

Q1 2025 Results

LANXESS Group



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Visible Q1 EBITDA pre growth amid weak market environment

	Q1 2024	Q1 2025	Δ vs. PY	Comments on Q1
Sales	€1,607 m	€1,601 m	+0%	→ Stable sales with higher volumes for most Business Units (partially held back by Q4/24 pre-buying); lower prices mainly due to pass-through of raw material cost deflation; agro and construction remain weak
EBITDA pre	€101 m	€133 m	+32%	↑ EBITDA pre and margin improvement in all segments due to higher utilization and restructuring efforts; compared to a weak prior year base; energy cost inflation held back further improvement
Margin	6.3%	8.3%	+2.0 pp.	↑ Adjusted EPS reflects better operating result
Adjusted EPS	-€0.09	€0.23	n.m.	↓ Impacted by seasonal W/C build-up
Operating cash flow	-€48 m	-€66 m	-38%	↓
Free cash flow	-€87 m	-€111 m	-28%	↓
Net financial debt*	Dec 2024 €2,381 m	Mar 2025 €2,512 m	+7%	↑ Seasonal increase due to W/C build-up
Capex	€39 m	€45 m	+15%	↑ Capex remains on tightly managed level

Sales **+ 0 %** Price **- 4 %** Volume **+ 2 %** FX **+ 1 %** Portfolio **-**

* Deducting cash, cash equivalents, near cash assets, short-term money market investments

Consumer Protection



Strong EBITDA pre increase due to higher volumes and savings

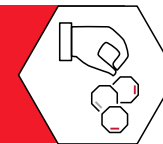
- Sales: Higher volumes from consumer related markets; Agro volumes positive vs. weak prior year; pass-through of input cost deflation and price pressure in continued challenging agro environment
- EBITDA pre and margin development driven by:
 - Contribution from cost savings (FORWARD!)
 - Overall higher utilization against substantial agro customer destocking in Q1/24
 - Insurance compensation (high single-digit € m)

YoY

Sales	+ 1 %		
Price	Volume	FX	Portfolio
- 5%	+ 5%	+1%	-

	Q1 2024	Q1 2025
EBITDA pre	€49 m	€73 m
margin	9.6%	14.2%

Specialty Additives



Tariff uncertainty in the US puts markets into wait-and-see mode

- Sales: Lower prices reflect mainly pass-through of lower raw material costs and continuously weak construction markets; Lower volumes due to pronounced pre-buying in Q4/24
- EBITDA pre and margin development driven by:
 - Cost savings program FORWARD!
 - Favorable product mix

YoY

Sales	- 4 %		
Price	Volume	FX	Portfolio
- 2%	- 3%	+ 1%	-

	Q1 2024	Q1 2025
EBITDA pre	€48 m	€52 m
margin	8.5%	9.5%

Advanced Intermediates



Improved earnings despite weak markets

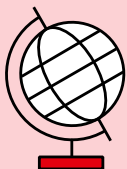
- Sales: Higher volumes due to successful market share (re)gain; construction & agro remain soft; lower prices reflect lower raw material costs and compensation to regain volumes
- EBITDA pre and margin development driven by:
 - Higher volumes
 - Improved utilization and cost savings (FORWARD!)
 - Partly offset by higher energy costs

YoY

Sales	+ 2 %		
Price	Volume	FX	Portfolio
- 4%	+ 6%	+1%	-

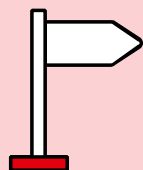
	Q1 2024	Q1 2025
EBITDA pre	€37 m	€40 m
margin	8.0%	8.4%

FY 2025 guidance: EBITDA pre of €600-650 m



Our view on economic environment

- Macro-economic uncertainty increased due to tariff discussions
- Effects from stimulus program in Germany should support 2026 onward



LANXESS outlook

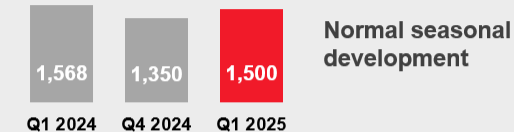
- **FY 2025 EBITDA pre guidance €600-650 m reiterated**
- **Q2 guidance:** sequentially improved, however, below PY quarter due to
 - absence of URE contribution
 - trading uncertainty

EBITDA pre significantly improved; net debt reflects seasonal working capital development

EBITDA pre (€ m)



Working Capital (€ m)



Net financial debt

Seasonal increase due to W/C build-up **€2,512 m**

Divestment of Urethanes business accomplished

Proceeds received on 1st April 2025



Ongoing tariff dynamics put customers into wait-and-see mode amid high uncertainty

Direct tariff impact on LXS business expected rather neutral

United States position:

- Numerous product categories exempted from tariffs
- For those products not exempted, relative price advantage vs. CN competitors exists
- LXS aims to grow sales and gain market share

European position:

- Risk of increasing competition from China due to over-supply



Indirect tariff impact on global economy can be significant

Housekeeping items 2025

Capex: ~€330 m

Operational D&A ~€370 m (excluding ~€150 m of intangible amortization)

All other segments: ~€150-160 m EBITDA pre

Exceptionals: ~€60 m (thereof ~€15 m coming from URE divestment process)

FX sensitivity: One cent change of USD/EUR resulting in ~€3 m EBITDA pre impact after hedging

Remnant Costs: 2025: ~€15 m Mainly from termination of Envalior services and Urethane divestment
 2026: ~€10 m
 2027: ~€5 m

Financial Overview Q1 2025

in € million

	LANXESS			Consumer Protection			Specialty Additives			Advanced Intermed.			All other Segments		
	Q1/2024	Q1/2025	Chg. in %	Q1/2024	Q1/2025	Chg. in %	Q1/2024	Q1/2025	Chg. in %	Q1/2024	Q1/2025	Chg. in %	Q1/2024	Q1/2025	Chg. in %
Sales	1.607	1.601	0%	509	513	1%	566	545	-4%	465	476	2%	67	67	0%
Price*			-3,8%			-5,1%			-2,3%			-4,1%			-4,5%
Volume*			2,3%			5,1%			-2,8%			5,6%			1,5%
Currency*			1,1%			0,8%			1,4%			0,9%			3,0%
Portfolio*			0,0%			0,0%			0,0%			0,0%			0,0%
EBIT	-57	-23	60%	3	27	>100%	1	5	>100%	9	13	44%	-70	-68	3%
Deprec. & amortizat.	140	135	-4%	46	46	0%	47	47	0%	28	27	-4%	19	15	-21%
EBITDA	83	112	35%	49	73	49%	48	52	8%	37	40	8%	-51	-53	-4%
exceptionals in EBITDA	18	21	17%	0	0	0%	0	0	-100%	0	0	0%	18	21	17%
EBITDA pre excep.	101	133	32%	49	73	49%	48	52	8%	37	40	8%	-33	-32	3%
normalized D&A	139	135	-3%	46	46	0%	47	47	0%	28	27	-4%	18	15	-17%
EBIT pre excep.	-38	-2	95%	3	27	>100%	1	5	>100%	9	13	44%	-51	-47	8%
exceptionals in EBIT	19	21	11%	0	0	0%	0	0	-100%	0	0	0%	19	21	11%
Capex	39	45	15%	12	10	-17%	14	13	-7%	11	18	64%	2	4	100%
Net financial debt	2.381	2.512	6%												

* approximate numbers

Cash Flow Statement Q1 2025

in € million

Q1/2024 Q1/2025

	Q1/2024	Q1/2025
Income before income taxes	-119	-61
Amortization, depreciation and write-downs of intangible assets and property, plant and equipment	140	135
Income from investments accounted for using the equity method	46	31
Financial losses (gains)	11	7
Income taxes refunded/paid	-1	5
Changes in inventories	17	-88
Changes in trade receivables	-203	-127
Changes in trade payables	20	34
Changes in other assets and liabilities	41	-2
Net cash provided by (used in) operating activities	-48	-66
Cash outflows for purchases of intangible assets and property, plant and equipment	-39	-45
Cash inflows from sales of intangible assets and property, plant and equipment	-	1
Cash outflows for financial and other assets held for investment purposes	-20	-15
Cash inflows from financial and other assets held for investment purposes	140	150
Interest and dividends received	2	2
Net cash provided by / used in investing activities	83	93
Proceeds from borrowings	1	5
Repayments of borrowings	-16	-19
Interest paid and other financial disbursements	-13	-14
Dividend payments	-	-
Net cash provided by /used in financing activities	-28	-28
Change in cash and cash equivalents	7	-1
Cash and cash equivalents as of beginning of period	146	299
Exchange differences and other changes in cash and cash equivalents – total	2	-3
Cash and cash equivalents as of end of period	155	295
Less cash and cash equivalents of assets held for sale	-	-57
Cash and cash equivalents as of end of period (balance sheet)	155	238

Abbreviations:

Consumer Protection

- F&F** Flavors & Fragrances
- LPT** Liquid Purification Technologies
- MPP** Material Protection Products
- SGO** Saltillo

Specialty Additives

- LAB** Lubricant Additives Business
- PLA** Polymer Additives
- RCH** Rhein Chemie

Advanced Intermediates:

- All** Advanced Industrial Intermediates
- IPG** Inorganic Pigments

Income Statement Q1 2025

in € million	Q1/2024	Q1/2025	Chg. in %
Sales	1.607	1.601	0%
Cost of sales	-1.327	-1.279	4%
Gross profit	280	322	15%
Selling expenses	-223	-226	-1%
Research and development expenses	-28	-29	-4%
General administration expenses	-68	-64	6%
Other operating income	21	16	-24%
Other operating expenses	-39	-42	-8%
Operating result (EBIT)	-57	-23	60%
Income from investments accounted for using the equity method	-46	-31	33%
Interest income	2	2	0%
Interest expense	-11	-12	-9%
Other financial income and expense	-7	3	<i>n.m.</i>
Financial result	-62	-38	39%
Income before income taxes	-119	-61	49%
Income taxes	21	4	-81%
Income after income tax from continuing operations	-98	-57	42%
Income after income tax from discontinued operations	0	0	<i>n.m.</i>
Income after income taxes	-98	-57	42%
of which attributable to non-controlling interests	0	0	0%
Net income (attributable to LANXESS AG stockholders)	-98	-57	42%
EPS total (in €)	-1,13	-0,66	42%
EPS adjusted (in €)	-0,09	0,23	<i>n.m.</i>

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