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LANXESS – Roadshow Q2 2022

Delivering operationally and executing on key strategic milestones

Investor Relations, August 2022

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Agenda

1. LANXESS today
2. Q2 review and financials
3. Proactively managing risks
4. Growth opportunities
5. Recent portfolio changes

Reduction of complexity through portfolio changes leading to a new segment structure

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Advanced Intermediates	Specialty Additives	Consumer Protection	Engineering Materials

Engineering Materials:
- Urethane Systems
- High Performance Materials

Advanced Intermediates

Specialty Additives

Consumer Protection

Recon-ciliation

Discontinued Operations

Monetization of BU HPM stake with attractive financials

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BU HPM Sales EBITDA pre	Multiple	Enterprise value	Use of proceeds
~€1.5 bn* ~€210 m*	12x	~€2.5 bn Thereof cash proceeds of ≥€1.1 bn from first payment**	De-leveraging
			share buyback planned

LANXESS entitled to receive a total of ~€2.5 bn in value; not yet reflected in market perceptions

* FY 2021
** LXS will continue to own ≤40% in JV and will have the opportunity to divest earliest after 3 years

LANXESS profile improves: more resilient, less complex, lower leverage, better ESG footprint

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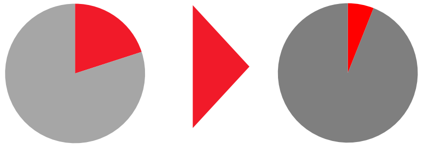
Higher resilience

Auto exposure



- Exposure to volatile auto industry significantly reduced
- Specialty character increased

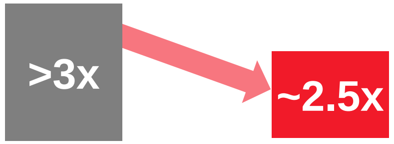
Lower complexity

Number of Segments

- Clear focus on Specialty Additives and Consumer protection
- Reduced asset base in Europe leads to more balanced global production footprint

Improved financial profile

Leverage* incl. IFF MC



- Proceeds used for leverage reduction
- Moving towards 2.5x net financial debt / EBITDA

Improved sustainability

CO_2 emissions

- Engineering materials production is energy and CO_2 intensive (esp. nitrous oxide)
- Transfer of business reduces CO_2 footprint significantly

* Net financial debt / EBITDA pre

Strong portfolio of attractive chemical businesses: Reduced complexity, higher margins, asset lighter

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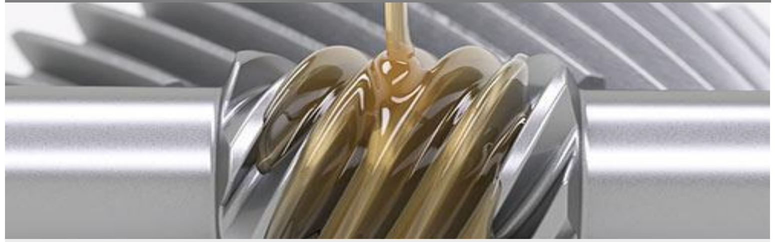
Advanced Intermediates

- Advanced Industrial Intermediates
- Inorganic Pigments

~30%*

- **Among top 3 players**
- **Cost, technology and process leadership**

Specialty Additives



- Lubricant Additives Business
- Polymer Additives
- Rhein Chemie

~30%*

- **Among top 3 players**
- **Small volume, high impact**
- **Integrated value chains**

Consumer Protection

- Flavors & Fragrances
- Liquid Purification Technologies
- Material Protection Products
- Saltigo

~40%*

- **# 1-3 positions**
- **Attractive secular growth**
- **Strong margins**
- **Asset light & high cash conversion**

*% of pro forma group EBITDA pre incl. full contribution from EKC and IFF MC, excluding Engineering Materials segment

Executing on our strategy: Portfolio transformation strengthens our resilience and competitiveness

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1 Higher resilience

Reducing cyclical market exposure and becoming more resilient

✓ Underperforming businesses divested – 6 transactions
✓ Acquisitions in the area of Consumer Protection – 5 transactions

Less than 10% Auto exposure*

2 Global footprint

Focus on Americas

✓ Acquisitions reduce German production footprint
✓ More balanced and optimized sales split

Increase in US sales exposure

3 Improving financial profile

Upgrading financial profile with focus on de-leverage and cash flow improvement

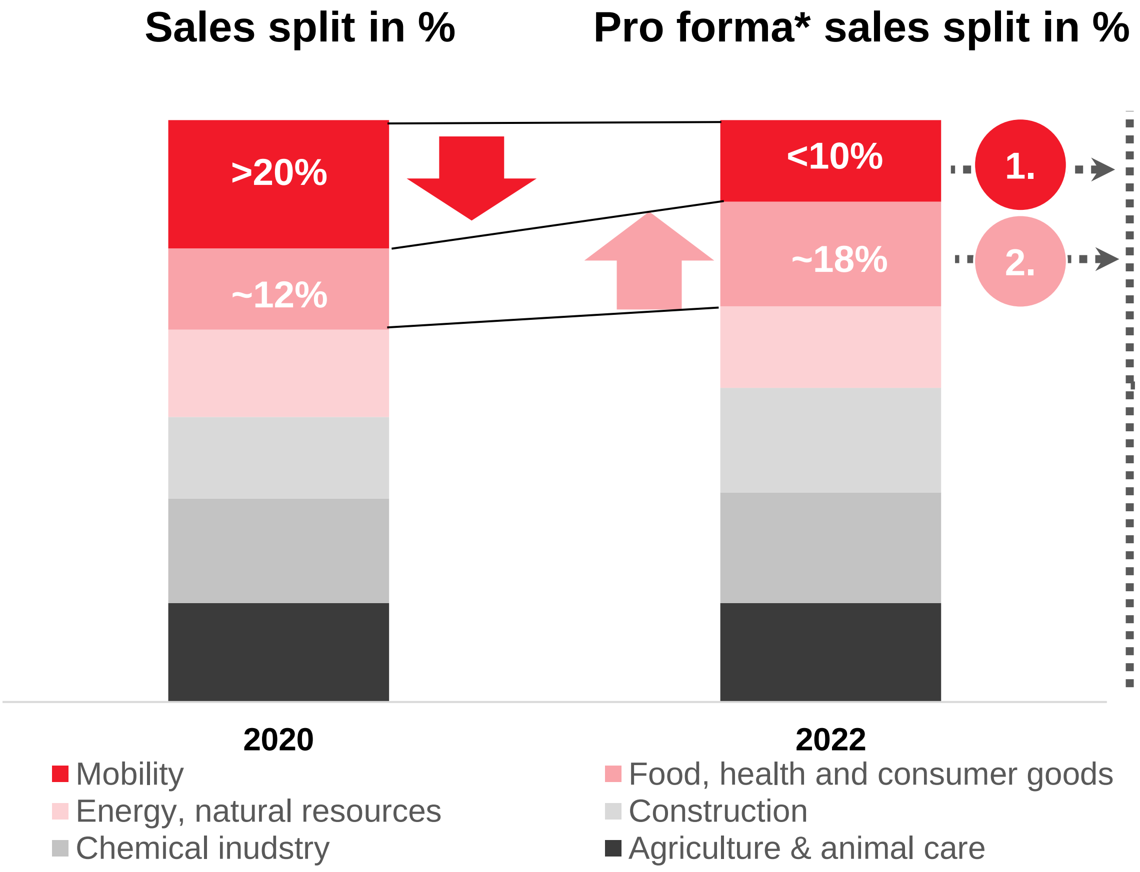
✓ Leverage addressed with sale of HPM
✓ Managing the controllables (ongoing)

Commitment to solid investment grade

*Pro forma sales split including IFF MC contribution and excluding HPM business

1

Recent portfolio measures lead to a more balanced end-market exposure



1. Automotive exposure reduced

- Total exit from leather
- Contribution of HPM in JV

2. Higher portion of end-consumer focused markets

- Full contribution of recent acquisitions
- Growth above GDP in Consumer Protection

*Pro forma sales split including IFF MC contribution and excluding HPM business

2 Strengthened global footprint

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CAPEX and M&A spending since 2017*

In %

■ Germany ■ Americas ■ EMEA ■ APAC

Portfolio transformation focus:

- Chemtura
- EKC
- IFF MC
- Bolt-ons

Main acquisition focus on Americas

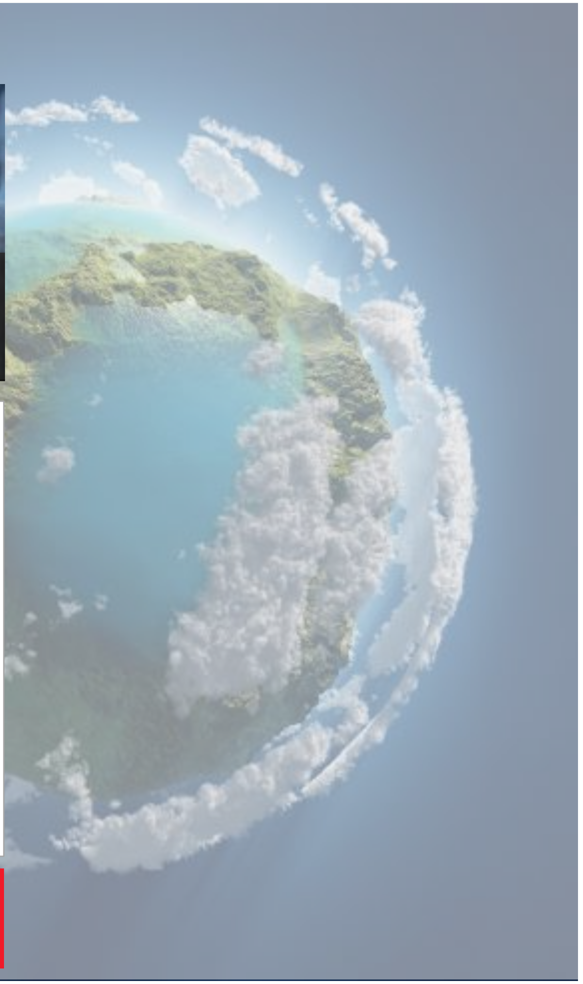
Strengthened Americas asset footprint

German dependency further reduced

Global portfolio further balanced on basis of growth investments and M&A

*CAPEX spending and M&A activity; incl. HPM and pro forma IFF

We have defined clear focus topics and objectives – aligned with societal goals and our strategic ambition



Objectives*

- LANXESS to become climate neutral by 2040, -50% CO_2e emissions by 2030 versus 2018
- LTIFR** reduction of 50% to 1.0 in 2025 vs. 2016
- Increase proportion of women in management to 30% by 2030
- Reduction of absolute water withdrawal by 15% at water risk sites by 2023
- Increase in energy efficiency of 40% to < 1.24 (MWh/t) compared to base year 2015

Ambition: LANXESS as a leading, resilient, sustainable, and profitable company

* Selection **LTIFR: Lost time injury frequency rate

LANXESS enhances climate strategy by adding Scope 3 reduction target and gaining SBTi approval

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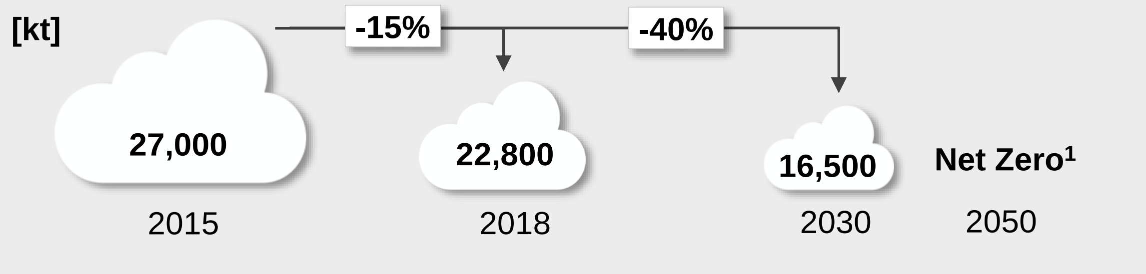
Net Zero \ Value Chain

- Newly set Scope 3 emission reduction target
- Approved by SBTi

SCIENCE BASED TARGETS

LANXESS Scope 3 emissions pathway



LANXESS climate strategy

2019: "Climate Neutral 2040" with roadmap for Scope 1+2 emissions reduction

- Realize major impact projects for climate protection
- Decouple emissions and growth
- Pursue technological innovations

2022: "Net Zero Value Chain" strategy to reduce Scope 3 value chain emissions

- Use of sustainable raw materials
- Transition to green logistics
- Increasingly offer low-carbon and climate-neutral products

SBTi = Science Based Targets Initiative | [1] "Net Zero" may include emission compensation measures

Leading ESG rating providers honor our performance

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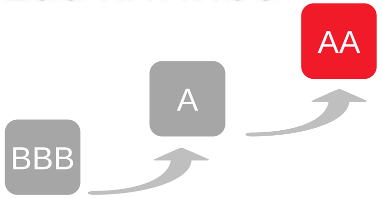
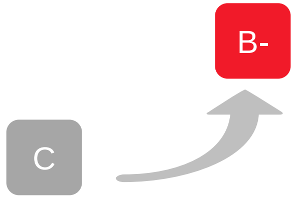
MSCI
ESG RATINGS



Convincing climate strategy

Ongoing improvement: Water Stress & Chemical Safety

ISS ESG



Prime status

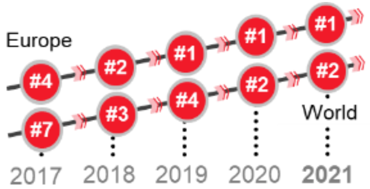
Top 8%

CDP
DISCLOSURE INSIGHT ACTION

Climate leader

Top 5%

Dow Jones Sustainability Indices
Powered by the S&P Global CSA



Top 10% in DJSI World (11^{th} year)
DJSI Europe (5^{th} year)

Bloomberg Gender-Equality Index 2022

PLATINUM Top 1% 2022 ecovadis Sustainability Rating

vigeoeiris

SUSTAINALYTICS

Comparing valuation pre and post deal points to underappreciated transformation

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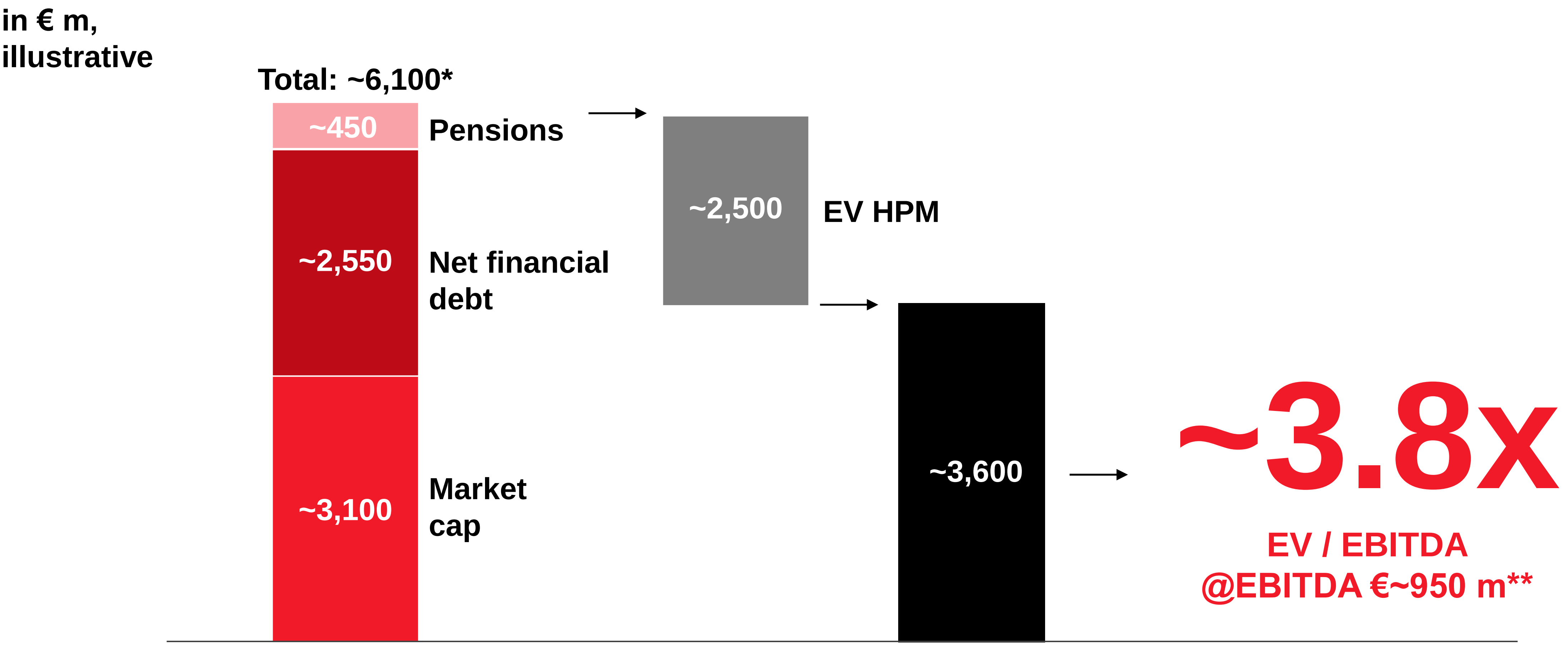

Multiple decreases to only 3.8x EV/ EBITDA after exit from HPM showcases valuation gap

* Excl. IFF MC, Market Cap on basis of closing price 3.08.2022
** Referring to midpoint of guidance between €900 m and €1,000 m for FY 2022 which excludes HPM and includes 6 months of IFF MC

In a nutshell: Five of the most striking reasons to invest

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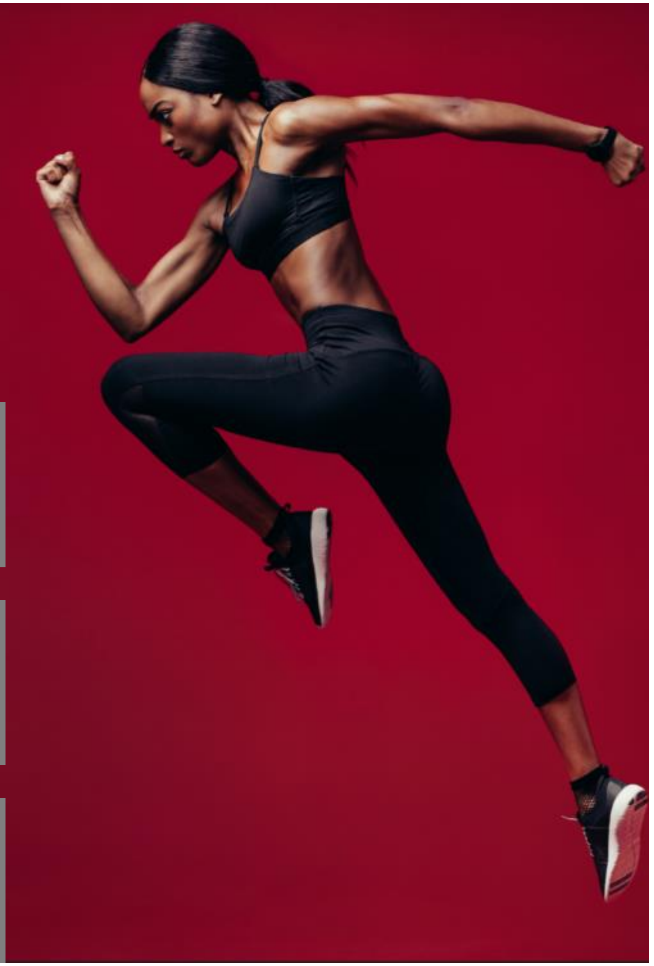
1. Embark on an exciting transformation journey to high margin specialty chemicals businesses
2. Unique specialty chemicals portfolio with leading market positions
3. Proven resilient business model – with many growth options
4. Forerunner in sustainability – awarded by leading rating agencies
5. Energizing chemistry – committed management team embedded in performance oriented corporate culture



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Q2 2022: Guidance achieved

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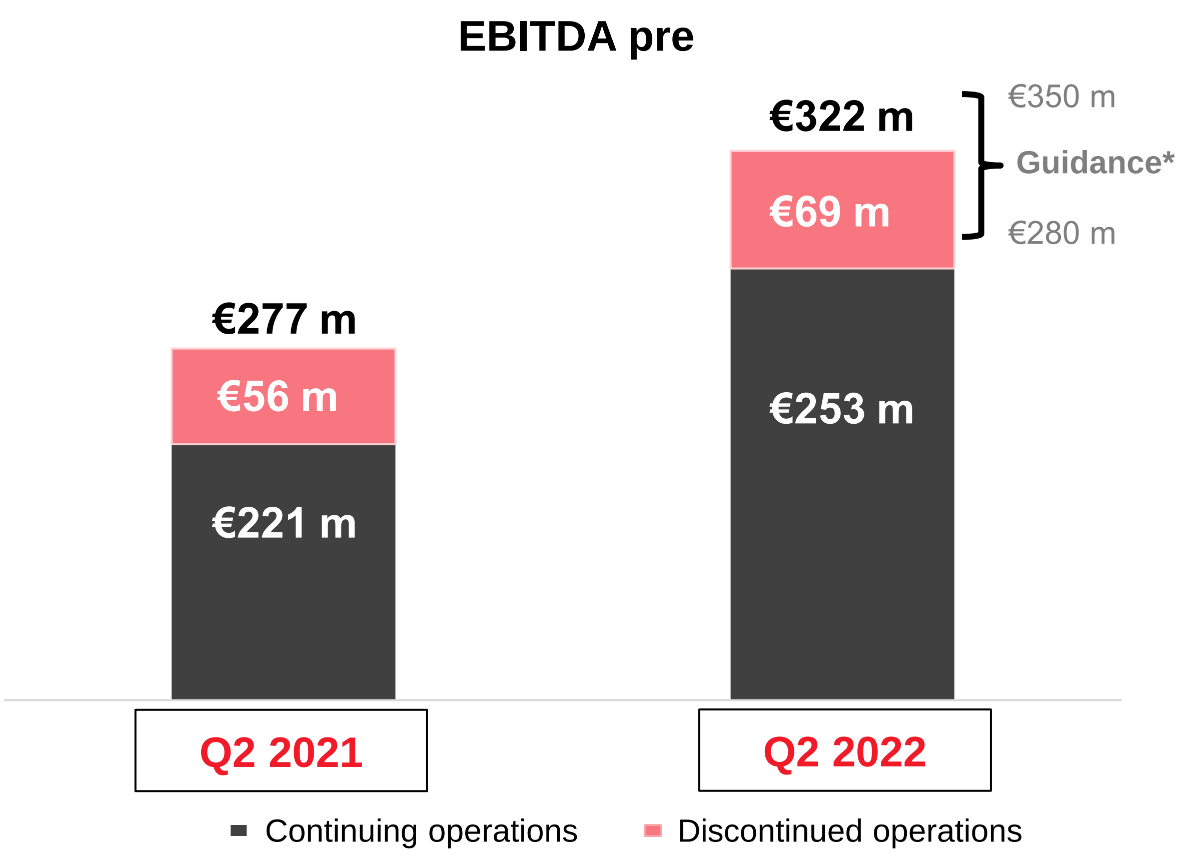
Increased earnings



Financial Highlights

+36% Sales increase
full pass-through of inflated raw material and energy costs

Logistic issues held back volumes

+14% EBITDA pre
to €253 m, top line inflation weighs on margin

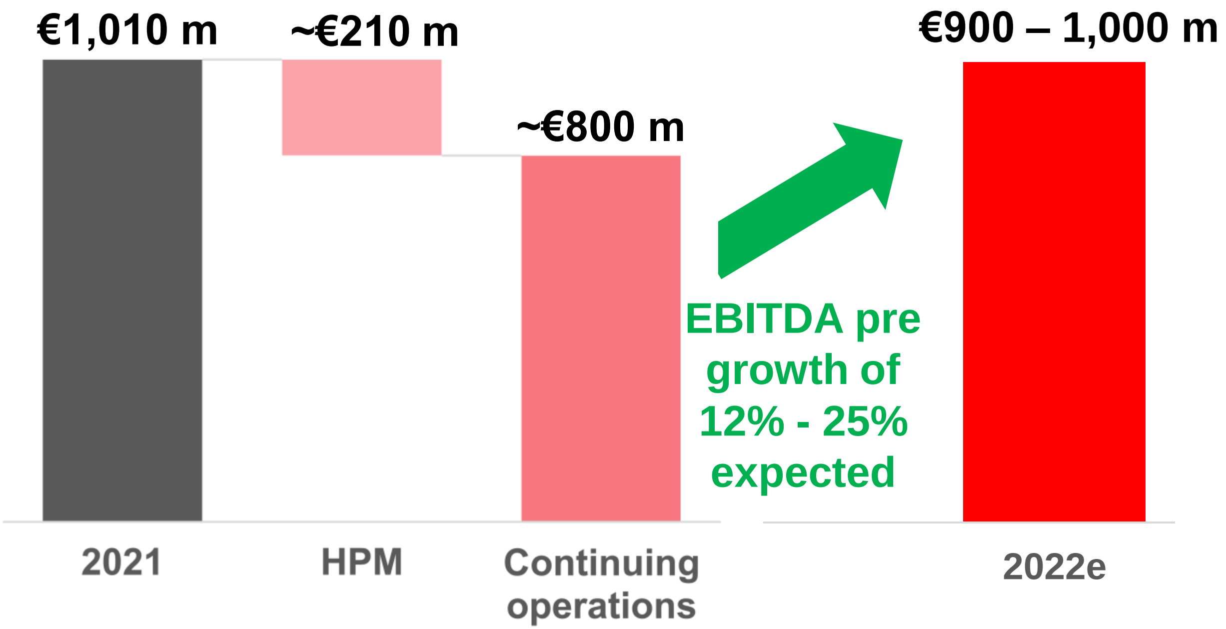
*Guidance given in Q1 2022 included the former four business segments; after Advent deal HPM booked as discontinued operations since 1st of January 2022

Guidance for FY 2022 confirmed, based on current market data

Current view on economy

- Continuously high level of energy and raw material costs
- Ongoing disruptions in global supply chains and logistic constraints
- Increasing pressure from general inflation on global demand

LANXESS EBITDA pre outlook*



* Outlook includes Microbial Control business of IFF (closed on 1st July 2022) and does not include the discontinued operations (BU HPM)

Q2 2022: Next strategic steps towards specialty chemicals executed

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Highlights and challenges

- ✓ Acquisition of IFF's microbial control: closed on 1st July
- ✓ A leading global JV for high performance engineering polymers agreed with Advent (HPM team up with DSM)
- ✓ Reduction of complexity through portfolio changes (leading to a new segment structure)
- ✓ Strong growth in Specialty Additives and Consumer Protection
- ✓ SBTi approved 1.5° climate path and Scope 3 targets

- Ongoing logistic constraints held back volumes
- Inflationary environment continues

LANXESS Group: Further increase in EBITDA pre

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Full pass-through of input costs

[€ m]	Q2/2021	Q2/2022	Δ	1H 2021	1H 2022	Δ
Sales	1,469	1,999	36%	2,841	3,930	38%
EBITDA pre	221	253	14%	414	515	24%
Margin	15.0%	12.7%		14.6%	13.1%	
CAPEX	82	92	12%	143	151	6%

Price	Volume	FX	Portfolio
+26%	-6%	+7%	+9%

Total +36%

Q2 Sales vs. PY

- Significant sales increase in all segments driven by continued successful pass-through of higher raw material and energy prices, additionally supported by portfolio and FX
- Higher EBITDA pre results from strong contribution of Specialty Additives and Consumer Protection; logistic constraints held back volumes
- Full pass-through of inflated input costs and lower volumes impacted margins

Advanced Intermediates: Soft result despite price pass-through

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Volumes held back by various logistic limitations

[€ m]	Q2/2021	Q2/2022	Δ	1H 2021	1H 2022	Δ
Sales	466	587	26%	918	1,200	31%
EBITDA pre	91	74	-19%	161	161	0%
Margin	19.5%	12.6%		17.5%	13.4%	
CAPEX	28	19	-32%	48	37	-23%

Price	Volume	FX	Portfolio
+29%	-8%	+5%	0%

Total +26%

Q2 Sales vs. PY

- Sales increase driven by higher prices due to raw material and energy price pass-through in both BUs, positive FX
- Logistic constraints burden volumes especially in BU IPG
- EBITDA pre and margin impacted by time lag in price pass-through and lower utilization on planned maintenance turnarounds in BU AII

Specialty Additives: Earnings benefit from continued price catch-up

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All BUs contribute, BU PLA delivers especially well

[€ m]	Q2/2021	Q2/2022	Δ	1H 2021	1H 2022	Δ
Sales	568	764	35%	1,085	1,494	38%
EBITDA pre	89	134	51%	163	270	66%
Margin	15.7%	17.5%		15.0%	18.1%	
CAPEX	24	24	0%	40	37	-8%

Price	Volume	FX	Portfolio
+26%	-5%	+10%	+4%

Total +35%

Q2 Sales vs. PY

- Improved sales in all BUs, driven by strong pricing and FX
- Volumes remain on high level compared to strong previous year base but continuously held back by logistic constraints
- Ongoing recovery in aviation and oil & gas industry
- Continued price catch-up and positive FX development supports EBITDA pre and margin increase

Consumer Protection: Portfolio effect shapes results

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BU F&F integration well on track

[€ m]	Q2/2021	Q2/2022	Δ	1H 2021	1H 2022	Δ
Sales	366	558	52%	707	1,064	50%
EBITDA pre	71	90	27%	147	176	20%
Margin	19.4%	16.1%		20.8%	16.5%	
CAPEX	16	36	125%	30	59	97%

Price	Volume	FX	Portfolio
+22%	-5%	+4%	+31%

Total +52%

Q2 Sales vs. PY

- Significant sales increase due to portfolio, successful pricing and FX
- Volumes impacted by logistic challenges
- Increased EBITDA pre due to successful pricing and contribution from acquired EKC business
- Margin held back by lower volumes and energy price driven top line inflation

P&L Q2: Successful pass-through of higher input costs - ongoing logistic constraints and lower volumes burden

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[€ m]*	Q2/2021		Q2/2022		yoy in %
Sales	1,469	(100%)	1,999	(100%)	36%
Cost of sales	-1,082	(-74%)	-1,515	(-76%)	40%
Selling	-192	(-13%)	-241	(-12%)	26%
G&A	-62	(-4%)	-71	(-4%)	15%
R&D	-23	(-2%)	-26	(-1%)	13%
EBIT	**84**	**(6%)**	**97**	**(5%)**	**15%**
Net Income (cont.)	**47**	**(3%)**	**48**	**(2%)**	**2%**
EPS pre (cont.)	**1.02**		**1.05**		**3%**
EBITDA	191	(13%)	229	(11%)	20%
thereof except.	-30	(-2%)	-24	(-1%)	-20%
EBITDA pre except.	**221**	**(15%)**	**253**	**(12.7%)**	**14%**

- Successful pass-through of increased input costs. However, margin impacted by lower utilization and arithmetic effect
- Rising selling expenses result from ongoing higher logistic costs and portfolio effect
- Increase in G&A due to portfolio and FX effect

* All figures apply to continuing operations

Q2 2022: Significant sales improvement in all segments

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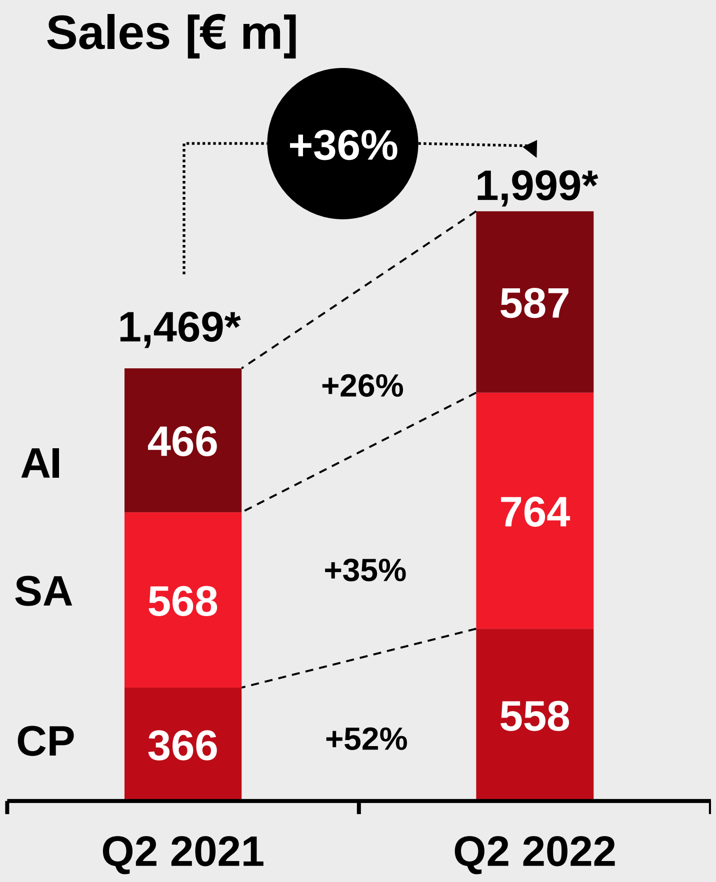

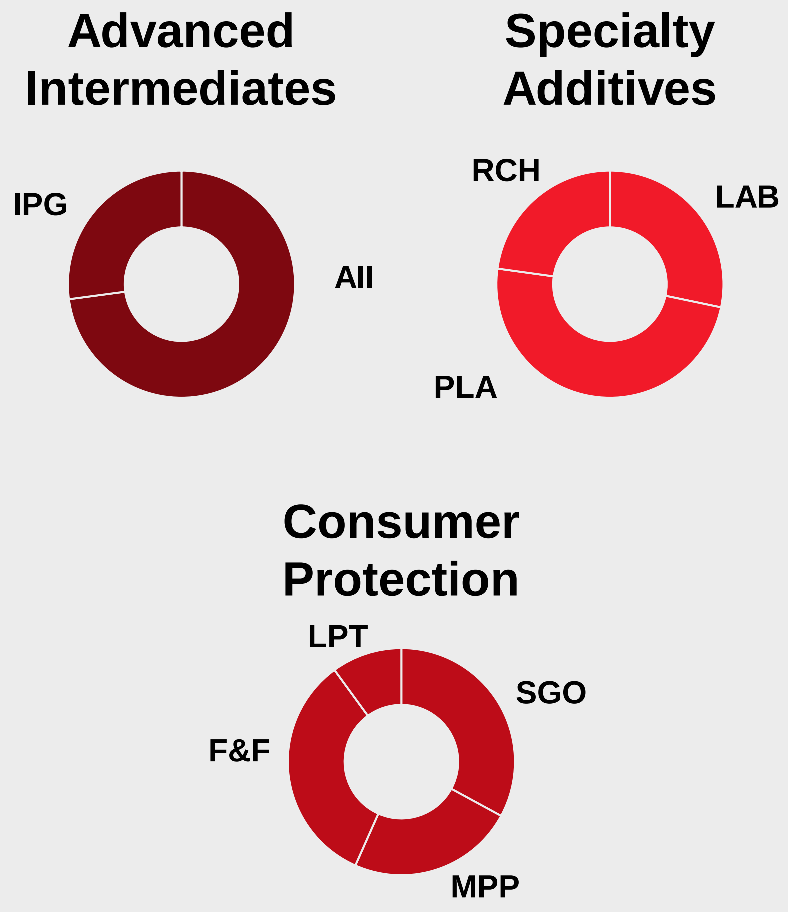

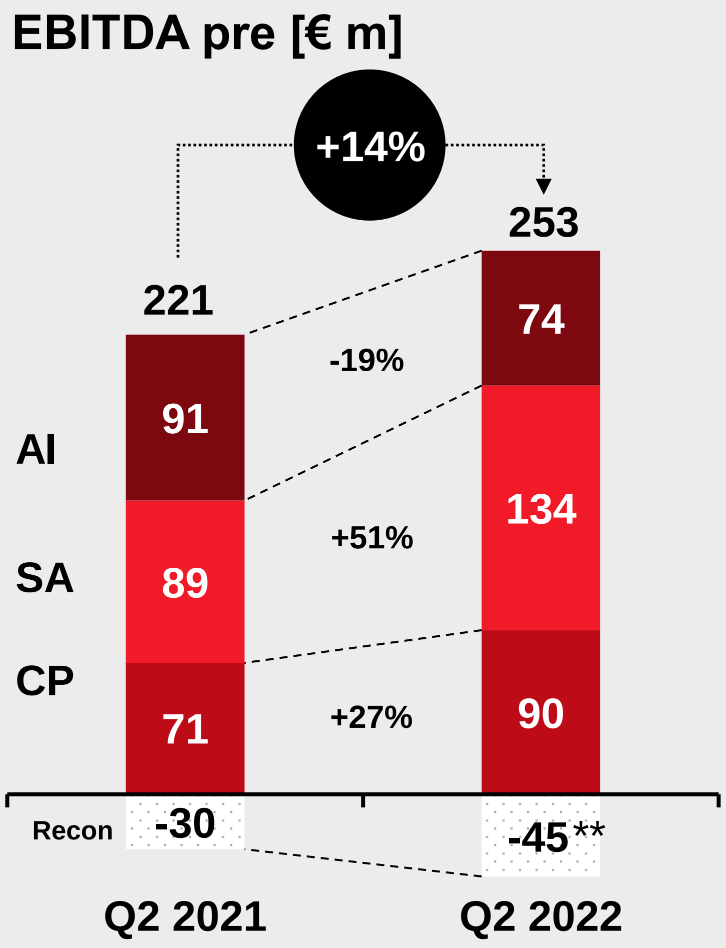

* Total group sales including reconciliation
** Lower result due to hedging and inflated costs due to higher USD

Q2 2022: Strong price-driven growth in all regions

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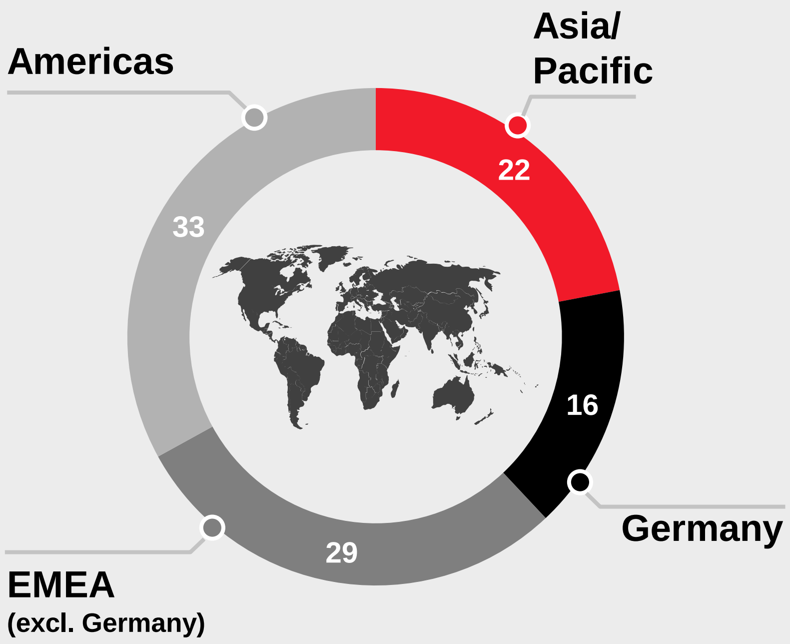
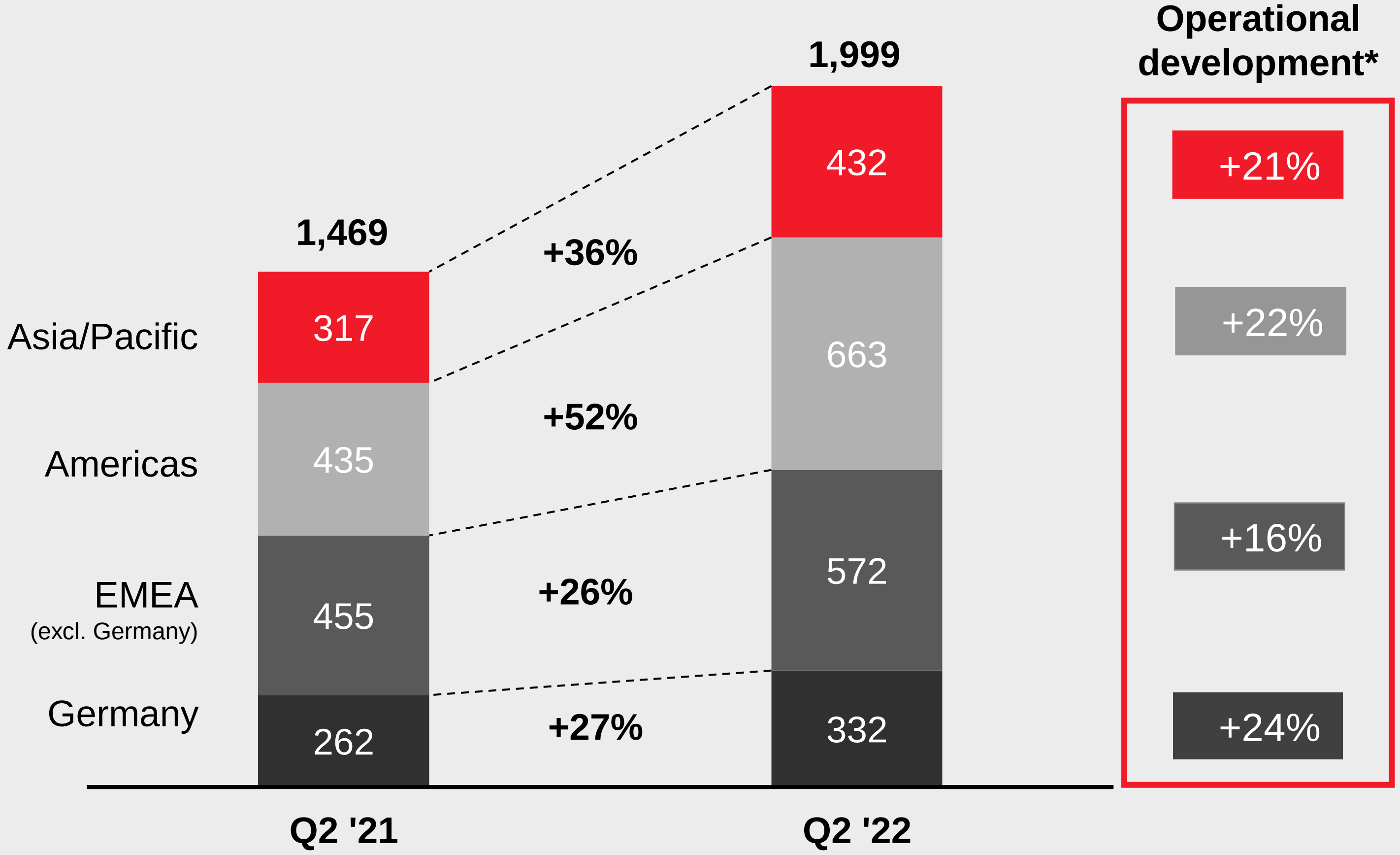
Q2 2022 sales by region [%]



Regional development of sales [€ m]



* Currency and portfolio adjusted

Improved operating cash flow despite outflow from change in working capital

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[€ m]*	Q2/2021	Q2/2022	Δ
Profit before tax	**67**	**67**	**0**
Income taxes paid	-9	27	36
Changes in other assets and liabilities	-76	-18	58
Oper. CF before Δ in W/C	**100**	**236**	**136**
changes in working capital	-99	-86	13
Operating cash flow	**1**	**150**	**149**
Investing cash flow	**192**	**47**	**-145**
thereof capex	-82	-92	-10
thereof net invest in money markets	260	134	-126

- Operating cash flow significantly increased
- Continued reimbursement of prepaid taxes
- Factoring of €95 m mitigates outflow from price driven working capital increase
- Change in investing cash flow due to lower net proceeds from money market products

* All figures apply to continuing operations

Portfolio and FX effects reflected in balance sheet items

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[€ m]	31.12.2021	30.06.2022[1]
Total assets	**10,518**	**11,820**
Equity	3,762	4,517
Equity ratio	**36%**	**38%**
Net financial debt[2]	**2,245**	**2,547**
Liquidity[2]	1,234	1,720
Pension provisions	**877**	**461**
Net working capital	**1,675**	**1,891**
DSI (in days)[3]	71	78
DSO (in days)[3]	45	43

- Increase in total assets driven by higher working capital, FX and strengthened liquidity position
- Higher equity reflects positive net income and OCI effects (mainly FX and pensions)
- Higher financial debt due to increased working capital and dividend payment
- Reduced pension provisions due to interest rate increases

1 BU HPM accounted as “discontinued operations”: Assets & related liabilities of BU HPM summarized in one line item only and no longer included in presented line items (except total assets, equity)
2 Including cash, cash equivalents, near cash assets, short-term money market investments
3 Days sales of inventory / sales outstanding calculated from quarterly sales

Housekeeping items 2022

Capex 2022	**~€450 m** (incl. IFF MC and excl. HPM D/O)
Reconciliation 2022	**~€180 m –** reflecting contribution from BU URE offset by hedging and inflated costs due to higher USD
Underlying tax rate	**~28%**
Exceptionals 2022	**~€100 m** based on current initiatives
FX sensitivity	One cent change of USD/EUR resulting in **~€7 m** EBITDA pre impact before hedging
Book Value BU HPM (30.06.2022)	€1,253 m assets €369 m liabilities

LANXESS maturity profile actively managed and well balanced

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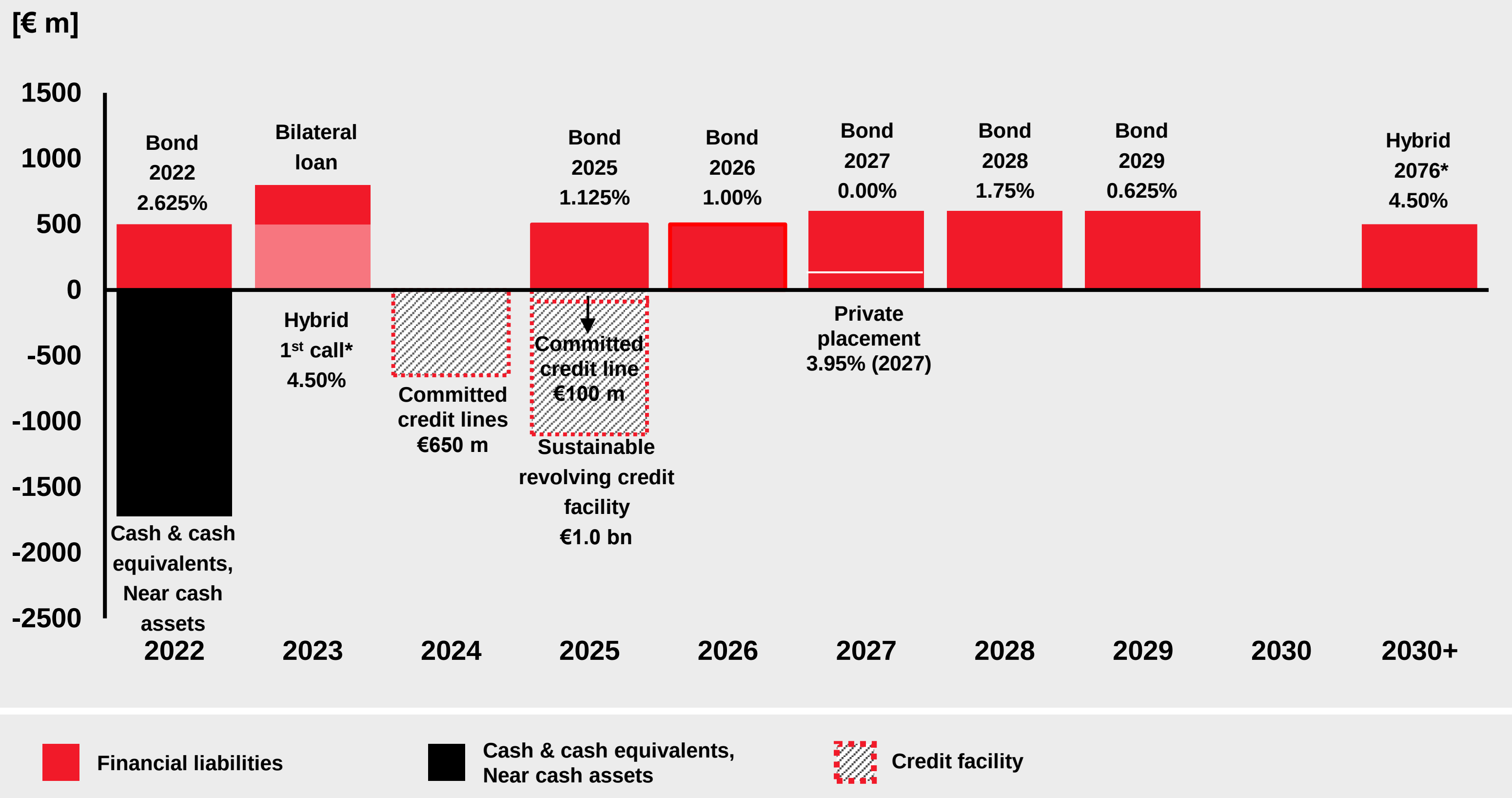
Long-term financing secured

- Diversified financing sources
  - Bonds & private placements
  - Undrawn sustainable revolving credit facility
  - Undrawn committed credit lines
- Average interest rate of financial liabilities ~1.5%
- Maturities in 2022:
  - Bond in November
- All group financing executed without financial covenants

Liquidity and maturity profile as per June 2022



* Hybrid Bond with contractual maturity date in 2076 has a first optional call date in 2023

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Unprecedented rise in input costs

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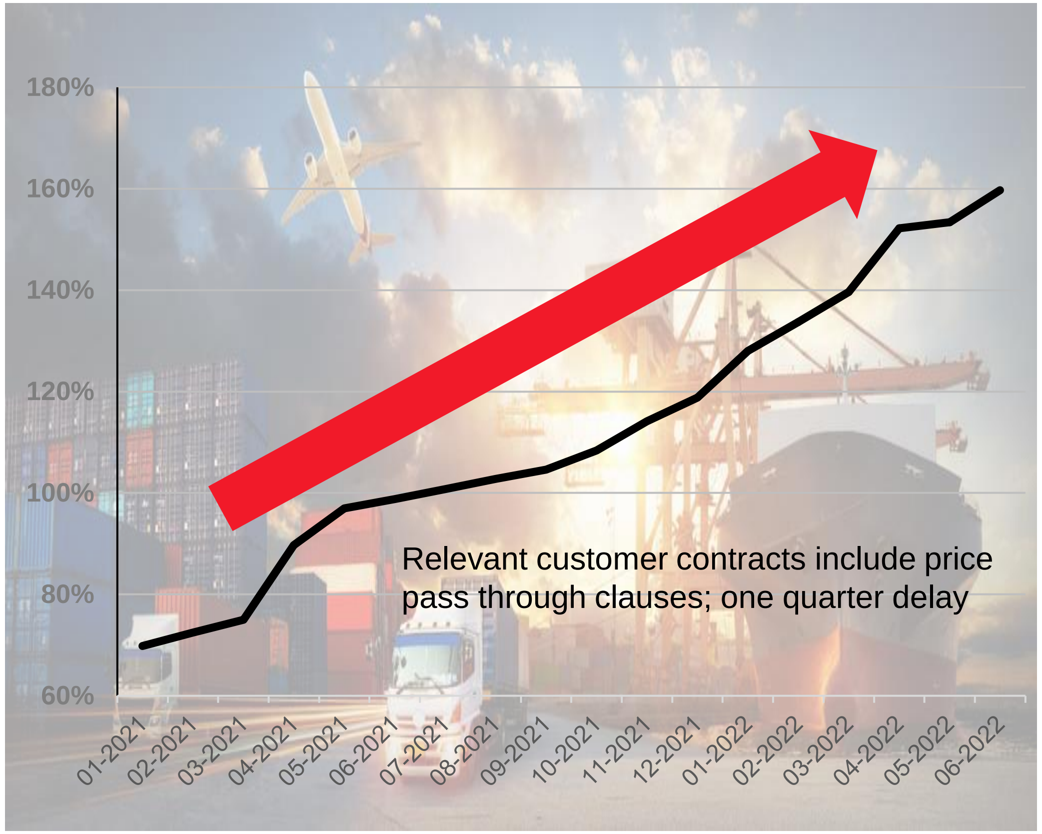
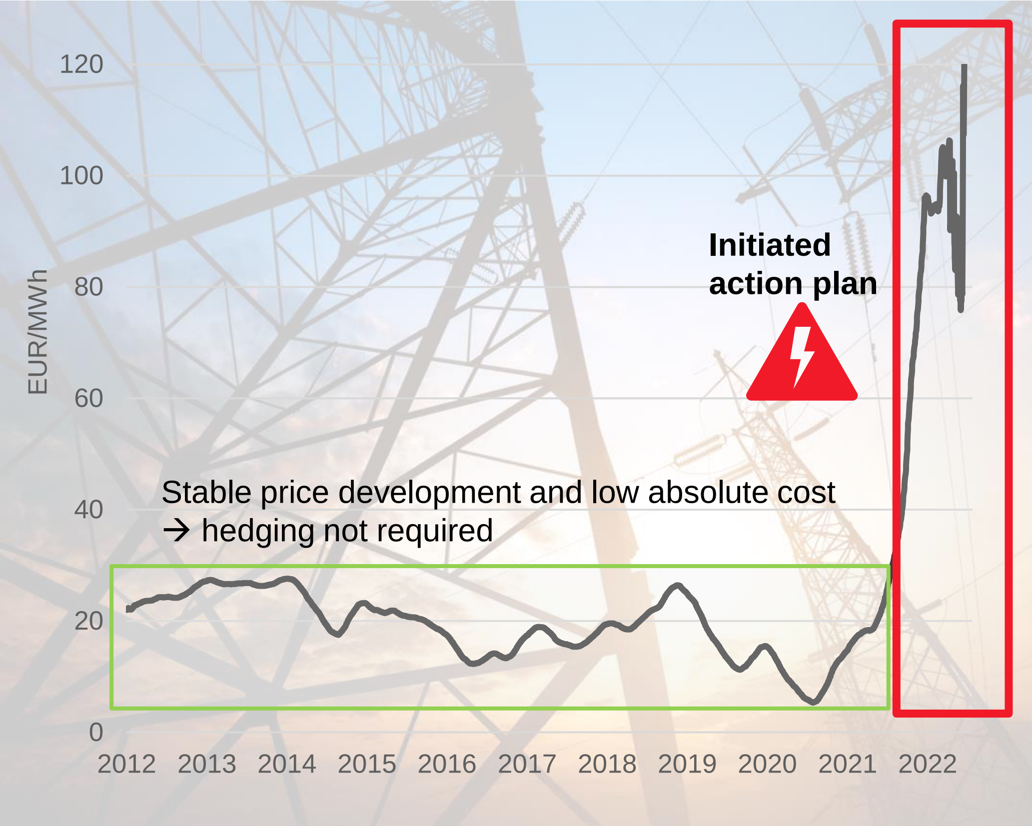
Sharp increase in raw material costs*



Gas price** as high as never seen before



*Total strategic Raw material basked of LANXESS ** German Trading Hub Europe Natural Gas Forward Month 1 (moving average)

We are managing inflationary input costs by continuous push for price increases

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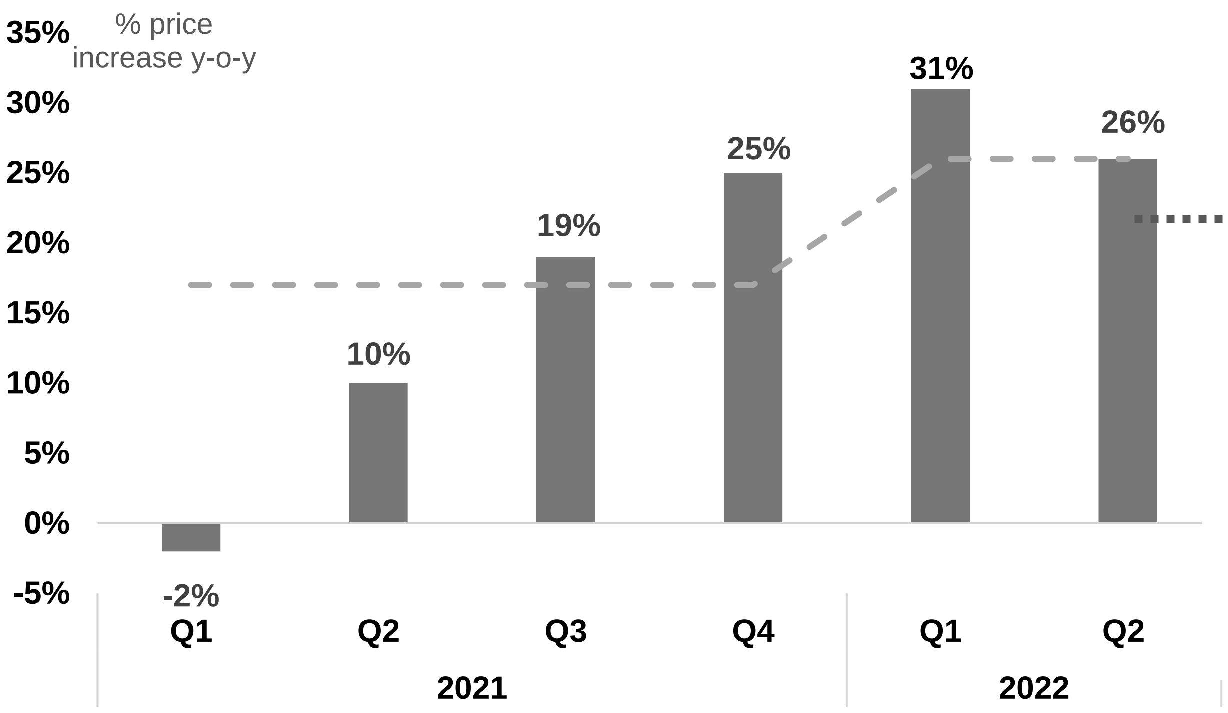
2022 price increases reflect pass on of raw & energy costs



- Raw material prices are fully forwarded to customers with a typical time lag of one quarter
- Energy prices fully passed on since Q4 2021
- Inflationary environment leads to higher working capital and therefore burdens operating cash flow

Potential gas embargo could be tackled by reduced output of some specific gas intensive plants

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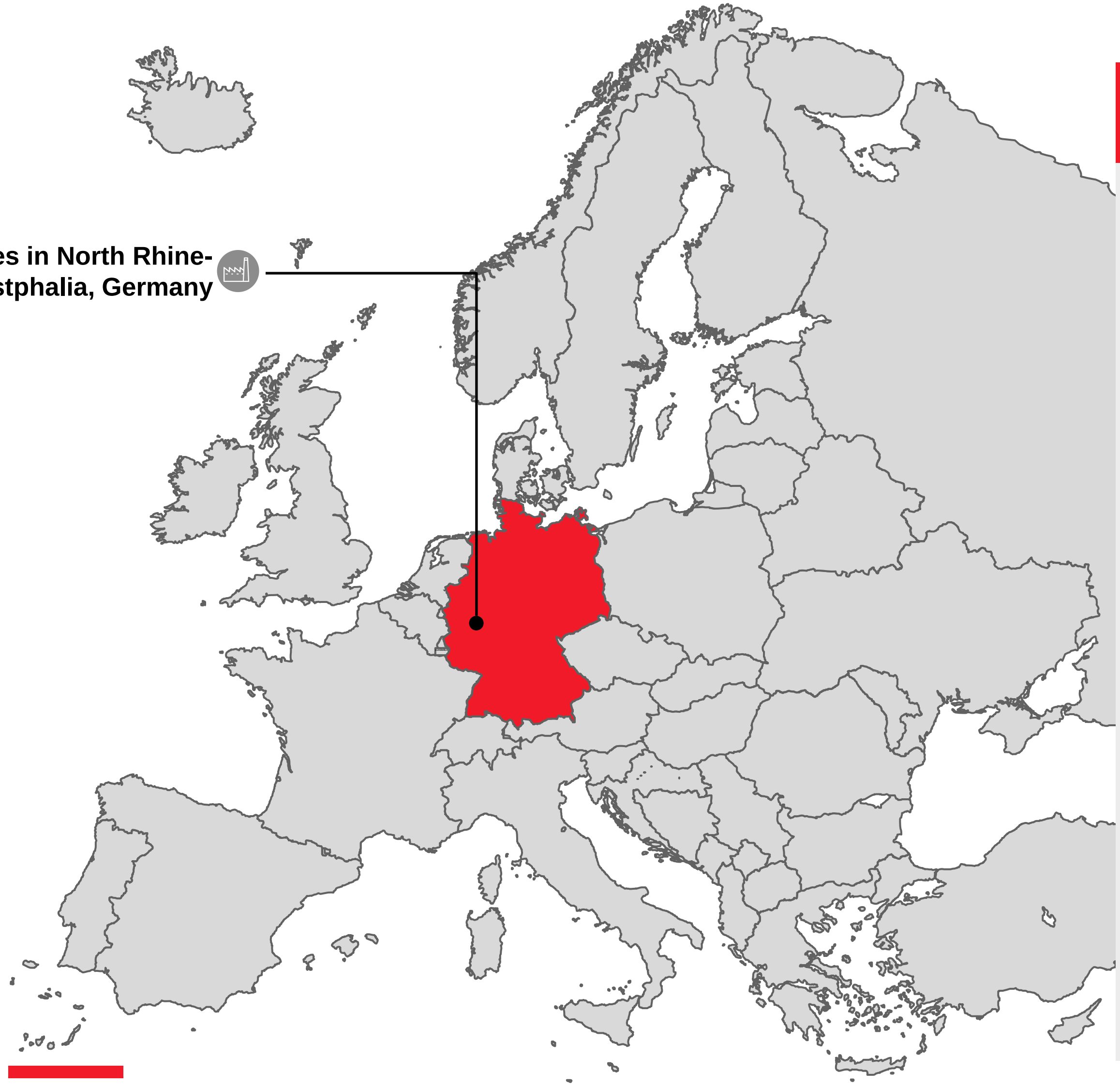

Moderate direct impact on major German sites

Situation at sites in North Rhine-Westphalia*:

- Mainly steam and electricity needed for production. Both are based on gas or coal (sourced from CURRENTA)
- LXS / CUR are not directly supplied by Russian gas. However, embargo of Russian gas leads to undersupply in Germany (35-50% sourced from Russia) and would reduce supply of **steam** at LXS sites
- LXS energy costs: only 40% depend on gas in Germany
- Embargo of Russian oil: not an issue

Potential consequences:

➡ **Electricity:** Not an issue, replaceable from grid

➡ **Steam**: An embargo of Russian gas only leads to a modest direct impact (see following analysis)

* Leverkusen, Uerdingen, Dormagen

Reduced production in 4-5 out of 53 plants could offset Russian gas embargo*

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Russian gas embargo should be manageable

plant	steam demand [t/h]	profitability contribution	necessary action
Plant 1	high	modest	shutdown
Plant 2	high	modest	reduced output
Plant 3	high	modest	reduced output
Plant 4	high	modest	reduced output
Plant 5	medium	modest	reduced output
Plant 6	medium	high	continued operation
Plant 7	medium	high	continued operation
….			continued operation
Plant 52	low	high	continued operation
Plant 53	low	high	continued operation

Estimated direct EBITDA effect: €80-120 m p.a. – indirect effects not quantifiable

* In North Rhine-Westphalia / in case of an embargo, these would be the most impacted sites in Germany

LANXESS manages financial risks proactively and successfully

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1 Liquidity

Strong liquidity position

- Cash*: €1,720 m in Q2 2022
- RCF: €1 bn (undrawn, no financial covenants)
- Committed credit lines: €750 m (undrawn)

Risk measures

- Careful evaluation of different scenarios and stress tests
- Daily cash monitoring
- Interest rate hedging for next bond maturity in November 2022

2 Leverage

Maintaining investment grade rating

- Leverage clearly limited by commitment to solid investment grade rating

Risk measures

- Focus on deleveraging and sale of assets (see HPM JV)
- Increasing EBITDA will support de-leveraging

3 Cash Flow

Burdened cash flow on basis of inflationary environment

Countermeasures

- Focus on WC management
- Exceptionals will ease in 2023 (e.g. less M&A, SAP upgrade realized)
- Rigorous CAPEX review and reflecting HPM deal

*Cash and cash equivalents, short term money market funds

We are working on all possible levers to improve cash flow

	2022	Following years
EBITDA pre	▪ Contribution from organic growth & acquisitions ▪ Higher specialty business due to portfolio optimization	▪ Higher margin business
Exceptionals	▪ Lower M&A activity ▪ Less cost for digitalization & restructuring	▪ Further reduction
W/C	▪ Release once input costs normalize	▪ Inflow, Disciplined WC management
CAPEX	▪ Reflecting HPM carve out	▪ Prudent CAPEX spending

Multiple levers over mid-term to improve cashflow

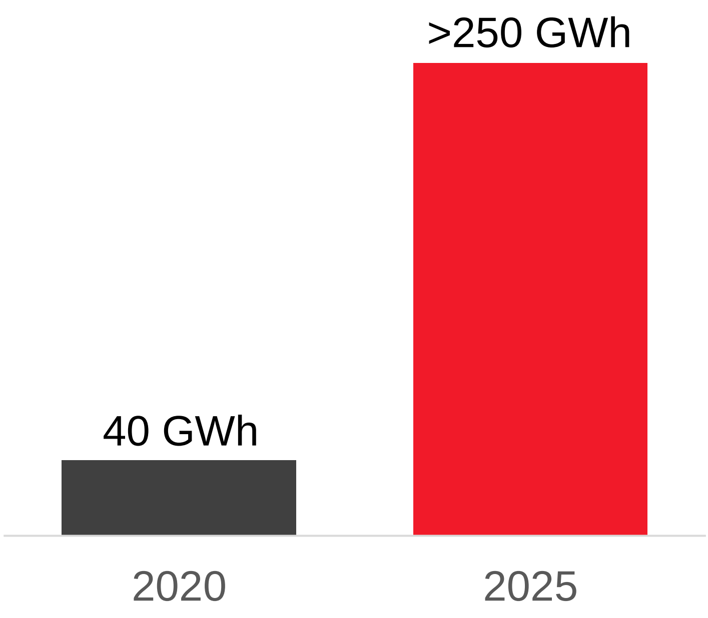
*Depending on macro-economical situation

Agenda

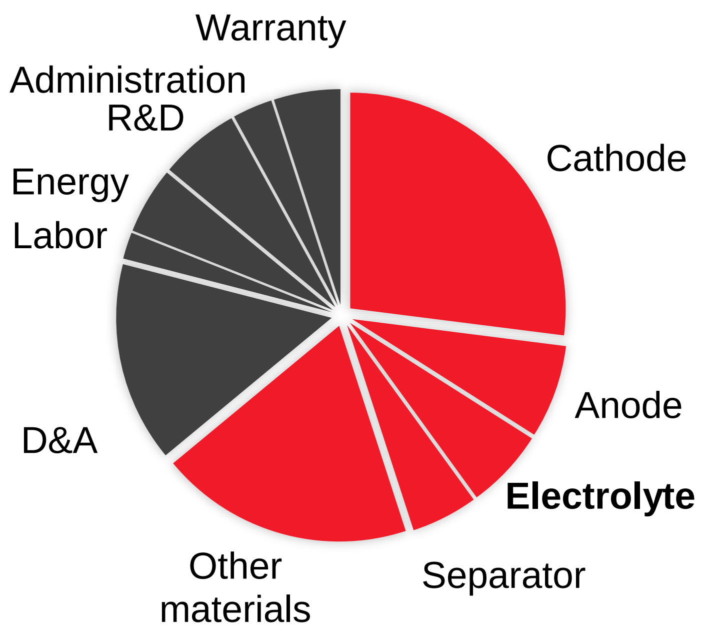
EU market for battery chemicals to grow to over EUR 10 billion by 2025

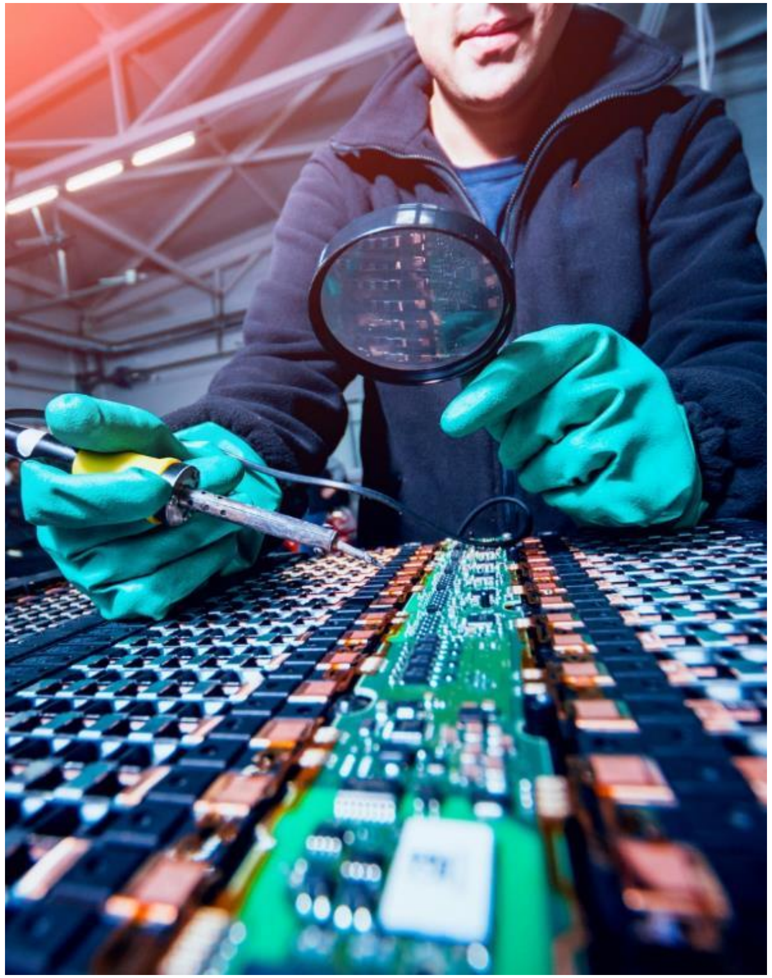
LANXESS
Energizing Chemistry

Massive growth in demand for battery cells in the EU



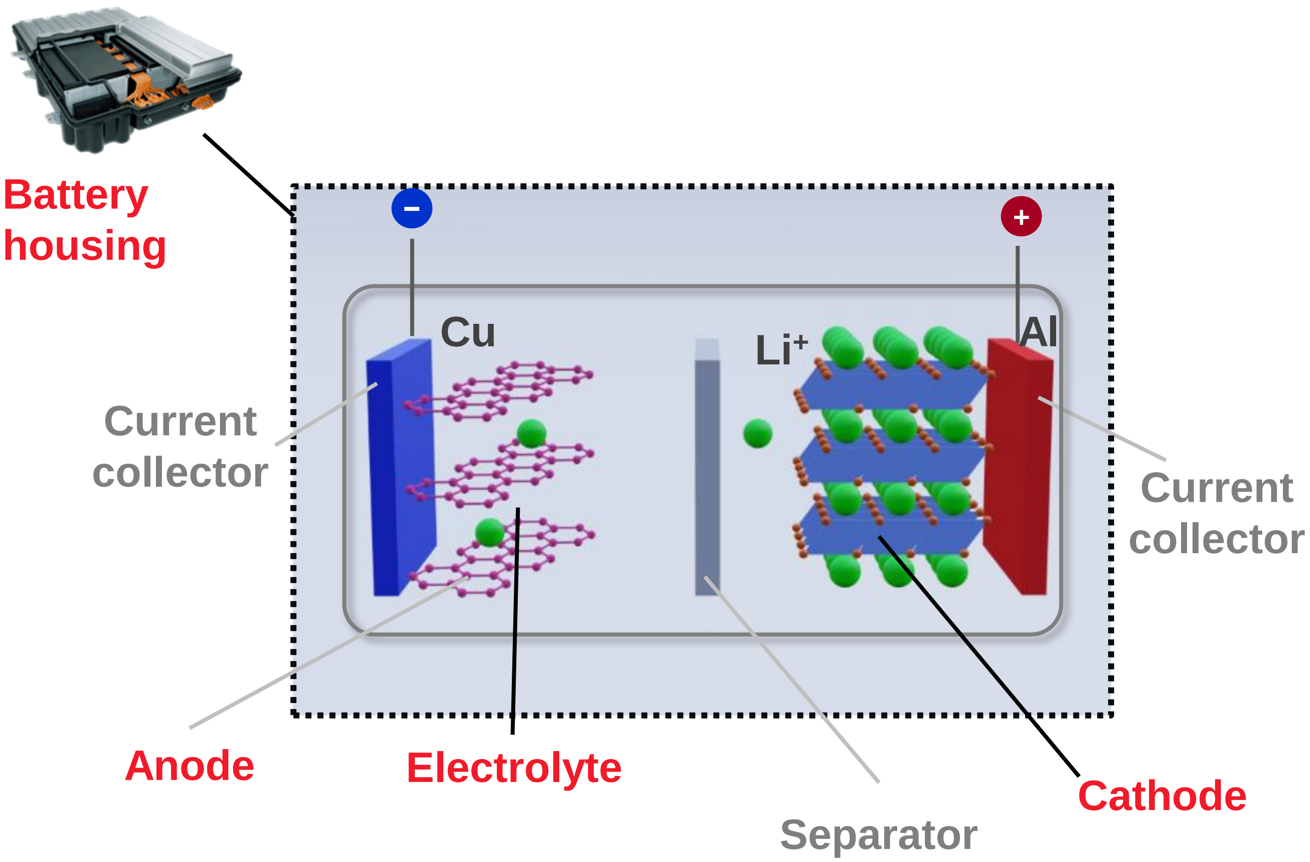
Chemistry accounts for 2/3 of battery cell costs





Sources: Avicenne Energy, 2019; own calculations

LANXESS offers key products for Li-Ion batteries



Battery housing

- PA/PBT compounds for components of the e-powertrain (BU HPM)

Electrolyte

- Key materials (Hydrofluoric acid, phosphorus chemicals) for electrolyte salt ($LiPF_6$) (BU AII/BU PLA)
- Flame retardants (BU PLA)

Cathode & Anode

- Iron oxide as precursor for cathode active materials (BU IPG)
- Ion-exchange resins for refining battery grade cobalt, nickel and lithium (BU LPT)
- Lithium chemicals from tail-brine (BU PLA)*

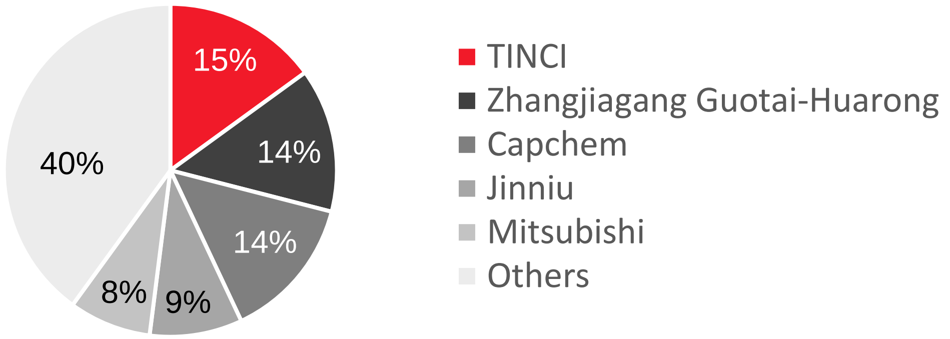
PA = Polyamid / PBT = Polybutylenterephthalat PLA = Polymer Additives, AII = Advanced Industrial Intermediates, IPG = Inorganic Pigments, HPM = High Performance Materials, LPT = Liquid Purification Technologies
* In case of successful feasibility

LANXESS starts electrolyte production for Li-Ion batteries in cooperation with market leader TINCI

Partnership with TINCI

- TINCI (Chinese Guangzhou Tinci Materials): a leading manufacturer for battery materials and the largest electrolyte producer worldwide
- Saltigo starts electrolyte production for TINCI in its high-tech plant in Leverkusen (Germany) early 2022

TINCI with leading position in fragmented electrolyte market*



Raw materials* → $LiPF_6$ → Electrolyte → Cell manufacturers

Local raw material supply is key for cell manufacturers and OEMs

Digital trading at CheMondis is booming – first online marketplace for Chemicals

LANXESS
Energizing Chemistry

CheMondis

- B2B platform for chemical products
- Profound chemical expertise, high technological skillset
- Clear customer and market focus
- CheMondis operates fully independent with own organization, own systems and own market presence

Unbroken demand for digital sales within the chemical industry

CheMondis services cover value chain including the order fulfillment

Strong competitive positioning exploiting monetization options across whole value chain

Traction on platform grows exponentially – More than 10,000 companies registered

First monetization products and payment services successfully launched

Agenda

1	LANXESS today
2	Q2 review and financials
3	Proactively managing risks
4	Growth opportunities
5	**Recent portfolio changes**

Improving our financial profile via active portfolio management

LANXESS
Energizing Chemistry

Track record of successful M&A transactions (selc.)

Key transactions

Acquisitions

Chemours *Clean & Disinfect* — ~10x (2016)

Chemtura — ~7x (2017)

Emerald Kalama Chemical — ~9x (2021)

iff *Microbial solutions** — ~10x (2022)

2016 | 2017 | 2019 | 2020 | 2021 | 2022

Divestments

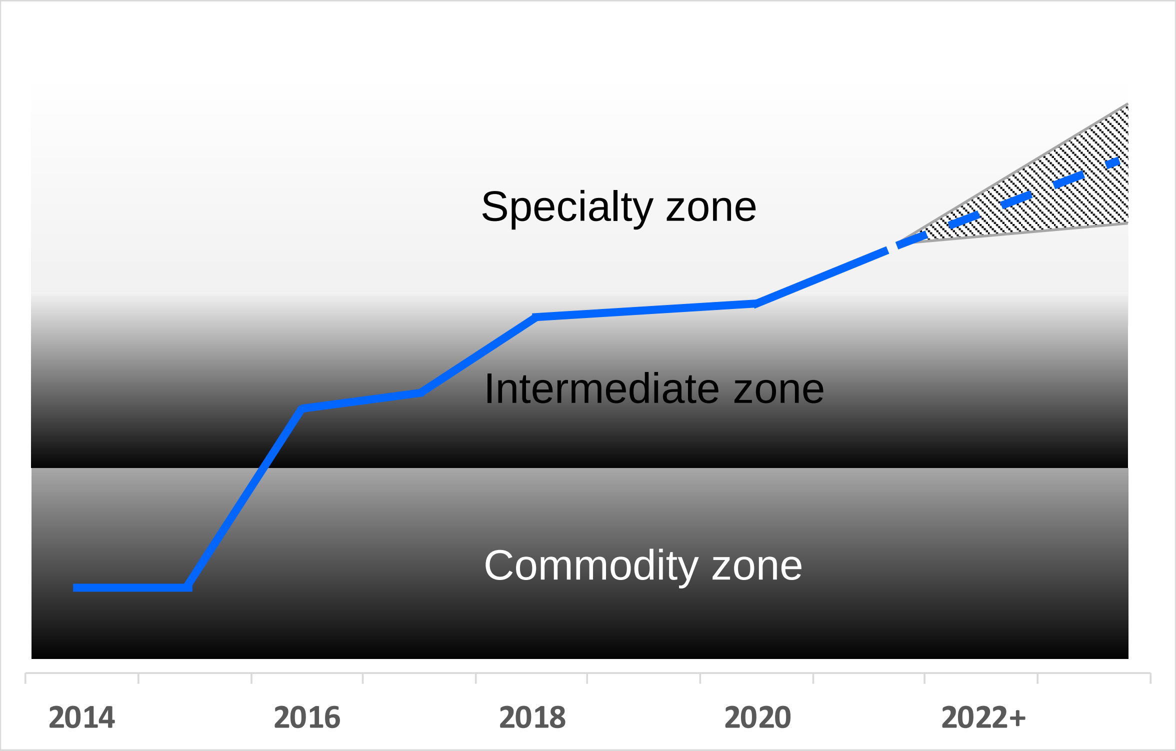
~9x — ARLANXEO Performance Elastomers

~17x** — CURRENTA Leistung für Chemie und Industrie — *Currenta stake*

~11x — Organic Leather business

~12x — BU HPM

Increasing true specialty nature of portfolio



= LXS product portfolio

* Closing expected in Q2 2022

Formation of a powerful plastics JV - immediate cash-in and clear exit determined

LANXESS & Advent International

≤40% ≥60%

BU HPM

Engineering Materials

Engineering Plastics JV

- Immediate cash-in of at least €1.1 bn
- LANXESS has exit possibility:
  - Earliest exit possibility after 3 years
  - Fixed multiple for complete exit offers upside due to synergies
- Closing & deconsolidation of BU HPM expected H1 2023*

LANXESS retains exit option for ≤40% ownership in JV

* BU HPM treated as discontinued operations as of 1st of January 2022

HPM & DEM: Bringing together two strong global Engineering materials players

LANXESS
Energizing Chemistry

	LANXESS High Performance Materials	DSM Engineering Materials	Combined KPI in JV
Sales	~€1.5 bn	~€1.5 bn	~€3.0 bn
EBITDA pre	~€210 m	~€300 m	€ ~510 m plus synergies
Production sites	10	8	18
R&D centers	7	7	14
Employees	~1,900	~2,100	~4,000

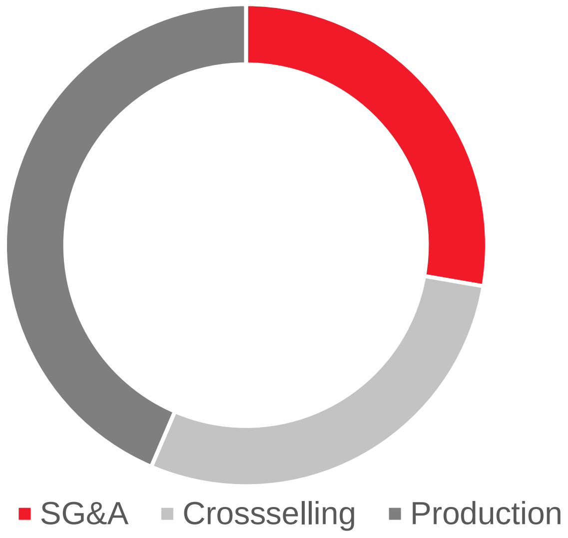
LANXESS to own ≤40% in Joint Venture with combined EBITDA: ~€510 m plus synergies

All figures relate to FY 2021

Combining HPM & DEM offers massive synergy potential

LANXESS Energizing Chemistry

Synergies based on highly complementary businesses



- Portfolio combinations
- Overlap of HPM with DEM Specialty business (Procurement, compounding)
- Cross-Selling
- Optimization of PA6 Polymerization in EMEA

LANXESS Energizing Chemistry + DSM

High Performance Materials Engineering Materials

Use of proceeds in line with capital markets' interests

≥€1.1 bn

Cash proceeds from first payment

Share buyback planned

- Return cash to shareholders
- Total volume of ~€300 m

De-leverage

- Support investment grade rating
- Moving towards ~2.5x net financial debt / EBITDA

Transaction strengthens balance sheet and creates options for shareholder return

Financials: Enhancing MPP's strong financial profile

LANXESS
Energizing Chemistry

Sales	Current MPP / Pro Forma IFF MC[1]
EBITDA pre margin	22-25%
Cash conversion	>80%
Synergy potential	~ €30 m synergies

Investment criteria met

- Strong margin
- Secular growth
- Non-Cyclical
- Asset light
- High cash con-version
- Power to address regulation

[1] Normalized level, average year

Targeting €30m synergies, thereof €25m by 2024

LANXESS
Energizing Chemistry

Top line synergies: ~ €10m

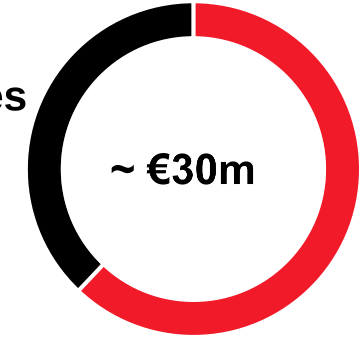
- Complementary geographies and customers
- Cross selling potential
- New applications: energy market and hygiene

Cost synergies: ~ €20m

- Streamlining of sales office infrastructure
- Optimization of supply chain and distribution model
- Sourcing synergies
- Manufacturing excellence

Substantial synergies

Illustrative



	2022	2023	2024	2025
Synergies	~ €5m	~ €10m	~ €10m	~ €5m
OTCs	~ €15m	~ €10m	~ €5m	-
CAPEX*	~ €10m	~ €5m	~ €5m	-

*Mainly driven by expenditures to upgrade sites to LANXESS standard

OTCs = One Time Costs

BU F&F Financials: Reflecting specialty character

LANXESS
Energizing Chemistry

Sales

Home & personal care

Food, feed & beverages

EBITDA pre margin — **>20%**

Cash conversion — **>70%[1]**

Synergy potential — **~ €25 m[2] synergies**

Investment criteria met

- Strong margin
- Secular growth
- Non-Cyclical
- Asset light
- High cash con-version
- Power to address regulation

[1] Normalized after ~€55 m investment until 2024 to upgrade the sites to LANXESS standard [2] Total synergies of €25 m from EKC; mainly driven by F&F

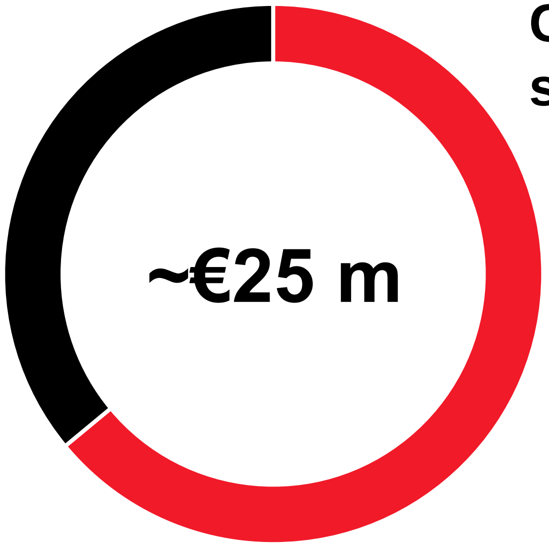
Emerald Kalama Chemical acquisition: Synergies, OTCs and Capex step in earlier than expected

LANXESS Energizing Chemistry

Overview: Synergies structure

Illustrative

Top line synergies



Cost based synergies

Phasing: Synergies, OTCs and CAPEX

update

	2021	2022	2023	2024
Synergies	<€5 m	~€10 m	~€5 m	~€5 m
OTCs	~€15 m	~€10 m	~€5 m	~€5 m
CAPEX*	~€15 m	~€15 m	~€15 m	~€10 m

* to upgrade the sites to LANXESS standard

OTCs = One Time Costs

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Abbreviations

Advanced Intermediates

AII	Advanced Industrial Intermediates
IPG	Inorganic Pigments

Consumer Protection

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

Specialty Additives

LAB	Lubricant Additives Business
PLA	Polymer Additives
RCH	Rhein Chemie

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