



Media Call

Q3 2022 results & Strategy 2026

London, November 10, 2022



Q3 2022 Results

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Highlights Q3 2022

SALES
(fx adj.)

+26.1%

EUR 5,100.5m

OPERATING GROSS PROFIT
(fx adj.)

+17.6%

EUR 1,106.1m

OPERATING EBITDA
(fx adj.)

+22.1%

EUR 459.7m

EPS

EUR 1.60

Significantly higher than in Q3 2021

**PROJECT BRENNTAG IS
OVERACHIEVING**

**~ EUR 230m
op. EBITDA**

Target over achievement by
FY2022 - One year ahead of plan

FREE CASHFLOW

EUR 347.6m

+121.0% vs. Q3 2021
Working Capital turn stood at 7.5x

**FY 2022 GUIDANCE
CONFIRMED**

EUR 1,750 - 1,850m

Expect to achieve the upper
range of our guidance

**CAPITAL MARKETS DAY
2022 IN LONDON**

November 10, 2022

Horizon 2: Management Board will
present our next strategic phase

Project Brenntag well underway and delivering above plan



Full target achievement by end of 2022 – One year ahead of plan

Project Brenntag Initial FY 2023¹⁾ targets total

~ **EUR 220m**
Op. EBITDA impact

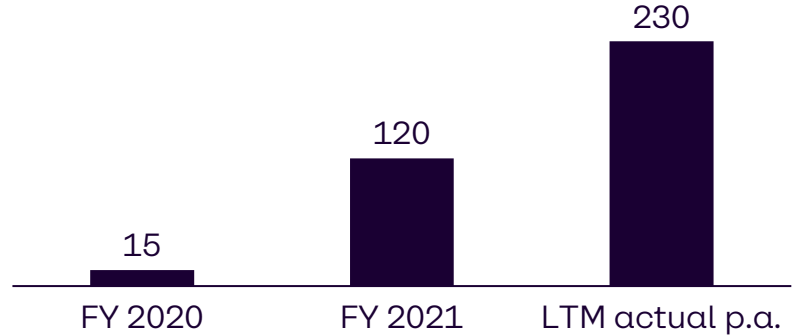
Project Brenntag Achievement²⁾

~ **EUR 230m**
LTM actual p.a.

Facts & Figures²⁾

- Structural job reduction: ~ 1,200
- Site closures globally: 91
- Project Brenntag expenses: EUR 81m

in EUR m since project start

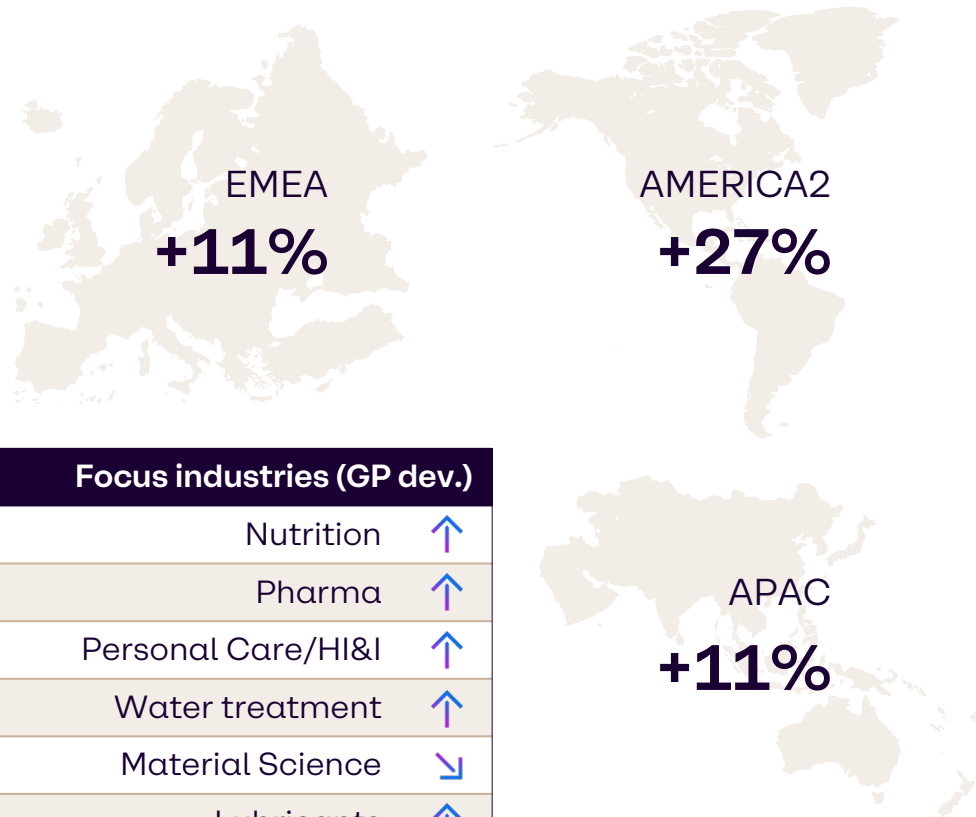


1) Based on management estimates
2) Against baseline 2019



Financials Q3 2022: Brenntag Specialties

Operating EBITDA growth¹⁾



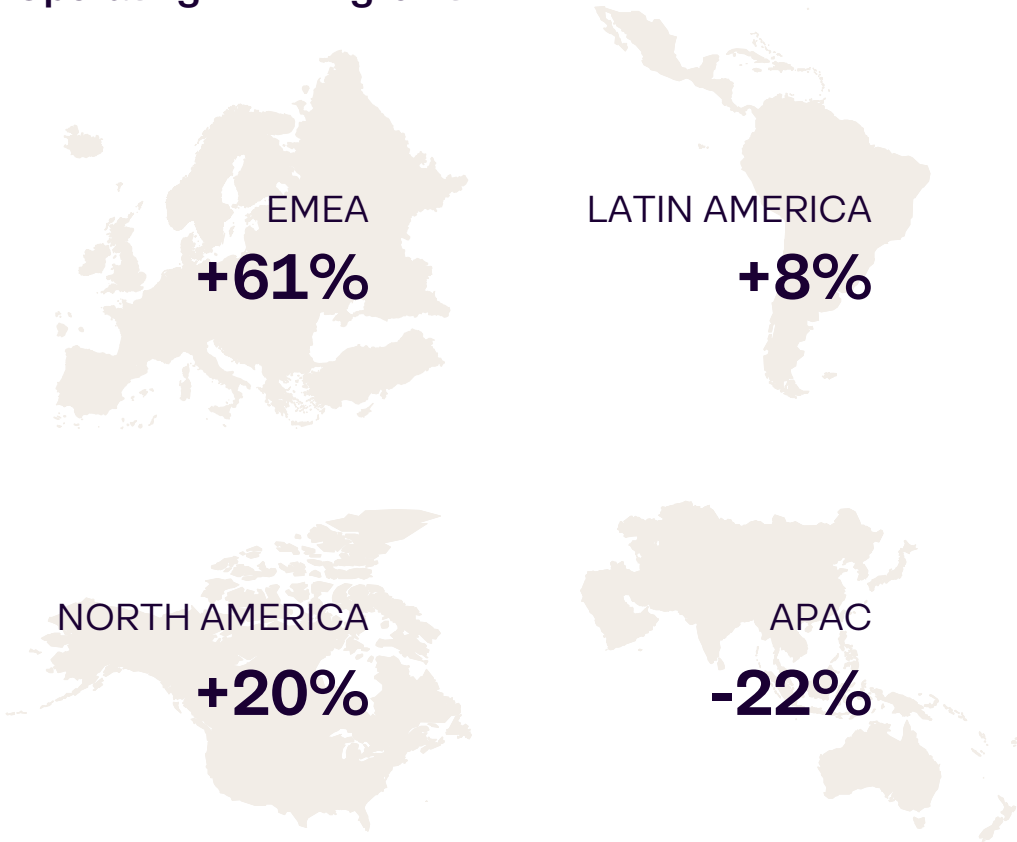
Focus industries (GP dev.)

Nutrition	↑
Pharma	↑
Personal Care/Hi&I	↑
Water treatment	↑
Material Science	↘
Lubricants	↑

- Brenntag Specialties showed another broad-based positive performance vs. already strong Q3 2021
- Strong op. Gross Profit increase* of 16.8%
- Op. EBITDA of EUR 193 million, an increase of 17.8%
- Op. EBITA growth* of 17.4%
- Almost all focus industries with double digit growth rates and Life Science industries particularly strong
- As expected in current market conditions, Material Science showed a lower performance
- Macroeconomic environment characterized by inflationary cost development & supply shortages
- Conversion ratio of ~46%

Financials Q3 2022: Brenntag Essentials

Operating EBITDA growth¹⁾



- Unique positioning of Brenntag Essentials led to exceptional performance and substantial growth in Q3
- Strong op. Gross Profit increase* of 18.6%
- Op. EBITDA of EUR 303 million, an increase of 30.4%
- Op. EBITA growth* of 40.0%
- EMEA and North America particularly strong
- Highly volatile price environment in EMEA due to escalating energy costs and decreased production volumes in certain value chains
- APAC impacted by ongoing COVID-19 lockdowns and drop in Chinese domestic demand
- Accelerated energy price development – particularly in Europe – and continued inflationary cost development, esp. for transport
- Conversion ratio of ~45%

Strategy to win

Shaping the future of sustainable
chemical and ingredients distribution

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Brenntag is the undisputed and resilient leader delivering consistent growth

Our unique platform ...

... is outperforming¹⁾

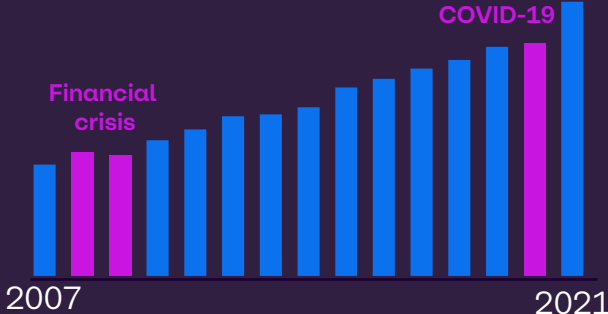
Global market leader with superior offering

Unparalleled product portfolio, application know-how and innovation capability

Unique integrator combining global reach with ownership of last mile delivery

Trusted partner with differentiated access to global supply chains

Operating Gross Profit



Grown every year since the Financial Crisis

>2x Op. EBITA equivalent to ~7% CAGR

Asset light business model with attractive ROCE of ~23%²⁾

EUR 7.2bn cumulative Free Cash Flow

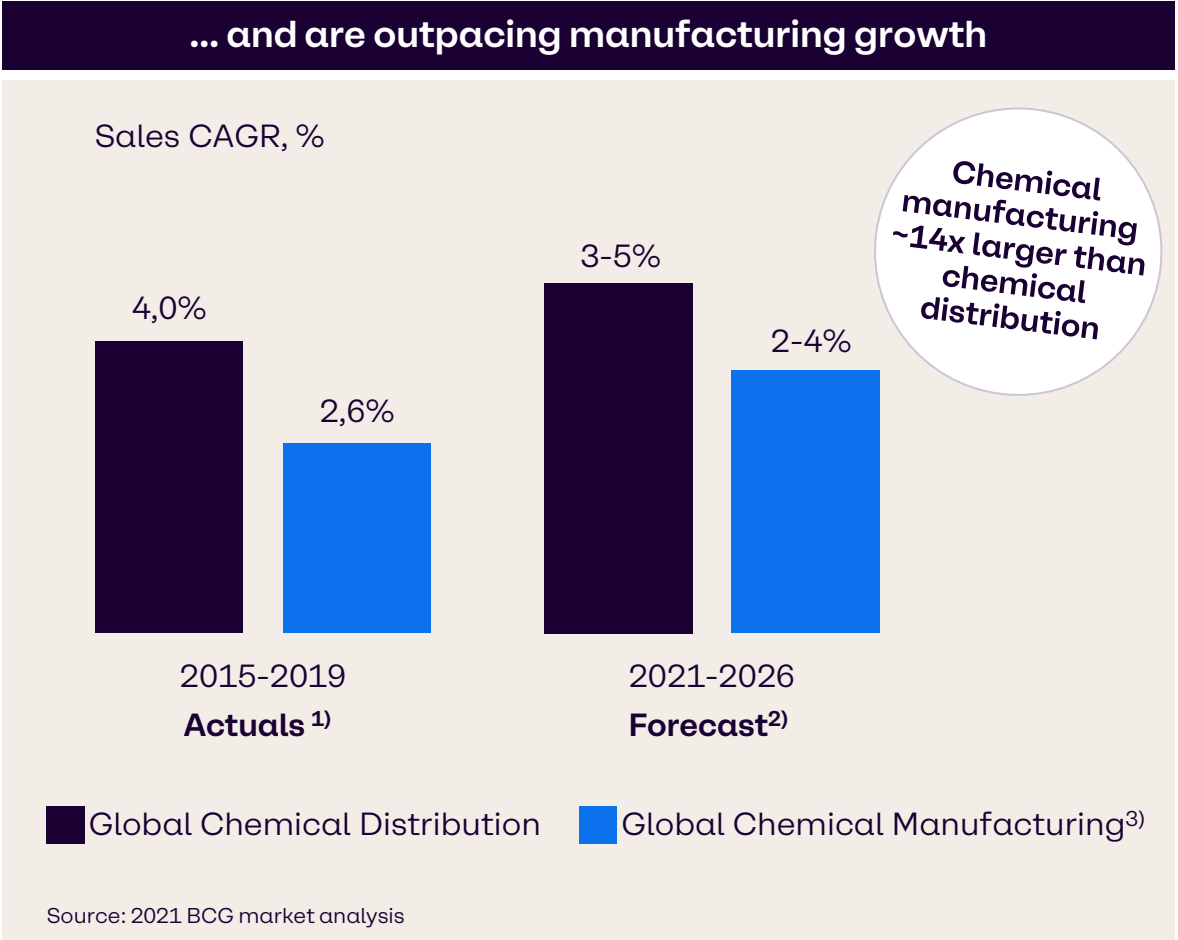
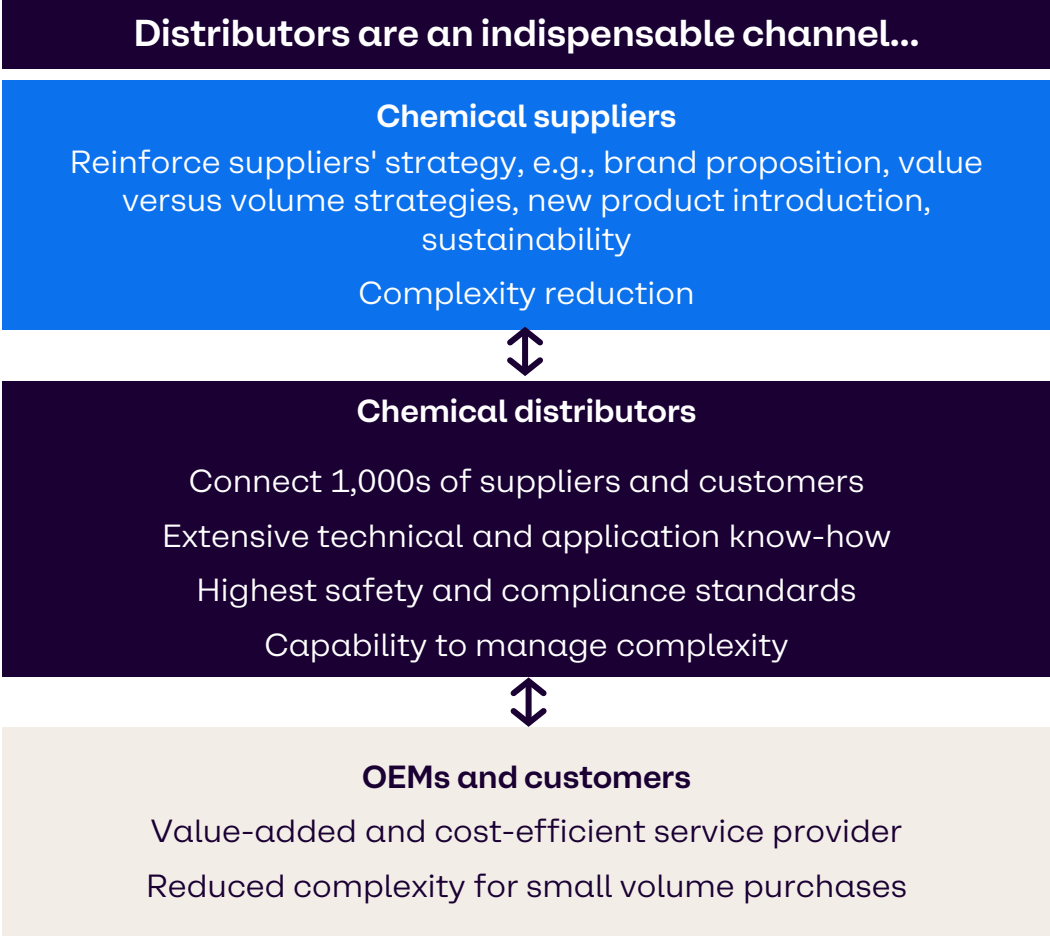
EUR 2.5bn M&A spend

Progressive dividends totalling EUR 1.9bn

¹⁾ Since IPO in 2010
²⁾ Adj. ROCE as per Q3 2022 LTM



Distribution is an attractive and indispensable market, growing faster than chemical manufacturing



¹⁾ Year 2020 is excluded to avoid one-off Covid-19 impact

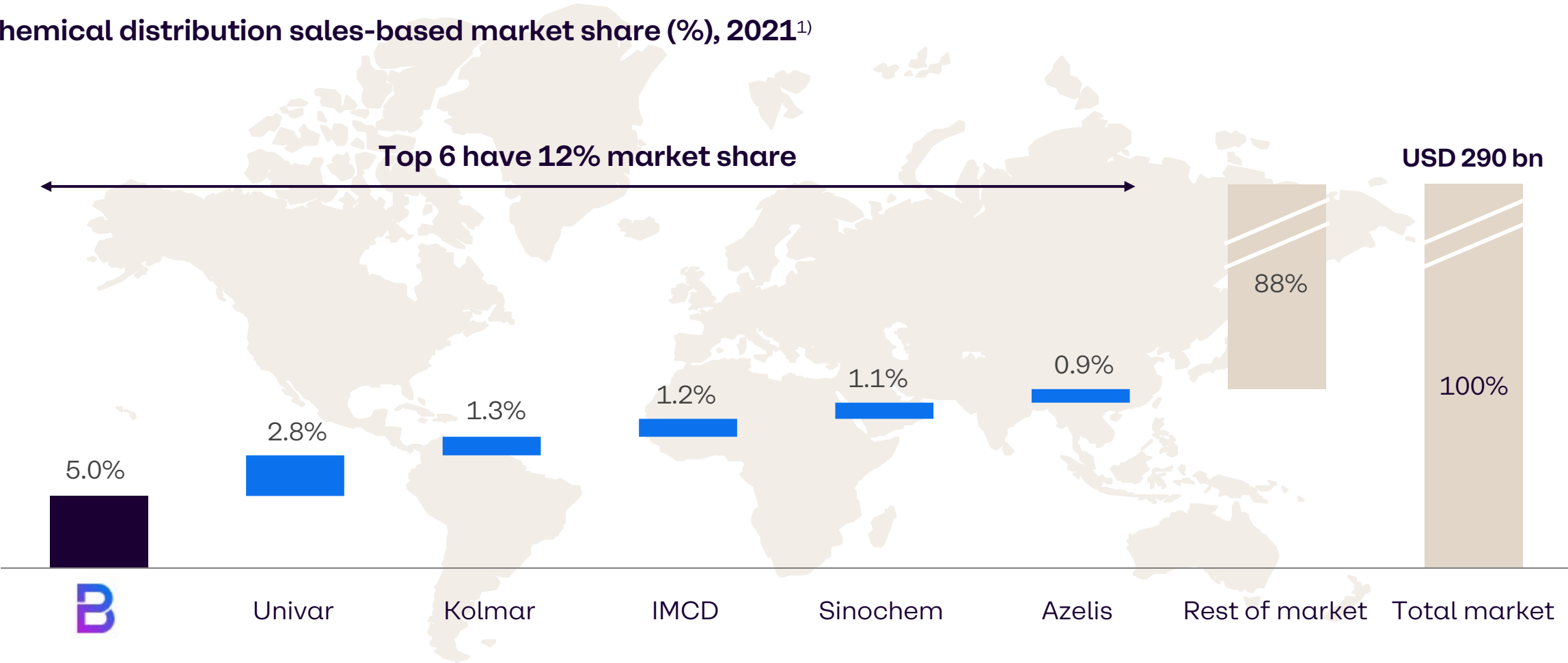
²⁾ Forward looking growth rates are real growth rates

³⁾ Global Chemical Manufacturing is defined as global sales minus global exports plus global imports, implying that Global Chemical Manufacturing equals global sales



Brenntag is the undisputed global leader in a highly fragmented chemical and ingredients distribution market...

Chemical distribution sales-based market share (%), 2021¹⁾



Source: ICIS Top 100 Chemical Distributors (2022), BCG chemical distribution market model

¹⁾ Excluding Helm, Tricon, and Nagase & Co (traders)



Leadership in both markets requires two tailored strategies

Key industry requirements

- Reinforce supplier strategies to drive growth
- Offer specific customized solutions
- Master Digital & Data driven business models
- Foster sustainability trends
- Drive market consolidation and efficiency gains







Specialties

TAM ¹⁾ 2021	EUR 124bn
Growth outlook 2021-26 ²⁾	4-6%

Industrial

TAM ¹⁾ 2021	EUR 165bn
Growth outlook 2021-26 ²⁾	2-4%

Distinct segment trends

- Application expertise 
- Customized solutions 
- Innovation capability 
- Cost efficiency 
- Security and safe handling of supply 
- Global reach 

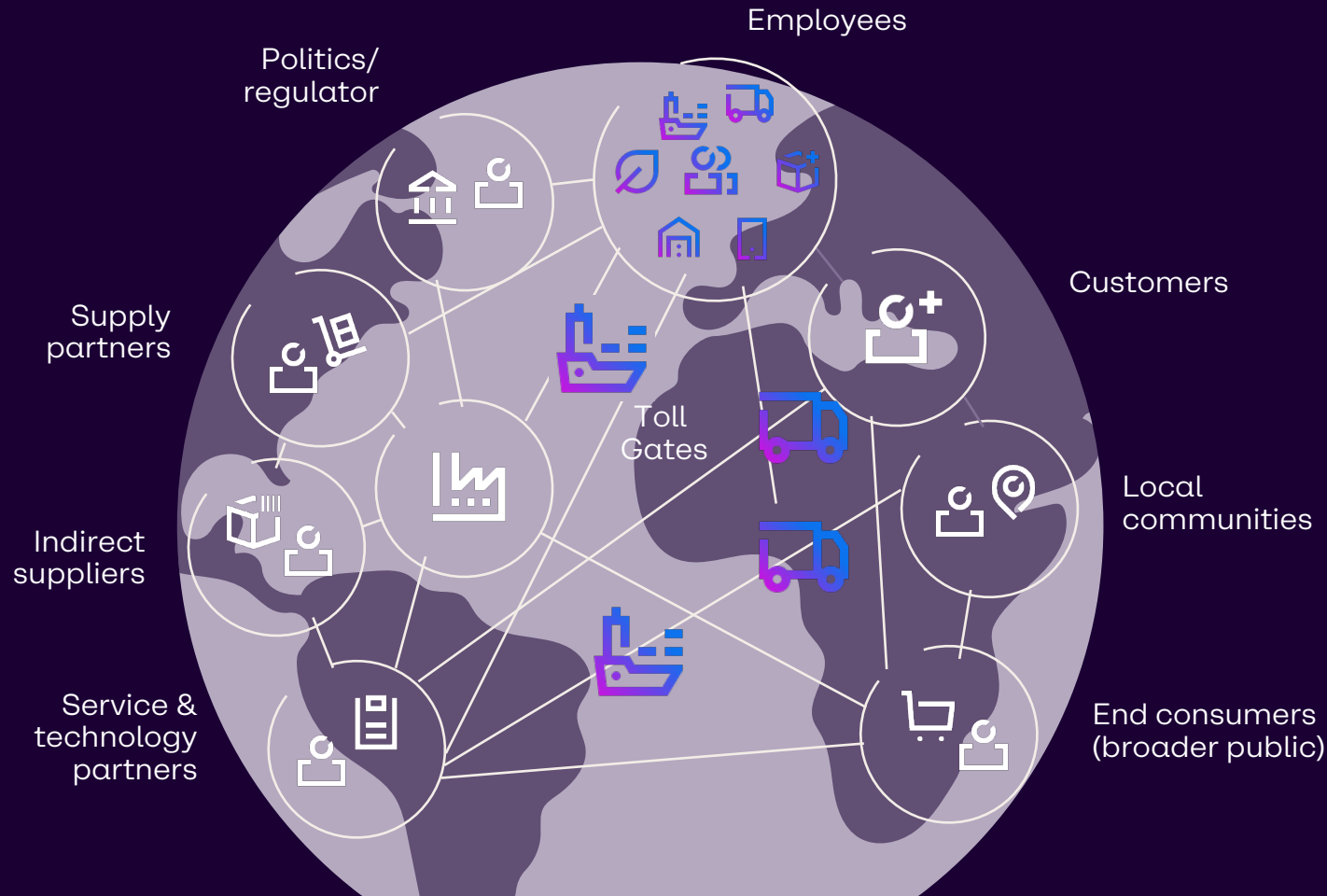
Source: BCG analysis

¹⁾ Total addressable market

²⁾ Forward looking growth rates are real growth rates



Brenntag connects key stakeholders across the distribution ecosystem



Product-, knowledge- and innovation-driven interconnected ecosystem of partners

Characteristics of successful ecosystems

- ✓ Collaboration
- ✓ Shared benefits
- ✓ Human needs
- ✓ Empowerment
- ✓ Multiple dimensions
- ✓ Sustainability

We are guided by our purpose and vision based on our cultural pillars

Purpose

Connecting with products, knowledge and innovation.

Fostering a sustainable future.

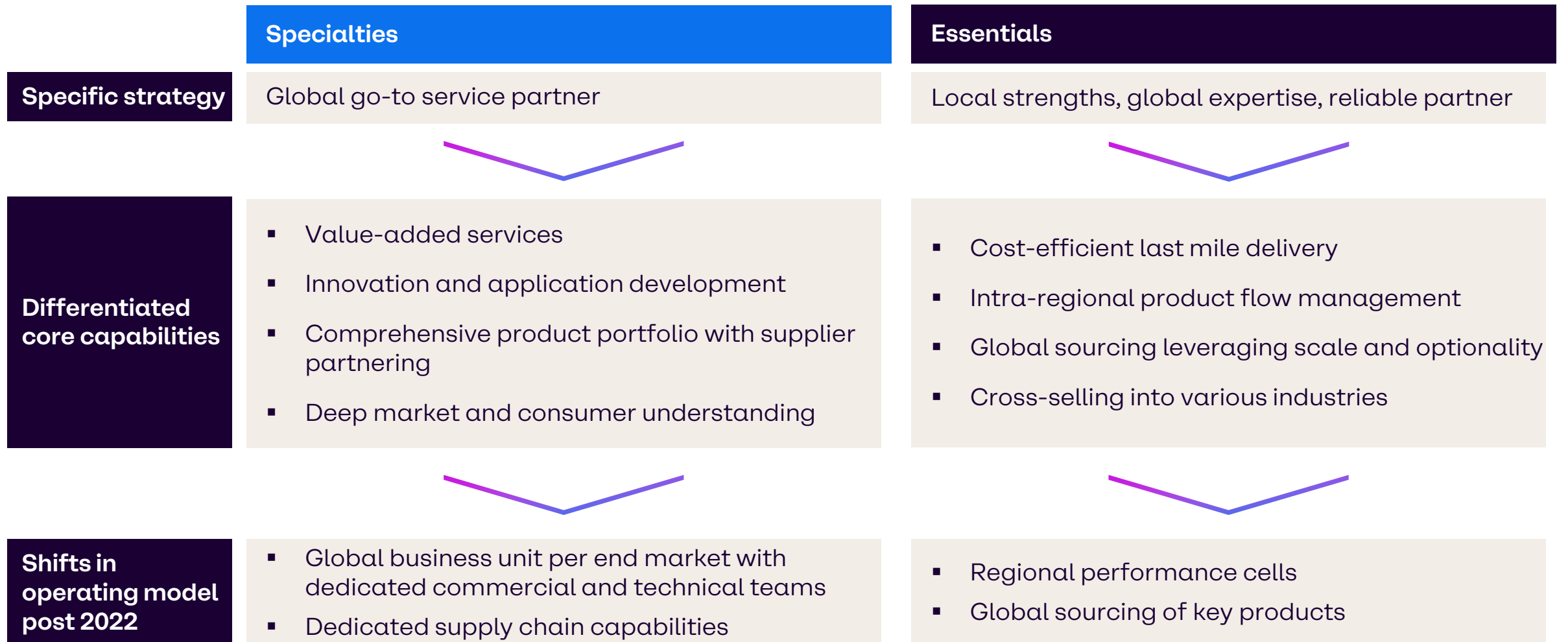
Caring for human needs.

Vision 2030

We shape the future of our industry by empowering our partners within networks driving collaboration, excellence and shared success.



BSP and BES with specific strategies, differentiated core capabilities and shifting operating models



DiDEX: Brenntag to become the data- and tech- driven industry leader with strong focus on operational excellence



Becoming easiest to do business with



Unlocking the value from our data



Creating a scalable technology platform

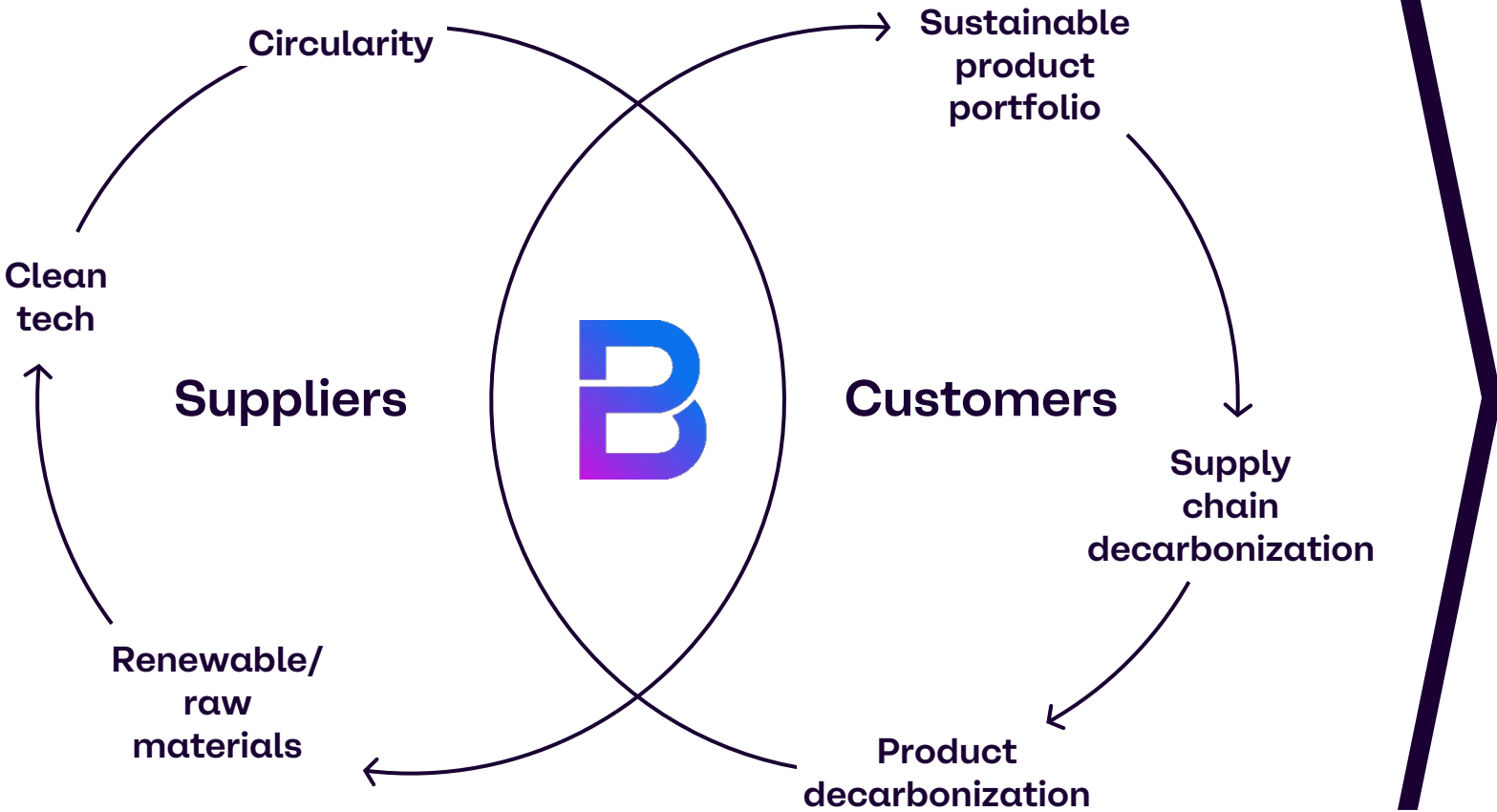


Building capabilities to attract and retain talent



Driving value delivery and embed change

Sustainability: Leading the creation of a sustainable ecosystem across the industry



Selected mid- to long-term targets

100% green energy by 2025 and net zero by 2045

100% portfolio steering towards sustainability by 2025

TRIR¹⁾ < 2.0 and no severe accidents by 2030

Global organizational **diversity, equity and inclusion** structure by 2023



Accelerate industry consolidation through focused M&A

Brenntag is #1 consolidator in the industry with > 30 deals in the past 5 years¹⁾

	Brenntag Specialties	Brenntag Essentials
EMEA		
Americas		
APAC		

Our M&A principles

Financial discipline

Accelerate growth in BSP

Fill white spots and strengthen presence in emerging markets

Enhance strategic and tech capabilities

> 300 targets monitored in pipeline

Source: Capital IQ. Sample includes 100%, majority and minority stakes

¹⁾ 2017-2022YTD

²⁾ Full liners

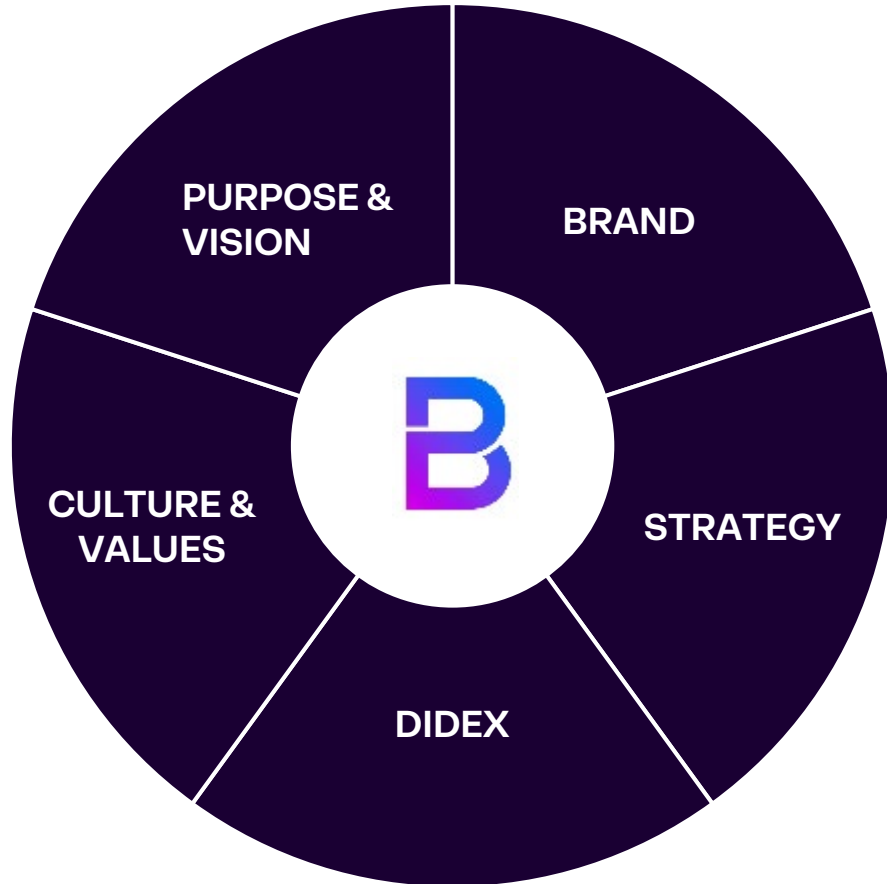
Our mid-term targets will deliver industry outperformance

Organic Gross Profit growth	Group Organic Operating Gross Profit CAGR¹⁾	4 - 6%
	BSP	6 - 8%
	BES	3 - 4%
Organic Operating EBITA growth	Group Organic Operating EBITA CAGR¹⁾	6 - 8%
	BSP	7 - 9%
	BES	4 - 5%
DiDEX improvement programme	Net annual EBITA uplift by 2026	EUR 200m
Planned M&A investments	Annual M&A spend	EUR 400 - 500m

Note: Base year for targets is 2021

¹⁾ Excluding benefits from DiDEX

Our Strategy to Win



B BRENNNTAG

We are the undisputed number 1.

With our compelling “Strategy to Win” we are ready to shape the future of our industry.

Thank you for your attention!



Christian Kohlpaintner
CEO

**We are happy
to answer your
questions!**



Kristin Neumann
CFO

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