SOLVAY

First nine months 2024
Financial report

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Forenote

In addition to IFRS accounts, Solvay 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. Generally, these indicators are 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 8 are on an underlying basis, unless otherwise stated.

Underlying business review

Highlights

- **Net sales** in Q3 2024 amounted to €1,156 million, up +3.9% organically versus Q3 2023, with a positive impact from volumes for the third consecutive quarter, while prices were down year on year.
- **Underlying EBITDA** in Q3 2024 was stable at €259 million (-0.3% year on year organically), with a moderate negative Net pricing being offset by positive volume impact. EBITDA margin reached 22.4%.
- **Structural cost savings** initiatives delivered €77 million in the first nine months of 2024.
- **Underlying net profit** from continuing operations was €108 million in Q3 2024 vs. €157 million in Q3 2023.
- **Free Cash Flow**[1] amounted to €74 million in Q3 2024 (€320 million in 9M), from the solid EBITDA performance, while Capex ramped up to €84 million in Q3 2024 (€192 million in 9M).
- **ROCE** was 17.3% in Q3 2024.
- **Underlying Net Debt** stood at €1.5 billion, implying a leverage ratio of 1.5x.
- The Board of Directors validated an **interim dividend** of €0.97 gross per share, payable on Jan. 22, 2025.
- **2024 Outlook**: Solvay confirms its EBITDA and Free Cash Flow[1] guidance for 2024, and expects the underlying EBITDA to be at the high end of the "-10% to -15%" organic growth range.

	Third quarter				First nine months			
Underlying (in € million)	2024	2023	% yoy	% organic	2024	2023	% yoy	% organic
Net sales	1,156	1,120	+3.2%	*+3.9%*	3,552	3,749	-5.3%	*-5.4%*
EBITDA	259	286	-9.7%	*-0.3%*	796	1,008	-21.0%	*-11.1%*
EBITDA margin	*22.4%*	*25.6%*	-3.2pp	-	*22.4%*	*26.9%*	-4.5pp	-
FCF [1]	74	167	-55.7%	-	320	553	-42.1%	-
ROCE					17.3%	N/A	n.m	-

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial performance*.

Philippe Kehren, Solvay CEO

"The evolution of our business in the third quarter was in line with our expectations. The first half of the year benefitted from opportunistic sales and restocking effects, while, as anticipated, we have not observed any improvement in the third quarter of 2024. Despite these market conditions, our financial performance demonstrates resilience and our ability to maintain solid profits. This has been achieved thanks to the acceleration of cost-saving initiatives and the unwavering commitment of our employees.

I am also very proud of our most recent energy transition project in Green River (US). Just a few months after exiting coal, this new step further strengthens Green River's position as a U.S. benchmark for sustainable soda ash production and marks a key step in reducing our global carbon footprint.

Looking ahead to the fourth quarter, we expect the trends of the first nine months to continue, with some potential seasonal effects toward year-end.
As we prepare for 2025, we are ready to adapt to evolving market conditions while focusing on our transformation journey and operational efficiency."

[1] Free Cash Flow (FCF) here is the free cash to Solvay shareholders from continuing operations.

Financial performance

The 2023 IFRS and underlying figures, presented below, were restated to present the effect of the Partial Demerger of the Specialty Businesses and to reflect the transfer of eH2O2 activities from Special Chem to Peroxides on January 1, 2024.

The impact of the scope change of Alternative Performance Metric (APM) applied from January 1, 2024, to the material equity accounted investment in Peroxidos do Brasil, is explained in the Restatements paragraph of the financial report. The Q3 and 9M 2023 figures have not been restated and are reflected as scope change.

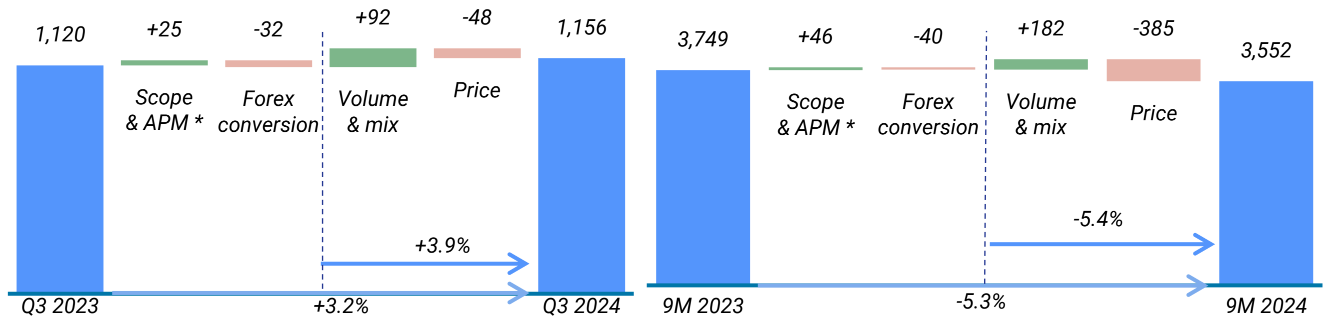
Key figures

Underlying key figures *(in € million)*	Q3 2024	Q3 2023	% yoy	9M 2024	9M 2023	% yoy
Net sales	1,156	1,120	+3.2%	3,552	3,749	-5.3%
EBITDA	259	286	-9.7%	796	1,008	-21.0%
EBITDA margin	*22.4%*	*25.6%*	-3.2pp	*22.4%*	*26.9%*	-4.5pp
EBIT	179	211	-15.1%	560	774	-27.7%
Net financial charges	-34	-18	-87.6%	-106	-81	-29.8%
Income tax expenses	-37	-35	-4.4%	-111	-138	+19.8%
Tax rate				*24.6%*	*20.8%*	+3.9pp
Profit from continuing operations	108	157	-31.5%	343	554	-38.1%
Profit / (loss) from discontinued operations	-1	188	n.m.	-	682	n.m.
(Profit) / loss attributable to non-controlling interests	-3	-5	-29.9%	-12	-10	+15.9%
Profit / (loss) attributable to Solvay shareholders	103	340	-69.7%	331	1,226	-73.0%
Basic earnings per share (in €)	0.99	3.27	-69.7%	3.16	11.79	-73.2%
of which from continuing operations	1.00	1.47	-32.0%	3.16	5.26	-39.9%
Capex in continuing operations	84	121	-30.6%	192	268	-28.2%
FCF to Solvay shareholders from continuing operations	74	167	-55.7%	320	553	-42.1%
Net financial debt				1,546	N/A	n.m.
Underlying leverage ratio				1.5	N/A	n.m.
ROCE (continuing operations)				17.3%	N/A	n.m.

Note: 2023 figures were restated to reflect the changes mentioned in the introduction above

Group performance

Net sales

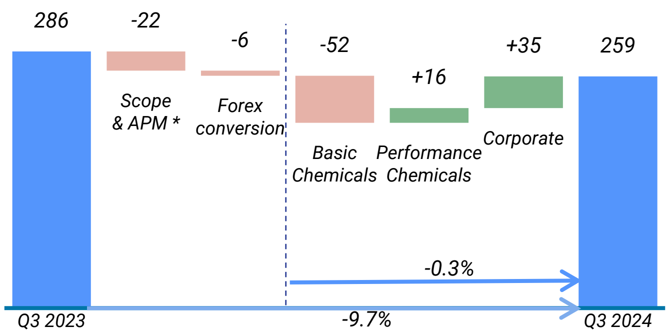


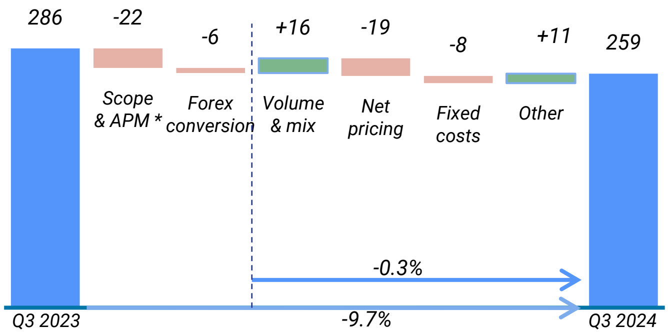
(*) Q3 2024 includes €40 million of APM change. Q3 2023 sales restated with the new APM definition would amount to €1,160 million. 9M 2024 includes €122 million of APM change. 9M 2023 sales restated with the new APM definition would amount to €3,871 million.

Underlying net sales of €1,156 million for the third quarter of 2024 were +3.2% higher versus Q3 2023 (+3.9% organically, with a limited scope, APM and conversion impact of -0.7%). As expected, prices continued to have a negative impact (-4.3%) following the lower prices in soda ash in 2024 versus 2023. Volumes were up (+8.2%), benefitting from a more favorable comparable basis in Q3 last year.

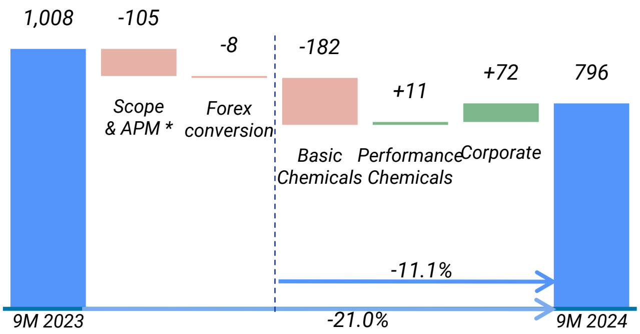
Underlying EBITDA

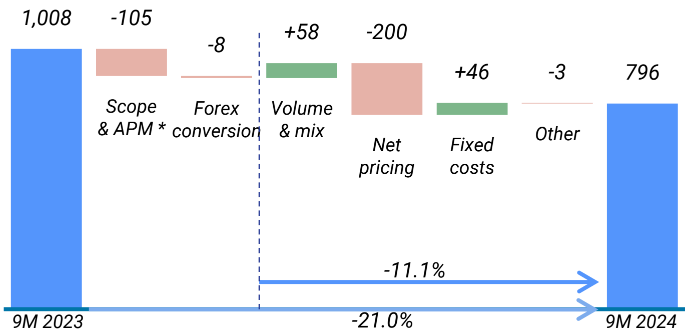
Underlying EBITDA of €259 million in Q3 2024 was down -9.7% but stable organically (-0.3%), including a negative scope, APM and conversion impact (-9.5%) from the exit of the thermal insulation and energy third parties businesses, and the change in APM in relation with Peroxidos do Brasil. Volume impact was favorable (+5.6%), highlighting a moderate increase of year on year demand in the majority of Solvay's end markets. Net pricing had a negative impact (-6.8%), mainly as a result of the lower prices in soda ash. Cost savings initiatives continued to support the EBITDA, with €31 million savings in Q3 2024. Fixed costs had a slight negative impact in the third quarter (-2.8%), with fixed costs savings offsetting inflation, and higher variable remuneration accruals year on year. Overall, the EBITDA margin decreased to 22.4%, -3.2pp year on year, but was stable compared to the first half of 2024.





(*) includes €6 million of APM change. Q3 2023 EBITDA restated with the new APM definition would amount to €292 million.



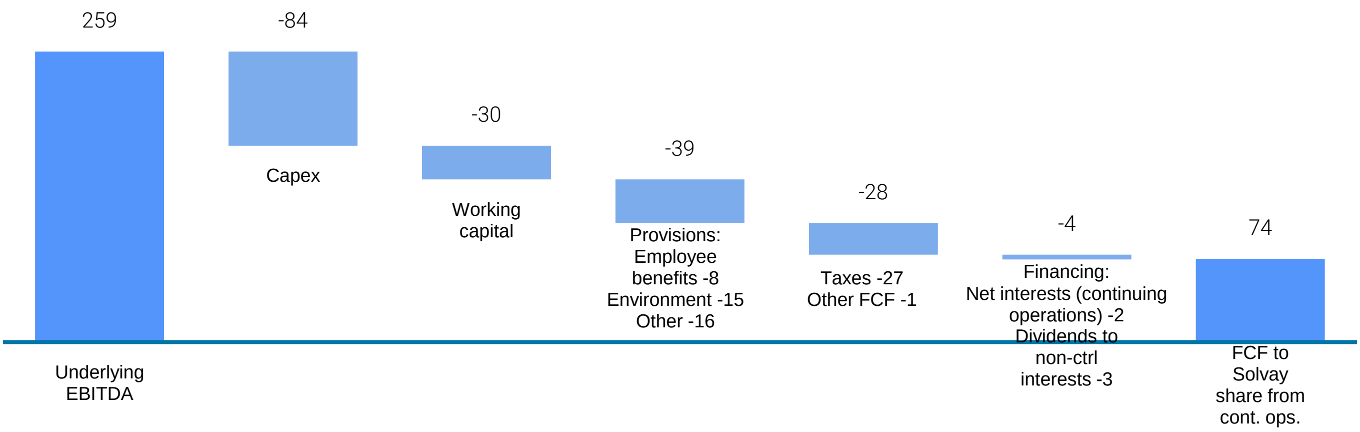


(*) includes €19 million of APM change. 9M 2023 EBITDA restated with the new APM definition would amount to €1,027 million.

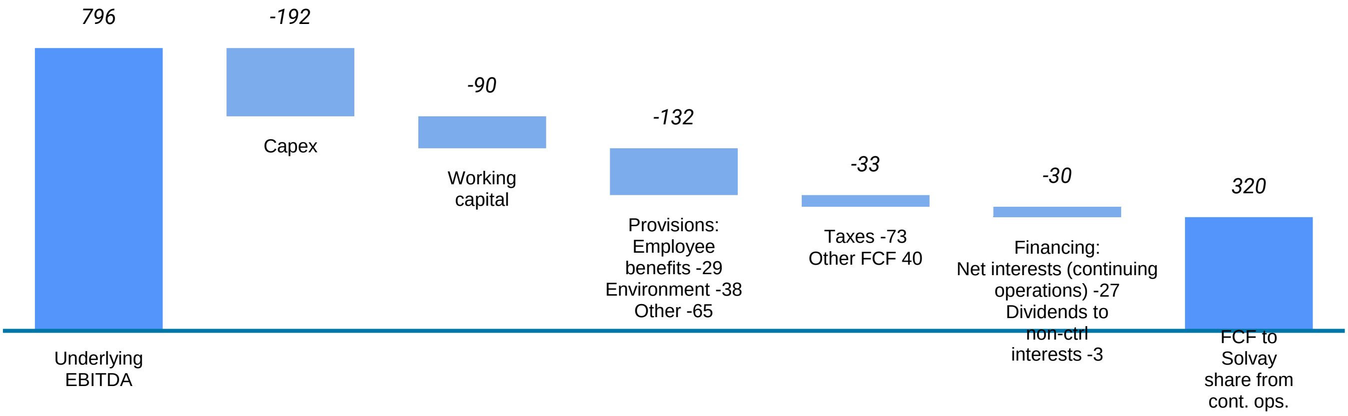
Free cash flow

Free Cash Flow to Solvay shareholders from continuing operations amounted to €74 million in Q3 2024, supported by the EBITDA performance, and despite the strong acceleration of investments compared to the second quarter. Working capital variations continued to be under control in this quarter.

Q3 2024

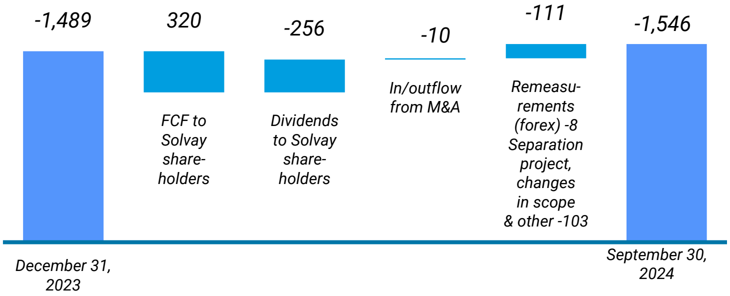


9M 2024



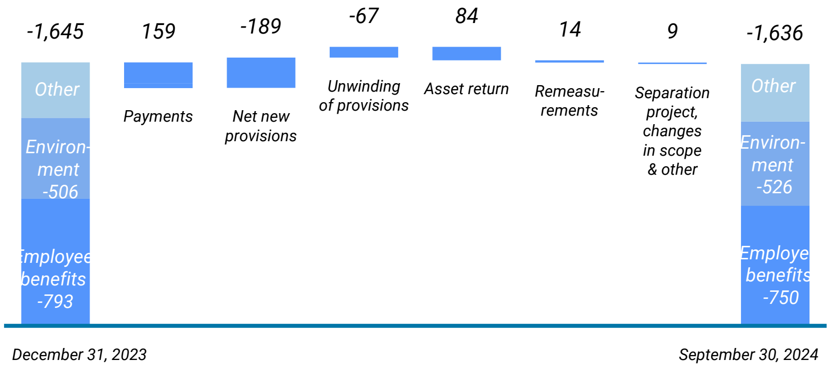
Underlying net debt

Underlying net financial debt was €1.5 billion at the end of Q3 2024, stable versus end of Q2 2024 and compared to the end of 2023.



Provisions

Provisions amounted to €1.6 billion at the end of September 2024, stable compared to €1.6 billion at the end of 2023.



Interim dividend

The interim dividend of €0.97 gross per share represents 40% of the 2023 total dividend (€2.43 per share) and is aligned with Solvay's policy and historic practices.

2024 Outlook

Solvay expects the trends of the first nine months to continue into the last quarter of 2024, with some potential seasonality effects around year-end.

In that context, Solvay confirms its full year underlying EBITDA guidance of "-10% to -15%" organic growth (or €975 million to €1,040 million, at a 1.10 EUR/USD exchange rate), and expects to be at the high-end of the range. This is supported by the resilience of its businesses and the cost savings that will exceed the target of €80 million for the full year, as the company has been able to accelerate initiatives that were expected to start in 2025.

Solvay keeps its guidance of Free Cash Flow[2] for 2024 at above €300 million, as Capex in the last quarter should further accelerate and reach €300 million to €350 million in 2024.

[2] Free Cash Flow (FCF) here is the free cash to Solvay shareholders from continuing operations.

Performance by segment

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Net sales bridge Q3

(in € million)	Q3 2023	Scope & APM *	Forex conversion	Volume & mix	Price	Q3 2024
Solvay	1,120	25	-32	92	-48	1,156
Basic Chemicals	655	51	-9	56	-48	706
Performance Chemicals	466	-30	-23	35	-	448
Corporate	-1	4	-	-	-	3

(*) includes €40 million of APM change. Basic Chemicals Q3 2023 restated net sales would amount to €695 million

Net sales bridge 9M

(in € million)	9M 2023	Scope & APM *	Forex conversion	Volume & mix	Price	9M 2024
Solvay	3,749	46	-40	182	-385	3,552
Basic Chemicals	2,154	149	-13	139	-300	2,129
Performance Chemicals	1,589	-103	-26	40	-85	1,415
Corporate	6	-	-	3	-	8

(*) includes €122 million of APM change. Basic Chemicals 9M 2023 restated net sales would amount to €2,276 Million.

Basic Chemicals

Basic Chemicals sales in Q3 2024 were up +7.8% (+1.2% organically) compared to Q3 2023, with positive impacts from conversion, scope and change in APM (+6.5%) and higher volumes (+8.6%) partially offset by the negative price impact (-7.3%).

Soda Ash & Derivatives sales were slightly lower by -1.6% (-2.1% organically) for the quarter, from lower prices in soda ash, almost offset by higher volumes in both soda ash and bicarbonate. In line with previous quarters, soda ash demand continued to be strong in the seaborne market, though this was partly offset by the reduced demand from container glass in Europe, while bicarbonate demand was supported by the feed and flue gas treatment end markets.

Peroxides sales increased by +33.3% year on year, including the consolidation of the Peroxidos do Brasil sales (+8.7% organically). Volumes were up year on year in merchant markets, especially in pulp, mining and chemical applications, and also grew in HPPO and in electronics, especially in Asia.

The segment EBITDA was down -23.4% (-22.4% organically) compared to Q3 2023 which had been positively impacted by a licensing revenue from GBU Peroxides, recorded as revenues from non-core activities. Besides this element, year on year volume impact was favorable, but it was offset by negative Net pricing from soda ash and slightly higher fixed costs. The EBITDA margin reached 25.7%, decreasing by -10.5pp compared to Q3 2023.

Performance Chemicals

Performance Chemicals sales in Q3 2024 were down -3.9% (+8.6% organically) compared to Q3 2023, with negative scope and conversion impact (-11.5%), higher volumes (+7.6%) and stable prices (+0.0%).

Silica sales for the quarter were lower by -5.0% (-3.5% organically) from lower prices due to formula indexations, while volumes were slightly higher year on year but lower sequentially on the tire market.

Coatis' sales were up +11.7% (+29.1% organically) with improved volumes and pricing in both solvents and polyamide chain product lines.

Special Chem sales were lower year on year by -15.6% from the exit of the thermal insulation activities, while organically, sales were up +2.0%. In the rare earth business line volumes were lower in autocatalysis but higher in electronics while in the fluorine business line volumes increased. Sequentially versus Q2 the product mix was less favorable overall.

The segment EBITDA for the quarter was down -2.5% but up +26.1% organically, thanks to higher volumes year on year in most product lines, although lower sequentially on the automotive applications. The EBITDA margin increased year on year to 17.6% by +0.3pp.

Corporate

For Q3 2024, the Corporate segment EBITDA was €-2 million, €+30 million versus Q3 2023 (which included €-10 million of provision relating to the energy transition project in the plant of Dombasle, France). In Q3 2024, the negative impact of inflation was largely offset by the structural savings from a leaner organization combined with contained spend on discretionary expenses, some positive seasonal effects, and the positive impacts from the Transition Service Agreement with Syensqo.

Key figures by segments

Segment review	Underlying							
(in € million)	Q3 2024	Q3 2023	% yoy	% organic	9M 2024	9M 2023	% yoy	% organic
Net sales	1,156	1,120	+3.2%	*+3.9%*	3,552	3,749	-5.3%	*-5.4%*
Basic Chemicals	706	655	+7.8%	*+1.2%*	2,129	2,154	-1.1%	*-7.0%*
Soda Ash & Derivatives	471	478	-1.6%	*-2.1%*	1,432	1,594	-10.2%	*-11.1%*
Peroxides	235	176	+33.3%	*+8.7%*	698	559	+24.7%	*+2.5%*
Performance Chemicals	448	466	-3.9%	*+8.6%*	1,415	1,589	-11.0%	*-3.1%*
Silica	127	133	-5.0%	*-3.5%*	412	449	-8.2%	*-8.1%*
Coatis	164	147	+11.7%	*+29.1%*	487	500	-2.7%	*+1.3%*
Special Chem	157	186	-15.6%	*+2.0%*	515	640	-19.4%	*-2.8%*
Corporate	3	-1	n.m.	*n.m*	8	6	n.m.	*n.m*
EBITDA	259	286	-9.7%	*-0.3%*	796	1,008	-21.0%	*-11.1%*
Basic Chemicals	181	237	-23.4%	*-22.4%*	577	746	-22.7%	*-24.0%*
Performance Chemicals	79	81	-2.5%	*+26.1%*	260	308	-15.5%	*+4.6%*
Corporate	-2	-31	n.m.	*n.m*	-40	-46	+11.6%	*n.m*
EBITDA margin	*22.4%*	*25.6%*	*-3.2pp*	-	*22.4%*	*26.9%*	*-4.5pp*	-
Basic Chemicals	*25.7%*	*36.2%*	*-10.5pp*	-	*27.1%*	*34.6%*	*-7.6pp*	-
Performance Chemicals	*17.6%*	*17.3%*	*+0.3pp*	-	*18.4%*	*19.4%*	*-1.0pp*	-

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Key IFRS figures

Q3 key figures	IFRS			Underlying		
(in € million)	Q3 2024	Q3 2023	% yoy	Q3 2024	Q3 2023	% yoy
Net sales	**1,119**	**1,120**	**-0.1%**	**1,156**	**1,120**	**+3.2%**
EBITDA	**153**	**187**	**-18.0%**	**259**	**286**	**-9.7%**
EBITDA margin				*22.4%*	*25.6%*	-3.2pp
EBIT	**65**	**106**	**-38.7%**	**179**	**211**	**-15.1%**
Net financial charges	-36	-	n.m.	-34	-18	-87.6%
Income tax expenses	-11	-1	n.m.	-37	-35	-4.4%
Profit from continuing operations	**18**	**105**	**-82.9%**	**108**	**157**	**-31.5%**
Profit / (loss) from discontinued operations	-	120	n.m.	-1	188	n.m.
(Profit) / loss attributable to non-controlling interests	1	-5	n.m.	-3	-5	-29.9%
Profit / (loss) attributable to Solvay shareholders	19	220	n.m.	103	340	-69.7%
Basic earnings per share (in €)	0.19	2.12	n.m.	0.99	3.27	-69.7%
of which from continuing operations	**0.19**	**0.98**	**-81.0%**	**1.00**	**1.47**	**-32.0%**
Capex in continuing operations				**84**	**121**	**-30.6%**
FCF to Solvay shareholders from continuing operations				**74**	**167**	**-55.7%**
Net financial debt				**1,546**	**N/A**	**n.m.**
Underlying leverage ratio				*1.5*	*N/A*	n.m.

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

9M key figures	IFRS			Underlying		
(in € million)	9M 2024	9M 2023	% yoy	9M 2024	9M 2023	% yoy
Net sales	**3,443**	**3,749**	**-8.2%**	**3,552**	**3,749**	**-5.3%**
EBITDA	**648**	**582**	**+11.3%**	**796**	**1,008**	**-21.0%**
EBITDA margin				*22.4%*	*26.9%*	*-4.5pp*
EBIT	**377**	**335**	**+12.6%**	**560**	**774**	**-27.7%**
Net financial charges	-98	-27	n.m.	-106	-81	-29.8%
Income tax expenses	-79	-78	-0.8%	-111	-138	+19.8%
Tax rate				*24.6%*	*20.8%*	*+3.9pp*
Profit from continuing operations	**201**	**230**	**-12.7%**	**343**	**554**	**-38.1%**
Profit / (loss) from discontinued operations	-	444	n.m.	-	682	n.m.
(Profit) / loss attributable to non-controlling interests	-7	-10	-29.9%	-12	-10	+15.9%
Profit / (loss) attributable to Solvay shareholders	193	664	-70.9%	331	1,226	-73.0%
Basic earnings per share (in €)	1.84	6.38	-71.1%	3.16	11.79	-73.2%
of which from continuing operations	**1.84**	**2.14**	**-13.8%**	**3.16**	**5.26**	**-39.9%**
Capex in continuing operations				**192**	**268**	**-28.4%**
FCF to Solvay shareholders from continuing operations				**320**	**553**	**-42.1%**
FCF conversion ratio (LTM, continuing operations)				38.9%	52.4%	-13.5pp
Net financial debt				**1,546**	**N/A**	**n.m.**
Underlying leverage ratio				*1.5*	*N/A*	*n.m.*
ROCE (continuing operations)				***17.3%***	***N/A***	***n.m.***

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Supplementary information

Restatements

In December 2023, the separation of Solvay SA/NV (EssentialCo) and Specialty Businesses was effected by means of a partial demerger. The Specialty Businesses, renamed to Syensqo SA/NV, became a public company, independent of Solvay. Consequently, to reflect the separation, Solvay's measures of performance were restated, and the Specialty Businesses were classified as discontinued operations. In the tables below, the figures related to 2023 financial performance were restated to reflect the continuing business only.

Following the announced transfer of the eH2O2 activities from Special Chem to Peroxides on January 1, 2024, the sales of Special Chem and Peroxides and the EBITDA of Basic Chemicals and Performance Chemicals have been restated in prior periods.

On April 15, 2024, Solvay published quarterly information for 2023, taking into account some changes in scope, and the application in the Consolidated Income Statement of a change in APM for Peroxidos do Brasil, which is accounted for under the "equity method" in IFRS statements, and proportionally in the APM. The following table presents the details of these adjustments.

Segments - underlying			Q3 2023	
(in € million) - unaudited	Historical	APM change	Scope changes	New base
Net sales	**1,120**	**40**	**-37**	**1,123**
Basic Chemicals	655	40	-7	688
Soda Ash & Derivatives	478	-	-	478
Peroxides	176	40	-7	210
Performance Chemicals	466	-	-30	436
Silica	133	-	-	133
Coatis	147	-	-	147
Special Chem	186		-30	155
Corporate	-1	-	-	-1
EBITDA	**287**	**6**	**-24**	**268**
Basic Chemicals	237	6	-3	240
Performance Chemicals	81	-	-15	66
Corporate	-31	-	-7	-38
EBITDA margin	***25.6%***	**-**	**-**	***23.8%***
Basic Chemicals	*36.2%*	-	-	*34.8%*
Performance Chemicals	*17.3%*	-	-	*15.1%*

Segments - underlying			9M 2023	
(in € million) - unaudited	Historical	APM change	Scope changes	New base
Net sales	**3,749**	**122**	**-121**	**3,749**
Basic Chemicals	2,154	122	-18	2,258
Soda Ash & Derivatives	1,594	-	-	1,594
Peroxides	559	122	-18	663
Performance Chemicals	1,589	-	-103	1,486
Silica	449	-	-	449
Coatis	500	-	-	500
Special Chem	640	-	-103	536
Corporate	6	-	-	6
EBITDA	**1,008**	**19**	**-199**	**907**
Basic Chemicals	746	19	-6	759
Performance Chemicals	308	-	-54	253
Corporate	-46	-	-59	-105
EBITDA margin	**26.9%**	**-**	**-**	**24.2%**
Basic Chemicals	34.6%	-	-	33.6%
Performance Chemicals	19.4%	-	-	17.1%

Reconciliation of alternative performance metrics

Solvay measures its financial performance using alternative performance metrics, which are presented below. Solvay 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 comparable 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		Underlying	
(in € million)		9M 2024	9M 2023
Profit / (loss) for the period before taxes	a	454	692
Earnings from associates & joint ventures	b	5	29
Income taxes	c	-111	-138
Underlying tax rate	e = -c/(a-b)	**24.6%**	**20.8%**

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Free cash flow (FCF) *(in € million)*		Q3 2024	Q3 2023	9M 2024	9M 2023
Cash flow from operating activities	a	140	625	435	1,728
of which voluntary pension contributions	b		-		-11
of which cash flow related to internal portfolio management and excluded from Free Cash Flow	c	-10	-39	-80	-105
Cash flow from investing activities	d	-59	-289	-143	-289
of which capital expenditures required for the Partial Demerger and excluded from Free Cash Flow	e	-	-1	-2	-53
Acquisition (-) of subsidiaries	f	-	-	-	-1
Acquisition (-) of investments - Other	g	-3	-2	-13	-15
Loans to associates and non-consolidated companies	h	5	-2	1	13
Sale (+) of subsidiaries and investments	i	-1	-	4	438
Payment of lease liabilities	j	-18	-29	-48	-87
FCF	k = a-b-c+d-e-f-g-h-i+j	**72**	**351**	**334**	**1,085**
FCF from discontinued operations	l	-	177	-	506
FCF from Peroxidos do Brasil	m	6	-	16	-
Net interests received/(paid) from Peroxidos do Brasil	n	1		3	
Net interests received/(paid) from continuing operations	o	-3	2	-30	40
Dividends paid to non-controlling interests (continuing operations)	p	-3	-1	-3	-4
Coupons paid on perpetual hybrid bonds	q	-	-8	-	-62
FCF to Solvay shareholders from continuing operations	r=k-l+m+n+o+p+q	**74**	**167**	**320**	**553**
FCF to Solvay shareholders from continuing operations (LTM)	s	**400**	**702**	**400**	**702**
Dividends paid to non-controlling interests (continuing operations) from continuing operations (LTM)	t	-3	-1	-3	-1
Underlying EBITDA (LTM)	u	1,035	1,343	1,035	1,343
Underlying FCF conversion ratio (LTM, continuing operations)	v=(s-t)/u	**38.9%**	**52.4%**	**38.9%**	**52.4%**

Net working capital		2024	2023
(in € million)		September 30	December 31
Inventories	a	604	642
Trade receivables	b	746	840
Other current receivables	c	357	463
Trade payables	d	-692	-850
Other current liabilities	e	-444	-585
Net working capital (IFRS)	f = a+b+c+d+e	**571**	**510**
Net working capital (Peroxidos do Brasil)	g	22	-
Underlying net working capital	h=f+g	**593**	**510**
Quarterly total sales	i	1,283	1,341
Annualized quarterly total sales	j = 4*i	5,131	5,365
Net working capital (IFRS) / quarterly total sales	k = h / j	**11.1%**	**9.5%**

Note: 2023 figures were restated as mentioned in the introduction to *Financial Performance* chapter

Capital expenditure (Capex)

(in € million)		Q3 2024	Q3 2023	9M 2024	9M 2023
Acquisition (-) of tangible assets	a	-60	-262	-131	-659
of which capital expenditures required for the Partial Demerger and excluded from Free Cash Flow		-	1	-	53
Acquisition (-) of intangible assets	b	-3	-24	-10	-71
of which capital expenditures required for the Partial Demerger and excluded from Free Cash Flow		-	-	2	-
Payment of lease liabilities	c	-18	-29	-48	-87
Capex	d=a+b+c	**-81**	**-313**	**-187**	**-765**
Capex in discontinued operations	e	-	-193	-	-497
Capex in continuing operations	f=d-e	**-81**	**-121**	**-187**	**-268**
Capex from Peroxidos do Brasil	g	3	-	5	-
Underlying Capex in continuing operations	h=f+g	**-84**	**-121**	**-192**	**-268**
Basic Chemicals		-61	-89	-131	-174
Performance Chemicals		-17	-23	-44	-66
Corporate		-6	-8	-17	-27
Underlying EBITDA	i	**259**	**286**	**796**	**1,008**
Underlying cash conversion (continuing operations)	j = (h+i)/i	**67.6%**	**57.8%**	**75.9%**	**73.4%**

Note: 2023 figures were restated as mentioned in the introduction to *Financial Performance* chapter.

Net financial debt

(in € million)		2024 September 30	2023 December 31
Non-current financial debt	a	-1,993	-1,981
Current financial debt	b	-183	-211
IFRS gross debt	c = a+b	-2,175	-2,192
Underlying gross debt	d = c+h	-2,136	-2,192
Other financial instruments (current + non-current)	e	33	118
Cash & cash equivalents	f	556	584
Total cash and cash equivalents	g = e+f	590	703
IFRS net debt	i = c+g	**-1,586**	**-1,489**
Net debt of Peroxidos do Brasil	h	40	N/A
Underlying net debt	j = i+h	**-1,546**	**-1,489**
Underlying EBITDA (LTM)	k	1,035	1,246
Underlying leverage ratio	l = -j/k	**1.5**	**1.2**

Note: 2023 figures were restated as mentioned in the introduction to *Financial Performance* chapter.

ROCE

(in € million)		9M 2024 As calculated
EBIT (LTM)	a	714
Accounting impact from EUAs and amortization & depreciation of purchase price allocation (PPA) from acquisitions	b	-3
Numerator	c = a+b	**710**
WC industrial	d	684
WC Other	e	-147
Property, plant and equipment	f	2,161
Intangible assets	g	215
Right-of-use assets	h	279
Investments in associates & joint ventures	i	115
Other investments	j	31
Goodwill	k	778
Denominator	l = d+e+f+g+h+i+j+k	**4,116**
ROCE	*m = c/l*	*17.3%*

Reconciliation of underlying income statement indicators

In addition to IFRS accounts, Solvay also presents underlying Income Statement performance indicators to provide a more consistent and comparable indication of Solvay'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 in order to generate a measure that avoids distortion and facilitates the appreciation of performance and comparability of results over time.

Consolidated income statement Q3	Q3 2024			Q3 2023		
(in € million)	IFRS	Adjust-ments	Under-lying	IFRS	Adjust-ments	Under-lying
Sales	**1,246**	37	**1,283**	**1,366**	-	**1,366**
of which revenues from non-core activities	126	-	126	245	-	245
of which net sales	1,119	37	1,156	1,120	-	1,120
Cost of goods sold	-971	-23	-995	-1,054	-	-1,054
Gross margin	**274**	14	**288**	**312**	-	**312**
Commercial costs	-24	-1	-25	-24	-	-24
Administrative costs	-82	-1	-83	-95	18	-77
Research & development costs	-9	-	-9	-11	-	-11
Other operating gains & losses	-28	35	7	-20	20	-1
Earnings from associates & joint ventures	10	-9	1	10	-	10
Result from portfolio management & major restructuring	-54	54	-	-56	56	-
Result from legacy remediation & major litigations	-22	22	-	-11	11	-
EBITDA	**153**	105	**259**	**187**	99	**286**
Depreciation, amortization & impairments	-88	8	-80	-81	5	-76
EBIT	**65**	114	**179**	**106**	104	**211**
Net cost of borrowings	-23	-2	-25	12	5	17
Coupons on perpetual hybrid bonds	-	-	-	-	-19	-19
Cost of discounting provisions	-8	-1	-9	-13	-4	-17
Result from equity instruments measured at fair value	-4	4	-	-	-	-
Profit / (loss) for the period before taxes	**29**	115	**144**	**106**	86	**192**
Income taxes	-11	-26	-37	-1	-35	-35
Profit / (loss) for the period from continuing operations	**18**	89	**108**	**105**	52	**157**
Profit / (loss) for the period from discontinued operations	-	-1	-1	120	68	188
Profit / (loss) for the period	**18**	88	**106**	**225**	120	**345**
attributable to Solvay share	19	84	103	220	120	340
attributable to non-controlling interests	-1	4	3	5	-	5
Basic earnings per share (in €)	0.19	0.80	0.99	2.12	1.15	3.27
of which from continuing operations	0.19	0.82	1.00	0.98	0.50	1.47
Diluted earnings per share (in €)	0.18	0.80	0.98	2.09	1.14	3.23
of which from continuing operations	0.18	0.81	0.99	0.97	0.49	1.46

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Sales and Cost of goods sold (gross margin) on an IFRS basis were €274 million, versus €288 million on an underlying basis to adjust for the change from equity accounting to proportional consolidation under the modified APM for Peroxidos do Brasil.

EBITDA on an IFRS basis totaled €153 million, versus €259 million on an underlying basis. The difference of €105 million is mainly explained by the following adjustments to IFRS results, which are done to improve the comparability of underlying results:

- €45 million to adjust for the "Result from portfolio management and major restructuring" (excluding depreciation, amortization and impairment elements), mainly including costs incurred for the project aimed at the separation of the Group into two independent, publicly listed companies and other restructuring initiatives.
- €22 million to adjust for the "Result from legacy remediation and major litigations", mainly due to legacy environmental provisions and legal fees for major litigations.
- €6 million to adjust for the change from equity accounting to proportional consolidation under the modified APM for Peroxidos do Brasil.

EBIT on an IFRS basis totaled €65 million, versus €179 million on an underlying basis. The difference of €114 million is explained by the above-mentioned €105 million adjustments at the EBITDA level and €8 million of "Depreciation, amortization & impairments". The latter consist of €8 million to adjust for the impact of impairment of other non-performing assets in "Results from portfolio management and major restructuring".

Net financial charges on an IFRS basis were €-36 million versus €-34 million on an underlying basis. The €2 million adjustment made to IFRS net financial charges mainly consists of:

- €-3 million related to the reevaluation of Long-term incentive liabilities due to the inclusion of Syensqo shares.
- €+4 million related to the re-measurement of the Syensqo shares at fair value.

Income taxes on an IFRS basis were €-11 million, versus €-37 million on an underlying basis. The €-26 million adjustment mainly relates to the restructuring, environmental provisions and valuation allowances on deferred tax assets related to prior periods.

Profit / (loss) attributable to Solvay shareholders was €19 million on an IFRS basis and €103 million on an underlying basis. The delta of €84 million reflects the above-mentioned adjustments to EBIT, net financial charges, and income taxes.

9M consolidated income statement		9M 2024			9M 2023	
(in € million)	IFRS	Adjust-ments	Under-lying	IFRS	Adjust-ments	Under-lying
Sales	3,876	109	3,985	4,683	-	4,683
of which revenues from non-core activities	433	-	433	934	-	934
of which net sales	3,443	109	3,552	3,749	-	3,749
Cost of goods sold	-3,003	-73	-3,076	-3,564	-	-3,564
Gross margin	874	36	909	1,119	-	1,119
Commercial costs	-70	-2	-72	-76	-	-76
Administrative costs	-241	-3	-244	-316	54	-262
Research & development costs	-24	-1	-25	-30	1	-29
Other operating gains & losses	-61	47	-13	-20	13	-7
Earnings from associates & joint ventures	34	-29	5	36	-7	29
Result from portfolio management & major restructuring	-93	93	-	-343	343	-
Result from legacy remediation & major litigations	-41	41	-	-35	35	-
EBITDA	648	148	796	582	426	1,008
Depreciation, amortization & impairments	-271	35	-237	-247	13	-234
EBIT	377	183	560	335	439	774
Net cost of borrowings	-60	-13	-73	5	10	16
Coupons on perpetual hybrid bonds	-	-	-	-	-59	-59
Cost of discounting provisions	-22	-10	-33	-33	-4	-38
Result from equity instruments measured at fair value	-15	15	-	1	-1	-
Profit / (loss) for the period before taxes	280	174	454	308	384	692
Income taxes	-79	-32	-111	-78	-60	-138
Profit / (loss) for the period from continuing operations	201	143	343	230	325	554
Profit / (loss) for the period from discontinued operations	-	-	-	444	238	682
Profit / (loss) for the period	201	142	343	674	563	1,237
attributable to Solvay share	193	138	331	664	563	1,226
attributable to non-controlling interests	7	5	12	10	-	10
Basic earnings per share (in €)	1.84	1.31	3.16	6.38	5.41	11.79
of which from continuing operations	1.84	1.32	3.16	2.14	3.12	5.26
of which from discontinued operations	-	-	-	4.24	2.29	6.53
Diluted earnings per share (in €)	1.82	1.30	3.12	6.31	5.35	11.66
of which from continuing operations	1.82	1.30	3.13	2.11	3.09	5.20
of which from discontinued operations	-	-	-	4.20	2.26	6.46

Note: 2023 figures were restated to reflect the changes mentioned in the introduction to *Financial Performance* chapter.

Sales and Cost of goods sold (gross margin) on an IFRS basis were €874 million, versus €909 million on an underlying basis to adjust for the change from equity accounting to proportional consolidation under the modified APM for Peroxidos do Brasil.

EBITDA on an IFRS basis totaled €648 million, versus €796 million on an underlying basis. The difference of €148 million is mainly explained by the following adjustments to IFRS results, which are done to improve the comparability of underlying results:

- €56 million to adjust for the “Result from portfolio management and major restructuring” (excluding depreciation, amortization and impairment elements), mainly including costs incurred for the project aimed at the separation of the Group into two independent, publicly listed companies and other restructuring initiatives.
- €41 million to adjust for the “Result from legacy remediation and major litigations”, mainly due to legacy environmental provisions and legal fees for major litigations.
- €18 million to adjust for the change from equity accounting to proportional consolidation under the modified APM for Peroxidos do Brasil.

EBIT on an IFRS basis totaled €377 million, versus €560 million on an underlying basis. The difference of €183 million is explained by the above-mentioned €148 million adjustments at the EBITDA level and €35 million of “Depreciation, amortization & impairments”. The latter consist of €37 million to adjust for the impact of impairment of other non-performing assets in “Results from portfolio management and major restructuring”.

Net financial charges on an IFRS basis were €-98 million versus €-106 million on an underlying basis. The €-8 million adjustment made to IFRS net financial charges mainly consists of:

- €-10 million related to the impact of an increase in discount rates on environmental provisions.
- €-17 million related to the reevaluation of Long-term incentive liabilities due to the inclusion of Syensqo shares.
- €+15 million related to the re-measurement of the Syensqo shares at fair value.

Income taxes on an IFRS basis were €-79 million, versus €-111 million on an underlying basis. The €-32 million adjustment mainly relates to the adjustments of the earnings before taxes described above and valuation allowances on deferred tax assets related to prior periods.

Profit / (loss) attributable to Solvay shareholders was €193 million on an IFRS basis and €331 million on an underlying basis. The delta of €138 million reflects the above-mentioned adjustments to EBIT, net financial charges, and income taxes.

Condensed consolidated interim financial statements [1]

Consolidated income statement	IFRS			
(in € million)	Q3 2024	Q3 2023	9M 2024	9M 2023
Sales	**1,246**	**1,366**	**3,876**	**4,683**
of which revenues from non-core activities [2]	126	245	433	934
of which net sales	1,119	1,120	3,443	3,749
Cost of goods sold	-971	-1,054	-3,003	-3,564
Gross margin	**274**	**312**	**874**	**1,119**
Commercial costs	-24	-24	-70	-76
Administrative costs [3]	-82	-95	-241	-316
Research & development costs	-9	-11	-24	-30
Other operating gains & losses [4]	-28	-20	-61	-20
Earnings from associates & joint ventures	10	10	34	36
Result from portfolio management & major restructuring [5]	-54	-56	-93	-343
Result from legacy remediation & major litigations	-22	-11	-41	-35
EBIT	**65**	**106**	**377**	**335**
Cost of borrowings [6]	-27	-14	-83	-38
Interest on loans & short-term deposits	4	10	13	31
Other gains & losses on net indebtedness	-1	16	10	12
Cost of discounting provisions	-8	-13	-22	-33
Result from equity instruments measured at fair value	-4	-	-15	1
Profit / (loss) for the period before taxes	**29**	**106**	**280**	**308**
Income taxes	-11	-1	-79	-78
Profit / (loss) for the period from continuing operations	**18**	**105**	**201**	**230**
attributable to Solvay share	19	102	193	222
attributable to non-controlling interests	-1	4	7	7
Profit / (loss) for the period from discontinued operations [7]	-	120	-	444
Profit / (loss) for the period	**18**	**225**	**201**	**674**
attributable to Solvay share	19	220	193	664
attributable to non-controlling interests	-1	5	7	10
Weighted average of number of outstanding shares, basic	104,085,494	104,085,494	104,885,538	103,980,953
Weighted average of number of outstanding shares, diluted	105,199,433	105,256,557	106,037,999	105,167,373
Basic earnings per share (in €)	0.19	2.12	1.84	6.38
of which from continuing operations	0.19	0.98	1.84	2.14
of which from discontinued operations	-	1.14	-	4.24
Diluted earnings per share (in €)	0.18	2.09	1.82	6.31
of which from continuing operations	0.18	0.97	1.82	2.11
of which from discontinued operations	-	1.13	-	4.20

[1] Comparative figures relating to the income statement have been restated in accordance with IFRS 5, to reflect the Partial Demerger. Non audited.

[2] This revenue primarily comprises commodity and utility third party transactions, non-core licensing transactions, and other revenue, considered not to correspond to Solvay's core business (mainly in France and Italy). The decrease compared to 2023 is mainly related to phasing out the Energy business (€402 million) and the rest from the decrease of utilities price.

[3] The decrease in the administrative costs in 9M 2024 compared to 9M 2023, is mainly due to a reduction in corporate costs (€34 million) and applied costs saving, and lower variable remuneration provision based on relative performance (€10 million).

[4] The increase in the other operating gains & losses is mainly related to the higher CO2 costs. The 9M 2024 amount includes the overruns cost of the contract with Dombasle Energy for €29 million compared to €39 million in 9M 2023 (see the Note 1).

[5] The 9M 2024 Result from portfolio management & major restructuring mainly includes restructuring costs related to €12 million within the Basic Chemicals segment, €7 million in the context of the Group's separation plan, €37 million within Special Chem Fluorine business (see the restructuring provision section of note 1) and €37 million of impairment of other non-performing assets. The prior year includes a capital loss of €175 million mainly related to the recycling of historical currency translation balances on the sale of the Group's 50% stake in the RusVinyl joint venture. The 9M 2023 amount also includes a €130 million restructuring provision and external and internal costs incurred that were recognized in the context of the Group's separation plan.

[6] The cost of borrowing in 9M 2023 resulted mainly from the interest on two senior bonds of €600 million and €500 million (€25 million interest accrued). In 2023, the Group also financed itself through hybrid bonds which were recognized in the Group equity. The higher cost of borrowing in 9M 2024 resulted from €1.5 billion bridge loan facility (€18 million interest and €9 million fees amortization), which was replaced by 4- and 7.5-year senior bonds in Q2 2024 (€33 million) and interest on €200 million term loan (€7 million).

[7] Relates to the Specialty Business being treated as a discontinued operation as a result of the Partial Demerger.

Consolidated statement of comprehensive income

(in € million)	IFRS Q3 2024	Q3 2023	9M 2024	9M 2023
Profit / (loss) for the period	18	225	201	674
Gains and losses on hedging instruments in a cash flow hedge [8]	*5*	*-42*	*-22*	*-105*
Currency translation differences from subsidiaries & joint operations [9]	*-46*	*124*	*-52*	*20*
Share of other comprehensive income of associates and joint ventures [10]	*-5*	*3*	*-17*	*173*
Recyclable components	-46	84	-91	88
Remeasurement of the net defined benefit liability [11]	*-39*	*-17*	*13*	*-26*
Non-recyclable components	-39	-17	13	-25
Income tax relating to recyclable and non-recyclable components	3	7	-2	16
Other comprehensive income/(loss), net of related tax effects	-82	75	-81	78
Total comprehensive income/(loss)	-64	300	120	752
attributable to Solvay share	-62	294	113	743
attributable to non-controlling interests	-2	6	7	9

[8] In 9M 2024, the gains and losses on hedging instruments mainly resulted from the decrease in the energy price (€-44 million), and the fair value change of flexiswaps (€+22 million).

[9] In 9M 2024, the currency translation differences are mainly due to the USD, BRL and MXN devaluation against EUR. The Currency translation differences from subsidiaries and joint operation in 9M 2023 are mainly due to the 9M 2023 currency translation differences largely attributable to BRL, CNY and USD fluctuations against the EUR (including the impact of the Syensqo entity).

[10] The share of other comprehensive income of associates and joint ventures in 9M 2023 mainly results from the recycling of the accumulated currency translation adjustments related to the sale of the RusVinyl Equity investment.

[11] The remeasurement of the net defined benefit liability in 9M 2024 is mainly due to the increase of discount rate applicable to post-employment provisions in the Euro-zone and UK for €11 million offset by the return on plan assets €-24 million. The remeasurement of the net defined benefit liability in Q3 and 9M 2023 was mainly due to the increase of discount rates in 2023 applicable to post-employment provisions in the UK, US, Eurozone, offset by the return on plan assets.

The consolidated interim statement of cash flows includes cash flows from both continuing and discontinued operations for the periods Q3 2023 and 9M 2023. A summary of cash flows that relate to discontinued operations is disclosed below this statement.

Consolidated statement of cash flows	IFRS			
(in € million)	Q3 2024	Q3 2023	9M 2024	9M 2023
Profit / (loss) for the period	18	225	201	674
Adjustments to profit / (loss) for the period	201	456	552	1,700
Depreciation, amortization & impairments	88	234	271	698
Earnings from associates & joint ventures	-10	-15	-34	-50
Additions and reversal of employee benefits and other provisions [1]	116	102	189	557
Other non-operating and non-cash items [2]	-41	-4	-51	179
Net financial charges	37	45	98	106
Income tax expenses	11	95	79	212
Changes in working capital	-10	89	-97	-183
Payments related to employee benefits and use of provisions	-47	-77	-159	-222
Use of provisions for additional voluntary contributions (pension plans)		-		-11
Dividends received from associates & joint ventures	5	5	14	17
Income taxes paid (excluding income taxes paid on sale of investments)	-27	-73	-76	-246
Cash flow from operating activities	**140**	**625**	**435**	**1,728**
of which cash flow related to internal portfolio management and excluded from Free Cash Flow [3]	-10	-39	-80	-105
Acquisition (-) of subsidiaries	-	-	-	-1
Acquisition (-) of investments - Other	-3	-2	-13	-15
Loans to associates and non-consolidated companies	5	-2	1	13
Sale (+) of subsidiaries and investments [4]	-1	-	4	438
Acquisition (-) of tangible and intangible assets (Capex)	-63	-286	-141	-730
of which property, plant and equipment	-60	-262	-131	-659
of which capital expenditures required for the Partial Demerger and excluded from Free Cash Flow		-1	-	-53
of which intangible assets	-3	-24	-10	-71
of which capital expenditures required for the Partial Demerger and excluded from Free Cash Flow			-2	
Dividends from equity instruments measured at fair value through other comprehensive income	-	-	1	1
Changes in non-current financial assets	-	-1	1	-1
Cash flow from investing activities	**-59**	**-289**	**-143**	**-289**
Repayment of perpetual hybrid bond		-508	-	-508
Acquisition (-) / sale (+) of treasury shares [5]	-31	6	-14	28
Increase in borrowings [6]	6	517	1,675	581
Repayment of borrowings [7]	-6	-4	-1,708	-92
Changes in other financial assets	34	38	51	60
Payment of lease liabilities	-18	-29	-48	-87
Net interests received/(paid)	-3	13	-30	17
Coupons paid on perpetual hybrid bonds		-8		-62
Dividends paid	-3	-10	-259	-433
of which to Solvay shareholders	-	-	-256	-421
of which to non-controlling interests	-3	-10	-3	-12
Other [8]	16	-46	25	-236
Cash flow from financing activities	**-4**	**-31**	**-309**	**-732**
Net change in cash and cash equivalents	**77**	**305**	**-17**	**707**
Currency translation differences	-1	4	-11	-1
Opening cash balance	480	1,328	584	932
Closing cash balance	**556**	**1,638**	**556**	**1,638**

[1] Additions & reversals of provisions for 9M 2024 mainly include €93 million related to the Basic Chemicals segment and Special Chem Fluorine business restructuring provisions, restructuring costs due to the "Transition Service Agreement" exit with Syensqo, €29 million related to the onerous Dombasle Energie contract (See the Note 1), €60 million related to environmental provision.

[2] Other non-operating and non-cash items in 9M 2024 mainly relates to the €10 million gain on the Shandong Huatai Interox Chemical Company (Shandong) shares (50%) re-measured at fair value due to the step acquisition (see Portfolio Management section of Note 1), and the "Transition Service Agreement" exit costs to reinvoice to Syensqo for €33 million. Other non-operating and non-cash items in 9M 2023 mainly relates to the €174 million capital loss on the sale of the Group's 50% stake in the RusVinyl joint venture.

[3] The amount in 9M 2024 comprises mainly of external costs (€-36 million), restructuring (€-27 million) and tax payments (€-17 million) recognized in the context of the Group's separation plan.

[4] Sale of subsidiaries and investments in 9M 2023 mainly related to the cash proceeds received of €432 million on the sale of the Group's 50% stake in the RusVinyl JV.

[5] Acquisition/sale of treasury shares in 9M 2024 includes the cash proceeds received from the sale of Syensqo shares related to the settlement of long-term incentive plans for €15 million, from the sale of Solvay shares related to the settlement of long-term incentive plans for €7 million and the share buyback transactions for €-37milion.

[6] The increase in borrowings for 9M 2024 is mainly related to the Senior Bond Issuance for €1.5 billion.

[7] The repayment of borrowings for 9M 2024 is mainly related to the repayment of the Bridge to bond for €1.5 billion.

[8] In 9M 2024, Other cash flow from financing activities mainly related to margin calls of €28 million (9M 2023: €221 million).

Statement of cash flow from discontinued operations

(in € million)	IFRS			
	Q3 2024	Q3 2023	9M 2024	9M 2023
Cash flow from operating activities	-	345	-	1,002
Cash flow from investing activities	-	-172	-	-504
Cash flow from financing activities	-	-15	-	-83
Net change in cash and cash equivalents	-	157	-	415

Consolidated statement of financial position

(in € million)	2024 September 30	2023 December 31
Intangible assets [1]	214	201
Goodwill [2]	782	764
Property, plant and equipment	2,044	2,144
Right-of-use assets	262	267
Equity instruments measured at fair value	71	88
Investments in associates & joint ventures	219	230
Other investments	30	33
Deferred tax assets	312	317
Loans & other assets	246	266
Non-current assets	4,180	4,309
Inventories	604	642
Trade receivables	746	840
Income tax receivables	58	66
Dividends receivables	-	-
Other financial instruments [3]	33	118
Other receivables [4]	357	463
Cash & cash equivalents	556	584
Current assets	2,355	2,714
Total assets	6,535	7,022
Share capital	237	237
Share premiums	174	174
Other reserves	855	853
Non-controlling interests	60	42
Total equity	1,326	1,305
Provisions for employee benefits	750	793
Other provisions	557	550
Deferred tax liabilities	137	131
Financial debt	1,993	1,981
Other liabilities	47	70
Non-current liabilities	3,484	3,525
Other provisions	329	302
Financial debt [5]	183	211
Trade payables	692	850
Income tax payables	71	68
Dividends payables [6]	6	175
Other liabilities [7]	444	585
Current liabilities	1,725	2,192
Total equity & liabilities	6,535	7,022

[1] The increase in intangible assets over the prior year largely relates to the purchase of reference quotas (€15 million) from Syensqo as a part of the Group's separation.
[2] The increase in goodwill is mainly due to a business combination with Shandong, which occurred in stages (step acquisition). See the portfolio management section of Note 1.
[3] The decrease in other financial instruments is mainly due to the decrease of the Energy Margin call of €28 million.
[4] The decrease in other receivables is mainly due to the insurance reimbursements collected related to Syensqo (€-32 million) and a reduction of the €-15 million prepayment of reference quotas as the transaction settled in 9M 2024.
[5] The decrease in current financial debt is mainly due to the unwinding of the flexi-swap (which had a marked-to-market value of €60 million on December 31, 2023) at the time of the bonds' placement at a carrying value of €37 million. The flexi-swap instruments were compensated with an equivalent amount received from the bank classified as financial debt (€33 million in non-current and €4 million in current) payable in instalments that match bonds' coupon payment dates. See the bonds issuances section of Note 1. Moreover, interest of €37 million has been accrued which has a compensating effect.
[6] The decrease in dividends payables is due to the payment of the interim dividends in January 2024 for €170 million.
[7] The decrease in other liabilities is mainly due to the repayment to Syensqo of insurance reimbursements (€32 million).

Consolidated statement of changes in equity	Attributable to the equity holders of the parent											
(in € million)	Share capital	Share premiums	Treasury shares	Perpetual hybrid bonds	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	1,588	1,170	-225	1,786	6,854	-318	4	76	-332	7,846	61	10,664
Profit / (loss) for the period	-				664					664	10	674
Items of other comprehensive income	-	-	-	-	-	194	-	-81	-34	79	-1	78
Comprehensive income	-				664	194	-	-81	-34	743	9	752
Redemption of perpetual hybrid bond	-			-497	-11					-508		-508
Cost of share-based payment plans	-				15					15		15
Dividends	-				-261					-261	-12	-273
Coupons of perpetual hybrid bonds	-				-62					-62		-62
Sale (acquisition) of treasury shares	-		33		4					37		37
Balance on September 30, 2023	1,588	1,170	-191	1,289	7,202	-124	4	-5	-366	7,809	58	10,625
Balance on December 31, 2023	237	174	-15	-	1,683	-253	-	-103	-459	853	42	1,305
Profit / (loss) for the period	-				193					193	7	201
Items of other comprehensive income	-	-	-	-	-	-70	-	-19	8	-80	-	-81
Comprehensive income	-				193	-70		-19	8	113	7	120
Cost of share-based payment plans	-				5					5		5
Dividends	-				-86					-86	-4	-90
Sale (acquisition) of treasury shares	-		-31							-31		-31
Other [1]	-	-	-	-	1	-	-	-	-	1	16	17
Balance on September 30, 2024	237	174	-46	-	1,797	-323	-	-122	-451	855	60	1,326

[1] The increase in "Other' is mainly related to the Shandong Huatai Interox Chemical Company (Shandong) NCI shares (40%) re-measured at fair value due to the step acquisition (see Portfolio Management section of Note 1).

Notes to the condensed consolidated interim financial statements

1. General information and significant events

Solvay SA/NV is a public limited liability company governed by Belgian law and listed on Euronext Brussels and Euronext Paris. These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on November 5, 2024.

Partial Demerger in December 2023

On December 8, 2023, at the extraordinary general meeting, Solvay SA/NV's shareholders approved the partial demerger of the specialty businesses, which effected the separation of the Group into two public groups. Consequently, the Q3 2023 and 9M 2023 consolidated income statement figures have been restated in accordance with IFRS 5 and reflect the Specialty Businesses as discontinued operations. In the consolidated statement of cash flows, the cash flows were not restated and present both continuing and discontinued operations in the primary statement. For 2023 financial year, the cash flows from discontinued operations are included for the period until September 30, 2023. However, below the primary cash flow statement, consolidated cash flows from discontinued operations are disclosed.

Bonds issuance

On March 26, 2024, Solvay completed the placement of a 4-year €750 million bond maturing on April 3, 2028, and a 7.5-year €750 million bond maturing on October 3, 2031, with the coupons of 3.875% and 4.250% respectively – what represented an important milestone after the partial demerger of its Specialty Businesses in December 2023. The bonds were settled on April 3, 2024, with the trading on the Euro MTF market of the Luxembourg Stock Exchange, which began on the same day. The proceeds from the bonds' issue, apart from the general corporate purposes, were used for the refinancing of the €1.5 billion bridge facility set up at the end of 2023 in relation to the partial demerger.

The interest rate of the issued bonds had been hedged in 2023 with two flexi-swap instruments. At the time of the bonds' placement, these instruments were unwound and replaced by two new instruments classified as financial debt (€33 million in non-current and €4 million in current), payable in instalments that match bonds' coupon payment dates. The conversion had no cash-flow effect as the unwinding of the flexi-swap (€-37 million) was compensated with an equivalent amount received from the bank related to the two new instruments.

The cash flow hedge reserve accumulated in OCI related to the unwound flexi-swap has been frozen and is recycled to profit or loss over the duration of the two bonds (€3.3 million recognized in borrowing costs in 9M 2024).

Restructuring provision

Salindres

On September 24, 2024, Solvay announced a project to consult with its social partners to cease the production of TFA and its fluorinated derivatives at its Salindres site in France. The plan to cease production is due to the continued negative financial performance of the Salindres plant over the past few years, driven by unfavorable market conditions that are unlikely to improve in the future. The envisaged discontinuation of these activities would result in the suppression of 68 positions.

As result of announcement, the net book value of the site assets of €9 million has been impaired.

Solvay has recognized a provision for of €49 million including severance costs, dismantling, demolition, exit costs, and for environmental provisions. Some areas of the site will require further analyses to determine if additional remediation is needed.

Transition Services Agreement (TSA) exit

In Q3, 2024, Solvay launched the process to exit from the TSA and redesign of our Global Business Services (GBS) and Digital Technology (DT) organization which is an important initial step in designing the future new Solvay Target Operating Model (TOM). At the end of TSA, which is expected for Q4 2025, employees who will not be part of the future Solvay organization and will not move to Syensqo will be impacted by the restructuring plan. In Q3, 2024 a restructuring provision currently estimated at €34 million was recognized and may be reduced should Solvay employees transfer to Syensqo in accordance with the terms of the TSA.

According to the TSA, Solvay will be compensated by Syensqo for restructuring costs currently estimated at €33 million. The relevant reimbursement receivable has been recognized on the balance sheet under loans and other assets

Other

In late July 2024, the Group announced a restructuring program within its Fluorine business (Performance Chemicals segment) in Europe. The plan is currently estimated to cost less than €10 million and will optimize the Group's operations to increase competitiveness.

Portfolio management

In March 2024, the Group increased its ownership in its Shandong equity accounted investment by 10% (from 50% to 60%) for €4 million, which resulted in Solvay obtaining control over the legal entity. The acquisition was accounted for as a business combination achieved in stages and resulted in a €10 million gain on the deconsolidation of the equity investment and €18 million in goodwill and €3 million in intangible assets based on the fair value of the entity upon consolidation. The Group will finalize the purchase price allocation of the Shandong acquisition in Q4 2024.

Dombasle Energie

Other operating gains and losses in the consolidated income statement, include a €29 million expense related to the increase of the provision in 9M 2024 (coming on top of €39 million in 9M 2023 and €10 million in Q4 2023) related to an onerous contract for an energy transition project in Dombasle, France. This provision (€78 million in total as of September 30, 2024) reflects the best estimate of the expenditure required to settle the present obligation at the end of September 2024, which relate to delays and overruns (mostly attributed to external factors, including record high inflation and supply disruptions). This situation is unique in the different energy transition projects already completed or in progress within the Group and has to do with the particular contractual engagement of this project. No additional provision was taken in Q3 2024. The project is expected to be completed in H2 2025.

Option to sell the Neder-Over-Heembeek site.

On September 16, 2024, Solvay entered into an exclusive purchase option agreement with Revive a specialist in urban regeneration, regarding the NOH site in Brussels. The developer will be able to exercise the option and finalize the transfer of ownership following the due diligence process which is planned to end in early 2025. Due to the ongoing due diligence, IFRS 5 condition of 'asset being available for sale in the present condition' is not met. Consequently, Solvay has not yet classified the NOH site as an asset held-for-sale. The asset's carrying amount is in line with the fair value less cost to sell.

2. Accounting Policies

Solvay prepares its condensed consolidated interim financial statements on a quarterly basis, in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Board of Directors considers that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgment that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.
The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and they should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2023, which were authorized for issuance by the Board of Directors on March 12, 2024.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards effective as of January 1, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The following IFRS Accounting Standards, IFRIC Interpretations, and amendments became effective on January 1, 2024, and are relevant to the Group.

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

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments have no material impact on the Group's condensed consolidated interim financial statements.

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

These amendments provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The clarification confirmed our classification of the bridge facility as a long term.

Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 and IFRS 7 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 condensed consolidated interim financial statements in the year of initial application of the amendments.

3. Discontinued Operations

The profit from discontinued operations included in the consolidated income statement for Q3 2023 and 9M 2023 is analyzed as follows:

(in € million)	Q3 2023	9M 2023
Sales	1,688	5,410
of which revenue from non-core activities	40	157
of which net sales	1,627	5,252
Cost of goods sold	-1,079	-3,523
Gross margin	589	1,887
Commercial costs	-70	-213
Administrative costs	-121	-385
Research and development costs	-78	-249
Other operating gains and (losses)	-42	-125
Earnings from associates and joint ventures	5	14
Results from portfolio management and major restructuring	-9	-65
Results from legacy remediation and major litigations	-14	-208
EBIT	260	656
Cost of borrowings	-14	-41
Interest on loans and short-term deposits	4	8
Other gains and (losses) on net indebtedness	-26	-28
Cost of discounting provisions	-6	-17
Result from equity instruments measured at fair value	-2	-1
Profit/(loss) for the year before taxes	214	577
Income taxes	-94	-133
Profit for the year from discontinued operations	120	444
Gain on Partial Demerger according to IFRIC17	0	0
Profit for the year from discontinued operations	120	444

4. Segment information

General

In 2024, the Group's is internally organized in the following reportable segments:

- *Basic Chemicals* host chemical intermediate businesses focused on mature and resilient markets. Solvay is a world leader in soda ash, bicarbonate, and peroxides. These global businesses share similar economic characteristics and serve major markets that include building and construction, consumer goods, and food.
- *Performance Chemicals* host a wider range of products (in our Silica, Coatis and Special Chem businesses) that are subject to customization based on unique formulations and application expertise. These businesses share similar economic characteristics and are high-quality assets with strong positions in their markets.
- *Corporate* comprises corporate and other business services, such as its Global Business services, as well as Procurement and Energy expertise.

The financial performance of the Group's reportable segments has no material seasonal effects.

Solvay organizes its structure and groups the businesses around their similarities in financial performance (systematically reviewed by the Chief Operational Decision Maker), products and production processes.

The financial information related to 2023 was restated in order to reflect the change in segment composition, and the effect of Partial Demerger. Moreover, the restatement includes the "eH2O2" (electronic-grade hydrogen peroxide) business that was transferred from GBU Special Chem to GBU Peroxides on January 1, 2024.

Reconciliation of segment, underlying and IFRS data

Reconciliation of segment, underlying and IFRS data

(in € million)	Q3 2024	Q3 2023	9M 2024	9M 2023
Sales	1,283	1,366	3,985	4,683
of which revenues from non-core activities	126	245	433	934
Basic Chemicals	106	142	367	465
Performance Chemicals	8	6	36	23
Corporate	11	98	30	446
of which Underlying net sales	1,156	1,120	3,552	3,749
Basic Chemicals	706	655	2,129	2,154
Performance Chemicals	448	466	1,415	1,589
Corporate	3	-1	8	6
Underlying EBITDA	259	286	796	1,008
Basic Chemicals	181	237	577	746
Performance Chemicals	79	81	260	308
Corporate	-2	-31	-40	-46
Underlying depreciation, amortization & impairments	-80	-76	-237	-234
Underlying EBIT	179	211	560	774
Accounting impact from EUAs and amortization & depreciation of purchase price allocation (PPA) from acquisitions	-47	-38	-77	-68
Earnings from associates & joint ventures	9	-	29	7
Result from portfolio management & major restructuring	-54	-56	-93	-343
Result from legacy remediation & major litigations	-22	-11	-41	-35
EBIT	65	106	377	335
Net financial charges	-36	-	-98	-27
Profit / (loss) for the period before taxes	29	106	280	308
Income taxes	-11	-1	-79	-78
Profit / (loss) for the period from continuing operations	18	105	201	230
Profit / (loss) for the period from discontinued operations	-	120	-	444
Profit / (loss) for the period	18	225	201	674
attributable to non-controlling interests	-1	5	7	10
attributable to Solvay share	19	220	193	664

Note: 2023 figures are restated for IFRS 5 *Discontinued Operations*.

The intersegment revenues of the segments and Investments per segments are immaterial and therefore not disclosed in this table.

The revenue per each cluster of segments is separately disclosed in the table *Segments - underlying* on page 8.

The Capex amounts (capital expenditures) per segment from continuing operations are disclosed in the table on page 12.

Please also refer to the table Reconciliation of underlying income statement indicators on page 13.

5. Financial Instruments

Valuation techniques

For instruments quoted in an active market, the fair value corresponds to a market price (level 1). For instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). However, in limited circumstances, cost of equity instruments may be an appropriate estimate of their fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Fair value of financial instruments measured at cost (excluding IFRS 16 liabilities)

Except for the bonds settled on April 4, 2024, the fair values of all financial instruments not measured at fair value in Solvay's consolidated statement of financial position, as of September 30, 2024, are not significantly different from the ones published in Note F32 of the consolidated financial statements for the year ended December 31, 2023.

	September 30, 2024		December 31, 2023	
(in € million)	Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets - Financial instruments	152	152	136	136
Loans and other non-current assets (except pension fund surpluses and long-term inventory balance)	152	152	136	136
Non-current liabilities - Financial instruments	-1,786	-1,837	-1,774	-1,774
Bonds	-1,491	-1,542	0	0
Other non-current debts	-260	-260	-1,735	-1,735
Other liabilities	-34	-34	-39	-39

Financial instruments measured at fair value

The table below provides an analysis of financial instruments that, subsequent to their initial recognition, are measured at fair value, grouped into Level 1 to Level 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 year, no such transfers have occurred.

(in € million)	September 30, 2024				December 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Held for trading	1	14		15		17		18
Foreign currency risk		3		3		3		3
Utility risk		2		2		4		5
CO2 risk		9		9				
Shares	1			1		8		8
Index						2		2
Equity instruments measured at fair value through profit or loss	64			64	87			87
Shares	64			64	87			87
Cash flow hedges		31		31		50		50
Foreign currency risk		4		4		2		2
Utility risk		23		23		47		48
CO2 risk		3		3				0
Equity instruments measured at fair value through other comprehensive income			7	7			1	1
New Business Development							1	1
Total (assets)	65	44	7	116	87	67	1	156
Held for trading		-32		-32		-37		-37
Foreign currency risk		-2		-2		-1		-1
CO2 risk		-26		-26		-26		-26
Index		-2		-2		-2		-2
Cash flow hedges		-82		-82		-165		-165
Foreign currency risk		-2		-2		-1		-1
Interest rate risk		-5		-5		-61		-61
Utility risk		-25		-25		-59		-59
CO2 risk		-50		-50		-44		-44
Total (liabilities)		-114		-114		-202		-202

Working capital programs

In 9M 2024, the Group utilized several working capital programs, which consisted of the extension of trade payables' terms or through the factoring of trade or VAT receivables. In 9M 2024, the working capital programs impacted the Group's cash flows by approximately €47 million.

6. Impact of the International Tax Reform – Pillar 2

Pillar Two legislation has been enacted or substantively enacted in most 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. Solvay 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.

Solvay has performed the 9M 2024 Transitional CbCR Safe Harbour (TCSH) calculations based on September figures and the Pillar 2 entity classification, under the reasonable assumption that we will benefit from the CbCR qualification ('Qualified CbCR') for eligibility under the Pillar 2 Safe Harbour. Solvay assessed that it cannot apply the safe harbor approach for two countries (Bulgaria and Thailand). Based on this assessment, a provision of €4 million was recorded for the period ended September 30, 2024.

7. Events after the reporting period

There were no significant events after the reporting period which were classified as non-adjusting events.

8. Declaration by responsible persons

Philippe Kehren, Chief Executive Officer, and Alexandre Blum, Chief Financial Officer, of the Solvay Group, declare that to the best of their knowledge:

- The condensed consolidated interim 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 Solvay Group;
- The management report contains a faithful presentation of significant events occurring during 2024, and their impact on the condensed consolidated interim financial information;
- The main risks and uncertainties are in accordance with the assessment disclosed in the Risk Management section of the Solvay 2023 Annual Integrated Report, taking into account the current economic and financial environment.

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Statutory auditor's report to the board of directors of Solvay SA/NV on the review of the condensed consolidated interim financial information as at 30 September 2024 and for the 9-month period then ended

Introduction

We have reviewed the accompanying consolidated statement of financial position of Solvay SA/NV as at 30 September 2024, the consolidated income statement, the consolidated statements of comprehensive income, of changes in equity and of cash flows for the 9-month period then ended, and notes ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2024 and for the 9-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Diegem, 5 November 2024

EY Réviseurs d'Entreprises SRL/EY Bedrijfsrevisoren BV
Statutory auditor
represented by

Eric Van Hoof*
Partner
*Acting on behalf of a BV

25EVH0020

Besloten vennootschap
Société à responsabilité limitée
RPR Brussel - RPM Bruxelles - BTW-TVA BE0446.334.711-IBAN N° BE71 2100 9059 0069
*handelend in naam van een vennootschap:/agissant au nom d'une société

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Glossary

Adjustments: Each of these adjustments made to the IFRS results is considered 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,
- Major change in environmental provision at open sites,
- 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, and re-measurement of the long-term incentive plans related to Syensqo Group shares and the related hedging instruments.
- Gains and losses, related to the management of the CO2 hedges not accounted for as Cash Flow Hedge, deferred in adjustments until the maturity of the economic hedge.
- Tax effects related to the items listed above and tax expense or income of prior years.
- The impact of the Group's share of significant equity investments in the consolidated financial statements beginning in Q1 2024.

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 (Solvay's share) divided by the weighted average number of shares, after deducting own shares purchased to cover Long Term Incentive programs.

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. It is defined as (Underlying EBITDA + Capex from continuing operations) / Underlying EBITDA.

CGU: Cash-generating unit

CTA: Currency Translation Adjustment

Diluted earnings per share: Net income (Solvay'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. For more information, we refer to the last available annual report available on www.solvay.com

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 Solvay shareholders: Free cash flow after payment of net interests, coupons of perpetual hybrid bonds and dividends to non-controlling interests. This represents the cash flow available to Solvay 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 Solvay 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.
GBU: Global business unit.
HPPO: Hydrogen peroxide propylene oxide, technology to produce propylene oxide using hydrogen peroxide.
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 non-current). Underlying net debt reclassifies 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 Solvay’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.
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.
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.
Result from legacy remediation and major litigations: It includes:

- The remediation costs not generated by on-going production facilities (shutdown 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);
- 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, non-core licensing transaction, and other revenue considered not to correspond to Solvay’s 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 quarters.
Underlying: Underlying results are deemed to provide a more comparable indication of Solvay’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.

Voluntary pension contributions: Contributions to plan assets in excess of Mandatory Contributions to employee benefits plans. These payments are discretionary and are driven by the objective of value creation. These voluntary contributions are excluded from free cash flow as they are deleveraging in nature as a reimbursement of debt.

WACC: Weighted Average Cost of Capital

yoy: Year on year comparison.

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Safe harbor

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About Solvay

Solvay, a pioneering chemical company with a legacy rooted in founder Ernest Solvay's pivotal innovations in the soda ash process, is dedicated to delivering essential solutions globally through its workforce of over 9,000 employees. Since 1863, Solvay harnesses the power of chemistry to create innovative, sustainable solutions that answer the world's most essential needs such as purifying the air we breathe and the water we drink, preserving our food supplies, protecting our health and well-being, creating eco-friendly clothing, making the tires of our cars more sustainable and cleaning and protecting our homes. As a world-leading company with €4.9 billion in net sales in 2023 and listings on Euronext Brussels and Paris (SOLB), its unwavering commitment drives the transition to a carbon-neutral future by 2050, underscoring its dedication to sustainability and a fair and just transition. For more information about Solvay, please visit solvay.com or follow Solvay on LinkedIn.

Useful links

- Financial calendar
- Results' documentation
- Capital Market days
- Share information
- Credit information
- ESG information
- Annual report
- Webcasts, podcasts and presentations

www.solvay.com

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