2024 mainly relate to the €55 million impairment on the Oil & Gas group of CGUs, the restructuring plan announced in November 2024 (€78 million), and separation costs incurred in the context of the Group's information systems as well as other costs related to the Partial Demerger. The FY 2023 costs mainly related to costs incurred for the Partial Demerger (€ 208 million), restructuring costs for €72 million as well as €114 million impairment loss on the Aroma CGU.

[6] The Q4 and FY 2024 Result from legacy remediation & major litigations mainly relates to the periodic updates of the Group's environmental liabilities. In the FY 2023 period, the Group increased its environmental provisions by €229 million as a result of the settlement reached with NJDEP resolving certain PFAS related claims in New Jersey. The FY 2023 amount is partly offset by the €92 million final settlement of litigation in relation to Syensqo's claims of environmental breaches by Edison. The remaining amount for Q4 and FY 2023 mainly relates to the periodic updates of the Group's environmental liabilities.

[7] The cost of borrowings and interests on loan & short term deposits in each of the reporting periods presented is not comparable due to the capital structure in the 2023 combined financial statements being different from the capital structure after the completion of the Partial Demerger.
[8] The change in income taxes in Q4 2024 compared to Q4 2023 is mainly due to the recognition, in 2024, of valuation allowances on deferred taxes on losses and disallowed interest. The FY 2024 income taxes include €178 million of valuation allowances on deferred taxes on losses and disallowed interest.
The FY 2023 income taxes include the deferred taxes recognised for the increase in the PFAS provision that were partially reversed in 2024 (€50 million).
[9] The Q4 and FY 2023 gains and losses on hedging instruments in a cash flow hedge mainly relate to the fair valuation of the T-Lock instrument, which was subsequently settled in 2024. Refer to Notes 4 and 6 for further details.
[10] The Q4 and FY 2024 currency translation differences are mainly due to the strengthening of the USD against the EUR, whereas, in Q4 and FY 2023, the USD weakened against the EUR resulting in losses from currency translation differences.
[11] The remeasurement of the net defined benefit liability in Q4 and FY 2024 is mainly related to an update in demographic assumptions (mainly in the UK).

Consolidated statement of cash flows	IFRS			
(in € million)	**Q4 2024**	**Q4 2023**	**FY 2024**	**FY 2023**
Profit / (loss) for the period	**-133**	**-208**	**-5**	**197**
Adjustments to profit / (loss) for the period	**394**	**410**	**1,278**	**1,473**
Depreciation, amortization & impairments	261	291	732	739
Earnings from associates & joint ventures	-6	-4	-21	-25
Additions & reversals of provisions [1]	64	97	84	470
Other non-operating and non-cash items [2]	6	-70	7	-62
Net financial charges	20	32	119	158
Income tax expenses	50	65	357	192
Changes in working capital [3]	142	179	-123	108
Uses of provisions	-28	-23	-148	-134
Use of provisions for additional voluntary contributions (pension plans) [4]	0	-86	0	-86
Dividends received from associates & joint ventures	0	4	20	6
Income taxes paid (excluding income taxes paid on sale of investments)	-30	-81	-181	-288
Cash flow from operating activities	**345**	**195**	**841**	**1,275**
of which cash flow related to the Partial Demerger and portfolio management and excluded from Free Cash flow [5]	-26	-90	-122	-105
Acquisition (-) of subsidiaries	0	0	-4	-2
Acquisition (-) of investments - Other	0	-2	-3	-14
Loans to associates and non-consolidated companies and related parties	-1	8	-5	0
of which with remaining Solvay Group	0	8	0	0
Loans repayments from associates and non-consolidated companies and related parties	0	22	0	172
of which with remaining Solvay Group [6]	0	22	0	172
Sale (+) of subsidiaries and investments	5	23	13	32
Acquisition (-) of tangible and intangible assets	-154	-344	-624	-850
of which property, plant and equipment [7]	-121	-313	-509	-762
of which capital expenditures required for the partial demerger and excluded from Free Cash Flow	-5	-3	-14	-54
of which intangible assets	-33	-30	-115	-88
Dividends from equity instruments measured at fair value through other comprehensive income	0	1	2	1
Sale (+) of property, plant and equipment and intangible assets	2	1	9	1
Change in Internal Bank Accounts with remaining Solvay Group [8]	0	-1,130	0	-570
Changes in non-current financial assets	0	-1	0	-1
Cash flow from investing activities	**-147**	**-1,422**	**-612**	**-1,231**
Acquisition (-) / sale (+) of treasury shares [9]	-72	3	-137	3
Increase in borrowings [10]	59	1,329	1,315	1,755
of which Solvay Group	0	381	0	771
Repayment of borrowings [11]	-90	-993	-1,566	-3,208
of which Solvay Group BP	0	-151	0	-2,270
Changes in other financial assets	-5	5	-22	-4
Payment of lease liabilities	-17	-16	-61	-53
Net interests received/(paid) [12]	-48	-46	-74	-119
Coupons paid on perpetual hybrid bonds	0	0	-13	0
Dividends to Syensqo shareholders	-16	0	-170	0
Dividends to non-controlling interests	-1	-1	-2	-8
Dividends paid to Solvay Group [8]	0	0	0	-436
Dividends received from Solvay Group [8]	0	1	0	1,305
Other transactions with Solvay Group [8]	0	1,812	0	1,656
Capital injection / reimbursements from non-controlling interests	0	7	9	7
Other	-1	0	0	-9
Cash flow from financing activities	**-192**	**2,101**	**-723**	**890**
Net change in cash and cash equivalents	**6**	**873**	**-493**	**934**
Currency translation differences	5	-16	2	-28
Opening cash balance	647	294	1,150	244
Closing cash balance	**659**	**1,150**	**659**	**1,150**

[1] Additions & reversals of provisions in Q4 and FY 2024 mainly relate to the restructuring plan announced in November 2024 (€78 million) as well as the period updates of the Group's environmental liabilities. Additions & reversals of provisions in FY 2023 is mainly related to the €229 million increase in provisions as a result of the settlement reached with NJDEP resolving certain PFAS related claims in New Jersey, as well as €41 million related to the restructuring provision in the context of the separation plan.
[2] Other non-operating and non-cash items in FY 2023 relate mainly to the HSE cross indemnification asset (€51 million) related to the demerger from Solvay.
[3]In FY 2024, the changes in working capital includes the €167 million payment to the NJDEP. Refer to the Significant Events for further details.

[4] A voluntary contribution of €86 million was made to the UK pension plans in H2 2023.
[5] The Q4 and FY 2024 cash flow is mainly due to the payments of separation costs and taxes related to the Partial Demerger.
[6] The Loan repayments from associates and non-consolidated companies and related parties in the prior periods presented was due to the restructuring of the internal financing in preparation for the Partial Demerger.
[7] The acquisition of tangible and intangible assets in Q4 and FY 2024 mainly related to the expansion of the PVDF site in Tavaux, the IRIS intermediate chemical production in Melle and the Friction reducers' production capacity in West Texas. The increase in acquisition of property, plant and equipment in 2023 is mainly related to the new corporate headquarters in Belgium and capital expenditure for the expansion of production capacity for PVDF at the Group's Tavaux site.
[8] Refer to note 5 Transactions with the Solvay Group.
[9] Refer to Significant Events for further details.
[10] The increase in borrowings in FY 2024 mainly relate to the issuance of senior bonds for a nominal amount of US$1.2 billion (€1 billion) and the issuance of a commercial paper for €150 million. Increase in borrowings in Q4 and FY 2023 mainly relates to structured borrowings and loans with the remaining Solvay Group to finance the day to day operations of the Syensqo Group entities prior to the Partial Demerger and fully settled at the Partial Demerger.
[11] The Repayment of borrowings in FY 2024 mainly relate to the repayment of the bridge loan facility (€1,355 million) set up by Syensqo at the end of 2023 in relation to the demerger from Solvay. In Q3 and Q4 2024, €100 million of the commercial paper was repaid. The FY 2023 Repayment of borrowings mainly relates to a transaction in the US, where an entity within the remaining Solvay Group paid a dividend to the Syensqo Group of US$1.1 billion and this reduced for the same amount the internal bank account liability that the Syensqo Group had with that entity belonging to the remaining Solvay Group. The remaining 2023 amounts mainly relate to the settlement of other liabilities with the remaining Solvay Group prior to the Partial Demerger.
[12] The Net interest received/(paid) in each of the reporting periods presented is not comparable due to the capital structure in 2023 prior to the Partial Demerger being different from the capital structure after the completion of the Partial Demerger. The FY 2024 net interest paid mainly relates to the interest on the bridge to bond facility and the senior bonds.

Consolidated statement of financial position

(in € million)	Dec 31, 2024	Dec 31, 2023
Intangible assets	1,639	1,659
Goodwill [1]	2,659	2,560
Property, plant and equipment	3,729	3,494
Right-of-use assets	188	188
Equity instruments measured at fair value	86	94
Investments in associates & joint ventures	208	207
Other investments	13	19
Deferred tax assets [2]	391	661
Loans & other assets	137	196
Other financial instruments	30	30
Non-current assets	**9,079**	**9,108**
Inventories	1,273	1,244
Trade receivables	948	907
Income tax receivables	51	52
Other financial instruments	67	48
Other receivables	297	385
Cash & cash equivalents	659	1,150
Current assets	**3,294**	**3,786**
Total assets	**12,373**	**12,894**
Share capital	1,352	1,352
Share premiums	1,022	1,022
Other reserves	5,059	5,193
Non-controlling interests	50	42
Total equity	**7,482**	**7,608**
Employee benefits	395	373
Other provisions [3]	314	405
Deferred tax liabilities	381	428
Financial debt [4]	1,822	2,159
Other liabilities	50	76
Non-current liabilities	**2,961**	**3,442**
Other provisions [3]	219	297
Financial debt [4]	293	154
Trade payables	1,001	918
Income tax payables	25	58
Other liabilities	392	417
Current liabilities	**1,929**	**1,844**
Total equity & liabilities	**12,373**	**12,894**

[1] The movement in goodwill is mainly due to foreign exchange fluctuations in 2024.
[2] Refer to footnote 8 of the consolidated income statement for further details.
[3] Other provisions decreased in 2024 as the net effect of two events:: (i) On March 1, 2024, the settlement with NJDEP, memorialized in a Judicial Consent Order, obtained the court approval and became final and binding. As such, in Q1 2024, the settlement was reclassified from Other provisions to Other current liabilities before being paid in Q2 2024 when the Group made a cash payment of €167 million. Therefore, at December 31, 2024, Other provisions have decreased with the settlement amount. Refer to the Significant Events for further details. (ii) In November 2024 the Group announced a new restructuring plan to adapt the organization to better meet the evolving needs of its customers and focus on projects that will accelerate growth. This resulted in an accrual of € 76 million for restructuring provisions.
[4] Refer to note 6 for further details.

Consolidated statement of changes in equity

(in € million)	Equity attributable to equity holders of the parent						Revaluation reserve (fair value)					
	Share capital	Share premiums	Treasury shares	Perpetual hybrid bonds	Invested equity attributable to Syensqo / Retained earnings	Currency translation differences	Equity instruments measured at fair value	Cash flow hedges	Defined benefit pension plans	Total other reserves	Non-controlling interests	Total equity
Balance on December 31, 2022					**5,002**	**-130**	**4**	**3**	**44**	**4,922**	**24**	**4,946**
Profit / (loss) for the period	-	-	-	-	193		-	-	-	193	3	197
Items of other comprehensive income	-	-	-	-	0	-173	3	-32	-33	-235	-3	-238
Comprehensive income	**-**	**-**	**-**	**-**	**193**	**-173**	**3**	**-32**	**-33**	**-42**	**1**	**-41**
Capital Injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	7	7
Transaction with Solvay Group	-	-	-62	494	2,247	1	-	-9	1	2,672	20	2,692
Dividends	-	-	-	-		-	-	-	-	-	-8	-8
Allocation of invested equity according to the legal structure	1,352	1,022	-	-	-2,374	-	-	-	-	-2,374	-	0
Cost of share based payments					11					11		11
Sale (acquisition) of treasury shares			2							2		2
Other	-	-	-	-	0	-	1	-	-	0	-	0
Balance on December 31, 2023	**1,352**	**1,022**	**-59**	**494**	**5,079**	**-302**	**8**	**-39**	**12**	**5,193**	**42**	**7,608**
Profit / (loss) for the period	-	-	-	-	-5	-	-	-	-	-5	0	-5
Items of other comprehensive income	-	-	-	-	0	217	-10	38	-79	167	2	168
Comprehensive income	**-**	**-**	-	-	**-5**	**217**	**-10**	**38**	**-79**	**161**	**2**	**163**
Capital Injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	9	9
Cost of share-based payment plans	-	-	-	-	19	-	-	-	-	19	-	19
Dividends	-	-	-	-	-170	-	-	-	-	-170	-2	-173
Coupons of perpetual hybrid bonds	-	-	-	-	-13	-	-	-	-	-13	-	-13
Sale (acquisition) of treasury shares [1]	-	-	-137	-	-	-	-	-	-	-137	-	-137
Cancellation of treasury shares [1]	-	-	64	-	-64	-	-	-	-	-	-	-
Other	-	-	4	-	2	-	-	-	-	6	-	6
Balance on December 31, 2024	**1,352**	**1,022**	**-129**	**494**	**4,848**	**-85**	**-2**	**-1**	**-67**	**5,059**	**50**	**7,482**

[1] Refer to Share buyback Program in Significant Events for further details.

Prior to the Partial Demerger, Syensqo did not constitute a group with a parent company in accordance with IFRS 10 Consolidated Financial Statements. Therefore, share cap

Prior to the Partial Demerger, cumulated exchange differences in currency translation of foreign operations were measured at their carrying amount included in the Solvay Group's consolidated financial statements for Dedicated Entities and pro rata the net assets transferred to Syensqo for the Mixed Entities. The changes in equity that result from transactions deemed to be immediately settled through equity and as such treated as contributions from or distributions to shareholders are included in the line "Transactions with Solvay Group", in the statements of changes in equity. Those contributions from or distributions to shareholders relate to carve-out specific considerations, such as the allocation of costs for shared services, impact of tax results recalculated on separate tax return basis, restructuring charges and employee benefit charges and from the execution of the liability management program.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information and significant events

Syensqo is a public limited liability company governed by Belgian law and listed on Euronext Brussels. These condensed consolidated financial statements were authorized for issue by the Board of Directors on February 26, 2025.

Environmental liabilities

On June 28, 2023, Solvay Specialty Polymers USA, LLC ("Solvay Specialty Polymers"), a subsidiary of Syensqo SA, and the New Jersey Department of Environmental Protection ("NJDEP") announced an agreement resolving certain PFAS related claims in New Jersey.

The agreement, which is not an admission of liability, was structured as a Judicial Consent Order and it was presented to the US Court for review and approval following a public comment period. The Court Approval was obtained on March 1, 2024 and became final and binding.

Under the terms of the agreement, Solvay Specialty Polymers paid US$75 million to NJDEP for Natural Resource Damages (NRDs) and US$101.05 million to fund NJDEP PFAS remediation projects in areas of New Jersey near the Group's West Deptford site. The settlement includes commitments for Solvay Specialty Polymers to complete remediation activities that began in 2013, including testing water and soil near the West Deptford site. Solvay Specialty Polymers established a remedial funding source in the initial amount of US$214 million to fund those activities. As a result of this settlement, Solvay Specialty Polymers had increased its current provision by around US$250 million (€229 million) in Q2 2023.

Following the approval of the Judicial Consent Order by the US Court, an amount of US$180 million (€167 million) was reclassified from "Other (current) provisions" to "Other (current) liabilities" as of March 31, 2024 and that amount was paid in April 2024 (in the Statement of Cash flow, it is included in the Changes in working capital for FY 2024). The balance of the provision will be spent over a 30-year period and is included in Other non-current provisions.

The environmental provision recorded is based on the net present value of the cash flow forecast needed, for current and future years, to settle the remediation obligations. This provision represents the estimated cash out and does not reflect expected recoveries from third-party contributors nor does it reflect the potential insurance proceeds, the combination of which could significantly reduce the resultant costs.

The Group submitted certain claims from its environmental liability insurance and received and recognized €32 million as a preliminary settlement of these insurance policy claims in February 2024. Other unrecognized insurance proceeds and recovery from third-party contributors are still under discussion.

Bond issuance

On June 4, 2024, the Group issued senior bonds for a nominal amount of US$1.2 billion across two tranches:

- US$600 million bond with a 5-year maturity and a 5.65% fixed coupon;
- US$600 million bond with a 10-year maturity and a 5.85% fixed coupon.

Proceeds from the bond issuance will be used for general corporate purposes, including the repayment of the bridge loan facility set up by Syensqo at the end of 2023 in relation to the demerger from Solvay. The bridge loan facility was repaid in June 2024.

The bonds are recognized as long-term financial liabilities and measured at amortized cost in accordance with IFRS 9 Financial Instruments.

Refer to Note 6 for further details.

Share buyback program

On June 25, 2024, the Group launched a Share Buyback Program. The repurchase of Syensqo shares under the Share Buyback Program intended to cover current and future obligations under Syensqo's current Long Term Incentive Plans for its employees and was carried out under the terms and conditions of the authorization granted by the Extraordinary Shareholders' Meeting of Syensqo SA on December 8, 2023.

Under this program, which commenced on June 25, 2024 and concluded on October 23, 2024 Syensqo acquired 983,000 Syensqo shares for a total price of €74 million. All acquired shares are recognized as treasury shares.

On September 30, 2024, the Group announced that the Board approved a plan to commence a new share buyback program for a value of up to €300 million. The purpose of the program is to further enhance Syensqo's capital structure and efficiency, canceling all shares repurchased as part of the program and thereby reducing the issued share capital of the Company.

The program will be carried out under the terms and conditions approved by the Extraordinary General Shareholders' meeting held on December 8, 2023. It will be conducted in accordance with applicable regulations, and executed by an independent intermediary. The program will be executed in numerous independent tranches.

On November 5, 2024, the Group launched the first tranche of the €300 million buyback program. The Group completed this first tranche on November 27, 2024 and acquired 658,488 Syensqo shares for a total price of €50 million. All these acquired shares were cancelled in December 2024.

On December 4, 2024, the Group launched the second tranche of the €300 million buyback program. This tranche will run until February 26, 2025 and will cover a maximum amount of up to €50 million. The contractual mandate with the independent financial intermediary may be canceled at any time, therefore, in accordance with IFRS 9 Financial Instruments, no financial liability is recognized at December 31, 2024 for the €50 million mandate. The Group intends to cancel all shares acquired through this second tranche.

By December 31, 2024, the Group had acquired 185,000 Syensqo shares for a total price of €14 million in the second tranche of the program. All these acquired shares were cancelled in December 2024.

Pension risk management

On September 17, 2024, the Group announced a significant step in its ongoing commitment to the financial stability of its retirees in the US and Canada by reducing its pension obligations through the purchase of group annuity contracts. This strategic move is designed to reduce the Group's gross pension obligations and associated volatility risk, while enhancing the long term security of pension benefits for its retirees.

Syensqo has, in August 2024, entered into agreements with Pacific Life Insurance Company ("Pacific Life") and RBC Insurance ("RBC"), to transfer some of its legal and constructive pension obligations with no change to the benefits for its retirees. The transfer resulted in a settlement of its US$485 million gross pension obligation. Considering that the plans were fully funded, it did not result in any additional cash funding requirement.

RBC will begin paying and administering the retirement benefits of affected retirees and beneficiaries in Canada from December 2024 and Pacific Life will similarly do the same for US retirees and beneficiaries from January 2025.

The US and Canada defined benefit obligations have decreased by US$470 million and CAD$20 million respectively, while US$450 million and CAD$20 million of plan assets have been derecognized as a result of the transfer.

U.S. Tax Matters Agreement

In connection with the Partial Demerger, Syensqo and Solvay entered into a U.S. Tax Matters Agreement (the "U.S. TMA") intended to (among other things) preserve the tax-free treatment of the Partial Demerger and of the separation of the U.S. Specialty Businesses and the U.S. Essential Businesses (the "U.S. Spin-Off") for U.S. federal income tax purposes.

Under the U.S. TMA, Syensqo and Solvay are prohibited from taking actions that are reasonably expected to cause the Partial Demerger or U.S. Spin-Off (or certain associated transactions) to fail to qualify for their intended U.S. tax treatment, or that could jeopardize the conclusions of, or that are inconsistent with, the IRS ruling or the tax opinion discussed above.

Additionally, the parties are generally prohibited (subject to certain exceptions in the U.S. TMA), for the two-year period following completion of the Partial Demerger, from engaging in certain acquisitions, mergers, liquidations, sales, and redemption transactions with respect to their respective stock and assets that could jeopardize the tax-free status of the Partial Demerger or the U.S. Spin-Off for U.S. federal income tax purposes.

Neither Solvay's nor Syensqo's obligations under the U.S. TMA are limited in amount or subject to any cap.

As of December 31, 2024, Syensqo was not aware of any breach or alleged breach by it of its obligations under the U.S. TMA, and had not received any notice from Solvay relating to a breach or alleged breach thereof.

Impairment tests

Management performed the annual impairment testing at the reporting date and it resulted in an impairment loss of € 55 million for the Oil & Gas group of CGUs.

The impairment tests performed at CGU level at December 31, 2024, using value in use, were based on the budgets approved by the Syensqo Board and the Mid Term Plans. The impairment loss recognized for the Oil & Gas group of CGUs (Consumer & Resources) resulted from the subdued business performance in 2024 driven by continuous decline in the stimulation segment materialised in reduced volumes sold for friction reducers, together with increased competition and a customer shift towards more cost-effective products. This had a compounding effect on the terminal value even if the long term growth rate assumption for this business remains unchanged.

The impairment loss of € 55 million was allocated to intangible fixed assets (€ 11 million) and tangible fixed assets (€ 44 million).

Regarding the Aroma CGU, although the profitability has improved, the long-term prospects remain uncertain and the impairments recorded in 2023 were not reversed in 2024.

2. Accounting policies

Syensqo has prepared its condensed consolidated financial statements on a quarterly basis, in accordance with IAS 34 Interim Financial Reporting using the same accounting policies as those adopted for the preparation of the consolidated financial statements for the year ended December 31, 2023. They do not include all the information required for the preparation of the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023. The consolidated financial statements for 2024 will be published in April 2025.

In 2023, prior to the Partial Demerger, a Legal Reorganization occurred by: (i) transferring assets, liabilities and activities from legal entities that previously undertook both Specialty Businesses and Remaining Solvay Group operations (referred to as "Mixed Entities") to existing or new legal entities dedicated to either Specialty Businesses or the Remaining Solvay Group's activities; and (ii) reorganizing the ownership within the Solvay Group of all existing legal entities entirely dedicated to the Specialty Businesses before the Legal Reorganization ("Dedicated Entities"), all existing legal entities that were Mixed Entities before the Legal Reorganization and from which Remaining Solvay Group's activities have been carved out, and all new legal entities to which Specialty Businesses have been carved-out as part of the Legal Reorganization. The Legal Reorganization is a business combination under common control that is scoped out of IFRS 3 Business Combinations. In the absence of an IFRS standard specifically applicable to such a transaction, management elected to apply the pooling of interests method in the consolidated financial statements of Syensqo, based on the historical carrying values of the assets and liabilities of the combining entities. Syensqo SA is the continuing entity of the Reporting Entity reflected in the combined financial statements of SpecialtyCo.

The preparation of the figures for the Syensqo Group in 2023 prior to the Partial Demerger date required management to apply accounting methods and policies that are based on judgments. The application of these judgments, including how the entities within the existing Solvay Group were combined, affected the reported amounts of assets and liabilities on December 31, 2023 as well as the reported amounts of income and expenses prior to the Partial Demerger date.

The critical accounting judgments and key sources of estimation uncertainty included in the 2023 consolidated financial statements remain applicable. Relevant updates on specific topics are included in these notes and should be read together with the 2023 consolidated financial statements.

Below are the standards, interpretations and amendments that became effective as of January 1, 2024 and which are relevant to the Group. An assessment was made and these amendments had no material impact on the Group's condensed consolidated financial statements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's condensed consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16), with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers (IFRS 15) to be accounted for as a sale. The amendments had no material impact on the Group's condensed consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
• What is meant by a right to defer settlement;
• That a right to defer must exist at the end of the reporting period;
• That classification is unaffected by the likelihood that an entity will exercise its deferral right;
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no material impact on the Group's condensed consolidated financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, notably in Belgium where the ultimate parent entity is located. The legislation is effective for the Group's financial year beginning January 1, 2024.

Syensqo SA is closely monitoring the laws which the various jurisdictions are adopting following the Organization for Economic Co-operation and Development ('OECD') and EU-initiatives regarding the Pillar Two Global Minimum Tax of 15% and the potential impact thereof.

The Group has performed the 2024 Transitional CbCR Safe Harbour (TCSH) calculations based on FY 2024 figures and the Pillar 2 entity classification, under the reasonable assumption that the Group will benefit from the CbCR qualification ('Qualified CbCR') for eligibility under the Pillar 2 Safe Harbour.

Based on our assessment, Chile, UAE and Luxembourg are the only jurisdictions that would fall out of scope for the TCSH. Based on the full Pillar 2 calculation that was performed, the Top-Up Tax that would be due is limited to € 2 million and was accrued for in the current taxes in 2024.

The data for non-consolidated entities (including GloBE JVs) has not been captured in the analysis but the impacts are not expected to be material.

3. Segment information

Syensqo is organized into three Reportable Segments:

- **Materials**, consisting of the GBUs Composite Materials and Specialty Polymers. The Materials segment offers a unique portfolio of high-performance polymers and composite technologies used primarily in sustainable mobility applications. Its solutions enable weight reduction and enhance performance while improving CO2 and energy efficiency. Major markets served include next-generation mobility in automotive and aerospace, healthcare and electronics.
- **Consumer & Resources** offer a unique formulation & application expertise through customized specialty formulations for surface chemistry & liquid behavior, maximizing yield and efficiency of the processes they are used in while minimizing the eco-impact. Novecare, Technology Solutions, Aroma, and Oil & Gas focus on specific areas such as resources (improving the extraction yield of metals, minerals and oil), industrial applications (such as coatings) or consumer goods and healthcare (including vanillin and guar for home and personal care).
- **Corporate & Business Services** includes corporate and other business services, such as research & innovation, cogeneration units dedicated to the Syensqo activities and new business development (NBD) and the Peroxides activities in the Zhenjiang entity.

Reconciliation of segment, underlying and IFRS data (in € million)	Q4 2024	Q4 2023	FY 2024	FY 2023
Net sales	**1,598**	**1,577**	**6,563**	**6,834**
Materials	903	927	3,772	4,004
Consumer & Resources	696	650	2,791	2,826
Corporate & Business Services	0	0	0	4
Underlying EBITDA	**298**	**294**	**1,412**	**1,618**
Materials	264	261	1,185	1,312
Consumer & Resources	93	79	449	457
Corporate & Business Services	-59	-46	-222	-151
Underlying depreciation, amortization & impairments	-163	-139	-533	-484
Underlying EBIT	**135**	**155**	**879**	**1,134**
Accounting impact from Novation of energy hedges and amortization & depreciation of purchase price allocation (PPA) from acquisitions	-32	17	-147	-31
Result from portfolio management & major restructuring	-161	-323	-243	-388
Result from legacy remediation & major litigations	-5	40	-18	-168
EBIT	**-64**	**-111**	**471**	**547**
Net financial charges	-20	-32	-119	-158
Profit / (loss) for the period before taxes	**-83**	**-143**	**352**	**389**
Income taxes	-50	-65	-357	-192
Profit / (loss) for the period from continuing operations	-133	-208	-5	197
Profit / (loss) for the period	-133	-208	-5	197
attributable to Syensqo share	**-133**	**-209**	**-5**	**193**
attributable to non-controlling interest	-1	1	0	3
Capex	**-166**	**-357**	**-671**	**-848**
Materials	-91	-213	-436	-557
Consumer & Resources	-46	-95	-143	-217
Corporate & Business Services	-29	-48	-91	-74

Working Capital by Segment	**Inventory**		**Trade Receivables**		**Trade Payables**	
(in € million)	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Materials	815	792	534	485	-422	-392
Consumer & Resources	452	444	404	380	-393	-357
Corporate and Business Services	6	9	9	42	-187	-169
Total Syensqo	**1,273**	**1,244**	**948**	**907**	**-1,001**	**-918**

The Group has no material seasonal impacts on its condensed consolidated financial statements. The Group recognized €3.9 million of intersegment sales in FY 2024.

For details on the Underlying to IFRS reconciliations, please refer to the Business Review section. For further details on the performance by segment, please refer to Note 3 of the Business Review section.

4. Financial Instruments

Valuation techniques

Compared to December 31, 2023, there are no changes in valuation techniques.

Fair value of financial instruments measured at amortized cost

For all financial instruments not measured at fair value in Syensqo's consolidated statement of financial position, the fair value of those financial instruments as of December 31, 2024, is not significantly different from their carrying amounts as of September 30, 2024, June 30, 2024 and March 31, 2024 and is not significantly different from the ones published in Note F32 of the consolidated financial statements for the year ended December 31, 2023.

Financial instruments measured at fair value

(in € million)	Dec 31, 2024 Level 1	Level 2	Level 3	Total	Dec 31, 2023 Level 1	Level 2	Level 3	Total	Variation
Held for trading	**0**	**8**	**0**	**8**	**0**	**12**	**0**	**12**	**-4**
Foreign currency risk	0	1	0	1	0	4	0	4	-3
Syensqo share price	0	5	0	5	0	8	0	8	-3
Index	0	1	0	1	0	2	0	2	-1
Equity instruments measured at fair value through profit or loss	**14**	**0**	**50**	**64**	**19**	**0**	**49**	**68**	**-4**
Solvay Group Share	14	0	0	14	19	0	0	19	-5
New Business Development	0	0	50	50	0	0	49	49	1
Cash flow hedges	**0**	**8**	**0**	**8**	**0**	**17**	**0**	**17**	**-11**
Foreign currency risk	0	7	0	7	0	9	0	9	-2
Utility risk	0	0	0	0	0	6	0	6	-6
CO_2 risk	0	1	0	1	0	3	0	3	-2
Equity instruments measured at fair value through other comprehensive income	**0**	**0**	**26**	**26**	**0**	**0**	**26**	**26**	**0**
New Business Development	**0**	**0**	**26**	**26**	**0**	**0**	**26**	**26**	**0**
Total (assets)	**14**	**15**	**76**	**105**	**19**	**29**	**75**	**122**	**-19**
Held for trading	**0**	**-3**	**0**	**-3**	**0**	**-2**	**0**	**-2**	**-1**
Foreign currency risk	0	-2	0	-2	0	-2	0	-2	0
Index	0	-1	0	-1	0	0	0	0	-1
Cash flow hedges	**0**	**-17**	**0**	**-17**	**0**	**-49**	**0**	**-49**	**32**
Foreign currency risk	0	-8	0	-8	0	-3	0	-3	-5
Interest rate risk	0	0	0	0	0	-29	0	-29	29
Utility risk	0	-3	0	-3	0	-17	0	-17	14
CO_2 risk	0	-6	0	-6	0	0	0	0	-6
Total (liabilities)	**0**	**-20**	**0**	**-20**	**0**	**-51**	**0**	**-51**	**31**

The table “Financial instruments measured at fair value” provides an analysis of financial instruments that, subsequent to their initial recognition, are measured at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable. Financial instruments classified as held for trading and as hedging instruments in cash flow hedges are mainly grouped into Levels 1 and 2. They are fair valued based on forward pricing and swap models using present value calculations. The models incorporate various inputs including foreign exchange spot and interest rates of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. The equity instruments measured at fair value through OCI and through profit and loss are presented within Level 1 and 3. The fair value of the instruments presented under Level 3 is measured based on the guidelines recommended by The International Private Equity and Venture Capital Valuation (IPEV).

In accordance with the Group internal rules, the responsibility for measuring the fair value level resides with (a) the Treasury department for the non-utility derivative financial instruments, and the non-derivative financial liabilities, (b) the Sustainable Development and Energy department for the utility derivative financial instruments and (c) the Finance department for non-derivative financial assets.

The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the quarter, no such transfers have occurred.

For financial instruments measured at fair value in Syensqo’s consolidated statement of financial position, the fair value of those instruments as of December 31, 2024 changed compared to December 31, 2023 due to the settlement of the interest rate risk swap (T-Lock instrument, financial liability of €29 million at December 31, 2023) and the settlement of energy contracts. Note that cash flow hedge accounting was applied to the interest rate risk swap, therefore, the related fair value movements were recognized in Other Comprehensive Income. The net interest settlement (€7 million) on these hedging instruments will be recognized in P&L as part of financing costs, thereby reducing the P&L impact of the interest expense generated by the senior bonds (issued in June 2024), over the life of the bonds.

5. Transactions with the Remaining Solvay Group

Dividends paid to / received from the Solvay Group and other transactions with Remaining Solvay Group

During the prior reporting period presented and prior to the Partial Demerger, Syensqo was not constituted as a Group under a unique holding company and Syensqo Dedicated and Mixed entities held investments in subsidiaries of the Remaining Solvay Group and vice-versa.

These investments in subsidiaries of the Remaining Solvay Group were eliminated against equity in the Syensqo Condensed Combined Financial Statements for the period prior to the Partial Demerger. As a result, the cash from dividends paid by Dedicated or Mixed Syensqo Entities to the Remaining Solvay Group or received by Syensqo from subsidiaries of the Remaining Solvay Group are presented in the line "Dividends paid to Solvay Group" and "Dividends received from Solvay Group", respectively, in the Consolidated Statements of Cash Flows. They are also included as "Transactions with Solvay Group" in the Consolidated Statement of Changes in Equity.

Cash flows associated with capital increases, capital reimbursements or transfers of those investments in subsidiaries of the Remaining Solvay Group are also presented in the "Other Transactions with Solvay Group" in the Consolidated Statements of Cash Flows and as part of the "Transactions with Solvay Group" in the Consolidated Statement of Changes in Equity.

Certain operating and investing transactions of Syensqo are presented on a "gross basis":
- operating expenses and income are presented as operating cash flows;
- acquisitions and sales of property, plant and equipment, intangible assets, subsidiaries and other investments are presented as investing cash flows and, simultaneously, contributions from / distributions to the Remaining Solvay Group are presented in the cash flow from financing activities as "Other Transactions with Solvay Group", whenever those transactions do not ultimately result in movements of "Cash and cash equivalents" for Syensqo.

This happens for the carve-out of the above Syensqo transactions in Mixed Entities that became part of the Remaining Solvay Group as the "Cash and cash equivalents" of those entities is not included in the Consolidated Statements of Financial Position.

Current taxes from Syensqo's results in Mixed Entities of the Remaining Solvay Group, restructuring costs related to provisions settled by the Remaining Solvay Group, employee benefit charges for defined benefit obligations kept by the Remaining Solvay Group and charges for the usage of shared assets of Mixed Entities are additional examples of transactions considered to be immediately settled by the Remaining Solvay Group and grossed-up in the Consolidated Statement of Cash Flows.

The presentation on a "gross basis" is considered to better reflect the business performance in terms of cash flow generation.

Movements of cash and cash equivalents resulting from operating and investing cash flows of the businesses of the Remaining Solvay Group, which occurred in Mixed Entities that became part of Syensqo based on the Legal reorganization, are not included in the cash flows from operating and investing activities. Rather they are presented in the line "Other Transactions with the Solvay Group" in the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity as the related change in "Cash and cash equivalents" is included in the Consolidated Statements of Financial Position.

The details about the "Other transactions with Solvay Group" line and the reconciliation between the related amounts in the Consolidated Statements of Cash Flow and Consolidated Statements of Changes in Equity are presented in the table below.

Transactions with the Remaining Solvay Group (in € million)	Q4 2024	Q4 2023	FY 2024	FY 2023
Carve out of Mixed Entities	-	229	-	250
Capital increase / decrease, transfer of shares with remaining Solvay Group	-	409	-	216
Cash & cash equivalents transferred upon demerger	-	1,200	-	1,210
Restructuring costs	-	-2	-	9
Current taxes	-	-23	-	-28
Total Other transactions with Solvay Group in the Statement of cash flows	**-**	**1,812**	**-**	**1,656**
Dividends paid to Solvay Group	-	-	-	-436
Dividends received from the Solvay Group	-	1	-	1,305
Deferred taxes	-	-14	-	-14
Hybrid bonds transferred upon demerger	-	494	-	494
Treasury shares	-	-62	-	-62
Other financial debt transferred upon demerger	-	-794	-	-794
Other	-	2	-	542
Total Other transactions with Solvay Group in the Statement of changes in equity	**-**	**1,439**	**-**	**2,692**

As part of the implementation of the target capital structure (mainly in the US), an entity within the remaining Solvay Group paid a dividend to the Syensqo Group of US$1.1 billion and this reduced for the same amount the internal bank account liability that the Syensqo Group had with that entity belonging to the remaining Solvay Group.

Changes in internal bank accounts with Remaining Solvay Group

Intercompany bank accounts between Syensqo and the Remaining Solvay Group, in place over the prior period presented and eliminated as part of the consolidation procedures applied for the Solvay Group Consolidated Financial Statements, have been reinstated in the Syensqo Consolidated Financial Statements.

When those intercompany bank accounts, part of the cash pooling system, were in a structural asset position for Syensqo, the related changes are presented in the line "Change in internal bank accounts with Remaining Solvay Group" as part of the Cash flow from investing activities.

At the end of December 2023, there are no longer any remaining intercompany bank accounts between Syensqo and the Remaining Solvay Group as the accounts were settled at or prior to the Partial Demerger following the completion of the Legal Reorganization.

Services provided by the Solvay Group

The Solvay Group provided shared services to Syensqo such as, but not limited to: tax, legal, accounting, IT, personnel-related services and treasury. The costs of such services, as historically charged to Syensqo Businesses and included in the Condensed Consolidated Income Statement based on their historical amounts, were about €60 million in Q4 2023 and €360 million for the year ended December 31, 2023.

The personnel and activities related to these shared services are provided to Syensqo by the Solvay Group under transitional services agreements, which came into effect at the date of the Partial Demerger.

The costs related to corporate functions incurred for the benefit of the Solvay Group as a whole, including but not limited to costs for Solvay SA's Board of Directors, Executive Leadership Team, Investor Relations and Corporate Communications have not been included in the Condensed Combined Financial Statements for the periods prior to the Partial Demerger. Based on the relative usage of Syensqo compared to the remaining Solvay Group, a portion of these corporate costs has been included in the Underlying EBITDA for €15 million in Q4 2023 and €66 million in year ended December 31, 2023 (see Reconciliation of alternative performance metrics on page 10 for more information).

6. Net debt

(in € million)	Dec 31, 2024	Dec 31, 2023
Bridge-to-bond facilities	-	1,338
USD 1.2bn bonds issued in 2024	1,149	-
EUR 500m 2027 bonds	498	498
Cytec bonds	157	147
Commercial paper	50	0
Lease debt	230	219
Other financial debt	30	111
Total current and non-current financial debt (a)	**2,115**	**2,313**
Cash and cash equivalents (b)	-659	-1,150
Other financial instruments (c)	-97	-78
Total Net Debt (a+b+c)	**1,359**	**1,084**

Financial debt at the end of December 2024 includes €1,116 million related to the senior bond issue in June 2024 for a nominal amount of US$1.2 billion. The proceeds from the bond issuance were used to repay the bridge-to-bond facilities of €1,338 million.

To mitigate the interest rate risk of the senior bond issue, the Group entered into Treasury Lock instruments in Q4 2023. These instruments were accounted for as cash flow hedges and were subsequently settled following the senior bond issue. The settlement resulted in a cash inflow for the Group of €7 million in Q2 2024.

On September 4 and 5, 2023, the Solvay Group announced the results of liability management transactions relating to certain senior and hybrid bonds denominated in euros. The transactions included a request for consent of bondholders to the substitution, effective upon completion of the Partial Demerger, of Syensqo SA/NV for Solvay as issuer of the €500,000,000 2.750% Fixed Rate Bonds due December 2, 2027 (ISIN: BE6282460615) (the "2027 Bonds"). Syensqo SA/NV was substituted for

Solvay as issuer of the 2027 Bonds, effective at the date of the Partial Demerger, and subject to the satisfaction or waiver of certain conditions set out in the consent solicitation notice.

The 3.95% Senior Notes due 2025 issued by Cytec Industries Inc. (CUSIP: 232820 AK6) (the "Cytec 2025 Bonds") will remain outstanding for an amount of US$163,495,000 (nominal). Solvay SA will remain the guarantor of the Cytec 2025 Bonds and, effective at the date of the Partial Demerger, Syensqo will provide a counter-guarantee to Solvay for any payments to be made under the Cytec 2025 Bonds. There is no accounting impact of the counter-guarantee in the Syensqo condensed consolidated financial statements.

On December 19, 2024, the Group announced that it had delivered a notice of early redemption in full to holders of the Cytec bonds. The redemption was implemented in accordance with the terms and conditions of the bonds. The bonds were redeemed on February 1, 2025 at a price of 100% of the principal amount, plus accrued and unpaid interest thereon to, but not including, the redemption date (being US$2 million).

The Cytec bonds are classified as current financial debt at December 31, 2024.

A commercial paper for €150 million was issued in June 2024. A repayment of €50 million was made in each of Q3 and Q4 2024.

7. Events after the reporting period

Share buyback program

In accordance with Article 8:4 of the Royal Decree of 29 April 2019 executing the Belgian Code of Companies and Associations, Syensqo discloses on its website, information related to the execution of its share buyback program, announced on December 4, 2024.

Cytec 2025 bonds

On February 1, 2025, the Group redeemed the 3.95% Senior Notes due 2025 issued by Cytec Industries Inc. (CUSIP: 232820 AK6) (the "Cytec 2025 Bonds"). The redemption was implemented in accordance with the terms and conditions of the bonds. The bonds were redeemed at a price of 100% of the principal amount (US$ 163 million), plus accrued and unpaid interest thereon to, but not including, the redemption date (being US$ 2 million).

Edison

The International Court of Arbitration of the International Chamber of Commerce (ICC), Geneva, Switzerland ordered in January 2025, that Edison S.p.A. has to pay approximately € 90 million for losses, damages and costs incurred by Solvay Specialty Polymers Italy S.p.A. (SSPI). The outcome follows many years of arbitration proceedings in relation to claims of breaches of representations and warranties by Edison when it sold the Italian company Ausimont to Solvay in 2002.

This decision comes after SSPI received a favorable decision on the merits in 2023 and award of compensation (€ 92 million) from Edison related to costs, losses and damages suffered up to the end of 2016. The 2025 award, based on the same merits, relates to additional costs, losses and damages suffered from January 2017 onwards.

8. Declaration by responsible persons

Ilham Kadri, Chief Executive Officer, and Christopher Davis, Chief Financial Officer, of the Syensqo Group, declare that to the best of their knowledge:

- The condensed consolidated financial information, prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union, reflects a faithful image of the assets and liabilities, financial situation and results of the Syensqo Group;
- The management report contains a faithful presentation of significant events occurring during 2024, and their impact on the condensed consolidated financial information;
- The main risks and uncertainties are in accordance with the assessment disclosed in the Risk Management section of the Syensqo 2023 Annual Integrated Report, taking into account the current economic and financial environment.

9. Statement of Auditors

The statutory auditor, EY Bedrijfsrevisoren BV, represented by Marie Kaisin, has confirmed that the audit, which is substantially complete, has to date not revealed any material misstatement in the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity or the consolidated statement of cash flow for the year ended December 31, 2024 as included in this press release.

The statutory auditors have confirmed that as part of their limited assurance engagement on Syensqo SA sustainability statements, the limited assurance procedures on the 2024 sustainability metrics shown in section “One Planet Roadmap Progress”, have been substantially completed, and have not revealed any material adjustments which would have to be made to these 2024 metrics, nor to the related qualitative sustainability comments on such metrics included in this press release. We note that the comparative sustainability numbers, and any other sustainability related quantitative and qualitative information included in this press release, have not been subject to any limited assurance procedures.

Furthermore, EY Bedrijfsrevisoren BV has confirmed that the procedures, which are substantially complete, have to date not revealed any material misstatement in the 2024 scope 1 and scope 2 GHG emissions metrics included in the section “One Planet Roadmap Progress” for the year ended December 31, 2024. A reasonable assurance opinion will be issued on these 2 metrics that will be included in the sustainability statements in the annual report.

Finally, EY Bedrijfsrevisoren BV has read the information related to the 12 month period ending December 31, 2024 included in the section ‘Reconciliation of underlying income statement indicators’ and has considered whether this information does not contain any material inconsistencies with the press release. Based on their reading, EY Bedrijfsrevisoren BV has nothing to report.

GLOSSARY & NOTES

ONE PLANET FOOTNOTES

1. "Syensqo advances its climate commitments." Syensqo, Jan. 2025, https://www.syensqo.com/en/press-release/syensqo-advances-its-climate-commitments
2. Focus 5 categories of scope 3 GHG emissions include (1) purchased goods and services and (2) fuel-and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream].
3. "Syensqo unveils ambitious water stewardship targets." Syensqo, Sept. 2024, https://www.syensqo.com/en/press-release/syensqo-unveils-ambitious-water-stewardship-targets#:~:text=Syensqo%20is%20dedicated%20to%20achieving,meters%20of%20fresh%20water%20intake
4. Sites exposed to water availability challenges have faced drought in the past or are at risk of drought in the coming years, and may be subject to fresh water withdrawal restrictions by local authorities, identified using the Aqueduct Water Risk Atlas and conducting local assessments to confirm water availability challenges. Sites subject to the target represent 40% of Syensqo's total fresh water withdrawal in the baseline year 2021 and include: in France: Clamecy, Melle, Saint-Fons, Tavaux; in Mexico: Atequiza; and in the USA: Baton Rouge, Long Beach.
5. Water stewardship plans will address both water quantity and quality-related risks and impacts while aligning with our growth ambitions.
6. Structural reductions are linked to specific projects and recurring impacts and exclude lower activity levels.
7. These metrics have been restated versus what was reported in the prior year to be comparable to current year metrics in terms of perimeter and calculation methodology.
8. Circular sales, based on Ellen MacArthur Foundation Circulytics Methodology, include products: (1) Designed to encourage longer use than the industry standard in practice and at scale; (2) Made of bio-based, recycled-based, by product and carbon capture-based raw materials, or produced with renewable energy; (3) designed for re-use or to increase the recycling yield (quantity and quality) of the customer's products.
9. Reportable Injury & Illness rate (RIIR): number of reportable injury or illness per 200,000 work hours amongst employees and contractors.
10. Carbon neutrality goal by 2040 combines ambition to reduce scope 1 and 2 emissions by at least 80% from the 2021 baseline and to compensate residual emissions with high-integrity carbon credits in line with the recommendations of the United Nations' High Level Expert Group on the Net Zero Emissions Commitments of Non-state entities.
11. "Syensqo celebrates the first site to achieve carbon neutrality". Syensqo, Apr. 2024, https://www.syensqo.com/en/press-release/syensqo-celebrates-first-site-achieve-carbon-neutrality
12. Sustainable solution as defined in our Sustainable Portfolio Management Guide. "Sustainable Portfolio Management Tool." Syensqo, 2024, www.syensqo.com/en/our-impact/sustainability/sustainable-portfolio-management-tool
13. Comparing Pulse results over time (2021 to 2024) on employee engagement, safety awareness and equal opportunities questions.
14. Living Wage calculated based on Wage Indicator Foundation methodology, analysing wages in the 13 countries with the highest number of employees (representing >95% of employees).
15. Scope 1 and 2

A The comparative metrics, highlighted with a letter "A", were subject to reasonable assurance by our statutory auditor in the previous year, for which we refer to their reasonable assurance report dated 11 April 2024. This was a voluntary reasonable assurance engagement of individual metrics/key performance indicators with reference to different and other reporting criteria than the European Sustainability Reporting Standards ("ESRS's"). Accordingly, these 2023 comparative metrics have not been subject to limited assurance procedures in accordance with the ESRS's.

DEFINITIONS

Adjustments: Each of these adjustments made to the IFRS results is considered to be significant in nature and/or value. Excluding these items from the profit metrics provides readers with relevant additional information on the Group's underlying performance over time because it is consistent with how the business' performance is reported to the Board of Directors and the Executive Committee. These adjustments consist of:

- Results from portfolio management and major restructurings,
- Results from legacy remediation and major litigations,
- Amortization of intangible assets resulting from Purchase Price Allocation (PPA) and inventory step-up in gross margin,
- Net financial results related to changes in discount rates, coupons of hybrid bonds deducted from equity under IFRS and debt management impacts (mainly including gains/(losses)) related to the early repayment of debt,
- Adjustments of equity earnings for impairment gains or losses, unrealized foreign exchange gains or losses on debt and contribution to IFRS equity earnings of equity investments disposed of in the period,
- Results from equity instruments measured at fair value,
- Gains and losses, related to the management of the CO_2 hedges not accounted for as Cash Flow Hedge, deferred in adjustments until the maturity of the economic hedge;

- Remeasurement of the long term incentive plans related to Solvay Group shares and of the related hedging instruments;
- Tax effects related to the items listed above and tax expense or income of prior years

All adjustments listed above apply to both continuing and discontinuing operations, and include the impacts on non-controlling interests

Basic earnings per share: Net income (Syensqo's share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs.

Bps: Unit of basis percentage points, used to express the evolution of ratios.

Capital expenditure (capex): Cash paid for the acquisition of tangible and intangible assets presented in cash flows from investing activities, and cash paid on the lease liabilities (excluding interests paid), presented in cash flows from financing activities, excluding acquisition of assets associated with the partial demerger project. This indicator is used to manage capital employed in the Group.

Cash conversion Is a ratio used to measure the conversion of EBITDA into cash according to the formula ((Underlying EBITDA +/- Changes in working capital - Sustenance Capex) / (Underlying EBITDA). Sustenance capital expenditure includes capital expenditures for maintenance, for the implementation of the One Planet strategy and for Digital Transformation initiatives, as well as payment of lease liabilities.

Cash flow from operating activities are those generated from/(used by) the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.

CGU: Cash-Generating Unit

CTA: Currency Translation Adjustment

Diluted earnings per share: Net income (Syensqo's share) divided by the weighted average number of shares adjusted for the effects of dilution.

Discontinued operations: Component of the Group which the Group has disposed of or which is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

EBIT: Earnings before interest and taxes. Performance indicator that is a measure of the Group's operating profitability irrespective of the funding's structure.

EBITDA: Earnings before interest and taxes, depreciation and amortization. The Group has included EBITDA as an alternative performance indicator because management believes that the measure provides useful information to assess the Group's operating profitability as well as the Group's ability to generate operating cash flows.

Extra-financial indicators: Indicators used that measure the sustainability performance of the company in complement to financial indicators. Syensqo has selected 5 indicators that are included in the ONE Planet initiative.

Free cash flow: Cash flows from operating activities (excluding cash flows linked to acquisitions or disposals of subsidiaries, cash outflows of Voluntary Pension Contributions, as they are deleveraging in nature as a reimbursement of debt and cash flows related to internal management of portfolio such as one-off external costs of internal carve-out and related taxes…), cash flows from investing activities (excluding cash flows from or related to acquisitions and disposals of subsidiaries and cash flows associated with the partial demerger project), and other investments, and excluding loans to associates and non-consolidated investments, and recognition of factored receivables), payment of lease liabilities, and increase/decrease of borrowings related to environmental remediation. Prior to the adoption of IFRS 16, operating lease payments were included within free cash flow. Following the application of IFRS 16, because leases are generally considered to be operating in nature, free cash flow incorporates the payment of the lease liability (excluding the interest expense). Excluding this item in the free cash flow would result in a significant improvement of free cash flow compared to prior periods, whereas the operations themselves have not been affected by the implementation of IFRS 16. It is a measure of cash generation, working capital efficiency and capital discipline of the Group.

Free cash flow to Syensqo shareholders: Free cash flow after payment of net interests, coupons of perpetual hybrid bonds, dividends to non-controlling interests and capital injections and capital reimbursements from/to non-controlling interests. This represents the cash flow available to Syensqo shareholders, to pay their dividend and/or to reduce the net financial debt.

Free cash flow conversion: Calculated as the ratio between the free cash flow to Syensqo shareholders of the last rolling 12 months (before netting of dividends paid to non-controlling interest) and underlying EBITDA of the last rolling 12 months.

Gearing ratio is a measure of capital structure and is defined as Underlying net debt / (underlying net debt + Equity - Hybrid bonds in equity)

GBU: Global business unit

IFRS: International Financial Reporting Standards

LTM: Last twelve months

Leverage ratio: Net debt / underlying EBITDA of last 12 months. Underlying leverage ratio = underlying net debt / underlying EBITDA of last 12 months.

Mandatory contributions to employee benefits plans: For funded plans, contributions to plan assets corresponding to amounts required to be paid during the respective period, in accordance with agreements with trustees or regulation, as well as, for unfunded plans, benefits paid to beneficiaries.

Net cost of borrowings: cost of borrowings netted with interest on loans and short-term deposits, as well as other gains (losses) on net indebtedness.

Net financial debt: Non-current financial debt + current financial debt – cash & cash equivalents – other financial instruments (current and noncurrent). Underlying net debt reclassified as debt 100% of the hybrid perpetual bonds, considered as equity under IFRS. It is a key measure of the strength of the Group's financial position and is widely used by credit rating agencies.

Net financial charges: Net cost of borrowings, and costs of discounting provisions (namely, related to post-employment benefits and Health Safety and Environmental liabilities).

Net pricing: The difference between the change in sales prices versus the change in variable costs.

Net sales: Sales of goods and value added services corresponding to Syensqo's know-how and core business. Net sales exclude Revenue from non-core activities.

Net working capital: Includes inventories, trade receivables and other current receivables, netted with trade payables and other current liabilities.

OCI: Other Comprehensive Income.

Operational deleveraging: Reduction of liabilities (net debt or provisions) through operational performance only, i.e. excluding impacts from acquisitions and divestitures, as well as remeasurement impacts (changes of foreign exchange, inflation, mortality and discount rates).

Organic growth: Growth of Net sales or underlying EBITDA excluding scope changes (related to small M&A not leading to restatements) and forex conversion effects. The calculation is made by rebasing the prior period at the business scope and forex conversion rate of the current period.

pp: Unit of percentage points, used to express the evolution of ratios.

PPA: Purchase Price Allocation (PPA) accounting impacts related to acquisitions, primarily for Rhodia and Cytec.

Pricing power: The ability to create positive net pricing.

Research & innovation: Research & development costs recognized in the income statement and as capital expenditure before deduction of related subsidies, royalties and depreciation and amortization expense. It measures the total cash effort in research & innovation, regardless of whether the costs were expensed or capitalized.

Research & innovation intensity: Ratio of Research & innovation / net sales

Result from legacy remediation and major litigations: It includes:
- The remediation costs not generated by on-going production facilities (shut-down of sites, discontinued productions, previous years' pollution), and
- The impact of significant litigations

Results from portfolio management and major restructuring: It includes:
- Gains and losses on the sale of subsidiaries, joint operations, joint ventures, and associates that do not qualify as discontinued operations;
- Acquisition costs of new businesses;
- One-off operating costs related to internal management of portfolio (carve-out of major lines of businesses);

- Costs and revenues, gains and losses related to the Partial Demerger project;
- Gains and losses on the sale of real estate not directly linked to an operating activity;
- Restructuring charges driven by portfolio management and by major reorganization of business activities, including impairment losses resulting from the shutdown of an activity or a plant;
- Impairment losses resulting from testing of Cash Generating Units (CGUs);

It excludes non-cash accounting impact from amortization and depreciation resulting from the purchase price allocation (PPA) from acquisitions.

Revenue from non-core activities: Revenues primarily comprising commodity and utility trading transactions and other revenue, considered to not correspond to Syensqo's know-how and core business.

ROCE: Return on Capital Employed, calculated as the ratio between underlying EBIT (before adjustment for the amortization of PPA) and capital employed. Capital employed consists of net working capital, tangible and intangible assets, goodwill, rights-of-use assets, investments in associates & joint ventures and other investments, and is taken as the average of the situation at the end of the last 4 semesters.

SOP: Stock Option Plan.

Underlying: Underlying results are deemed to provide a more comparable indication of Syensqo's fundamental performance over the reference periods. They are defined as the IFRS figures adjusted for the "Adjustments" as defined above. They provide readers with additional information on the Group's underlying performance over time as well as the financial position and they are consistent with how the business' performance and financial position are reported to the Board of Directors and the Executive Committee.

Underlying Tax rate: Income taxes / (Result before taxes – Earnings from associates & joint ventures) – all determined on an Underlying basis. The adjustment of the denominator regarding associates and joint ventures is made as these contributions are already net of income taxes. This provides an indication of the tax rate across the Group.

YoY: Year on year comparison.

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Safe harbor

About Syensqo

Syensqo is a science company developing groundbreaking solutions that enhance the way we live, work, travel and play. Inspired by the scientific councils which Ernest Solvay initiated in 1911, we bring great minds together to push the limits of science and innovation for the benefit of our customers, with a diverse, global team of more than 13,000 associates.
Our solutions contribute to safer, cleaner, and more sustainable products found in homes, food and consumer goods, planes, cars, batteries, smart devices and health care applications. Our innovation power enables us to deliver on the ambition of a circular economy and explore breakthrough technologies that advance humanity.

2025 Calendar

- May 6, 2025: Annual General Meeting
- May 15, 2025: Q1 2025 results
- May 19, 2025: Proposed dividend payment date
- July 31, 2025: Q2 2025 results
- Nov 6, 2025: Q3 2025 results

Investor Relations sources

- Earnings materials
- Strategy
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- Credit information
- Separation documents
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