



LANXESS
Energizing Chemistry

On the upswing

Q2 2021 Telephone press conference

August 11, 2021

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All signs point to growth

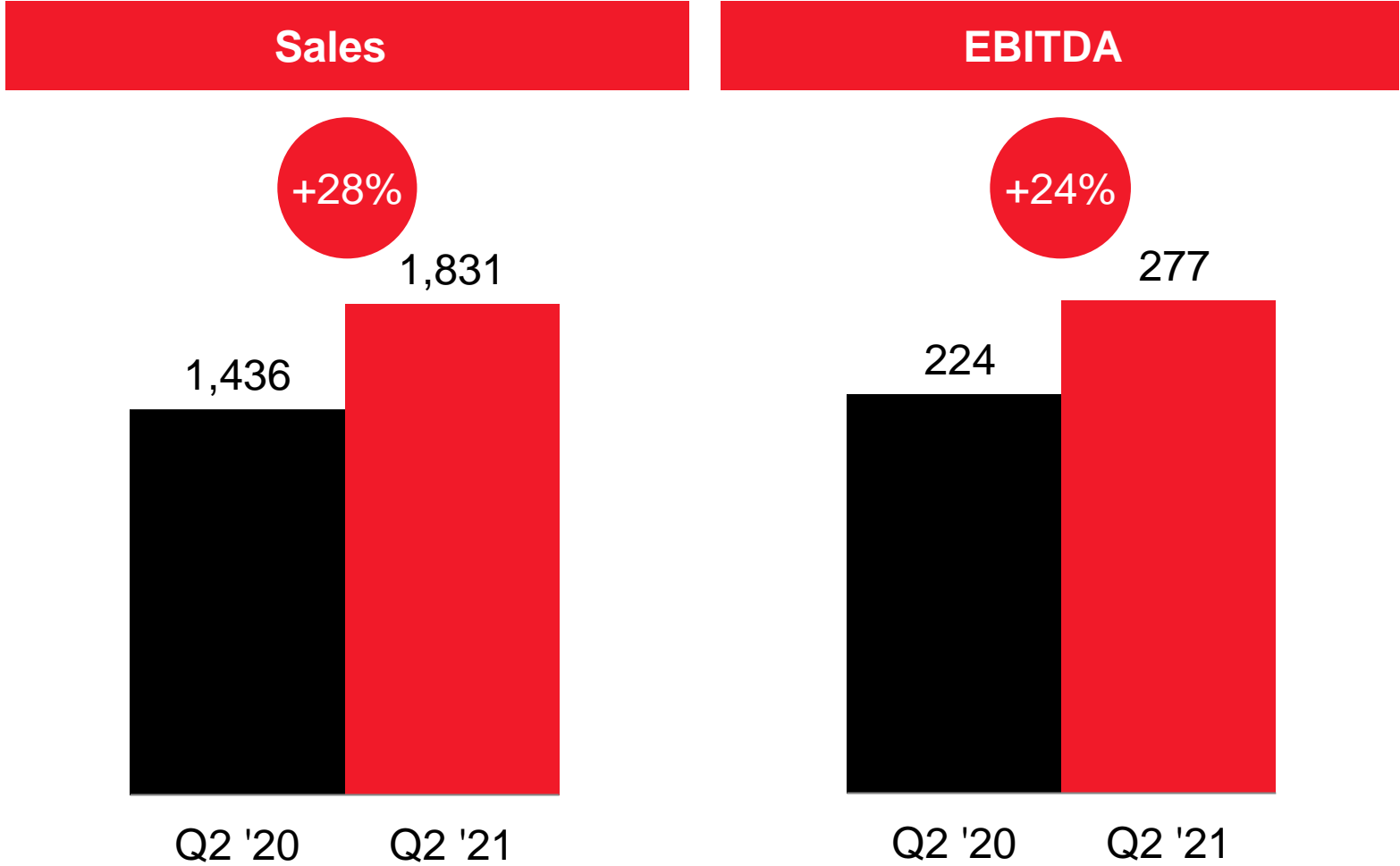
Significant increase in sales and earnings

Demand and selling prices rise sharply

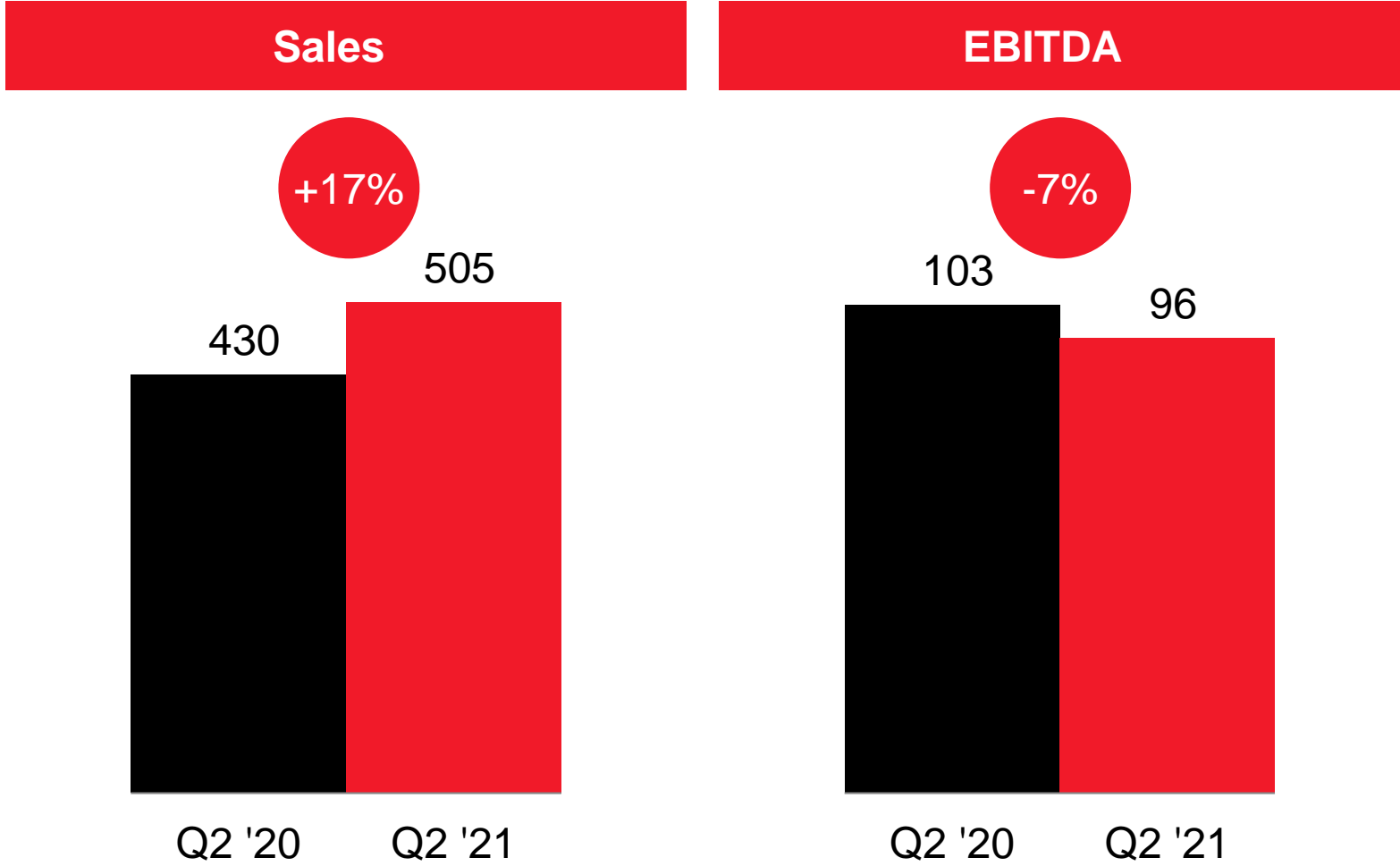
Second largest acquisition completed

Full-year guidance raised again

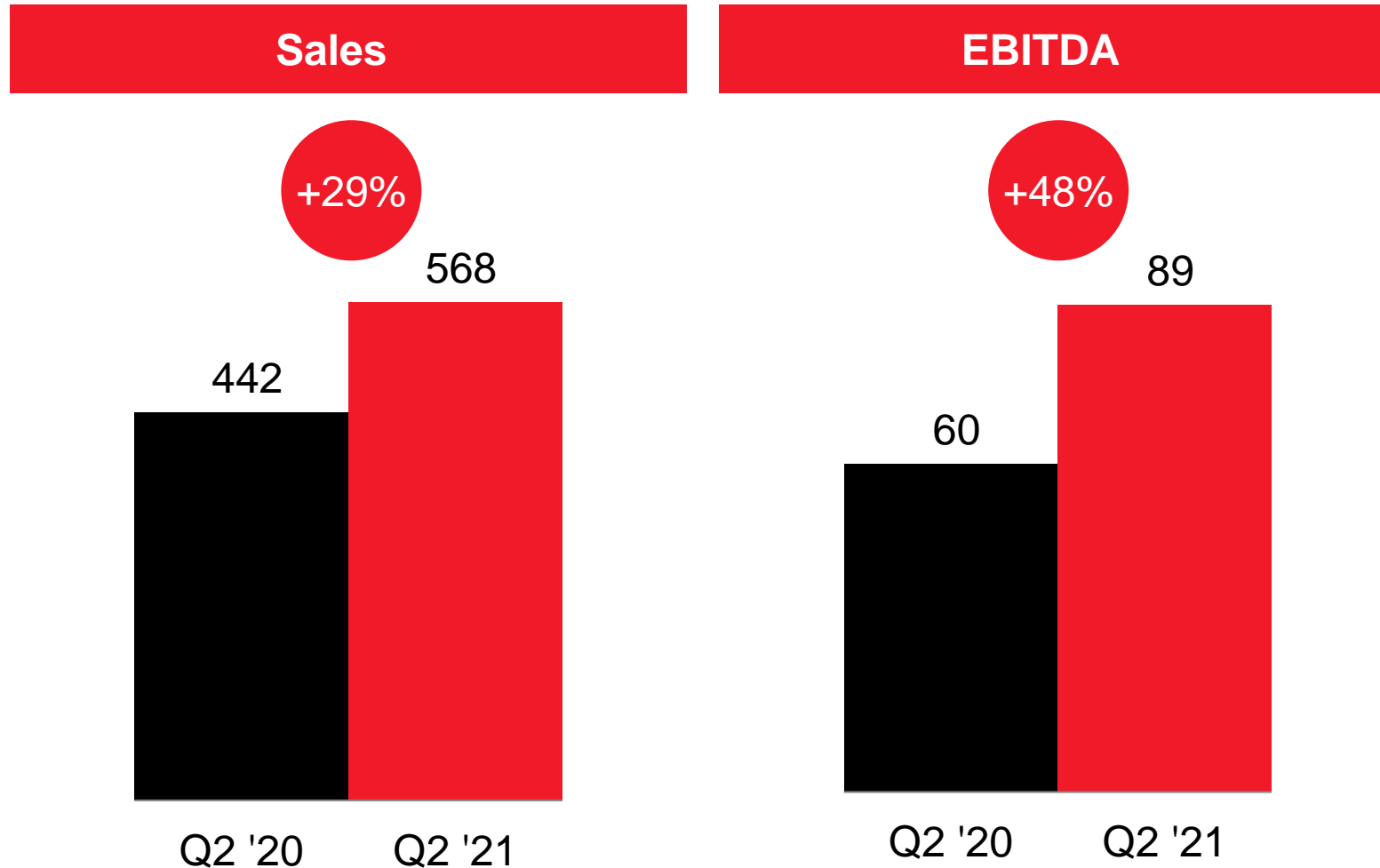
Strong growth in sales and earnings



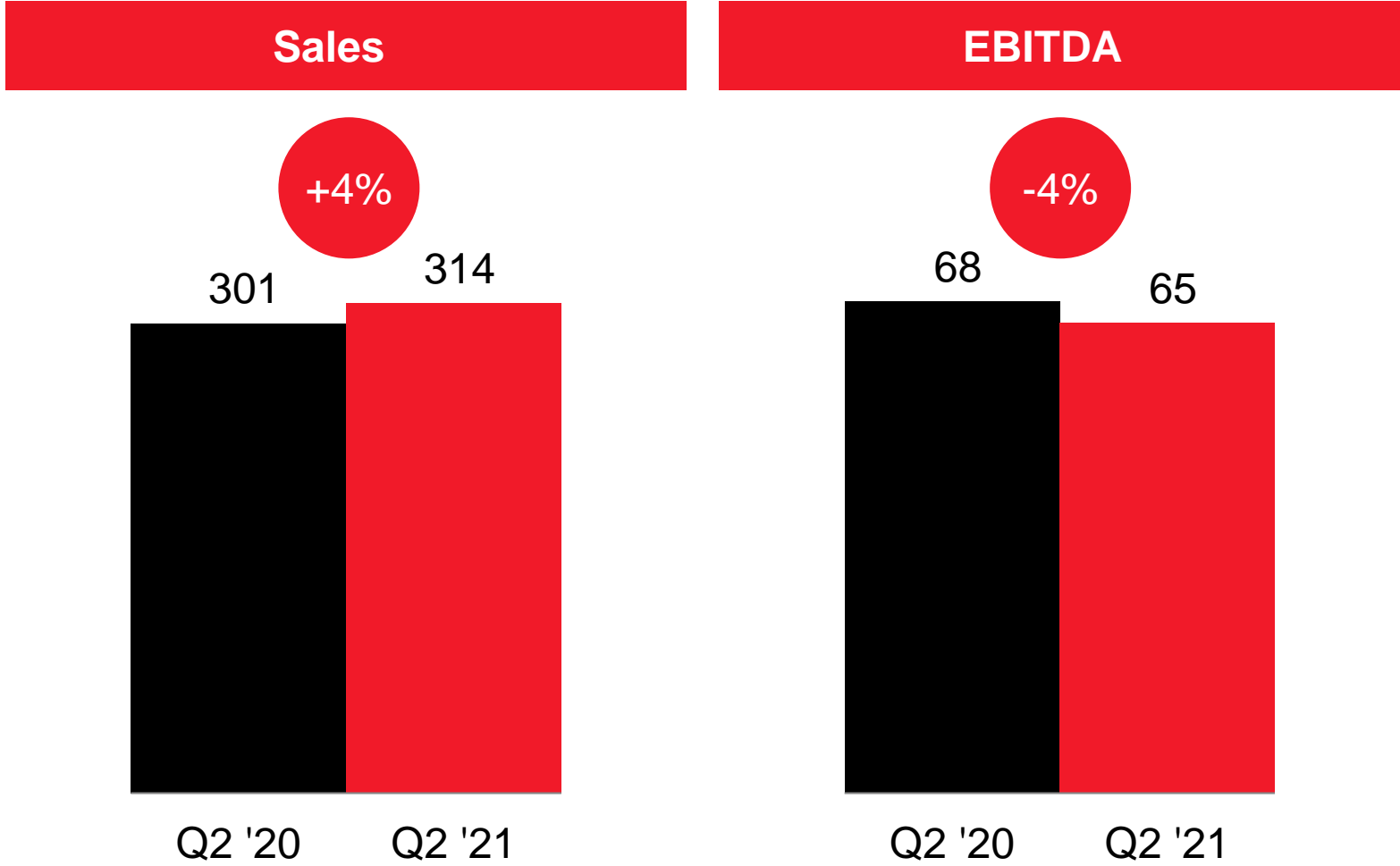
Advanced Intermediates: Demand picks up in both business units



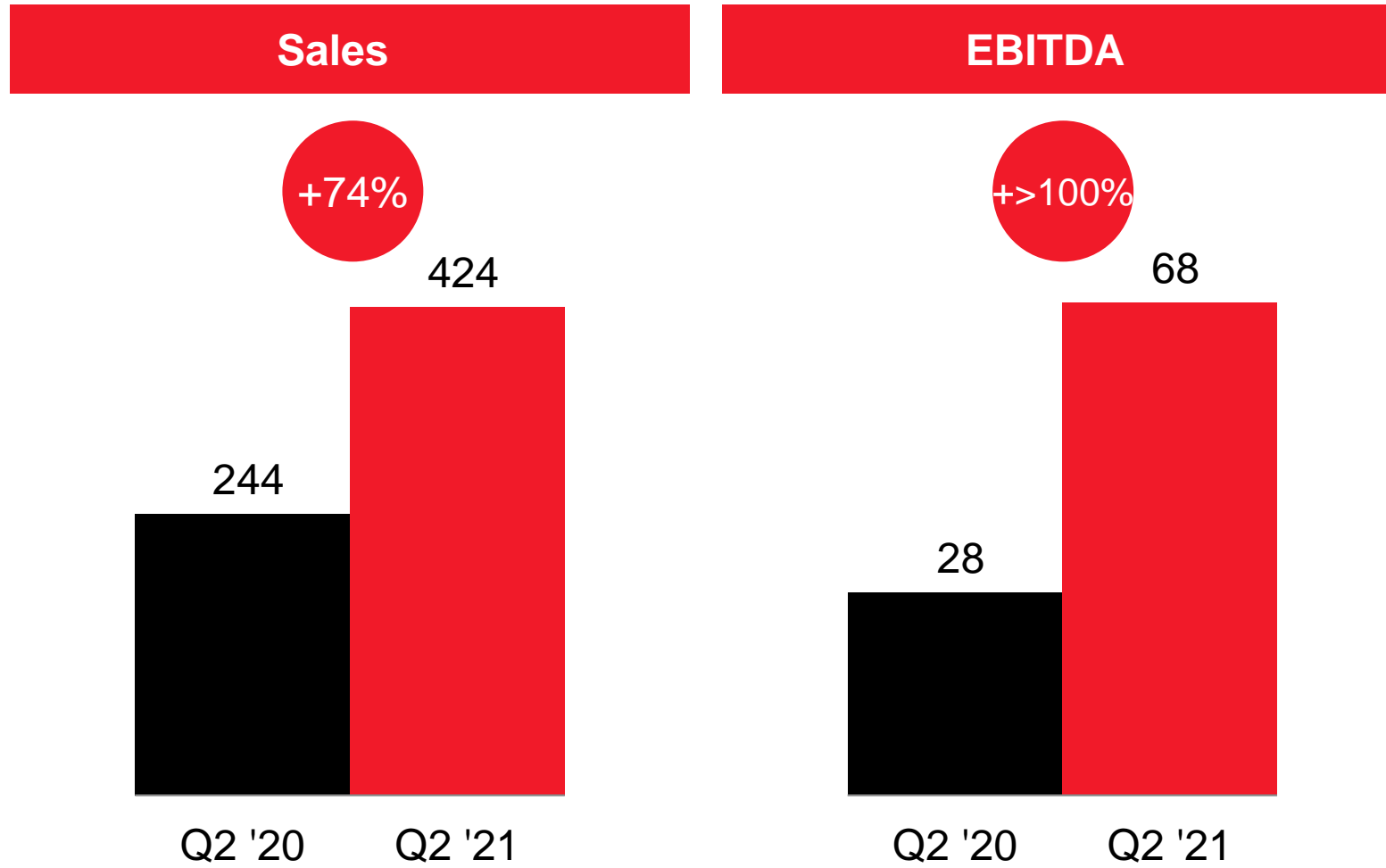
Specialty Additives: Strong increase in sales volumes



Consumer Protection: At strong prior-year level – demand for disinfectants remains high



Engineering Materials: Strong recovery in auto industry



Growth through Emerald Kalama Chemical

A perfect deal

- 75% consumer protection, 25% industrial applications
- Attractive growth markets and applications
- Strengthening the value chain
- Expected EBITDA synergies: EUR 25 million



Key facts Emerald Kalama Chemical

- Sales: EUR 375 million
- EBITDA: EUR 80 million
- Enterprise value: EUR 900 million
- 470 employees, 3 production sites



New at LANXESS: Flavors & Fragrances

Flavors and fragrances

- 30 aroma chemicals for earthy, floral, fruity or even spicy-tart notes
- Applications: Personal care products, cosmetics, exclusive fragrances, food and beverages

Preservatives

- Nature-identical preservatives for food and beverages
- Preservatives for household and care products



Portfolio: Consumer Protection further strengthened

Advanced Intermediates



Specialty Additives



Consumer Protection



Engineering Materials



Flavors & Fragrances

Lubricant Additives
Business

Liquid Purification
Technologies

Advanced Industrial
Intermediates

Polymer Additives

Material Protection
Products

High Performance
Materials

Inorganic Pigments

Rhein Chemie

Saltigo

Urethane Systems

Experienced management for fast integration



Holger Hueppeler
Head of Flavors & Fragrances
business unit

- Working at Bayer/LANXESS since 1989
- More than three decades of experience in marketing, sales and logistics
- Since 2017 Head of the Inorganic Pigments business unit



Michael Ertl
Head of Inorganic Pigments
business unit

- Working at Bayer/LANXESS since 1992
- Various management positions in technical fields and in plants
- Since 2015 Head of Benzyl Products and Inorganic Acids business line (Advanced Industrial Intermediates business unit)

Further growth projects

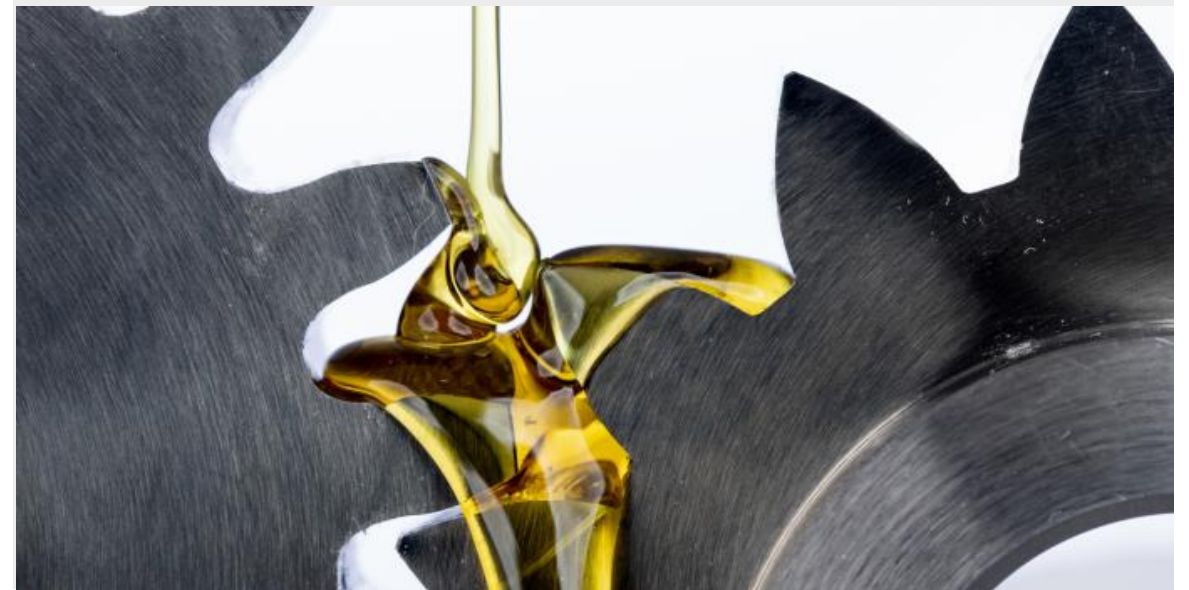
New application development center in Shanghai

- Integrated research facility for several business units
- Improved R&D capacities in the growth region of Asia



Capacity expansion for lubricant additives

- Expansion of production for light sulfur carriers by several kilotons
- Investment of a double-digit million euro amount in Mannheim (Germany)



Sustainability profile further improved

Rating Upgrade MSCI



- LANXESS upgraded from A to AA driven by water stress risk assessment
- Second upgrade within a year

Upgrade ecovadis



- LANXESS among the top 1 percent of the industry
- Upgraded to platinum level
- Improvement due to better environmental performance

Joining Stiftung 2°



- CEO initiative to promote climate protection
- LANXESS is the first chemical company to join the initiative

Outlook: Guidance raised again

Market development

- Further recovery in end markets (especially automotive, chemical industry, construction)
- Consumer Protection markets remain strong
- Pandemic and logistics constraints remain risk factors

LANXESS

- EBITDA guidance for full year: EUR 1,000-1,050 million (previously EUR 950-1,000 million)
- Good development in existing business
- Contribution from Emerald Kalama Chemical: ~ EUR 35 million in 2021



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Energizing Chemistry