LANXESS – Q2 2026 results

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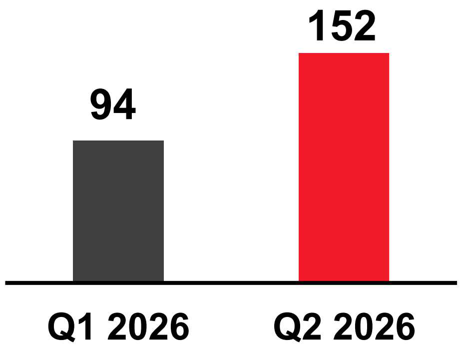
Agenda

1. **Review Q2 2026 and outlook**
2. Financial and business details Q2 2026
3. Appendix

Strong EBITDA improvement translating directly into FCF generation

[in € m]

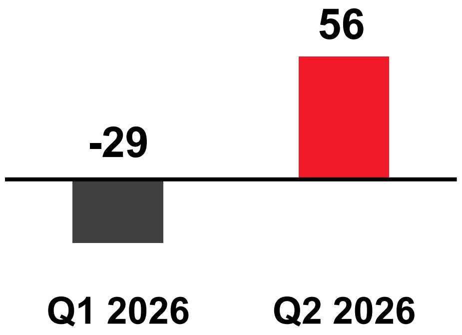
Q2 EBITDA pre



Improved

Based on higher volumes and prices as well as cost saving contributions

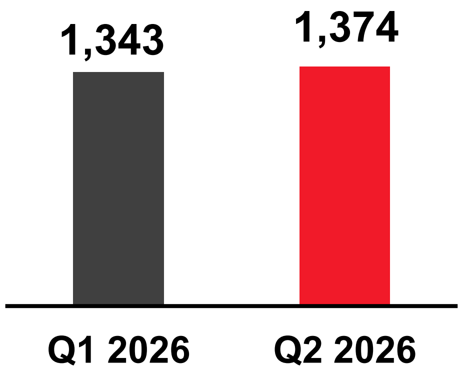
Q2 Free cash flow



Improved

Among others, due to tight WC capital management

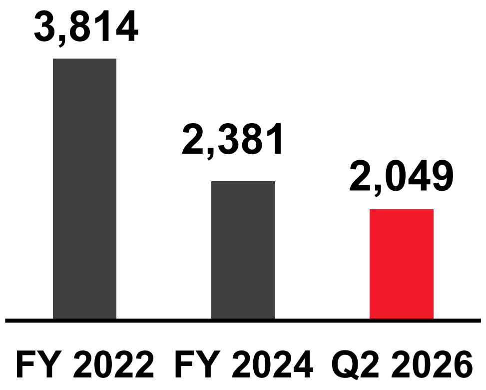
Net working capital



Tightly managed

Targeted volume reduction partly offset raw material inflation

Net financial debt



Visible decrease

throughout portfolio transformation

Q2: Positive prices and volumes in tandem

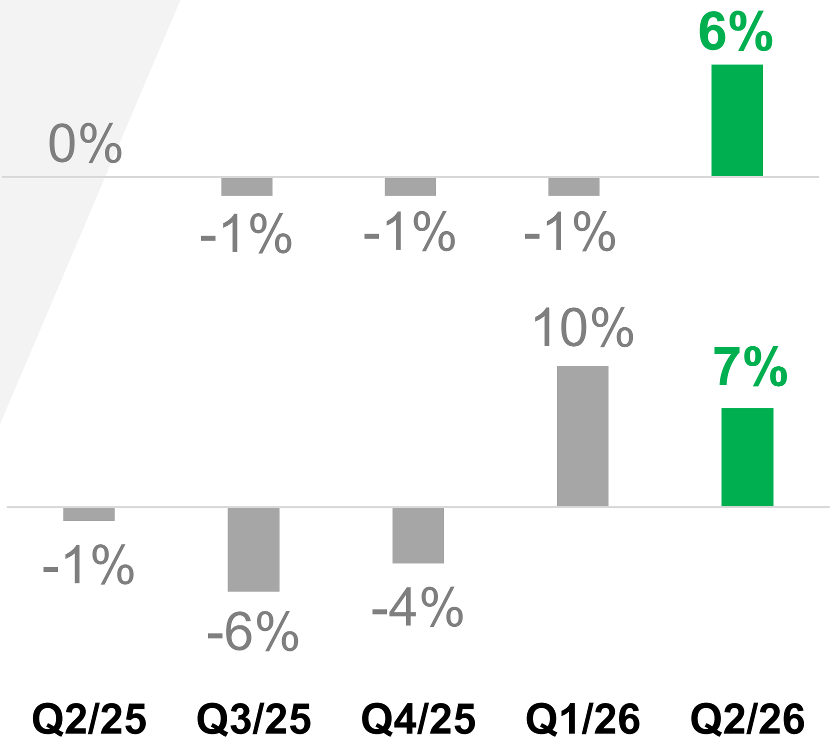
Sequential price and volume growth

Price:

Increases successfully implemented

Volumes:

Positive volume development since start of 2026



~13% operational growth

also supported by Middle East situation

Saltigo: Restructuring and rebalancing for future growth

Saltigo restructuring measures:

- Streamlining capacity without sacrificing production & development capabilities
- Leverage Pharma & Specialties
- ~€20 m savings from 2028

Strategy focus:

Focus on innovative Pharma and Specialties solutions beyond agro!

Sales share:

~20% Pharma & Specialties ⬆ **~80%** Agro ⬇

Bond placement of €500 m showcases strong capital market access

Strong access to debt capital markets

High investor demand

Order book several times oversubscribed in the process

Coupon of 4.375%

Usage of proceeds:

- General corporate purposes
- Early refinancing of €500 m bond maturing in October 2026

Issuance strengthens LANXESS financing profile

- **Liquidity of >€2 bn** (€1.3bn undrawn credit facilities and ~€0.9 bn cash)
- **Average interest rate** of all long-term liabilities **only 1.6%**
- **Long term financing secured** without financial covenants
- **Maturity profile improved** and extended beyond 2030

FY 2026 guidance confirmed: EBITDA pre expected in €450 – 550 m range

Our view on economic environment

- Significant macro-economic uncertainties persist, intensified by Middle East conflict
- FX headwinds (mainly USD) throughout the year vs. PY

LANXESS outlook

- **Considerations for H2**:
  - Continued cost streamlining to mitigate inflation, savings back-end loaded (total FY 2026: €65 m)
  - Support from EU Anti-Dumping
  - Guidance does not take any operational improvement in H2 vs. H1 into consideration
- **Q3 EBITDA pre expected in €130-150 m range**

Agenda

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LANXESS Group: Price and volume increase in tandem

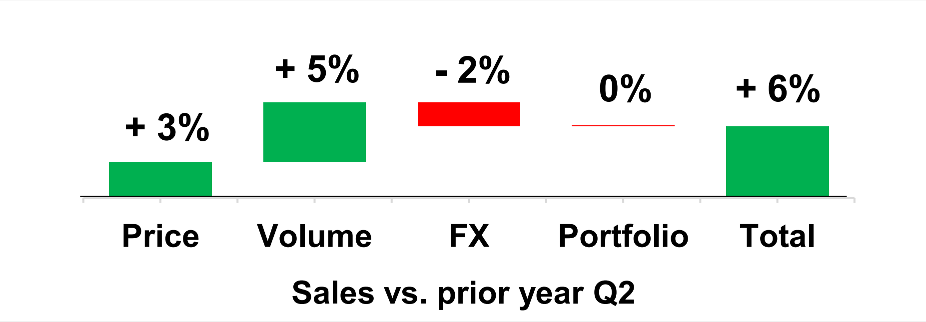
[€ m]	Q2/2025	Q1/2026	Q2/2026
Sales	1,466	1,378	1,561
EBITDA pre	150	94	152
Margin	10.2%	6.8%	9.7%
Capex	65	41	64

[€ m]	H1/2025	H1/2026	Δ
Sales	3,067	2,939	-4%
EBITDA pre	283	246	-13%
Margin	9.2%	8.4%	
Capex	110	105	-5%

+ Higher sales due to price increases and higher volumes yoy and sequentially
+ Substantial EBITDA pre increase of ~62% sequentially
+ Successful pass-through of strong raw material price inflation both yoy and sequentially

– Energy costs weigh on results

○ Q2 2025 EBITDA pre and margin supported by high single-digit insurance compensation

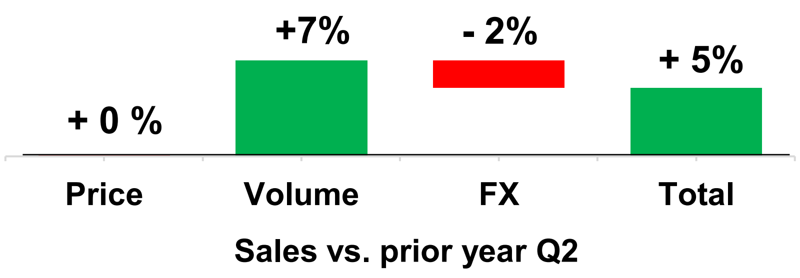


Consumer Protection: Sequentially solid improvement while prior-year result contained positive one-time effect

[€ m]	Q2/2025	Q1/2026	Q2/2026
Sales	489	458	515
EBITDA pre	87	62	81
Margin	17.8%	13.5%	15.7%
Capex	17	10	17

[€ m]	H1/2025	H1/2026	Δ
Sales	1,002	973	-3%
EBITDA pre	160	143	-11%
Margin	16.0%	14.7%	
Capex	27	27	0%

+ Strong volume improvement in all businesses except for Saltigo
+ Stable pricing amid volume expansion in challenging market environment
+ ~31% sequential EBITDA pre increase
○ Q2 2025 EBITDA pre and margin supported by insurance compensation (high single-digit € m)

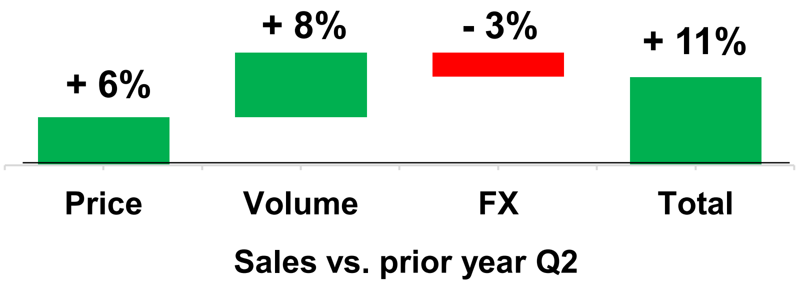


Specialty Additives: Strong improvement driven by both volume and pricing

[€ m]	Q2/2025	Q1/2026	Q2/2026
Sales	528	521	588
EBITDA pre	58	44	77
Margin	11.0%	8.4%	13.1%
Capex	27	12	24

[€ m]	H1/2025	H1/2026	Δ
Sales	1,073	1,109	3%
EBITDA pre	110	121	10%
Margin	10.3%	10.9%	
Capex	40	36	-10%

+ Successful price increases yoy, passing through higher input costs
+ Positive volume development in all Business units; partly driven by E&E and Aviation
+ Substantial earnings increase by 75% sequentially
+ Earnings and margin improvement sequentially driven by higher utilization
– FX remained a headwind, mainly due to the weaker U.S. dollar

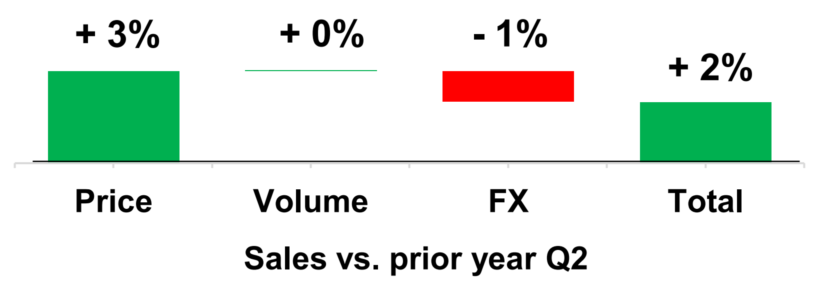


Advanced Intermediates: Sequentially positive improvement while markets remain soft

[€ m]	Q2/2025	Q1/2026	Q2/2026
Sales	446	396	456
EBITDA pre	44	27	35
Margin	9.9%	6.8%	7.7%
Capex	20	18	21

[€ m]	H1/2025	H1/2026	Δ
Sales	922	852	-8%
EBITDA pre	84	62	-26%
Margin	9.1%	7.3%	
Capex	38	39	3%

+ Price increases counterbalance raw material price inflation
○ Positive volume development in Pigments is offset by absence of volumes due to closure of CXO plant in June 2025 (BU AII)
+ Earnings increase sequentially by ~30%
– Intentional inventory management in favor of free cash flow impacting utilization
– Higher energy costs and continued weakness in construction weigh on earnings



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P&L Q2: Stable earnings

P&L [€ m]	Q2/2025		Q2/2026		yoy
Sales	**1,466**		**1,561**		**6%**
Cost of sales	-1,139		-1,231		-8%
Selling	-217		-220		-1%
G&A	-64		-56		13%
R&D	-24		-24		0%
EBIT	**-29**	**(-2%)**	**-27**	**(-2%)**	**7%**
Financial result	-26		-19		27%
Net Income	**-45**	**(-3%)**	**-53**	**(-3%)**	**-18%**
Adjusted EPS [€]	**0.59**		**0.51**		**-14%**
EBITDA	**188**	**(13%)**	**105**	**(7%)**	**-44%**
thereof except.	*38*	(-3%)	*-47*	(3%)	-
EBITDA pre except.	**150**	**(10%)**	**152**	**(10%)**	**1%**

- Higher sales mainly due to positive price and volume effect
- Higher selling expenses mainly due to increased volumes
- Reduction of G&A helped by cost saving measures and FX development
- Financial result improvement mainly driven by positive valuation effect of Envalior shareholder loan and right to offer
- Earnings and margin stable despite PY high-single digit support by insurance payment

Strong improvement & disciplined W/C management - cash discipline remains key priority

Cash flow [€ m]	Q2/2025	Q2/2026
Profit before tax	**-55**	**-46**
Depreciation & amortization	217	132
Result from investments accounted for using the equity method	28	31
Financial gains on divestments	-79	-18
Income taxes	-28	-11
Changes in working capital	59	-25
Changes in other assets & liab.	-46	57
Operating cash flow	**96**	**120**
Capex	-65	-64
Free cash flow	**31**	**56**

- Improved profit before tax
- Lower depreciation due to restructuring measures in prior year
- Last year's gains from divestments reflect sale of Business Unit Urethane Systems
- Changes in working capital due to higher receivables based on increased sales, simultaneously higher inventory valuation due to increased raw material prices; still tightly managed
- Changes in other assets & liabilities mainly due to personnel-related provisions

Free cash flow = Operating cash flow minus Capex

Successful placement of €500 m bond extends balance sheet

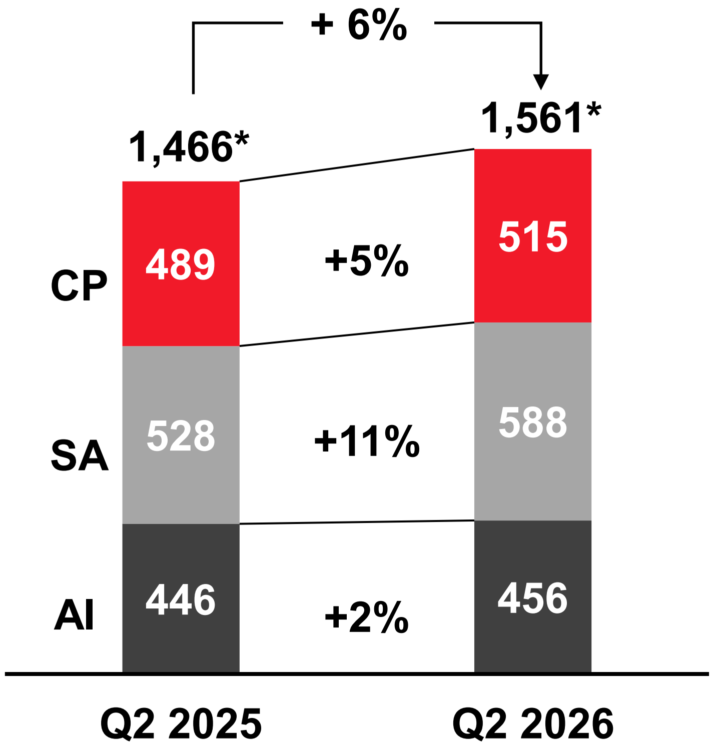
Balance sheet [€ m]	31.12.2025	30.06.2026
Total assets	**7,748**	**8,354**
Equity	3,500	3,484
Equity ratio	**45%**	**42%**
Net financial debt[1]	**2,023**	**2,049**
Net financial debt after deduction of ENVALIOR shareholder loan	1,762	1,787
Pension provisions	**421**	**374**
Net working capital	1,200	1,374
Net working capital / sales[2]	21%	25%

- Total assets increased due to €500 m bond issuance
- Equity stable: Positive FX effects compensated slightly negative net income
- Equity ratio remains strong, mathematically lower due to extended balance sheet
- Net financial debt nearly stable versus year end 2025
- Lower pension provision given an increase in interest rates esp. in Germany
- Working capital up on increased business activities and inflation on prices

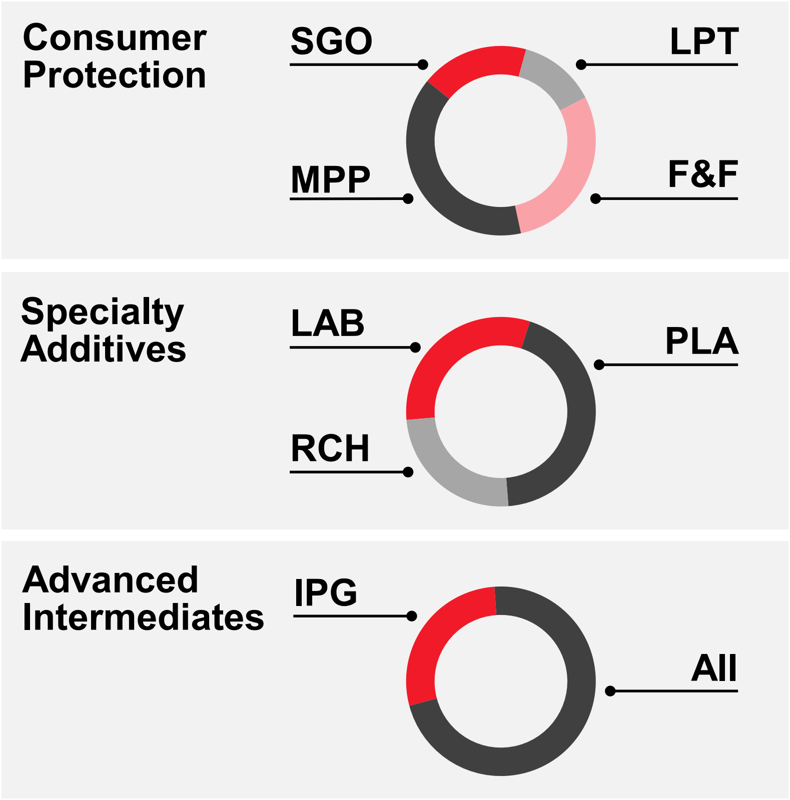
[1] Deducting cash, cash equivalents, near cash assets
[2] Last twelve months sales

Q2 2026:
increased sales due to better volume and pricing

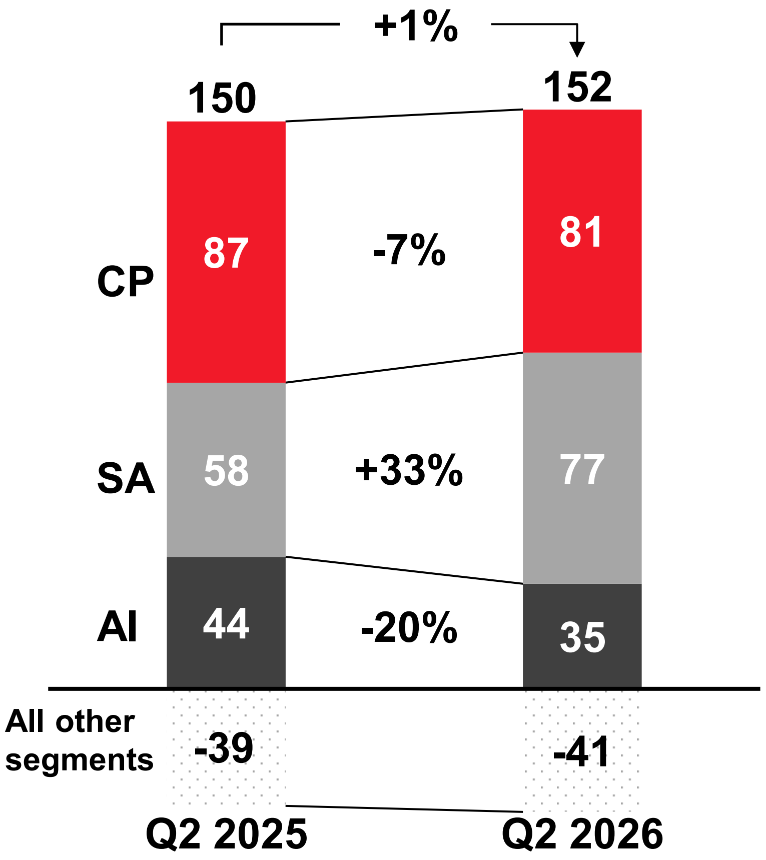
Sales [€ m]



Sales share [€ m]



EBITDA pre [€ m]



* Total group sales including all other segments

Targeting further structural savings until end of 2028

Actively adjusting our cost structure

FORWARD!

~€150 m

by the end of 2025

More to come…

[in € m]	2026	2027	2028
Savings	~65	~65	~40
Cash Outs[1]	~25	~25	~20

~€50 m + ~€100 m

+ ~€20 m (Q2/2026 Saltigo)

by the end of 2028

…implementation by:

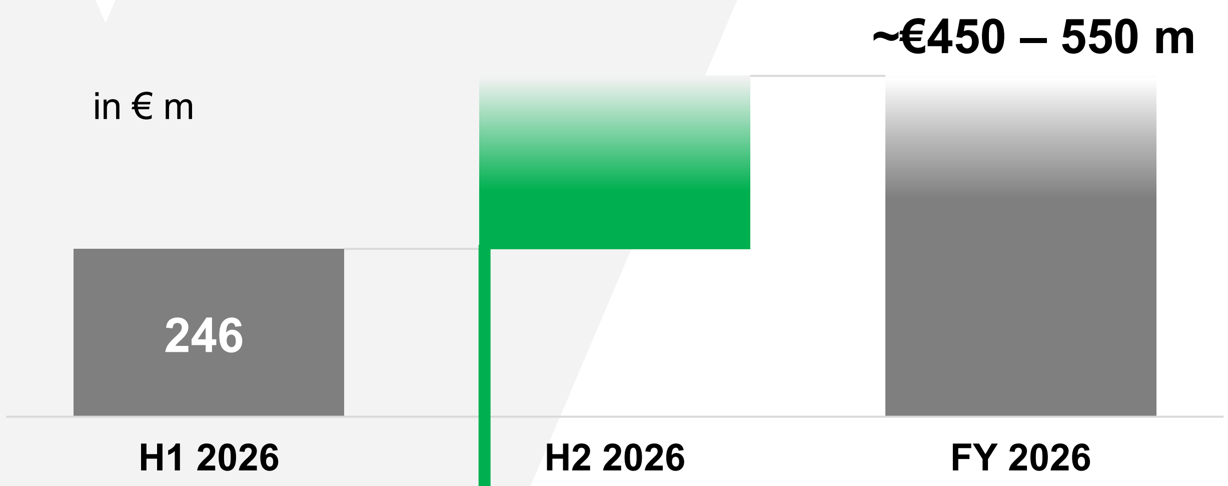
- Reduction of ~550 positions worldwide across all functions
- Fluctuation & demographics supportive
- Adjustments in production network[2]

[1] OTC in connection to Saltigo restructuring booked in Q2 2026
[2] As announced in Q2 2025 & Q2 2026

Exceptional items (on EBIT) mainly related to Saltigo restructuring measures

[€ m]	Q2/2025		Q2/2026		H1/2025		H1/2026	
	Excep.	*thereof D&A*	*Excep.*	*thereof D&A*	*Excep.*	*thereof D&A*	*Excep.*	*thereof D&A*
Strategic realignment and restructuring (incl. FORWARD!)	-107	-81	**-50**	**-11**	-108	-81	**-54**	**-11**
Strategic IT-projects	-9	0	**-4**	**0**	-17	0	**-10**	**0**
M&A, digitalization and others	68	-5	**-3**	**0**	56	-5	**-7**	**0**
Total	-48	-86	**-57**	**-11**	-69	-86	**-71**	**-11**

Guidance confirmed:



H2 considerations:

- Cost savings back-end loaded
- Support from EU Anti-Dumping
- No necessity for meaningful operational improvement vs. H1
- Construction recovery expected rather in 2027

FY 2026 EBITDA pre range (~€450 – 550 m) on solid grounds

* LANXESS Consensus 20.07.2026

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P&L H1: Price & volume up, unfavorable FX effect & absence of Urethane Business drag on earnings

	H1/2025		H1/2026		yoy
Sales	**3,067**		**2,939**		**-4%**
Cost of sales	-2,418		-2,347		3%
Selling	-443		-428		3%
G&A	-128		-112		13%
R&D	-53		-50		6%
EBIT	**-52**	**(-2%)**	**-67**	**(-2%)**	**-29%**
Financial result	-64		-115		-80%
thereof at-equity result	-59		-95		-61%
Net income	**-102**	**(-3%)**	**-194**	**(-7%)**	**-90%**
Adjust. EPS [€]	**0.82**		**0.01**		**-99%**
EBITDA	300	(10%)	186	(6%)	-38%
thereof except.	17	(1%)	-60	(-2%)	-
EBITDA pre	**283**	**(9%)**	**246**	**(8%)**	**-13%**

- Lower sales mainly due to unfavorable FX and portfolio effect (Urethanes business in Q1 2025)
- Lower selling expenses due to lower freight costs
- Reduction of all cost items, helped by cost saving measures and FX development
- Financial result driven by Envalior at-equity result and shareholder loan valuation
- Earnings and margin decrease mainly as a result of increased input costs, unfavorable FX development and absence of Urethane Systems business

H1 2026: significantly improved cash generation

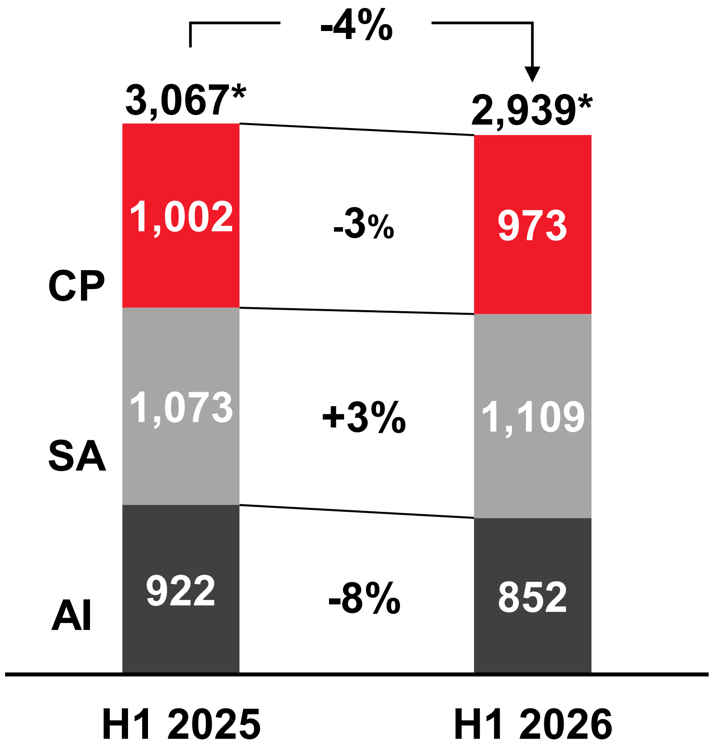
Cash flow [€ m]	H1/2025	H1/2026
Profit before tax	-116	-182
Depreciation & amortization	352	253
Result from investments accounted for using the equity method	59	95
Financial losses & gains on divestments	-72	7
Income taxes	-23	-4
Changes in working capital	-122	-151
Changes in other assets & liab.	-48	114
Operating cash flow	**30**	**132**
Capex	-110	-105
Free cash flow	**-80**	**27**

- Lower profit before tax due lower Envalior at-equity result
- Financial losses & gains reflect proceeds from divestment of Urethane Systems business in previous year
- Changes in working capital reflect higher inventory valuation due to increased raw material prices; still tightly managed
- Changes in other assets & liabilities among others due to personnel-related provisions

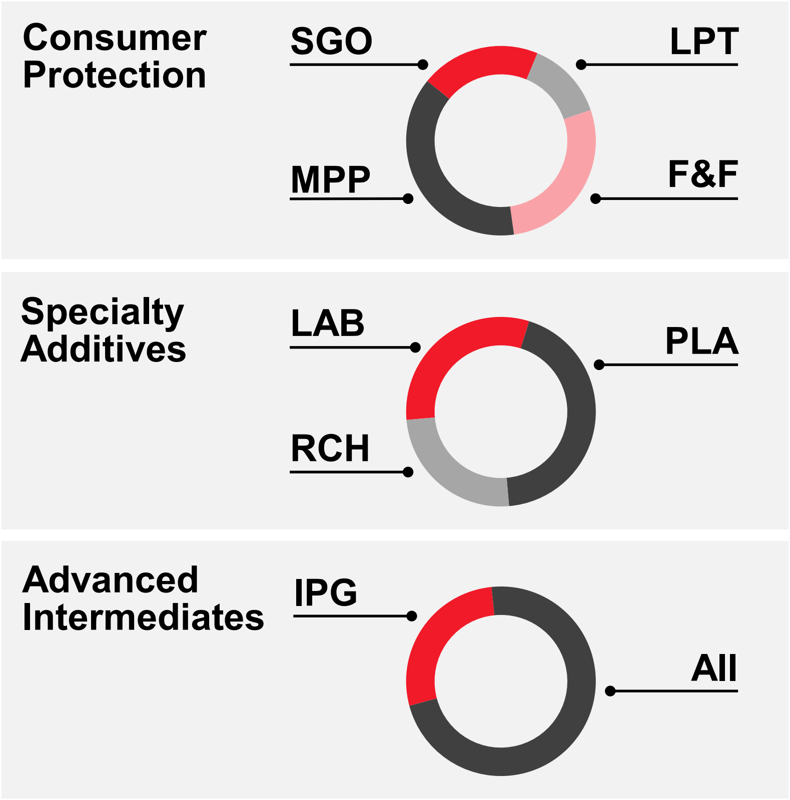
Free cash flow = Operating cash flow minus Capex

H1 2026: FX & portfolio driven lower sales in persisting weak demand environment

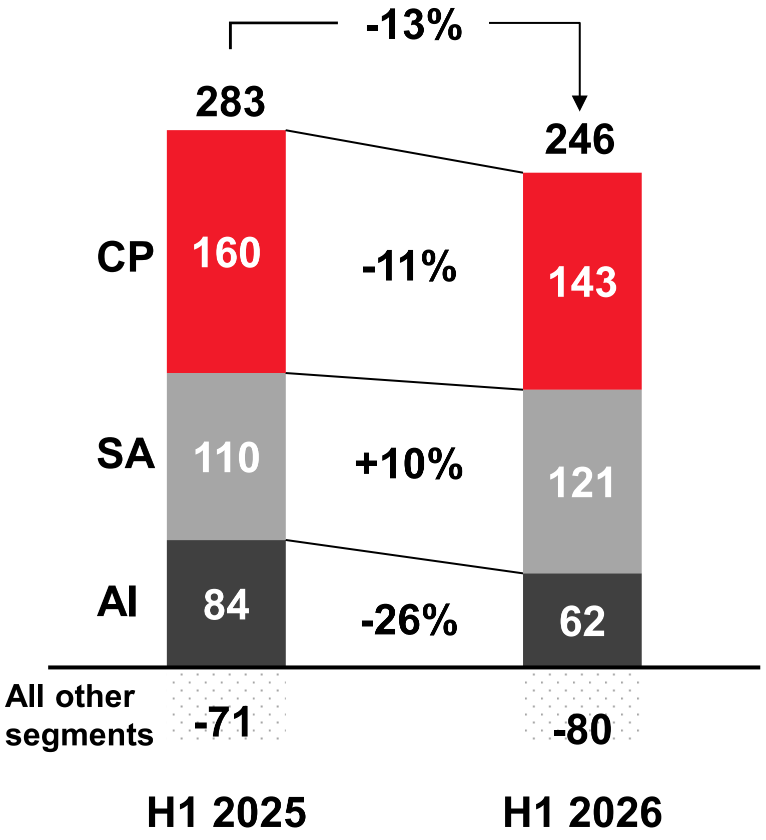
Sales [€ m]



Sales share [€ m]



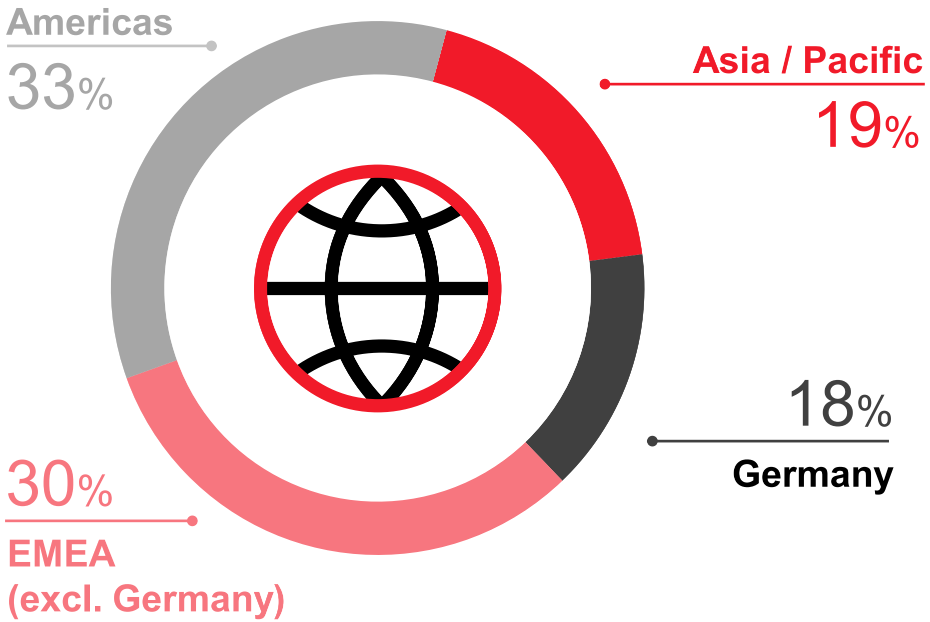
EBITDA pre [€ m]



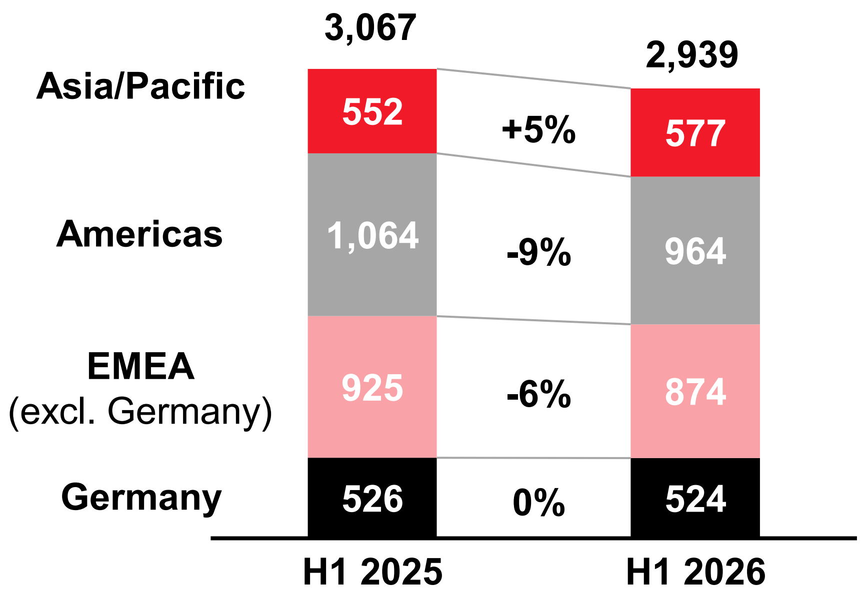
* Total group sales including all other segments

H1 2026: balanced regional sales split

H1 2026 sales by region [%]



Regional development of sales [€ m]



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Housekeeping items 2026

Outlook FY 2026 (in € m)

Capex	~330	
Operational depreciation	~340	▪ excluding ~€130 m of intangible amortization
All other segments (EBITDA pre)	-140 to -150	
Exceptional expenses	~80 to 100	▪ on EBIT, based on current projects
FX sensitivity	~3	▪ EBITDA pre impact after hedging per cent change of EUR/USD
Savings	~65	▪ Back-end loaded

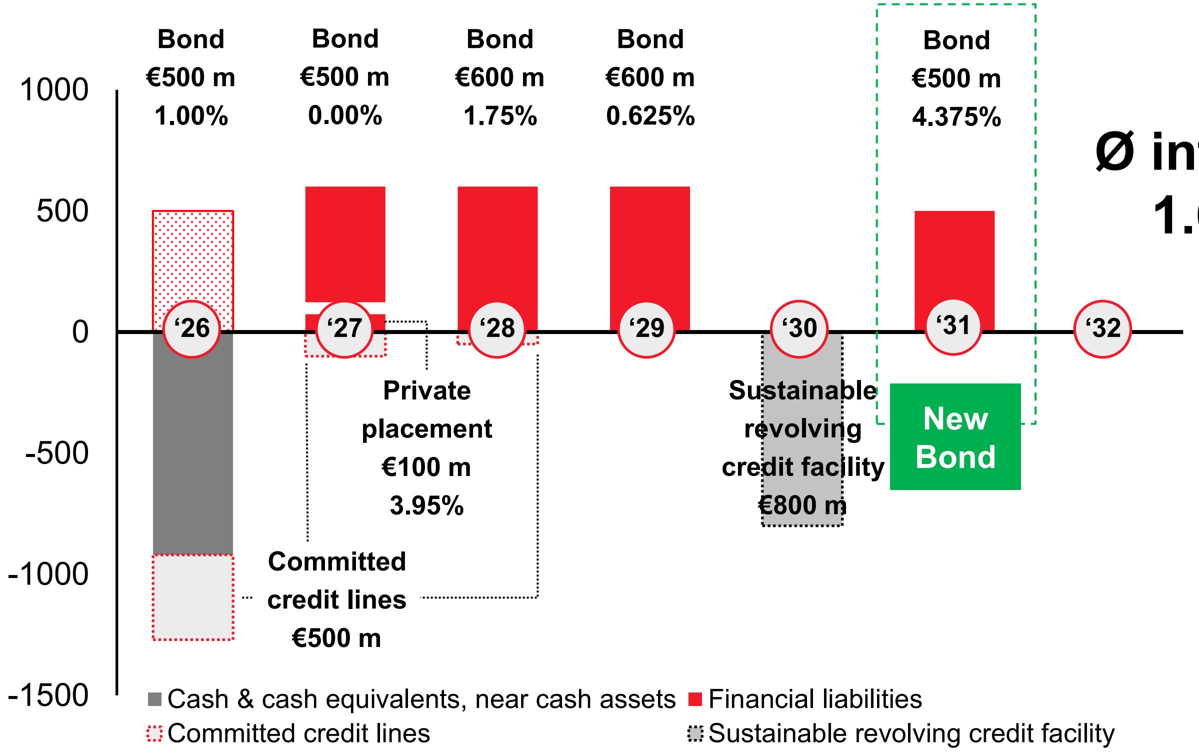
Maturity profile well balanced

Strong access to debt capital markets

- **Long-term financing secured**

- All group financing executed without financial covenants
- Successful placement of a €500 m bond to refinance the October 2026 bond maturity

- **All group financing executed without financial covenants**



Ø interest 1.6%*

* 1.7% incl. financial leases

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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 2026 – Proactive capital market communication

Aug		Sep		Nov	
25	mwb German Select VIII (virtual)	08	Berenberg Food Ingredients & Chemical Conference, London	**5**	**Q3 Reporting**
		22	Berenberg & GS Conference, Munich		
		24	Baader Investment Conference, Munich		