

# Second Quarter / First Half Year Results 2021

**ANALYST PRESENTATION**

**29 JULY 2021**

# Disclaimer

This presentation contains certain statements that are neither reported financial results nor other historical information.

This presentation also includes forward-looking statements. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements.

Many of these risks and uncertainties relate to factors that are beyond Clariant's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators, and other risk factors, such as: the timing and strength of new product offerings; pricing strategies of competitors;

the Company's ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social, and regulatory framework in which the Company operates or in economic or technological trends or conditions, including currency fluctuations, inflation, and consumer confidence, on a global, regional, or national basis.

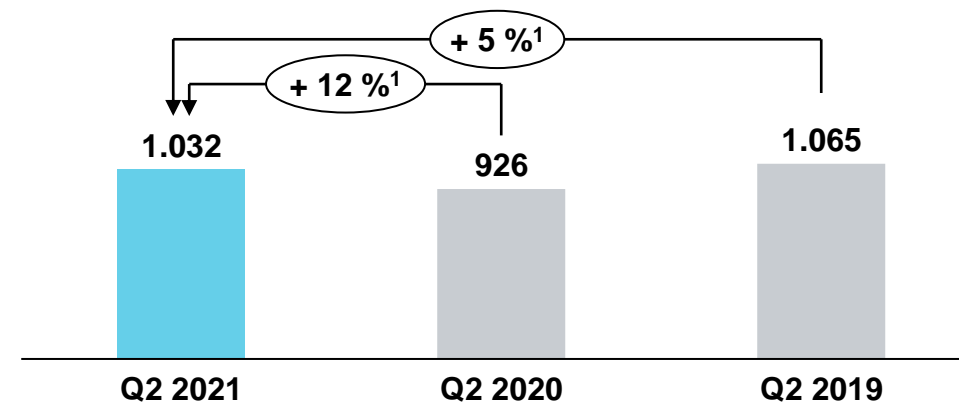
Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document.

Clariant does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

## Strong sales growth in Q2 2021 – exceeding pre-COVID-19 levels<sup>1</sup>

- **Q2 2021 sales up + 12 % in local currency**
  - + 7 % volume increase / + 5 % price contribution
  - **Broad demand recovery** across all Business Areas and regions
  - **Continued strong industrial recovery**
  - **Return to growth in Oil Services**
- **Q2 2021 sales ~5 % above pre-COVID-19 pandemic level<sup>1</sup>**

Sales in CHF m



<sup>1</sup>in local currency

# Strongly improved profitability in Q2 2021 driven by operating leverage, pricing, and efficiency program

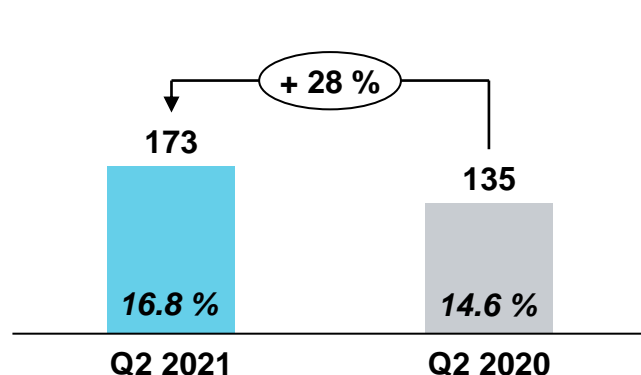
## ▪ Q2 2021 EBITDA margin improved by 220 basis points to 16.8 %

- Pricing + 5 % to largely offset the mid-teen percentage raw material cost increase
- Efficiency program contributed **CHF 9 m** additional cost savings in Q2 2021
- Q2 2020 included provisions for efficiency program

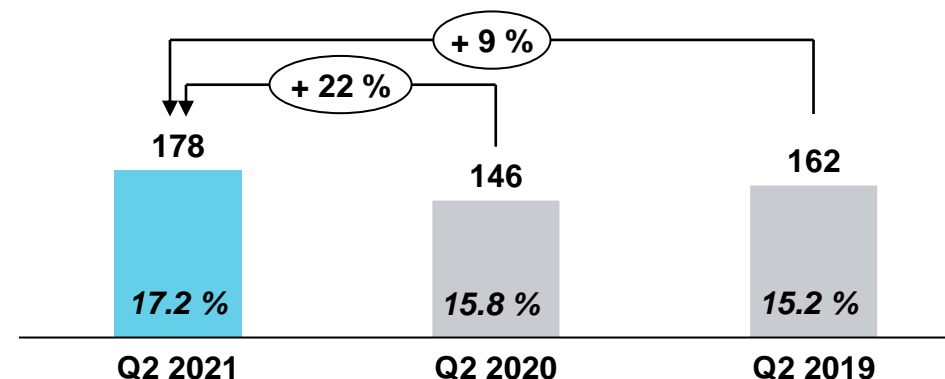
## ▪ Q2 2021 underlying EBITDA margin<sup>1</sup> improved by 140 basis points

- Absolute underlying EBITDA<sup>1</sup> 22 % above 2020 and some 9 % above 2019 in CHF
- **Profitability exceeded pre-COVID-19 pandemic levels**

EBITDA in CHF m



EBITDA before exceptional items in CHF m



<sup>1</sup>EBITDA margin before exceptional items

# Concluding the divestment program – Pigments business transaction

- Signing of divestment agreements with Heubach Group and SK Capital Partners announced on 14 June 2021
- Comprehensive divestment package with attractive base valuation and substantial medium-term upside potential
- Closing expected in the first half of 2022

Minimum Value: **CHF 805 m**

**Pigments Enterprise Value<sup>1,3</sup>**

= **CHF 805 m**

= **10.7x EV/EBITDA**

(stand-alone adjusted  
12-month EBITDA as of April 2021 (LTM))



+ **CHF 50 m Earn-Out Payment<sup>2</sup>**

**Enterprise Value<sup>1</sup>**

= **CHF 855 m**

= **11.4x EV/EBITDA**

(stand-alone adjusted 12-month  
EBITDA as of April 2021 (LTM))

+ Value potential from **reinvestment**

*Reinvestment of ~CHF 100 m at closing of Pigments divestment for a 20 % ownership stake in the ultimate holding company<sup>4</sup>*

Value-creation strategic rational:

- Efficiency program
- Future growth potential
- Synergies of combined business
- Agreed exit options

# Accelerating growth in the core businesses – bolt-on addition with Joint Venture in India

## ▪ **Successful establishment of JV with India Glycols**

- Announcement on 11 March 2021
- Establishment on 1 July 2021
- Clariant to become a leading renewable specialty EOD<sup>1</sup> supplier
- Incremental topline addition of ~CHF 50 m in H2 2021





# Second Quarter 2021 – GROUP<sup>1</sup> OVERVIEW 1/2

<i>in CHF m</i>	<b>Q2 2021</b>	Q2 2020	% CHF	% LC <sup>2</sup>	H1 2021	H1 2020	% CHF	% LC <sup>2</sup>
Sales	<b>1 032</b>	926	+ 11	+ 12	2 034	1 945	+ 5	+ 7
EBITDA	<b>173</b>	135	+ 28		337	292	+ 15	
EBITDA margin	<b>16.8 %</b>	14.6 %			16.6 %	15.0 %		
EBITDA b.e.i. <sup>3</sup>	<b>178</b>	146	+ 22		346	309	+ 12	
EBITDA b.e.i. <sup>3</sup> margin	<b>17.2 %</b>	15.8 %			17.0 %	15.9 %		
<b>Sales Bridge</b>								
	<b>Sales</b>	<b>Price</b>	<b>Volume</b>	<b>Currency</b>	<b>Sales</b>	<b>Price</b>	<b>Volume</b>	<b>Currency</b>
	+ 11 %	+ 5 %	+ 7 %	- 1 %	+ 5 %	+ 3 %	+ 4 %	- 2 %

## Business Area composition<sup>1</sup> (in %)

Sales

Q2 2021



Q2 2020



● Care Chemicals ● Catalysis ● Natural Resources

EBITDA

Q2 2021



Q2 2020



## Double-digit sales expansion

- **Strong + 12 % LC<sup>2</sup> growth** supported by global **demand increase** and **positive pricing**
- **Dynamic Natural Resources** expansion driven by **Additives** and **Functional Minerals** as well as **strong growth** in **Care Chemicals** and **Catalysis**
- Oil and Mining Services returned to growth supported by strong Mining Solutions and improved Oil Services (y-o-y and sequential)
- Currency impact of - 1 % (depr.: USD / LATAM; appr.: EUR)

## Underlying EBITDA margin up by 140 basis points<sup>3</sup>

- **Absolute EBITDA increased by 28 %** versus prior year and the reported margin rose to **16.8 %**
- **Operating leverage** from **strong volume expansion, pricing measures**, the execution of the **efficiency programs<sup>4</sup>** and continued **cost discipline** amid COVID-19
- Price increases initiated and in progress to compensate for raw material cost inflation and higher logistics cost while supply chain uncertainties remain

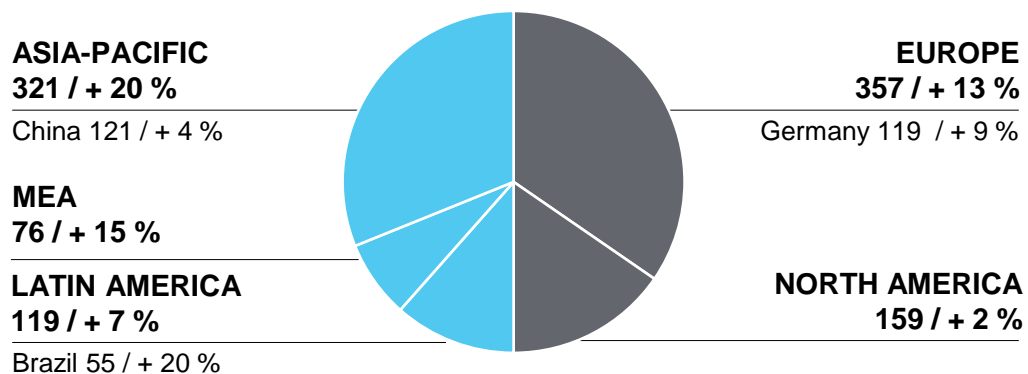
# Second Quarter 2021 – GROUP<sup>1</sup> OVERVIEW 2/2

## Geographic split

**Sales CHF 1 032 m**

in CHF m, % in local currency

● Emerging markets ● Mature markets




- Strong growth in **Asia-Pacific** driven by continued economic expansion across all Business Areas versus a more COVID-19-affected Q2 2020. **China** with a solid increase despite challenging comparison base
- **Europe** with double-digit sales growth supported by a rebound in Industrial Applications with strong expansion in Additives and Functional Minerals. **Middle East & Africa** with notable growth reflected by sales increases in all Business Areas
- Modest growth in **North America** resulting from the recovery in Oil Services
- Sales growth in **Latin America** largely attributable to expansion in Care Chemicals and Additives, supported by strong development in Brazil

<sup>1</sup>continuing operations



# Second Quarter 2021 – CARE CHEMICALS

<i>in CHF m</i>	<b>Q2 2021</b>	Q2 2020	% CHF	% LC <sup>1</sup>	H1 2021	H1 2020	% CHF	% LC <sup>1</sup>
<b>Sales</b>	384	347	+ 11	+ 11	788	734	+ 7	+ 9
<b>EBITDA</b>	77	51	+ 51		157	120	+ 31	
<b>EBITDA margin</b>	20.1 %	14.7 %			19.9 %	16.3 %		
EBITDA b.e.i. <sup>2</sup>	77	63	+ 22		157	133	+ 18	
EBITDA b.e.i. <sup>2</sup> margin	20.1 %	18.2 %			19.9 %	18.1 %		
<b>Sales Bridge</b> 	<b>Sales</b> + 11 %	<b>Price</b> + 7 %	<b>Volume</b> + 4 %	<b>Currency</b> + 0 %	<b>Sales</b> + 7 %	<b>Price</b> + 4 %	<b>Volume</b> + 5 %	<b>Currency</b> - 2 %

## Market Dynamics

- Continued recovery in global industrial end markets
- Normalization of Consumer Care business
- High demand and ongoing raw material inflation paired with continued supply chain uncertainties

## Strong + 11 % LC<sup>1</sup> sales growth in almost all businesses


- **Industrial Applications** sales rose at a double-digit rate, propelled by renewed end-market strength and a corresponding demand recovery, especially in Industrial Lubricants, Construction Chemicals, and Coatings
- **Consumer Care** reflected a stable development, attributable to a challenging comparison base that saw particularly strong demand for hygiene-related products in Q2 2020 due to the COVID-19 pandemic; Home Care with stronger growth
- Sales in **Europe** and **the Middle East & Africa** rose in high-teen percentages, followed by **Asia**. Mid-single-digit growth in the **Americas**

## Significant underlying EBITDA margin improvement by 190 basis points

- Absolute **EBITDA up by a significant 51 % to a 20.1 %** reported margin whereas strong operating leverage from volume growth, pricing and the efficiency programs more than compensated raw material inflation and mix effects

<sup>1</sup>local currency; <sup>2</sup>before exceptional items

# Second Quarter 2021 – CATALYSIS

<i>in CHF m</i>	<b>Q2 2021</b>	Q2 2020	% CHF	% LC <sup>1</sup>	H1 2021	H1 2020	% CHF	% LC <sup>1</sup>
Sales	221	210	+ 5	+ 7	414	392	+ 6	+ 9
EBITDA	42	44	- 5		80	68	+ 18	
<i>EBITDA margin</i>	<b>19.0 %</b>	21.0 %			19.3 %	17.3 %		
EBITDA b.e.i. <sup>2</sup>	43	50	- 14		81	75	+ 8	
<i>EBITDA b.e.i.<sup>2</sup> margin</i>	<b>19.5 %</b>	23.8 %			19.6 %	19.1 %		
<b>Sales Bridge</b> 	<b>Sales</b> + 5 %	<b>Price</b> + 6 %	<b>Volume</b> + 1 %	<b>Currency</b> - 2 %	<b>Sales</b> + 6 %	<b>Price</b> + 6 %	<b>Volume</b> + 3 %	<b>Currency</b> - 3 %

## Market Dynamics

- Continued economic rebound with demand for more sustainable solutions
- Increased demand in C3<sup>3</sup> value chain, Syngas recovering, and emission control normalizing
- Pickup of capacity investments in Petrochemicals in the US and Asia


## Strong + 7 % LC<sup>1</sup> sales growth driven by supportive demand situation in Specialty Catalysts

- Strong sales expansion in **Specialty Catalysts** driven by emission control; stable development in **Syngas**; less fills in **Petrochemicals** despite continued good demand for CATOFIN™ resulting in strong Petrochemicals' growth in H1
- Sales in **Asia** were particularly strong; **Europe** and **North America** remained comparatively volatile, reflecting a normal project pattern

## Lower underlying EBITDA margin due to product mix and projects

- Absolute **EBITDA down by 5 % to a 19.0 %** reported margin as a result of product mix, project effects and timing of license income, yet **H1 2021 margin above prior year**
- Project nature of the business can lead to normal, significant profitability fluctuations; the fundamentals remain positive

# Second Quarter 2021 – NATURAL RESOURCES

<i>in CHF m</i>	<b>Q2 2021</b>	Q2 2020	% CHF	% LC <sup>1</sup>	H1 2021	H1 2020	% CHF	% LC <sup>1</sup>
<b>Sales</b>	427	369	+ 16	+ 17	832	819	+ 2	+ 4
<b>EBITDA</b>	72	30	+ 140		140	116	+ 21	
<b>EBITDA margin</b>	16.9 %	8.1 %			16.8 %	14.2 %		
EBITDA b.e.i. <sup>2</sup>	71	52	+ 37		140	138	+ 1	
EBITDA b.e.i. <sup>2</sup> margin	16.6 %	14.1 %			16.8 %	16.8 %		
<b>Sales Bridge</b> 	<b>Sales</b> + 16 %	<b>Price</b> + 2 %	<b>Volume</b> + 15 %	<b>Currency</b> - 1 %	<b>Sales</b> + 2 %	<b>Price</b> + 2 %	<b>Volume</b> + 3 %	<b>Currency</b> - 3 %

## Market Dynamics

- Improving mining business and sequential recovery in oil production volumes
- Ongoing recovery of global industrial sector, i.e., electrical and electronics (E&E) and automotive
- Raw material inflation with supply chain uncertainties

## Strong + 17 % LC<sup>1</sup> sales growth, expansion across all Business Units

- **Oil and Mining Services (OMS)** sales grew in low single digits. Oil Services returned to growth with significant sequential improvement; Mining Solutions increased in high-single-digits; strong sales expansion in OMS in the Americas
- **Functional Minerals (FM)** rapid sales growth exceeded the teen-range percentage as a result of the clear rebound in Foundry; Purification contributed positively to the overall significant improvement
- **Additives (ADD)** sales rose substantially with expansion in all regions and businesses as relevant end markets flourished (E&E, automotive)

## Substantial underlying EBITDA margin improvement by 250 basis points

- Absolute **EBITDA with a substantial 140 %** improvement to a **16.9 %** reported margin whereas operating leverage from strong growth, pricing measures, the efficiency programs and accretive mix more than mitigated raw material inflation

<sup>1</sup>local currency; <sup>2</sup>before exceptional items

# First Half Year 2021 – Key Financials

<i>in CHF m</i>	H1 2021		H1 2020	
<b>Continuing operations</b>				
Sales	<b>2 034</b>	<b>100.0 %</b>	1 945	100.0 %
EBITDA	<b>337</b>	<b>16.6 %</b>	292	15.0 %
EBITDA b.e.i. <sup>1</sup>	<b>346</b>	<b>17.0 %</b>	309	15.9 %
EBIT	<b>206</b>	<b>10.1 %</b>	154	7.9 %
EBIT b.e.i. <sup>1</sup>	<b>215</b>	<b>10.6 %</b>	172	8.8 %
ROIC <sup>2</sup>	<b>8.0 %</b>		7.0 %	
<b>Total Group</b>				
Net result total <sup>3</sup>	<b>157</b>		90	
Cash flow before changes in working capital and before taxes paid <sup>3</sup>	<b>397</b>		358	
Net operating cash flow <sup>3</sup>	<b>15</b>		89	
Capex (property, plant, and equipment) <sup>3</sup>	<b>130</b>		96	
Cash and cash equivalents at the end of the period <sup>3</sup>	<b>777</b>		964	

- 7 % LC sales growth and reported EBITDA up 15 %
- Higher **ROIC** of **8.0 %** due to an overproportionally increased operating profit (NOPLAT) on a 12-month rolling basis (including COVID-19 pandemic-affected H2 2020)
- First half 2021 total Group **net result** increased to CHF 157 m due to growth, improved profitability, lower exceptional and corporate cost
- **Cash flow before changes in working capital and before taxes paid** of CHF 397 m increased by CHF 39 m vs the first half of 2021 from the increase in operating profit
- Seasonally lower **operating cash flow of CHF 15 m** was negatively affected by CHF 316 m from growth driven higher net working capital as well as from cash out for the previously provisioned efficiency programs
- Growth investments in new plants (sunliquid® / CATOFIN™) resulted in higher expenditure in **property, plant, and equipment** of CHF 130 m

<sup>1</sup>before exceptional items; <sup>2</sup>Return on invested capital, 30.06.2021 (12-month rolling) vs. 31.12.2020 (FY); <sup>3</sup>including discontinued operations; net result from continuing operations CHF 107 m

# Outlook Q3 2021



## Care Chemicals

### Q3 2021 Outlook:

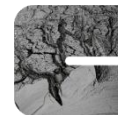
- Strong y-o-y sales growth in LC<sup>1</sup> driven by ongoing recovery in Industrial Applications, and contribution of established Joint Venture in India
- EBITDA margin below previous year high level, aiming to defend strong margin level sequentially despite raw material cost inflation and higher logistics cost



## Catalysis

### Q3 2021 Outlook:

- Moderate y-o-y sales growth in LC<sup>1</sup> while targeting sequentially flat levels
- EBITDA margin expected below previous year level and slight sequential decline due to product mix and project effects



## Natural Resources

### Q3 2021 Outlook:

- Strong y-o-y sales growth in LC<sup>1</sup> in all three Business Units; Business Area sequentially lower
- Margin improvement y-o-y despite raw material inflation while sequentially slightly lower margin development



## Group

### Q3 2021 Outlook:

- Strong LC<sup>1</sup> sales growth y-o-y
- Margin improvement y-o-y as a result of volume growth, pricing actions, and cost discipline while sequentially slightly lower margin development



# Full Year 2021 **OUTLOOK**



# Outlook FY 2021 increased

## External Factors

- Continued recovery of industrial applications and solid demand in consumer-facing applications
- Risk of rising raw material and logistics cost; supply chain uncertainties
- Broad COVID-19 vaccination rollout but increasing Delta strain risks

## FY 2021 Group

LC<sup>1</sup> **Sales** growth of 7 – 9 %<sup>2</sup>

**EBITDA** margin between  
16.0 – 17.0 %

Based on the assumption of a continued economic recovery while pandemic uncertainty remains high

## Internal Factors


- Continued execution of efficiency programs and cost discipline
- Ongoing pricing measures
- Innovation-driven specialty portfolio
- Growth investments and contribution of established Joint Venture in India

**Complete portfolio transformation towards a higher specialty value business**

**Save-the-date: Clariant Capital Market Day on 23 November 2021**

Second Quarter /  
First Half Year Results 2021  
**BACKUP SLIDES**

# Second Quarter 2021 – DISCONTINUED OPERATIONS

<i>in CHF m</i>	<b>Q2 2021</b>	Q2 2020	% CHF	% LC <sup>1</sup>	H1 2021	H1 2020	% CHF	% LC <sup>1</sup>
Sales	233	456	- 49	- 49	449	941	- 52	- 52
EBITDA	34	33	+ 3		58	67	- 13	
<b>EBITDA margin</b>	<b>14.6 %</b>	7.2 %			12.9 %	7.1 %		
EBITDA b.e.i. <sup>2</sup>	39	48	- 19		68	117	- 42	
<b>EBITDA b.e.i.<sup>2</sup> margin</b>	<b>16.7 %</b>	10.5 %			15.1 %	12.4 %		
<b>Sales Bridge</b> 	<b>Sales</b> - 49 %	<b>Price</b> 0 %	<b>Volume</b> - 49 %	<b>Currency</b> 0 %	<b>Sales</b> - 52 %	<b>Price</b> 0 %	<b>Volume</b> - 51 %	<b>Currency</b> - 1 %

Healthcare Packaging  Closed on 31 October 2019

Masterbatches  Closed on 1 July 2020

Pigments  Announced on 14 June 2021  
Closing expected for H1 2022

- **Q2 2020 reported** sales and EBITDA include the divested Masterbatches business
- Like-for-like (excl. Masterbatches in Q2 2020) organic Q2 2021 **discontinued sales (Pigments) increased by 17 %** in LC<sup>1</sup>, due to improved economic environment resulting in good demand in almost all regions, particularly in China
- **Discontinued EBITDA margin** increased due to higher sales levels, the corresponding operating leverage improvement, effective cost management optimization (~CHF 4 m additional cost savings delivered in Q2 2021) and project effects

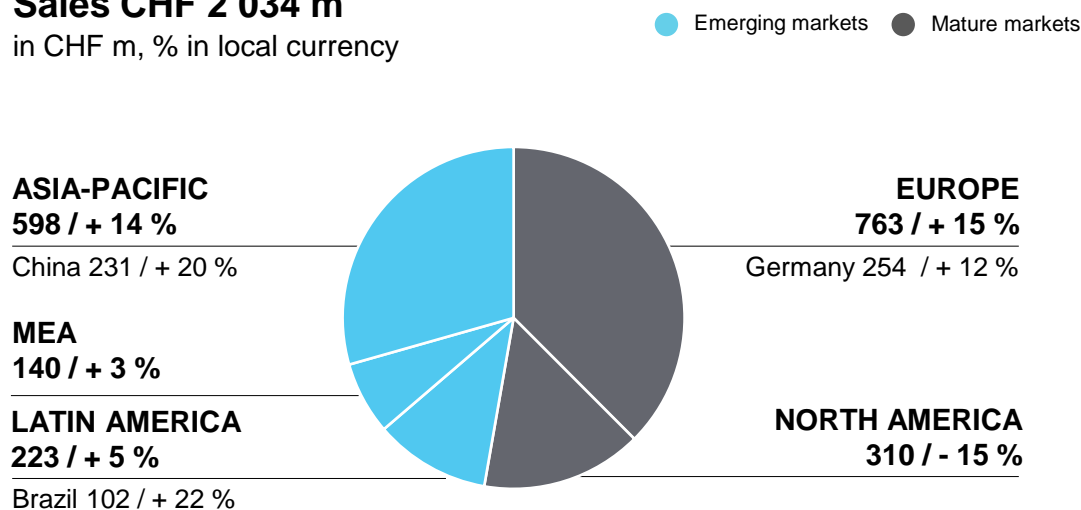
<sup>1</sup>local currency; <sup>2</sup>before exceptional items

# First Half Year 2021 – GROUP<sup>1</sup> OVERVIEW

## Geographic split

**Sales CHF 2 034 m**

in CHF m, % in local currency



- Strong growth in **Asia-Pacific** driven by continued economic expansion across all Business Areas versus a more COVID-19-affected H1 2020. **China** with a strong 20 % increase versus a COVID-19-affected comparison base in Q1 2020
- **Europe** with double-digit sales growth supported by a rebound in Industrial Applications and expansion in Additives and Functional Minerals. **Middle East & Africa** with slight growth reflected by higher sales in all Business Areas
- Decline in **North America** resulting from tough comparison base in Oil Services and Catalysis in H1 2020
- Sales growth in **Latin America** largely attributable to expansion in Care Chemicals and Additives, supported by strong development in Brazil

<sup>1</sup>continuing operations

# First Half Year 2021 – Consolidated Statements of Cash Flows

*All figures including discontinued operations*

<i>in CHF m</i>	H1 2021	H1 2020
Net result	157	90
Depreciation, amortization, and impairment	131	138
Payments for restructuring	-25	-11
Other	134	141
<b>Cash flow before changes in working capital</b>	<b>397</b>	<b>358</b>
Changes in working capital and provisions	-320	-221
Income taxes paid	-62	-48
<b>Net cash generated from operating cash flow</b>	<b>15</b>	<b>89</b>
<b>Cash flow from investing activities</b>	<b>60</b>	<b>199</b>
thereof: property, plant, and equipment	-130	-96
thereof: changes in current financial assets and short-term deposits	217	293
thereof: acquisitions, disposals, and other	-27	2
<b>Cash flow before financing</b>	<b>75</b>	<b>288</b>

- First half 2021 total Group **net result** increased to CHF 157 m due to growth, improved profitability, lower exceptional and corporate cost
- **Cash flow before changes in working capital and before taxes paid** of CHF 397 m increased by CHF 39 m vs the first half of 2021 from the increase in operating profit
- Seasonally lower **operating cash flow of CHF 15 m** was negatively affected by CHF 316 m from growth driven higher net working capital as well as from cash out for the previously provisioned efficiency programs
- Growth investments in new plants (sunliquid® / CATOFIN™) resulted in higher expenditure in **property, plant, and equipment** of CHF 130 m

## Second Quarter 2021 – Sales and EBITDA by Business Area

<i>in CHF m</i>	Sales to 3 <sup>rd</sup> parties			EBITDA <sup>3</sup>		
	2021	2020	% LC <sup>1</sup>	2021	2020	% CHF
<b>Care Chemicals</b>	<b>384</b>	<b>347</b>	+ 11 %	<b>77</b>	<b>51</b>	+ 51 %
<i>margin</i>				20.1 %	14.7 %	
<b>Catalysis</b>	<b>221</b>	<b>210</b>	+ 7 %	<b>42</b>	<b>44</b>	- 5 %
<i>margin</i>				19.0 %	21.0 %	
<b>Natural Resources</b>	<b>427</b>	<b>369</b>	+ 17 %	<b>72</b>	<b>30</b>	+ 140 %
<i>margin</i>				16.9 %	8.1 %	
<b>Business Areas Total</b>	<b>1 032</b>	<b>926</b>	+ 12 %	<b>191</b>	<b>125</b>	
Corporate	–	–		- 18	+ 10	
<b>Total Continuing Operations</b>	<b>1 032</b>	<b>926</b>	+ 12 %	<b>173</b>	<b>135</b>	+ 28 %
<i>margin</i>				<b>16.8 %</b>	<b>14.6 %</b>	
Discontinued	<b>233</b>	<b>456<sup>2</sup></b>	- 49 %	<b>34</b>	<b>33<sup>2</sup></b>	+ 3 %
<b>Total Group</b>	<b>1 265</b>	<b>1 382</b>	- 8 %	<b>207</b>	<b>168</b>	+ 23 %

<sup>1</sup>in local currency; <sup>2</sup>including divested Masterbatches business; <sup>3</sup>EBITDA before exceptional items Q2 2021 (Q2 2020): Group CHF 178 m / 17.2 % (CHF 146 m / 15.8 %), Care Chemicals CHF 77 m / 20.1 % (CHF 63 m / 18.2 %), Catalysis CHF 43 m / 19.5 % (CHF 50 m / 23.8 %), Natural Resources CHF 71 m / 16.6 % (CHF 52 m / 14.1 %), Discontinued Operations CHF 39 m / 16.7 % (CHF 48 m / 10.5 %)



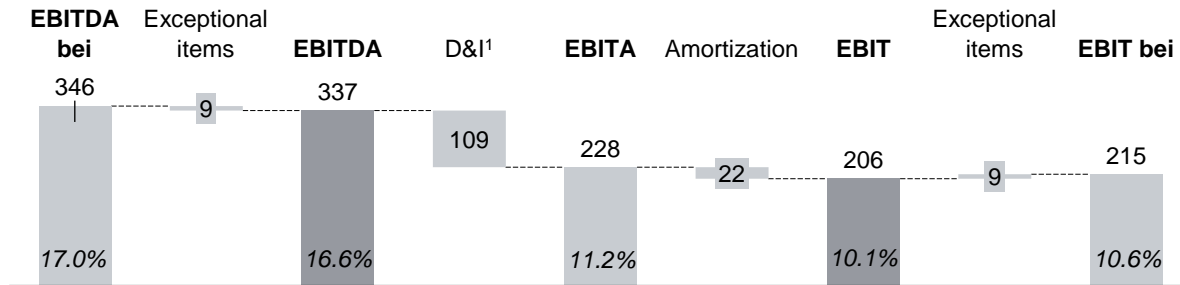
# First Half Year 2021 – Sales and EBITDA by Business Area

	Sales to 3 <sup>rd</sup> parties			EBITDA <sup>3</sup>		
<i>in CHF m</i>	2021	2020	% LC <sup>1</sup>	2021	2020	% CHF
<b>Care Chemicals</b>	<b>788</b>	<b>734</b>	+ 9 %	<b>157</b>	<b>120</b>	+ 31 %
<i>margin</i>				19.9 %	16.3 %	
<b>Catalysis</b>	<b>414</b>	<b>392</b>	+ 9 %	<b>80</b>	<b>68</b>	+ 18 %
<i>margin</i>				19.3 %	17.3 %	
<b>Natural Resources</b>	<b>832</b>	<b>819</b>	+ 4 %	<b>140</b>	<b>116</b>	+ 21 %
<i>margin</i>				16.8 %	14.2 %	
<b>Business Areas Total</b>	<b>2 034</b>	<b>1 945</b>	+ 7 %	<b>377</b>	<b>304</b>	
Corporate	–	–		- 40	- 12	
<b>Total Continuing Operations</b>	<b>2 034</b>	<b>1 945</b>	+ 7 %	<b>337</b>	<b>292</b>	+ 15 %
<i>margin</i>				<b>16.6 %</b>	<b>15.0 %</b>	
Discontinued	<b>449</b>	<b>941<sup>2</sup></b>	- 52 %	<b>58</b>	<b>67<sup>2</sup></b>	- 13 %
<b>Total Group</b>	<b>2 483</b>	<b>2 886</b>	- 12 %	<b>395</b>	<b>359</b>	+ 10 %

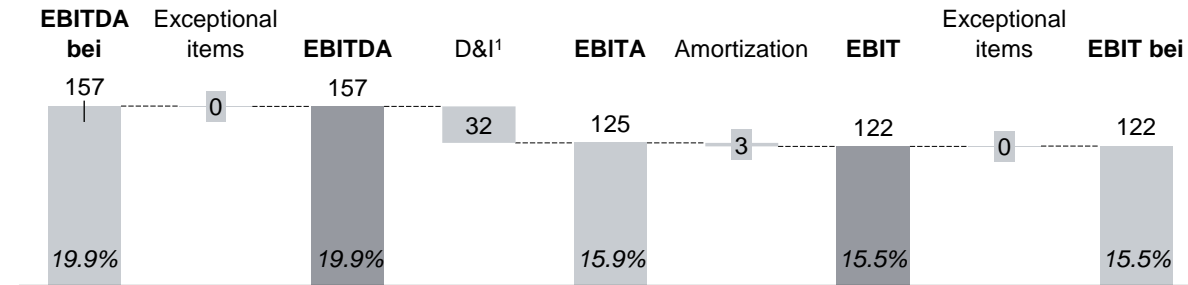
<sup>1</sup>in local currency; <sup>2</sup>including divested Masterbatches business; <sup>3</sup>EBITDA before exceptional items H1 2021 (H1 2020): Group CHF 346 m / 17.0 % (CHF 309 m / 15.9 %), Care Chemicals CHF 157 m / 19.9 % (CHF 133 m / 18.1 %), Catalysis CHF 81 m / 19.6 % (CHF 75 m / 19.1 %), Natural Resources CHF 140 m / 16.8% (CHF 138 m / 16.8 %), Discontinued Operations CHF 68 m / 15.1 % (CHF 117 m / 12.4 %)

# EBITDA / EBIT Bridge H1 2021

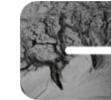
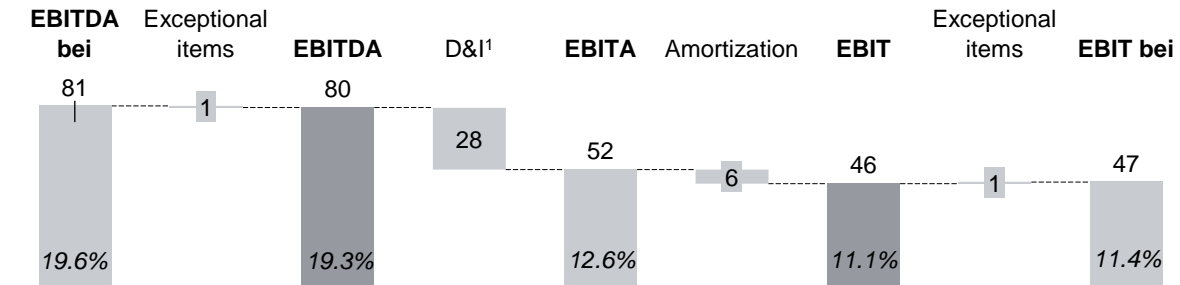
## Group continuing operations (CHF m)



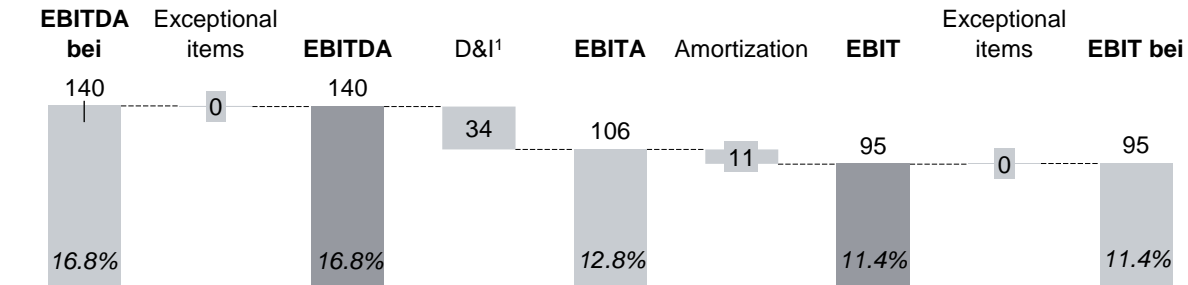
## Care Chemicals (CHF m)



## Catalysis (CHF m)



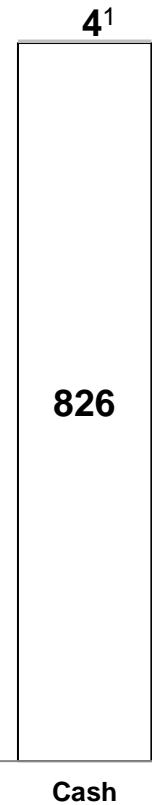
## Natural Resources (CHF m)



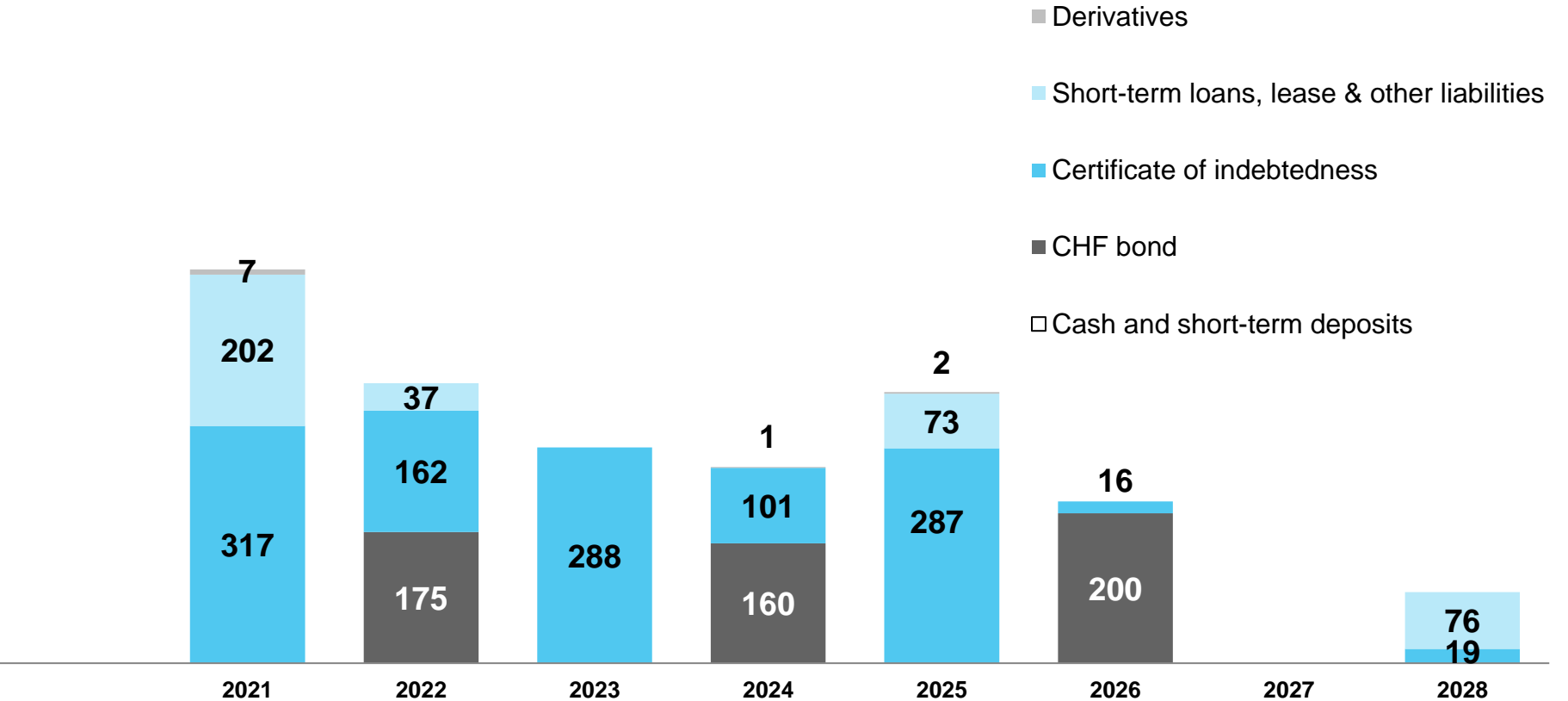
<sup>1</sup>Depreciation & Impairment

# Debt Maturity Profile as of 30 June 2021

## LIQUIDITY in CHF m



## FINANCIAL DEBT MATURITIES in CHF m



<sup>1</sup>financial derivatives with positive fair values reported under other current assets

# Three Business Areas – the Specialty Portfolio for Future Growth



## CARE CHEMICALS

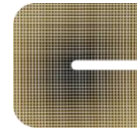
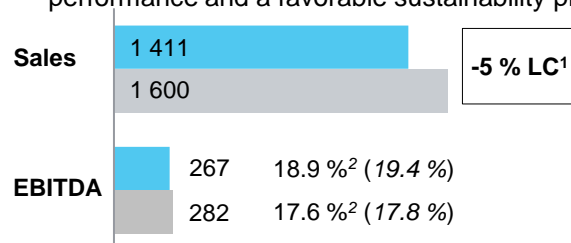
BA Care Chemicals has a clear focus on highly attractive, high-margin, and low-cyclical segments with **c. 2/3 of the business being consumer-facing** in Consumer Care and Industrial Applications.

### Customer Segments:

- Personal Care
- Home Care
- Crop Solutions
- Paints & Coatings
- Aviation
- Construction Chemicals
- Industrial Lubricants

### Business Driver:

- **Consumer lifestyle-driven – comfort & well-being**
- **Green and sustainable products**, based on **natural ingredients** (botanicals) free of harmful substances
- Global **nutrition** requirements (agriculture)
- **Reducing carbon footprint** and **responsible** production and consumption
- **Formulations solutions provider** with superior performance and a favorable sustainability profile



## CATALYSIS

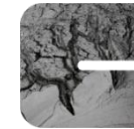
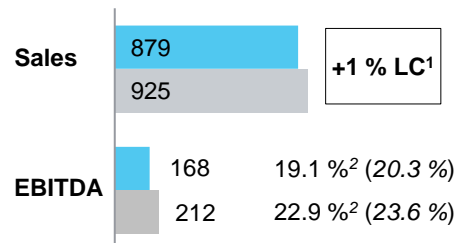
BA Catalysis includes BU Catalysts and BL Biofuels, contributing significantly to value creation in our customers' operations, ensuring that finite raw materials and **energy** are **used efficiently and effectively**, ensuring **quality and yield** of processes.

### Customer Segments:

- Chemical production (Petro, Olefin and Derivatives, Polyolefin, Industrial gases, Hydrogen, Refinery)
- Fuel processing
- Custom catalysts
- Second-generation biofuels
- Biochemical intermediates

### Business Driver:

- **Improving energy efficiency** in chemical production
- **Decarbonization of the transport sector**
- **Sustainable, emission-free mobility solutions**
- **Circular economy solutions** through the extensive use of renewable resources
- **Increasing legal requirements** for renewable energy sources



## NATURAL RESOURCES

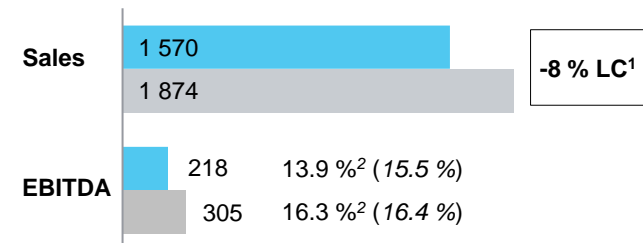
BA Natural Resources comprises the BU Oil and Mining Services, Functional Minerals, and Additives, adding value through enhanced **sustainability benefits** and by enabling circularity, supporting **recycling** solutions, and reducing customers' dependency on fossil resources, thereby achieving a **lower carbon footprint**.

### Customer Segments:

- Oil and Mining Services
- Functional Minerals
- Additives

### Business Driver:

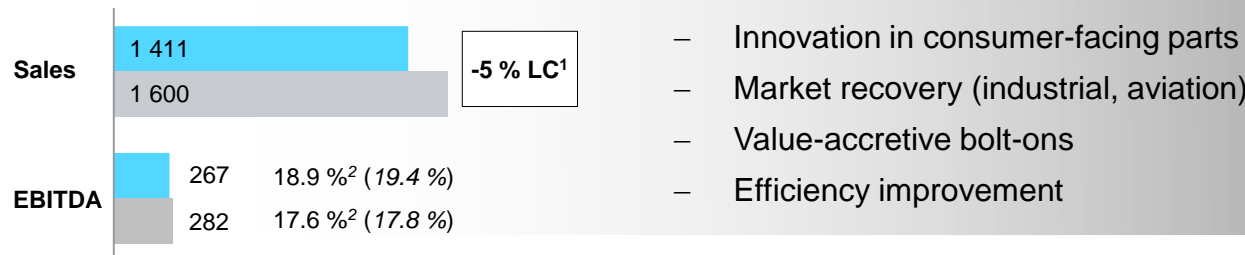
- **Stricter global chemical regulations and customer expectations** driving **sustainability** in oil, mining, and purification as well as **circularity** in plastics, coatings, and adhesives
- **Lightweight, sustainable fire safety and thermo-resistance requirements for digitalization and e-mobility**
- Consumer demand for **enhanced health and safety**



# A more focused, high-value specialty portfolio on its way towards its medium-term targets



## CARE CHEMICALS



Medium-term targets	
Sales growth expectation p.a.	5 – 7 %
EBITDA margin ambition	19 – 21 %



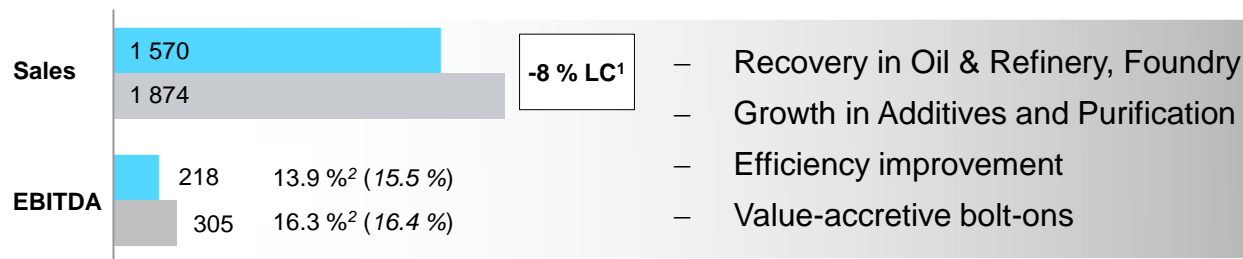
## CATALYSIS



Sales growth expectation p.a.	6 – 9 %
EBITDA margin ambition	26 – 30 %



## NATURAL RESOURCES



Sales growth expectation p.a.	5 – 7 %
EBITDA margin ambition	18 – 20 %

# Key CAPEX projects in 2021 to support medium-term targets

## Catalysis

### sunliquid® 2G biofuel plant

Podari, Romania

- Ramp-up of enzyme sales activity and licensing income
- Production of c. 50,000 tons p.a. of sunliquid® cellulosic ethanol
- Plant to be completed by the end of 2021



## Catalysis

### New CATOFIN™ plant

Jiaxing, Zhejiang Province, China

- In 2020, groundbreaking for new CATOFIN™ catalyst production facility in Jiaxing to support China's petrochemical industry's propane dehydrogenation (PDH) market
- Construction commenced in Q3 2020; full production capacity by 2022



## Additives

### New high-end stabilizer additives plant

Gangzhou, China

- Joint venture with Beijing Tiangang Auxiliary Co. Ltd. targeting growing Chinese demand for high-end process and light stabilizer additives
- Commencement of production in April 2021



**Clariant continues to invest in 2021 with CAPEX budget totaling ~CHF 400 m, with a medium-term run-rate in the amount of CHF 250 – 280 m**



# Add Value with Sustainability – Enabling a Sustainable Future

*With people passionate to change the world, leading edge operations, and innovative solutions*



## ENVIRONMENTAL progress

- **Stop climate change** with SBTi-conforming<sup>1</sup> targets:
  - 40 % CO<sub>2</sub> for scope 1&2 /
  - 14 % for scope 3 by 2030<sup>2</sup> and growing handprint
- **Minimize environmental footprint** with updated targets on water, wastewater, waste, and NOx

## SOCIAL progress

- **Leading in personal safety** – low Lost-Time Accident Rate/DART (Days Away, Restricted, or Transferred)
- Committed to **generating positive impact for society with safe and sustainable chemistry**

## GOVERNANCE progress

- Establishing the combined **Group Innovation & Sustainability (GIS)**
- Implementing **new governance tools** to steer CO<sub>2</sub> reduction
- Ensuring the highest compliance standards with an updated **Code of Ethics**



## UN SDGs with highest impact



<sup>1</sup>Science-Based Target initiative. Targets currently under review by the Science-Based Targets initiative (SBTi); <sup>2</sup>versus baseline 2019

# The Executive Committee



**CONRAD KEIJZER**  
Chief Executive Officer

**Responsibilities:**

Group Auditing (together with Chairman of the Audit Committee), Group Communications, Group Compliance, Group Human Resources, and Group Legal



**HANS BOHNEN**  
Executive Vice President &  
Chief Operating Officer

**Responsibilities:**

Business Line Biofuels & Derivatives, Business Units Catalysts and Industrial & Consumer Specialties, Group Operational Excellence, Group Procurement Services, and the regions Latin America and North America



**BERND HOEGEMANN**  
Executive Vice President &  
Chief Transformation Officer

**Responsibilities:**

Business Units Additives, Functional Minerals, Oil and Mining Services, and Pigments, Corporate Planning & Strategy, Group Innovation & Sustainability, Project Clariant 2021, and the region China and Asia-Pacific



**STEPHAN LYNEN**  
Executive Vice President &  
Chief Financial Officer

**Responsibilities:**

Corporate Accounting, Corporate Controlling, Corporate Mergers & Acquisitions, Corporate Tax, Corporate Treasury, Global Business Services, Group Finance Services, Group Investor Relations, Group Information Technology, and the region Europe, Middle East & Africa

# Calendar of Upcoming Corporate Events

28 October 2021

Third Quarter / Nine Months 2021 Reporting

23 November 2021

Clariant Capital Market Day 2021

16 February 2022

Full Year 2021 Reporting

01 April 2022

Annual General Meeting

---

# IR Contacts

**Andreas Schwarzwälder**  
Head of Investor Relations

Phone: +41 61 469 63 73

Email: [investor-relations@clariant.com](mailto:investor-relations@clariant.com)

**Maria Ivek**  
Senior Investor Relations Officer

**Alexander Kamb**  
Investor Relations Officer