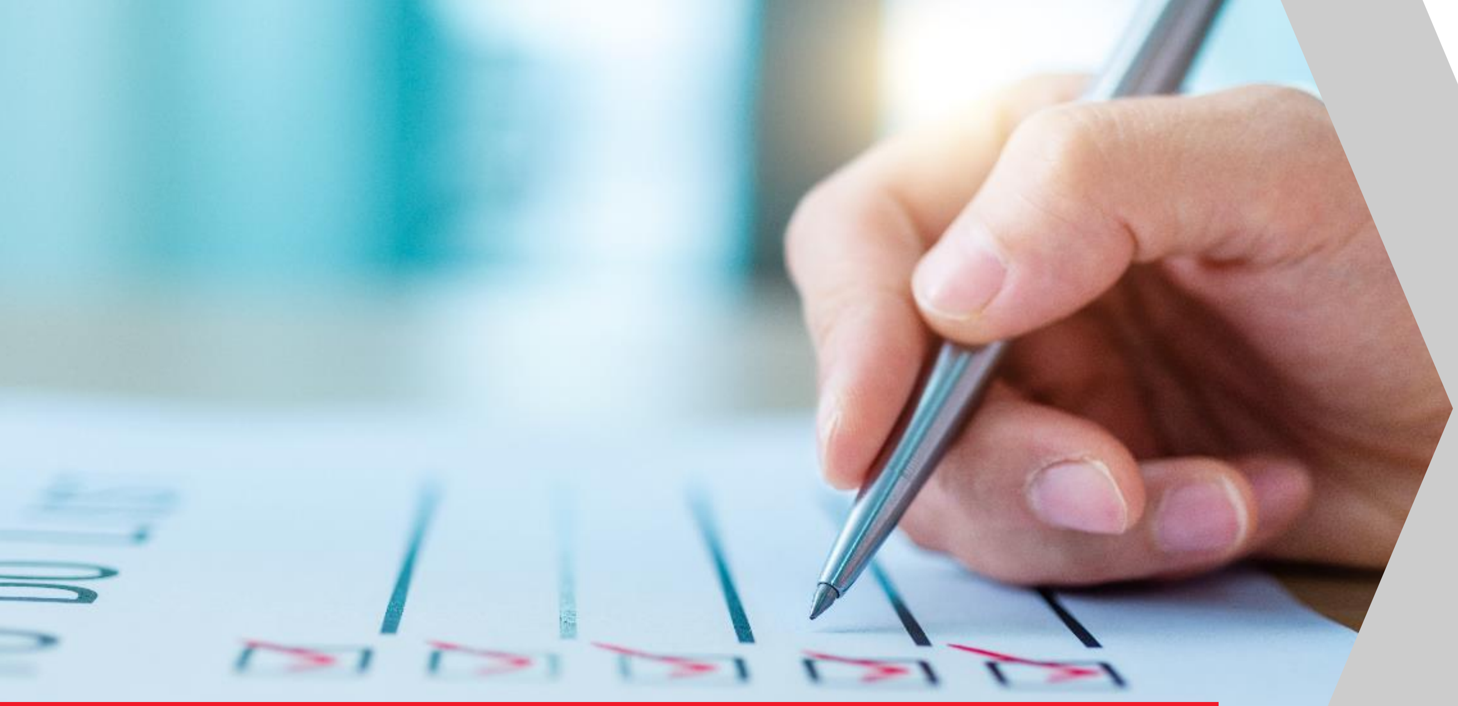

LANXESS – Q3 2023 results

Focus on generating cash and net debt reduction

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Agenda

1 Review Q3 2023 and outlook

2 Financial and business details Q3 2023

3 Appendix

Quarter of strong cash generation despite continued low demand

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Q3 2023 strategic and financial highlights

- Q3 EBITDA pre of €119 m slightly ahead of Q2 2023
- Earnings and margin remain burdened by weak demand and resulting low sales volumes; utilization remains on historically low levels
- Clear focus on cash generation:
  - Strong free cash flow of €322 m due to active working capital management, however, holding back EBITDA pre
  - Net working capital to sales ratio now at ~22%!
  - Net debt further reduced to €2,557 m (Q2: €2,863m)

Program FORWARD! on track

FORWARD! on track, additional measures in execution

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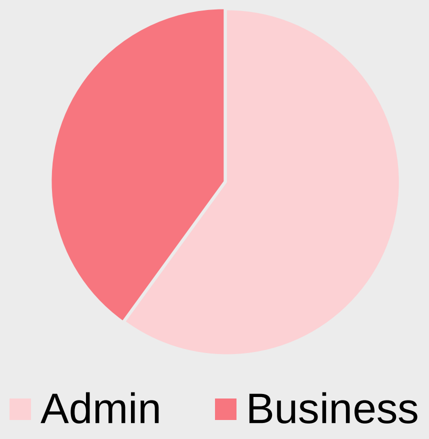
Structural measures initiated

Total Savings

~ €150 m



	2024	2025
Savings	~€90 m	~€60 m
Cash-outs	~€50 m	~€30 m
FTEs	~870 globally	

Additional measures

- Divestment process of BU Urethane Systems started
- Management recommends to reduce dividend to €0.10 per share

Sustainable improvement of our cost base

FTE = Full Time Equivalents

LANXESS Group: Balancing EBITDA pre generation and cash flow focus

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Sharp earnings decline on weak demand

[€ m]	Q3/2022	Q3/2023	Δ	9M 2022	9M 2023	Δ
Sales	2,185	1,601	-27%	6,115	5,278	-14%
EBITDA pre	240	119	-50%	755	415	-45%
Margin	11.0%	7.4%		12.3%	7.9%	
CAPEX	98	68	-31%	249	194	-22%

Price	Volume	FX	Portfolio
-9%	-14%	-4%	0%

Total -27%

Q3 Sales vs. PY

- Sales decrease in all industries and regions, affecting all segments
- No sequential demand improvement visible yet, but sweat-out of own high-cost inventories largely completed
- EBITDA pre and margin still burdened by high idle costs partially due to active inventory management
- Reduced capex as announced

Comparably stable performance in Consumer Protection

Consumer Protection

- Earnings comparably less impacted
- Agro customers destocking

[€ m]	Q3 2022	Q3 2023	Δ
Sales	662	581	-12%
EBITDA pre	110	84	-24%

Specialty Additives

- Comparing to strong prior year; all industries weaker except aviation
- Earnings burdened by idle costs and high cost inventory usage

[€ m]	Q3 2022	Q3 2023	Δ
Sales	792	549	-31%
EBITDA pre	121	33	-73%

Advanced Intermediates

- Substantial volume decline burdens results
- Construction industry demand extremely weak

[€ m]	Q3 2022	Q3 2023	Δ
Sales	642	403	-37%
EBITDA pre	65	30	-54%

No visible demand improvement yet | Stabilization on low level

Net financial debt reduction due to working capital improvement

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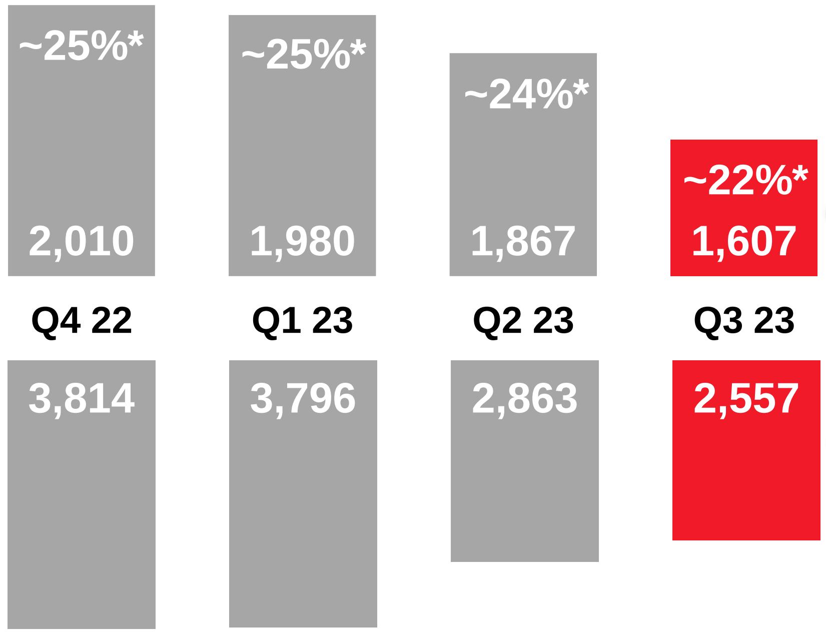
Successful net financial debt reduction

Net working capital in €m



Net financial debt in €m

Net working capital relief

Q3: €260 m | **~ 20% price**
9M: €403 m | **~ 80% volume**

Net financial debt reduction

Q3: -€306 m **~ -11%**
9M: -€1,257 m ~ -33%

- Q3 2023 with strong cash generation
- Lower net working capital as lever for cash generation
- Strong free cash flow of €322 m and consequently reduced net debt
- Refinancing of bond due in May 2025 already secured

Commitment to solid investment grade rating – debt reduction on track

* Net working capital to sales ratio

FY 2023 guidance: EBITDA pre expected ~€500-550 m

Our view on economic environment

- Underlying demand in Q4 2023 even lower than estimated

LANXESS outlook

- **FY guidance: EBITDA pre expected ~€500-550 m**
- Force Majeure on supply of Chlorine for BU Flavors & Fragrances until end of November; Q4 additionally impacted by steam limitation at Botlek (NL) site
- Cash Q4 will be impacted by seasonally high capex and weak overall business
- 2023 target: NWC to sales ratio of ~23%

Agenda

1 Review Q3 2023 and outlook

2 Financial and business details Q3 2023

3 Appendix

Consumer Protection: Comparably less impacted

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Weak demand environment

[€ m]	Q3/2022	Q3/2023	Δ	9M 2022	9M 2023	Δ
Sales	662	581	-12%	1,726	1,832	6%
EBITDA pre	110	84	-24%	286	260	-9%
Margin	16.6%	14.5%		16.6%	14.2%	
Capex	27	17	-37%	86	53	-38%

Price	Volume	FX	Portfolio
-5%	-4%	-3%	0%

Total -12%

Q3 Sales vs. PY

- Sales decrease driven by lower demand and destocking, resulting in both lower volumes and softer pricing, additionally negative currency impacts
- Continued low demand also in usually more stable consumer end markets; BU F&F still suffering from Force Majeure*
- EBITDA pre and margin affected by working capital reduction resulting in lower utilization and idle costs

* Force Majeure of chlorine supplier

Specialty Additives: Ongoing inventory management and weak demand burden results

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Weakness in Construction and E&E continues

[€ m]	Q3/2022	Q3/2023	Δ	9M 2022	9M 2023	Δ
Sales	792	549	-31%	2,286	1,833	-20%
EBITDA pre	121	33	-73%	391	168	-57%
Margin	15.3%	6.0%		17.1%	9.2%	
Capex	34	29	-15%	71	77	8%

Price	Volume	FX	Portfolio
-8%	-19%	-4%	0%

Total -31%

Q3 Sales vs. PY

- Sales decline mainly driven by continued low demand in construction and electronics, additionally negative FX effects
- While pricing remained stable in lubricants, BU RheinChemie and flame retardants faced continued pricing pressure
- EBITDA pre and margin impacted by idle costs caused by inventory management, weak demand and resulting low utilization

Advanced Intermediates: Weak demand

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Utilization remains on historically low levels

[€ m]	Q3/2022	Q3/2023	Δ	9M 2022	9M 2023	Δ
Sales	642	403	-37%	1,842	1,403	-24%
EBITDA pre	65	30	-54%	226	97	-57%
Margin	10.1%	7.4%		12.3%	6.9%	
Capex	23	18	-22%	60	51	-15%

Price	Volume	FX	Portfolio
-16%	-19%	-2%	0%

Total -37%

Q3 Sales vs. PY

- Sales decrease driven by volume and price decline across both Business Units; lower prices also reflect pass-on of decreased input costs
- Low demand across all industries but especially driven by weak construction market
- EBITDA pre and margin continued to be burdened by high idle costs

Earnings remain well below prior year in a challenging demand environment

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P&L [€ m]	Q3/2022		Q3/2023		yoy in %
Sales	2,185	(100%)	1,601	(100%)	-27%
Cost of sales	-1,658	(-76%)	-1,312	(-82%)	-21%
Selling	-296	(-14%)	-213	(-13%)	-28%
G&A	-78	(-4%)	-73	(-5%)	-6%
R&D	-26	(-1%)	-24	(-1%)	-8%
Financial result	54		-77		**>-100%**
Net Income	**80**		**-131**		**>-100%**
EPS (€)	**0.93**		**-1.52**		**>-100%**
EBITDA	206	(9%)	83	(5%)	-60%
thereof except.	34	(2%)	36	(2%)	6%
EBITDA pre except.	**240**	**11.0%**	**119**	**7.4%**	**-50%**

- Sales below prior year; lower prices and volumes, FX with additional negative impact
- COGS reflect declining input costs
- SG&A decrease based on lower freight rates, cost savings & FX
- Financial result reflects Envalior JV; burdened by interest and PPA. Prior year includes gain from settled interest rate hedges
- EBITDA pre and margin impacted by idle costs due to low utilization

Figures from continuing operations only (except net income and EPS)

Effective working capital measures lead to strong free cash flow in Q3 2023

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Cash flow [€ m]*	Q3/2022	Q3/2023	Δ
Profit before tax	**120**	**-142**	**-262**
Income from investments accounted for using the equity method	0	66	66
Depreciation & amortization	140	148	8
Income taxes	-28	-5	23
Changes in other assets & liab.	-8	43	51
Changes in working capital	-124	275	399
Others	-62	5	67
Operating cash flow	**38**	**390**	**352**
Capex	-98	-68	30
Free cash flow	**-60**	**322**	**382**

- Lower profit before tax due to weak operational and at equity result
- However, significantly positive operating cash flow due to active working capital management
- Changes in other assets and liabilities reflect mainly a positive impact from FX hedges and other provisions
- Capex significantly reduced in context of FORWARD! measures

* Applies to continuing operations
Free cash flow = Operating cash flow minus capex

Reduction of net financial debt on track, already reduced by one third

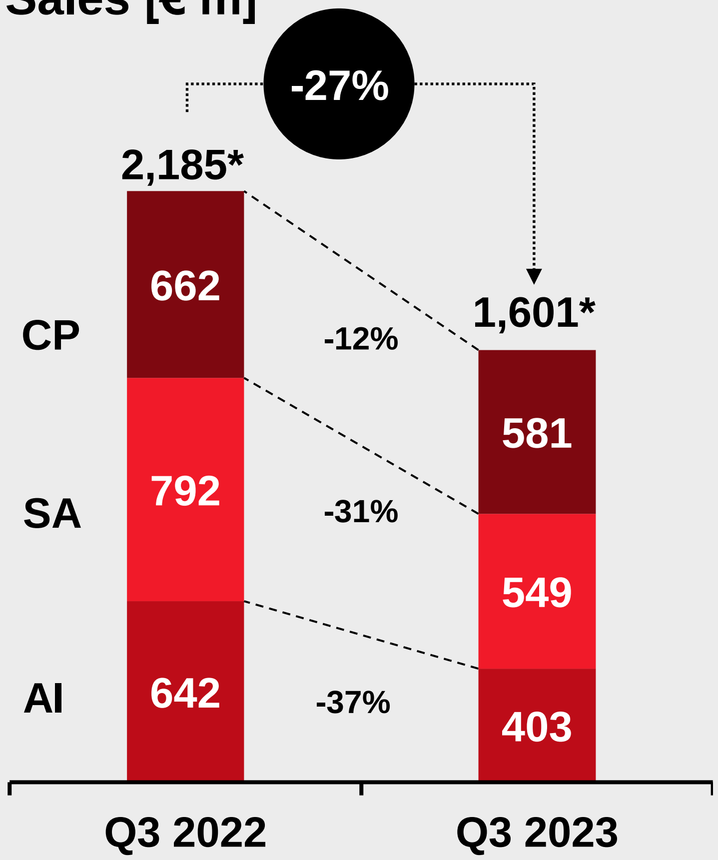
Balance sheet [€ m]	31.12.2022	30.09.2023
Total assets	**11,287**	**10,576**
Equity	4,427	5,630
Equity ratio	**39%**	**53%**
Net financial debt[1]	**3,814**	**2,557**
Pension provisions	**367**	**304**
Net working capital	**2,010**	**1,607**
DSI (in days)[2]	85	85
DSO (in days)[3]	39	39

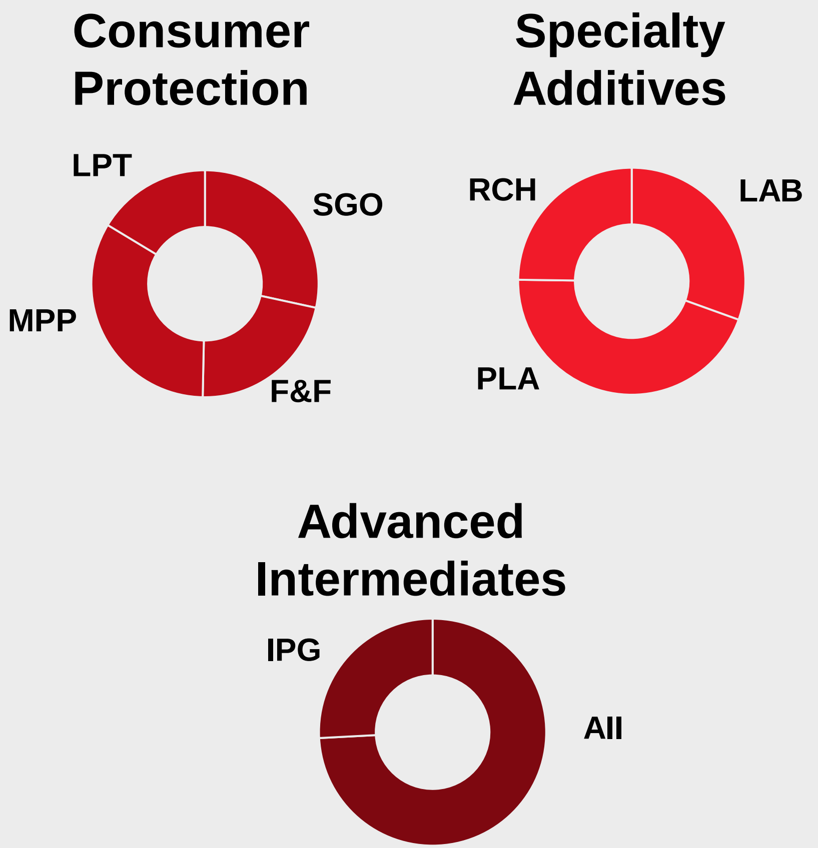
- Lower total assets mainly due to debt reduction following closing of the Envalior transaction
- Higher equity reflects gain from sale of BU HPM
- Net financial debt significantly reduced by proceeds from the Envalior transaction and effective working capital measures
- Pension provisions decreased due to higher interest levels
- Further decrease in net working capital based on strict inventory control measures

[1] Deducting cash, cash equivalents, near cash assets, short-term money market investments
[2] Days sales of inventory calculated from quarterly sales
[3] Days of sales outstanding calculated from quarterly sales

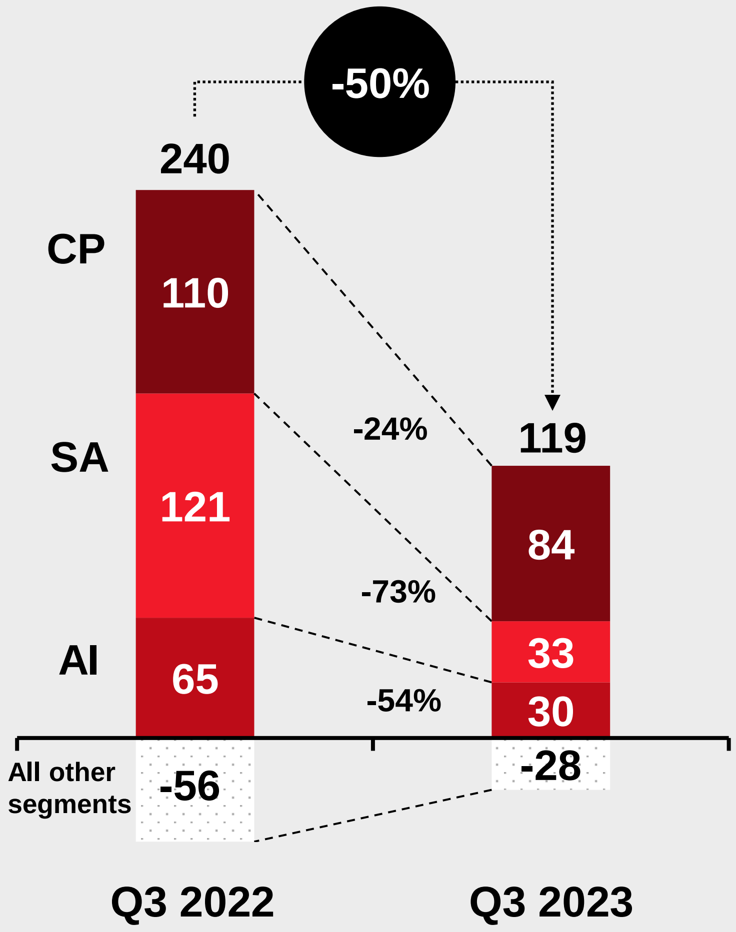
Q3 2023: Sales and EBITDA pre in all segments down

Sales [€ m]





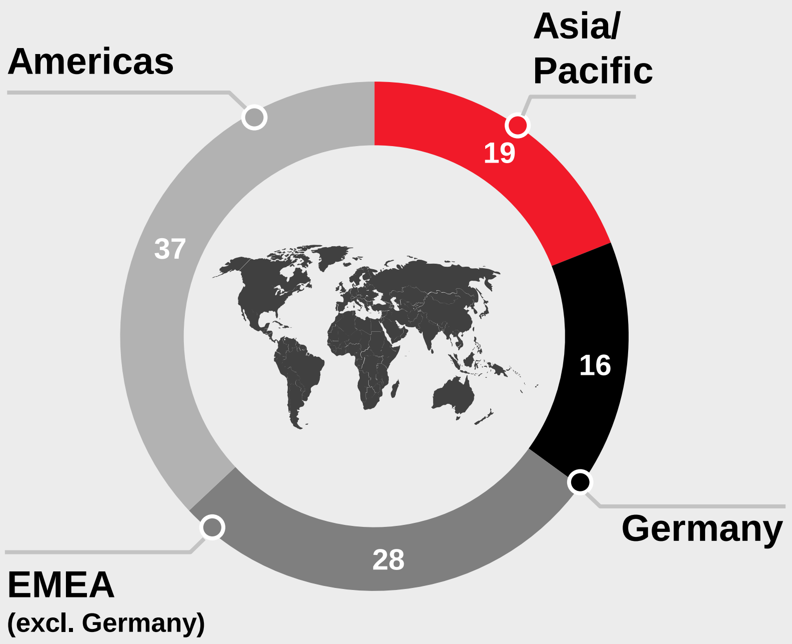
EBITDA pre [€ m]



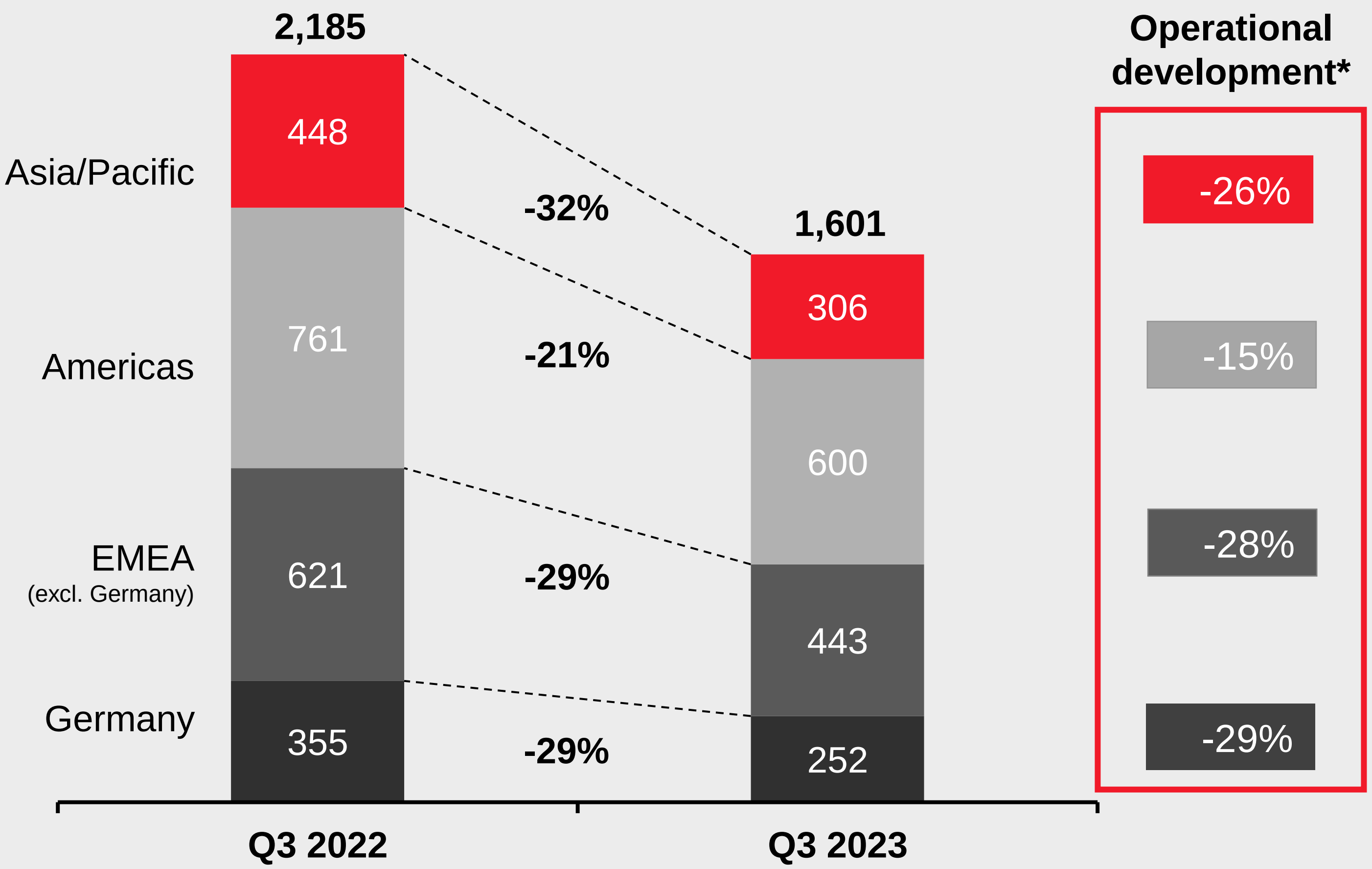
* Total group sales including all other segments

Q3 2023: Weak development in all regions

Q3 2023 sales by region [%]



Regional development of sales [€ m]



* Currency adjusted

9M 2023 exceptional items (on EBIT) above previous year level

[€ m]	Q3/2022		Q3/2023		9M 2022		9M 2023		
	Excep.	Thereof D&A	Excep.	Thereof D&A	Excep.	Thereof D&A	Excep.	Thereof D&A	Comments
Strategic Realignment & Restructuring	-13	0	**-15**	**-5**	-14	0	**-19**	**-5**	2022: incl.Emerald Kalama Chem. (EKC) integration 2023: incl. FORWARD!, US site closure and IFF MC synergies
M&A, Digitalization (incl. Chemondis) and Others	-16	-1	**-18**	**-1**	-40	-3	**-44**	**-3**	2022: incl. IFF MC acquisition, HPM carve out 2023: IT integration EKC, IFF MC
Strategic IT projects	-6	0	**-10**	**-1**	-31	0	**-26**	**-1**	incl. SAP Hana Project
Total	-35	-1	**-43**	**-7**	-85	-3	**-89**	**-9**	

LANXESS maturity profile actively managed and well balanced

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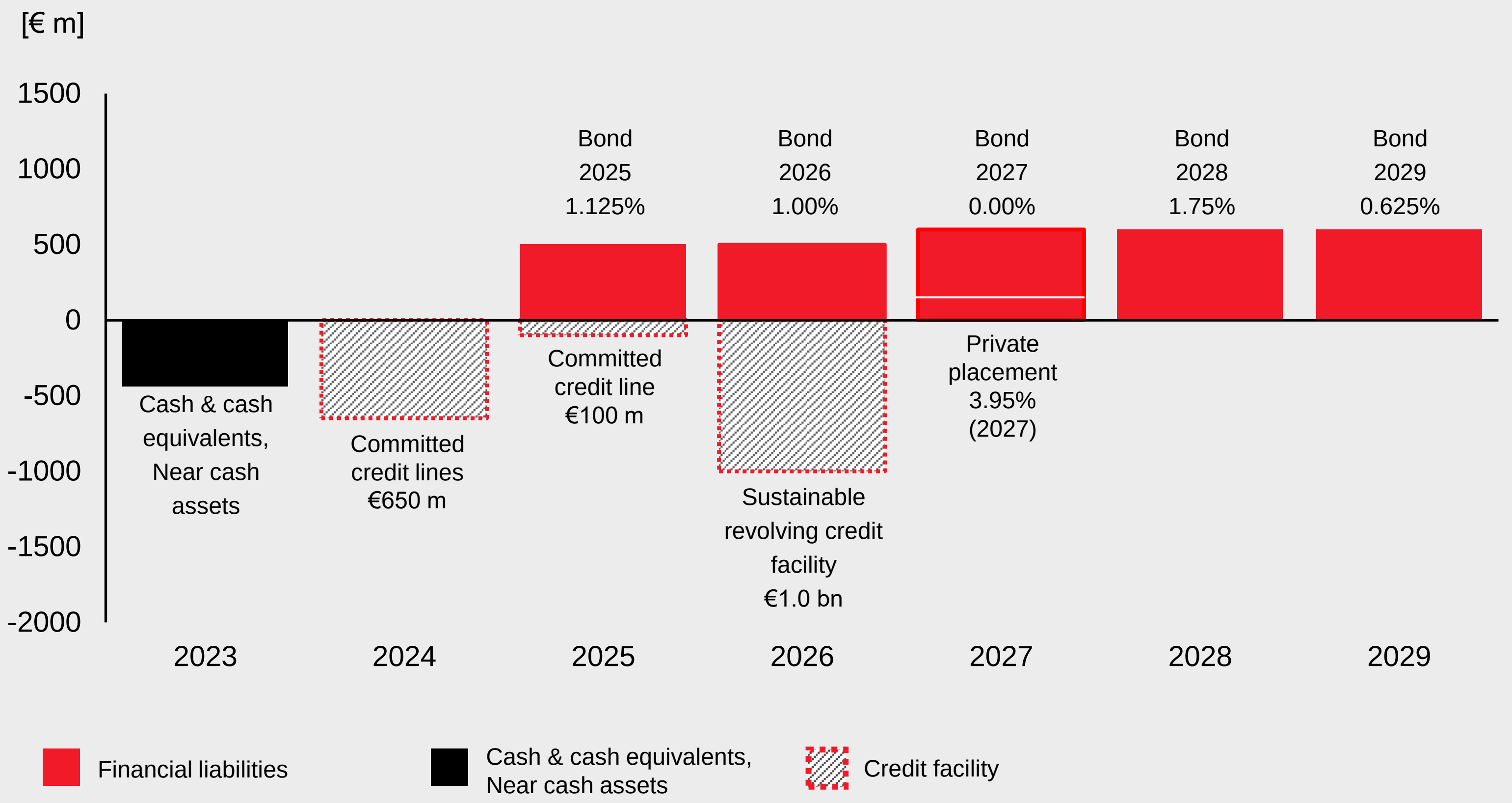
Long-term financing secured

- Diversified financing sources
- Average interest rate of financial liabilities ~1.0%
- All group financing executed without financial covenants
- Next maturity in 2025
- Refinancing of May 2025 liabilities already secured

Liquidity and maturity profile as per September 2023



Agenda

1	Review Q3 2023 and outlook
2	Financial and business details Q3 2023
3	Appendix

Housekeeping items 2023

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Capex	**~€350 m (prev. ~€400 m)**
Operational D&A	**~€550 m** (thereof ~**€150 m** of intangible amortization effects)
All other segments	**~€150 m (prev. ~€170 m)**
Underlying tax rate	**~27%** distorted due to Envalior result
Exceptionals	**~€80 m** based on current initiatives + **~€100 m** in relation to FORWARD!
FX sensitivity	One cent change of USD/EUR resulting in **~€7 m** EBITDA pre impact before hedging

9M 2023: Sales and earnings still burdened by low demand

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P&L [€ m]*	9M/2022		9M/2023		yoy in %
Sales	6,115	(100%)	5,278	(100%)	-14%
Cost of sales	-4,632	(-76%)	-4,242	(-80%)	-8%
Selling	-773	(-13%)	-729	(-14%)	-6%
G&A	-219	(-4%)	-215	(-4%)	-2%
R&D	-76	(-1%)	-76	(-1%)	0%
Financial result	2	(0%)	-199	(-4%)	>-100%
Net income	**271**	**(4%)**	**1,196**	**(23%)**	**>100%**
EPS (€)	**3.14**		**13.85**		**>100%**
EBITDA	673	(11%)	335	(6%)	-50%
thereof except.	-82	(-1%)	-80	(-2%)	-2%
EBITDA pre	**755**	**(12.3%)**	**415**	**(7.9%)**	**-45%**

- Decline in sales due to low demand and customer destocking, mitigated by portfolio
- Lower selling costs due to weak volumes, mitigated by portfolio
- Financial result reflects Envalior JV burdened by interest and PPA
- Net income contains book gain from HPM disposal (Q2 2023)
- Earnings and margin decline due to low utilization and resulting idle costs

* Figures from continuing operations only (except net income and EPS)

9M 2023: Significantly improved free cash flow due to effective working capital management and lower capex

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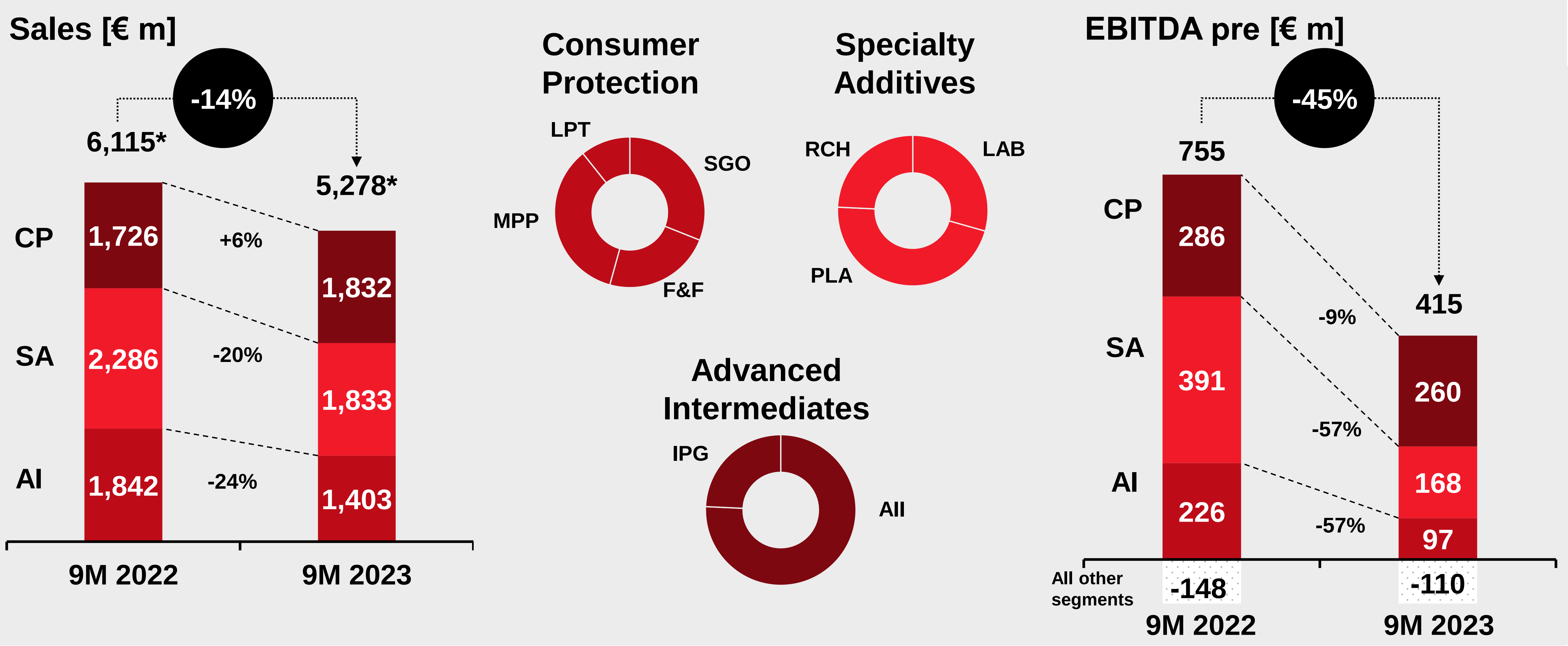
Cash Flow [€ m]*	9M/2022	9M/2023	Δ
Profit before tax	**278**	**-286**	**-564**
Income from investments accounted for using the equity method	0	143	143
Depreciation & amortization	397	422	25
Income taxes	37	-37	-74
Changes in other assets & liab.	-6	-55	-49
Changes in working capital	-597	398	995
Others	-14	43	57
Operating cash flow	**95**	**628**	**533**
Capex	-249	-194	55
Free Cash Flow	**-154**	**434**	**588**

- Lower profit before tax due to weak operational and at equity result
- Non-cash at equity result mainly from Envalior
- Changes in other assets and liabilities reflect largely the release of provisions for variable compensation and bonus payout for 2022
- Significantly improved working capital through effective inventory management
- Capex reduced in context of cost saving measures

* All figures apply to continuing operations

9M 2023: Consumer Protection reports increased sales; EBITDA pre decreased in all segments



* Total group sales including all other segments

9M 2023: Americas with comparably lowest decrease

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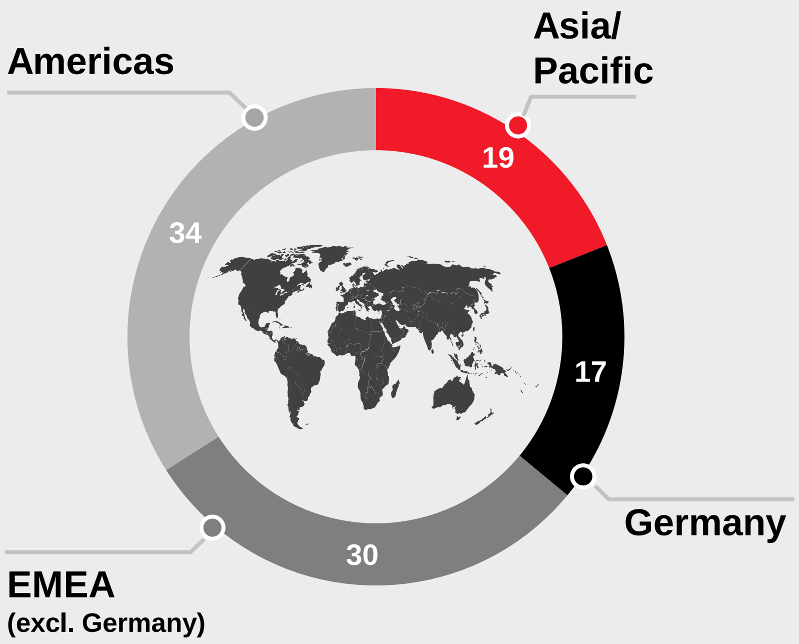
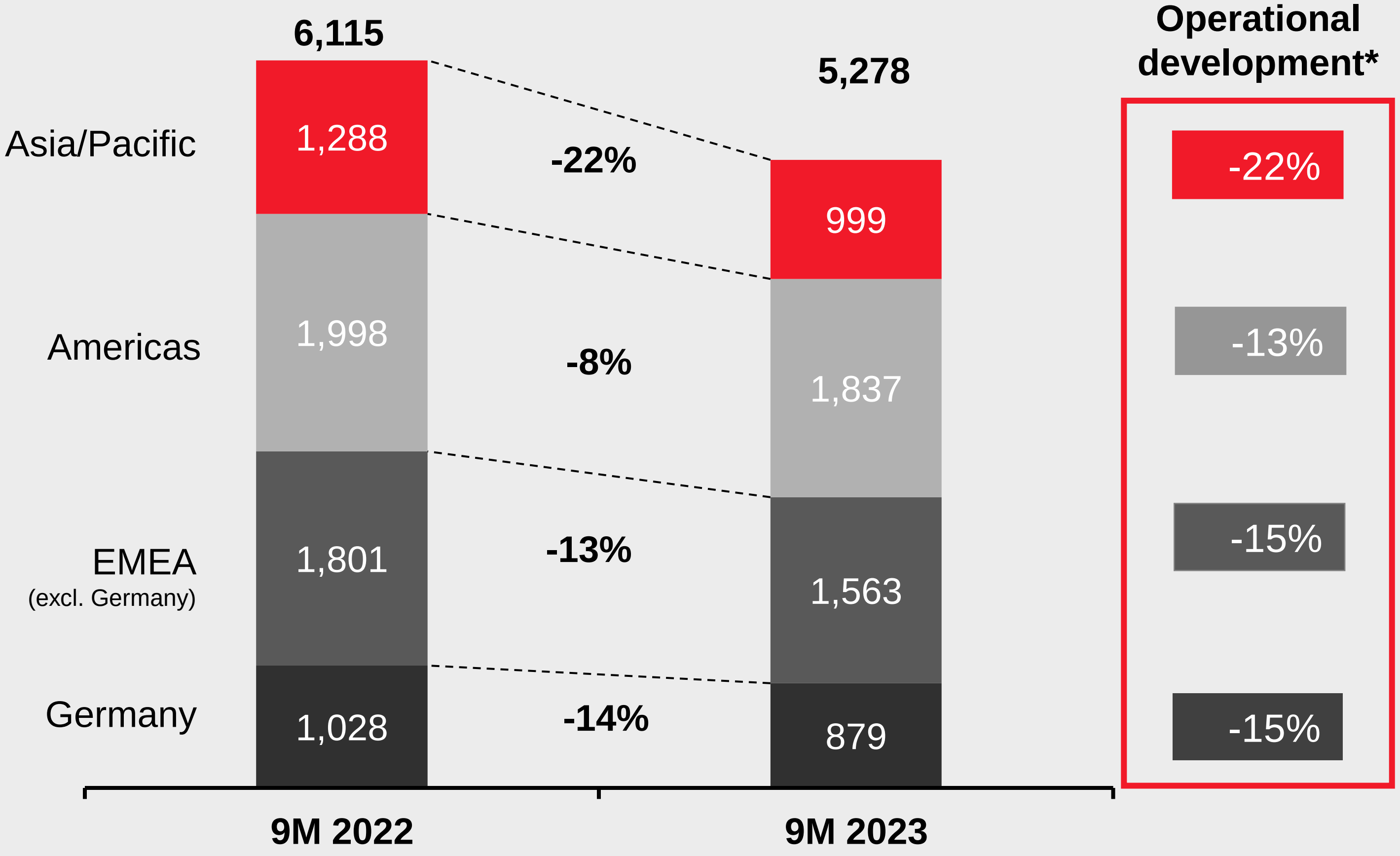
9M 2023 sales by region [%]



Regional development of sales [€ m]



* Currency and portfolio adjusted

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Visit the IR website

Abbreviations

Consumer Protection

MPP	Material Protection Products
F&F	Flavors & Fragrances
SGO	Saltigo
LPT	Liquid Purification Technologies

Specialty Additives

PLA	Polymer Additives
LAB	Lubricant Additives Business
RCH	Rhein Chemie

Advanced Intermediates

AII	Advanced Industrial Intermediates
IPG	Inorganic Pigments

Upcoming events 2023/ 2024 - Proactive capital market communication

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Nov

08 Q3 2023 Results

15 MS Global Chemicals Conference, Boston

Dec

04 Analyst Roundtable, London

05 Berenberg European Conference, Pennyhill

Jan

09 Commerzbank & ODDO BHF German Investment Seminar, New York

11 ODDO BHF Forum, Lyon

15/16 Unicredit/Kepler Cheuvreux German Corporate Conference, Frankfurt