

# Q<sup>3</sup>

# QUARTERLY STATEMENT

JAN – SEPT 2022

*Brenntag successfully continues its growth path in a still highly challenging macroeconomic environment*



Brenntag managed to **MAINTAIN SUPPLY** and continued to provide products and services to our customers due to our resilient business model, global presence and broad product portfolio



**SALES** stood at EUR 5.1 billion, an increase of 26.1% \* compared with the very strong Q3 2021



**OPERATING GROSS PROFIT** rose by 17.6% \* compared with the prior-year quarter to EUR 1,106.1 million



**OPERATING EBITDA** reached EUR 459.7 million, an increase of 22.1% \* compared with the already strong Q3 2021



**FREE CASH FLOW** increased by 121.0% compared with Q3 2021 to EUR 347.6 million due to our strong operational performance



Both divisions contributed to the positive performance in Q3 with operating EBITDA growth of 17.8% \* for **BRENNTAG SPECIALTIES** and **BRENNTAG ESSENTIALS'** growth rate of 30.4% \*



**EPS** stood at EUR 1.60 in the third quarter of 2022 compared with EUR 1.02 in the prior-year quarter

\* Growth rates are adjusted for translational FX-effects.

# KEY FINANCIAL FIGURES AT A GLANCE

## CONSOLIDATED INCOME STATEMENT

		Q3 2022	Q3 2021
Sales	EUR m	5,100.5	3,738.2
Operating gross profit	EUR m	1,106.1	862.3
Operating EBITDA	EUR m	459.7	342.9
Operating EBITDA/operating gross profit	%	41.6	39.8
Profit after tax	EUR m	248.8	161.0
Basic earnings per share	EUR	1.60	1.02
Diluted earnings per share	EUR	1.60	1.01

## CONSOLIDATED BALANCE SHEET

		Sep. 30, 2022	Dec. 31, 2021
Total assets	EUR m	12,529.0	10,195.5
Equity	EUR m	4,993.7	3,995.3
Working capital	EUR m	2,946.3	2,109.8
Net financial liabilities	EUR m	2,340.5	2,070.3

## CONSOLIDATED CASH FLOW

		Q3 2022	Q3 2021
Net cash provided by operating activities	EUR m	420.5	203.8
Payments to acquire intangible assets and property, plant and equipment	EUR m	-52.5	-35.7
Free cash flow	EUR m	347.6	157.3

## KEY DATA ON THE BRENNTAG SHARES

		Sep. 30, 2022	Dec. 31, 2021
Share price	EUR	62.38	79.58
No. of shares (unweighted)		154,500,000	154,500,000
Market capitalization	EUR m	9,638	12,295
Free float	%	100.00	100.00

# COMPANY PROFILE

Brenntag is the global market leader in chemical and ingredients distribution. The company plays a central role in connecting the chemical industry's customers and suppliers. Through its two global divisions, Brenntag Specialties and Brenntag Essentials, the company provides a full-line portfolio of industrial and specialty chemicals and ingredients as well as tailor-made application, marketing and supply chain solutions, technical and formulation support, comprehensive regulatory expertise and digital solutions for a wide range of industries.

Brenntag operates a global network spanning around 700 locations in 78 countries. With its workforce of over 17,200 employees, Brenntag generated sales of around EUR 14.4 billion in 2021.

## CONTENTS

<b>2</b>	<b>MAJOR EVENTS IMPACTING ON BUSINESS</b>	<b>13</b>	<b>SELECTED FINANCIAL INFORMATION</b>
<b>3</b>	<b>EVENTS AFTER THE REPORTING PERIOD</b>	14	Consolidated Income Statement
		15	Consolidated Balance Sheet
<b>4</b>	<b>RESULTS OF OPERATIONS</b>	17	Consolidated Cash Flow Statement
		18	Key Financial Figures by Segment
<b>9</b>	<b>FINANCIAL POSITION</b>		
<b>11</b>	<b>FINANCIAL AND ASSETS POSITION</b>	<b>22</b>	<b>FINANCIAL CALENDAR</b>
<b>12</b>	<b>OUTLOOK</b>		

## MAJOR EVENTS IMPACTING ON BUSINESS

The first nine months of 2022 were impacted significantly by the Ukraine war. Brenntag strongly condemns Russia's attack on Ukraine and the war. The resulting economic sanctions and the geopolitical uncertainty are having direct and indirect effects on international trade. Against this background, the Board of Management of Brenntag SE took the decision at the beginning of March 2022 to suspend all imports to and exports from Russia and Belarus. The Board of Management also decided to halt the business operations of all Brenntag companies in Russia and Belarus. The decisions are valid until further notice and were implemented in a controlled manner.

Brenntag continues to closely monitor the situation and developments in the region, as well as international measures, so that it can take further measures if necessary.

In March 2022, Brenntag acquired Y.S. Ashkenazi Agencies Ltd. located at kibbutz Netzer Sereni, Israel and its subsidiary Biochem Trading 2011 Ltd. The acquirees generated sales of around EUR 39 million in financial year 2021. Brenntag is thus continuing to expand its offering of specialty products and services for suppliers and customers in the high-growth Food & Nutrition and Personal Care markets and breaking into the Israeli market.

At the beginning of April 2022, the contract with Dr Christian Kohlpaintner was extended until the end of 2025. The Supervisory Board thus provided early confirmation that Dr Christian Kohlpaintner will remain in post as Chief Executive Officer of Brenntag SE for a further three years, paving the way for continuity in the company's ongoing transformation.

In August 2022, Brenntag acquired all shares in Prime Surfactants Limited and its subsidiary Prime Example Ltd based in Leeds, UK. The acquiree generated sales of around GBP 17 million in financial year 2021. Having established a leading position in surfactants in the UK personal care market, Prime Surfactants Limited is a good addition to Brenntag Specialties' Personal Care and HI&I business unit.

Also in August 2022, Brenntag closed its first promissory note (Schuldschein) transaction for around EUR 640 million. The promissory notes were issued by parent company Brenntag SE and comprise a total of seven tranches with tenors of three, five and seven years and carrying both floating and fixed interest rates. Alongside euro-denominated tranches totalling EUR 390 million, the company also issued US dollar-denominated tranches totalling USD 250 million. Brenntag will use the proceeds from the promissory notes to fund its general business development.

### *Update on the Transformation Programme "Project Brenntag"*

Our broad transformation programme "Project Brenntag" aims to lay strong foundations for future sustainable organic earnings growth. It is centred around targeted measures to enable us to adopt a more focused approach to our market activities, build stronger partnerships with our customers and suppliers, and reduce complexity. Since inception and by the end of September 2022, "Project Brenntag" has contributed EUR 230 million of additional annualized operating EBITDA, which is already beyond the Financial Year 2023 target of EUR 220 million. All initiatives of the program are well on track: 91 sites across all regions are closed and around 1,200 jobs have been structurally reduced in a socially responsible manner. Brenntag expects additional financial contributions from the remaining "Project Brenntag" initiatives to materialize in 2023. The final impact of these measures will be incorporated in the next chapter of Brenntag's transformation.

## EVENTS AFTER THE REPORTING PERIOD

At the end of October 2022, Brenntag acquired all shares in Globe Chemical, LLC d/b/a Tech Management, a leading solutions provider for proprietary formulations and on-site services directly to operators in the energy sector in the Permian Basin. This is the largest energy producing region in North America, fostering Brenntag's resilience in this market against the background of shifts on the global energy market and will accelerate the creation of a dedicated energy service platform. The company has its headquarters and blending facility located in Odessa, Texas, USA, with ten additional operating facilities in West Texas, New Mexico and Oklahoma. The acquired business had sales of USD 85 million in the financial year 2021.

# RESULTS OF OPERATIONS

## Business Performance of the Brenntag Group

in EUR m	Q3 2022	Q3 2021	Change	
			in %	in % (fx adj.) <sup>1)</sup>
Sales	5,100.5	3,738.2	36.4	26.1
Operating gross profit	1,106.1	862.3	28.3	17.6
Operating expenses	-646.4	-519.4	24.5	14.6
<b>Operating EBITDA</b>	<b>459.7</b>	<b>342.9</b>	<b>34.1</b>	<b>22.1</b>
Depreciation of property, plant and equipment and right-of-use assets	-76.2	-65.1	17.1	7.8
Operating EBITA	383.5	277.8	38.0	25.4
Net expense from special items	10.3	-15.4	-	-
EBITA	393.8	262.4	-	-
Amortization of intangible assets	-17.0	-15.8	-	-
Net finance costs	-40.0	-17.3	-	-
Profit before tax	336.8	229.3	-	-
Income tax expense	-88.0	-68.3	-	-
Profit after tax	248.8	161.0	-	-

in EUR m	9M 2022	9M 2021	Change	
			in %	in % (fx adj.) <sup>1)</sup>
Sales	14,694.8	10,340.8	42.1	34.0
Operating gross profit	3,288.8	2,465.5	33.4	25.2
Operating expenses	-1,832.3	-1,467.2	24.9	17.3
<b>Operating EBITDA</b>	<b>1,456.5</b>	<b>998.3</b>	<b>45.9</b>	<b>36.7</b>
Depreciation of property, plant and equipment and right-of-use assets	-216.3	-191.9	12.7	6.1
Operating EBITA	1,240.2	806.4	53.8	44.0
Net expense from special items	4.1	-104.1	-	-
EBITA	1,244.3	702.3	-	-
Amortization of intangible assets	-53.2	-91.7	-	-
Net finance costs	-102.2	-49.2	-	-
Profit before tax	1,088.9	561.4	-	-
Income tax expense	-292.0	-163.0	-	-
Profit after tax	796.9	398.4	-	-

### A.01 BUSINESS PERFORMANCE OF THE BRENNTAG GROUP

<sup>1)</sup> Change in % (fx adj.) is the percentage change on a constant currency basis.

The Brenntag Group generated **sales** of EUR 5,100.5 million in the third quarter of 2022, an increase of 36.4% compared with the prior-year period. On a constant currency basis, sales were up by 26.1% on the prior-year figure. The rise is due in particular to significantly higher sales prices per unit.

The Brenntag Group increased its **operating gross profit** by 28.3% year on year to EUR 1,106.1 million in the third quarter of 2022. On a constant currency basis, this represents a significant rise of 17.6%. Both divisions contributed to this extremely positive performance at operating gross profit level. The increase in operating gross profit is due mostly to organic growth in our business, but was also supported by the acquisitions closed.

The Brenntag Group's **operating expenses** amounted to EUR 646.4 million in the third quarter of 2022, a rise of 24.5% year on year. On a constant currency basis, operating expenses were up by 14.6% on the prior-year figure. The rise in costs is due in part to strong increases in energy and transport costs as well as higher personnel expenses.

The Brenntag Group once again achieved very strong **operating EBITDA** of EUR 459.7 million in the third quarter of 2022, a year-on-year increase of 34.1%, or 22.1% on a constant currency basis. The Brenntag Group's growth is predominantly organic and due to strong increases in earnings in both of the divisions, with the growth rate in the Brenntag Essentials division above that in the Brenntag Specialties division. Global supply chains remained very strained and the trend in energy prices, driven primarily by Russia's war of aggression in Ukraine, posed an additional challenge for international trade. In this still very difficult market environment, our close relationships with our customers and suppliers, our broad product portfolio and our global logistics expertise paid off again.

**Depreciation** of property, plant and equipment, depreciation of right-of-use assets and **amortization** of intangible assets amounted to EUR 93.2 million in the third quarter of 2022, with depreciation of property, plant and equipment and right-of-use assets accounting for EUR 76.2 million and amortization of intangible assets for EUR 17.0 million.

**Net expense from special items** breaks down as follows:

in EUR m	Q3 2022	Q3 2021
Expenses in connection with "Project Brenntag" and other strategic projects	-13.6	-3.6
Reversal of provisions for excise duties	13.1	-
Reversal/addition of provision for possible breaches of export control regulations	10.8	-11.8
<b>Net expense from special items</b>	<b>10.3</b>	<b>-15.4</b>

in EUR m	9M 2022	9M 2021
Expenses in connection with "Project Brenntag" and other strategic projects	-19.8	-29.2
Reversal/addition of provisions for excise duties	13.1	-63.1
Reversal/addition of provision for possible breaches of export control regulations	10.8	-11.8
<b>Net expense from special items</b>	<b>4.1</b>	<b>-104.1</b>

#### A.02 NET EXPENSE FROM SPECIAL ITEMS

The expenses in connection with "Project Brenntag" consist mainly of advisory and one-time expenses necessary in order to achieve the desired target structure.

An initial tax decision notice and an enforceable demand for payment of energy tax were received in relation to provisions recognized in the previous year for excise duties. This notice led to a lower-than-expected tax liability. The reversal of the relevant provisions resulted in other operating income of EUR 13.1 million.

For the provisions recognized in the previous year for possible breaches of export control regulations, a partial decision was issued by the authorities, resulting in a reversal of the provision in the amount of EUR 10.8 million.

**Net finance costs** came to EUR 40.0 million in the third quarter of 2022 (Q3 2021: EUR 17.3 million), with the year-on-year change attributable mainly to three effects. Firstly, net interest expense of EUR 26.1 million showed a clear increase on the prior-year period (Q3 2021: EUR 15.2 million) due to the generally higher level of interest rates and increased debt. In addition, expenses arising on the translation of foreign currency receivables and liabilities rose year on year due primarily to generally higher currency fluctuations. Lastly, the classification of Turkey as a hyperinflationary economy increased net finance costs by EUR 4.3 million.

In line with the positive business performance, **income tax expense** rose by EUR 19.7 million year on year to EUR 88.0 million in the third quarter of 2022.

**Profit after tax** stood at EUR 248.8 million in the third quarter of 2022 (Q3 2021: EUR 161.0 million).



## Business Performance in the Divisions and Segments

in EUR m	Operating gross profit			Operating EBITDA <sup>1)</sup>		
	Q3 2022	Change versus Q3 2021		Q3 2022	Change versus Q3 2021	
		in %	in % (fx adj.)		in %	in % (fx adj.)
<b>Brenntag Specialties</b>	<b>420.0</b>	<b>25.6</b>	<b>16.8</b>	<b>193.4</b>	<b>26.5</b>	<b>17.8</b>
Specialties EMEA	169.4	14.3	16.0	75.1	8.7	11.2
Specialties Americas	179.5	39.6	19.9	82.9	47.2	26.6
Specialties APAC	71.1	23.7	11.3	35.4	24.2	11.0
<b>Brenntag Essentials</b>	<b>679.3</b>	<b>30.6</b>	<b>18.6</b>	<b>303.1</b>	<b>44.1</b>	<b>30.4</b>
Essentials EMEA	237.8	26.3	25.5	115.2	62.5	61.3
Essentials North America	365.7	36.4	17.3	165.4	40.2	20.2
Essentials Latin America	46.5	24.0	8.5	14.8	22.3	7.6
Essentials APAC	29.3	11.4	–	8.5	–12.4	–21.9
<b>All other Segments</b>	<b>6.8</b>	<b>–12.8</b>	<b>–12.8</b>	<b>–36.8</b>	<b>81.3</b>	<b>79.9</b>
<b>Brenntag Group</b>	<b>1,106.1</b>	<b>28.3</b>	<b>17.6</b>	<b>459.7</b>	<b>34.1</b>	<b>22.1</b>

in EUR m	Operating gross profit			Operating EBITDA <sup>1)</sup>		
	9M 2022	Change versus 9M 2021		9M 2022	Change versus 9M 2021	
		in %	in % (fx adj.)		in %	in % (fx adj.)
<b>Brenntag Specialties</b>	<b>1,307.6</b>	<b>41.0</b>	<b>34.2</b>	<b>642.9</b>	<b>54.1</b>	<b>47.7</b>
Specialties EMEA	567.0	28.7	30.0	283.4	37.7	40.5
Specialties Americas	515.8	59.9	42.8	237.2	84.6	65.0
Specialties APAC	224.8	36.9	27.0	121.8	45.5	34.6
<b>Brenntag Essentials</b>	<b>1,954.8</b>	<b>29.0</b>	<b>19.9</b>	<b>895.9</b>	<b>41.2</b>	<b>31.1</b>
Essentials EMEA	718.5	21.3	20.4	353.1	43.8	42.6
Essentials North America	1,003.8	37.3	22.4	457.5	44.7	28.9
Essentials Latin America	137.8	25.3	12.0	50.6	28.1	14.7
Essentials APAC	94.7	14.8	4.9	35.6	0.8	–7.5
<b>All other Segments</b>	<b>26.4</b>	<b>18.9</b>	<b>18.9</b>	<b>–82.3</b>	<b>54.1</b>	<b>54.1</b>
<b>Brenntag Group</b>	<b>3,288.8</b>	<b>33.4</b>	<b>25.2</b>	<b>1,456.5</b>	<b>45.9</b>	<b>36.7</b>

### A.03 BUSINESS PERFORMANCE IN THE DIVISIONS AND SEGMENTS

<sup>1)</sup> The difference between the sum total of the reportable segments and a particular division is the result of central activities which are part of the division but not directly attributable to any one segment.

Operating gross profit in the **Brenntag Specialties division** was up by 25.6% on the prior-year figure to EUR 420.0 million in the third quarter of 2022. On a constant currency basis, it showed a rise of 16.8%. We benefited primarily from substantially higher operating gross profit per unit in all segments. This broad-based, positive performance at operating gross profit level was supported by almost all focus industries. The focus industries in Life Science performed especially well.

Overall, the Brenntag Specialties division posted operating EBITDA of EUR 193.4 million in the third quarter of 2022, an increase of 26.5% (on a constant currency basis: 17.8%) on the prior-year figure. All segments of the Brenntag Specialties division contributed to this very encouraging result. It was driven mostly by strong organic growth that was supported by the acquisitions closed, particularly in North America and China. In the Specialties Americas segment, operating EBITDA increased at a faster rate than operating gross profit. Although almost all segments saw rising energy and transport costs, we were able to achieve significant rates of growth throughout.

Operating gross profit in the **Brenntag Essentials division** rose by 30.6% year on year to EUR 679.3 million in the third quarter of 2022. On a constant currency basis, operating gross profit was up by 18.6% on the prior-year figure. This performance is due to significantly higher operating gross profit per unit in almost all segments. In addition, higher volumes were achieved in the North America segment. In EMEA in particular, we were able to contain the negative effects of rising costs through good price management. Almost all segments showed strong rates of growth in operating gross profit in the third quarter of 2022. The difficulties in global supply chains, which were reflected in container shortages and lack of driver availability, for example, continued to impact negatively on business operations.

Operating EBITDA in the Brenntag Essentials division came to EUR 303.1 million in the third quarter of 2022, a rise of 44.1% compared with the prior-year period. On a constant currency basis, this represents growth of 30.4%. Operating EBITDA therefore increased at a faster rate than operating gross profit despite extremely high transport and energy costs and the aforementioned conditions in supply chains. The positive operating EBITDA performance in the EMEA, North America and Latin America segments is due almost entirely to organic growth. Operating EBITDA in the APAC segment was noticeably lower year on year due to falls in demand in all APAC regions, particularly in China.

In **“All other Segments”**, which also include the holding companies, we recorded a significant year-on-year rise in costs in the third quarter of 2022, due also to higher advisory expenses.

BRENNTAG International Chemicals GmbH, the only operating company within **“All other Segments”**, significantly exceeded prior-year operating EBITDA in the third quarter of 2022.

Overall, the operating EBITDA of **“All other Segments”** was down by EUR 16.5 million year on year to EUR –36.8 million in the third quarter of 2022.

# FINANCIAL POSITION

## Cash Flow

in EUR m	Q3 2022	Q3 2021	9M 2022	9M 2021
<b>Net cash provided by operating activities</b>	<b>420.5</b>	<b>203.8</b>	<b>554.0</b>	<b>283.8</b>
<b>Net cash used in investing activities</b>	<b>-76.6</b>	<b>-396.3</b>	<b>-160.3</b>	<b>-519.6</b>
of which payments to acquire consolidated subsidiaries, other business units and other financial assets	-29.7	-364.2	-30.4	-419.8
of which payments to acquire intangible assets and property, plant and equipment	-52.5	-35.7	-148.8	-109.9
of which proceeds from the disposal of non-current assets	5.6	3.6	18.9	10.1
<b>Net cash provided by financing activities</b>	<b>549.9</b>	<b>167.6</b>	<b>286.8</b>	<b>36.4</b>
of which dividends paid to Brenntag shareholders	-	-	-224.0	-208.6
of which proceeds from promissory notes	640.0	-	640.0	-
of which repayments of/proceeds from other borrowings	-86.3	185.2	-32.7	263.0
of which other financing activities	-3.8	-17.6	-96.5	-18.0
<b>Change in cash and cash equivalents</b>	<b>893.8</b>	<b>-24.9</b>	<b>680.5</b>	<b>-199.4</b>

### A.04 CASH FLOW

Due to the strong operating result, net cash provided by operating activities was well above the prior-year figure at EUR 420.5 million.

Of the net cash used in investing activities, EUR 52.5 million comprised payments to acquire intangible assets and property, plant and equipment. Payments to acquire consolidated subsidiaries and other business units mainly included the payment for Prime Surfactants Limited, Leeds, UK, which was acquired in August 2022.

The net cash of EUR 549.9 million provided by financing activities in the third quarter resulted in part from bank loans taken out and repaid as well as lease liabilities repaid, but above all from the cash inflow of EUR 640.0 million from promissory notes taken out at the end of August.

## Free Cash Flow

in EUR m	Q3 2022	Q3 2021	Change	
			abs.	in %
Operating EBITDA	459.7	342.9	116.8	34.1
Payments to acquire intangible assets and property, plant and equipment	-52.5	-35.7	-16.8	47.1
Change in working capital	-22.6	-114.2	91.6	-80.2
Principal and interest payments on lease liabilities	-37.0	-35.7	-1.3	3.6
<b>Free cash flow</b>	<b>347.6</b>	<b>157.3</b>	<b>190.3</b>	<b>121.0</b>

in EUR m	9M 2022	9M 2021	Change	
			abs.	in %
Operating EBITDA	1,456.5	998.3	458.2	45.9
Payments to acquire intangible assets and property, plant and equipment	-148.8	-109.9	-38.9	35.4
Change in working capital	-647.5	-443.0	-204.5	46.2
Principal and interest payments on lease liabilities	-106.3	-97.3	-9.0	9.2
<b>Free cash flow</b>	<b>553.9</b>	<b>348.1</b>	<b>205.8</b>	<b>59.1</b>

### A.05 FREE CASH FLOW

The Brenntag Group's free cash flow amounted to EUR 347.6 million in the third quarter of 2022, an increase of 121.0% on the same period of 2021.

## FINANCIAL AND ASSETS POSITION

in EUR m	Sep. 30, 2022		Dec. 31, 2021	
	abs.	in %	abs.	in %
<b>Assets</b>				
<b>Current assets</b>	<b>6,922.3</b>	<b>55.3</b>	<b>4,958.1</b>	<b>48.6</b>
of which trade receivables	3,029.5	24.2	2,290.2	22.5
of which inventories	2,019.8	16.1	1,621.9	15.9
<b>Non-current assets</b>	<b>5,606.7</b>	<b>44.7</b>	<b>5,237.4</b>	<b>51.4</b>
<b>Total assets</b>	<b>12,529.0</b>	<b>100.0</b>	<b>10,195.5</b>	<b>100.0</b>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>	<b>4,127.9</b>	<b>32.9</b>	<b>3,526.1</b>	<b>34.5</b>
of which trade payables	2,103.0	16.8	1,802.3	17.7
of which financial and lease liabilities	992.4	7.9	789.4	7.7
<b>Equity and non-current liabilities</b>	<b>8,401.1</b>	<b>67.1</b>	<b>6,669.4</b>	<b>65.5</b>
of which financial and lease liabilities	2,786.2	22.2	1,985.9	19.5
<b>Total liabilities and equity</b>	<b>12,529.0</b>	<b>100.0</b>	<b>10,195.5</b>	<b>100.0</b>

### A.06 FINANCIAL AND ASSETS POSITION

The cash portion of the change in working capital amounted to an outflow of EUR 647.5 million. At 7.5, annualized working capital turnover was lower than at the end of 2021 (8.3).

in EUR m	Sep. 30, 2022	Dec. 31, 2021
Liabilities under syndicated loan	601.1	518.6
Other liabilities to banks	256.0	165.2
Promissory notes (Schuldschein)	646.8	0.0
Bond 2025	597.3	598.2
Bond 2029	499.1	497.1
Bond (with Warrants) 2022	515.0	437.0
Derivative financial instruments	103.8	21.5
Other financial liabilities	116.3	92.1
<b>Total</b>	<b>3,335.4</b>	<b>2,329.7</b>
Lease liabilities	443.2	445.6
Cash and cash equivalents	1,438.1	705.0
<b>Net financial liabilities</b>	<b>2,340.5</b>	<b>2,070.3</b>

### A.07 NET FINANCIAL LIABILITIES

## OUTLOOK

Brenntag continues to operate in a market environment shaped by strained supply chains, the threat of supply bottlenecks, strong inflationary pressures and geopolitical uncertainty. We anticipate that these external effects will continue to cause considerable disruption on the supply and demand side for the foreseeable future. Against this background, all forecasts for the course of the global economy remain subject to higher-than-usual uncertainty. Oxford Economics currently predicts that the global economy, measured in terms of industrial production (IP), will deliver a positive performance in 2022. Weighted by the sales generated by Brenntag in the individual countries, this results in a forecast average real IP growth rate of 1.8% in 2022. In recent quarters, Brenntag has demonstrated the strength and robustness of its business model in uncertain times by delivering very good financial results.

For 2022, we initially forecast operating EBITDA of between EUR 1,450.0 million and EUR 1,550.0 million. On June 13, 2022, the Board of Management of Brenntag SE decided to raise this forecast range to between EUR 1,750.0 million and EUR 1,850.0 million. The forecast takes into account the efficiency improvement anticipated in the course of implementing the measures resulting from "Project Brenntag" as well as the contributions to earnings from acquisitions already closed. It also reflects our expectation that we will continue to anticipate very challenging market conditions in the second half of 2022. Our forecast is based on the assumption at the date of the forecast's publication that exchange rates will remain stable. We confirm the forecast range revised on June 13, 2022. Due to our current earnings performance, we continue to expect operating EBITDA to be in the upper range of this forecast.



# SELECTED FINANCIAL INFORMATION

AS AT SEPTEMBER 30, 2022

13 — 23

## CONSOLIDATED INCOME STATEMENT

in EUR m	Jan. 1– Sep. 30, 2022	Jan. 1– Sep. 30, 2021	Jul. 1– Sep. 30, 2022	Jul. 1– Sep. 30, 2021
Sales	14,694.8	10,340.8	5,100.5	3,738.2
Cost of materials	–11,406.0	–7,875.3	–3,994.4	–2,875.9
<b>Operating gross profit</b>	<b>3,288.8</b>	<b>2,465.5</b>	<b>1,106.1</b>	<b>862.3</b>
Other operating income	65.7	22.6	36.4	7.4
Personnel expenses	–1,005.9	–868.6	–353.3	–302.0
Depreciation and amortization	–269.5	–283.6	–93.2	–80.9
Impairment losses on trade receivables and other receivables	–10.3	–3.7	–3.1	–1.1
Other operating expenses	–877.7	–721.6	–316.1	–239.1
<b>Operating profit</b>	<b>1,191.1</b>	<b>610.6</b>	<b>376.8</b>	<b>246.6</b>
Share of profit or loss of equity-accounted investments	1.5	0.5	0.4	–0.1
Interest income	8.0	3.0	3.9	1.0
Interest expense	–73.7	–44.3	–30.0	–16.2
Change in liabilities relating to acquisition of non-controlling interests recognized in profit or loss	–8.1	–7.2	–2.8	–2.2
Loss on the net monetary position	–11.4	–	–3.7	–
Other net finance income/costs	–18.5	–1.2	–7.8	0.2
<b>Net finance costs</b>	<b>–102.2</b>	<b>–49.2</b>	<b>–40.0</b>	<b>–17.3</b>
<b>Profit before tax</b>	<b>1,088.9</b>	<b>561.4</b>	<b>336.8</b>	<b>229.3</b>
Income tax expense	–292.0	–163.0	–88.0	–68.3
<b>Profit after tax</b>	<b>796.9</b>	<b>398.4</b>	<b>248.8</b>	<b>161.0</b>
Attributable to:				
Shareholders of Brenntag SE	783.7	389.0	246.9	157.4
Non-controlling interests	13.2	9.4	1.9	3.6
<b>Basic earnings per share in euro</b>	<b>5.07</b>	<b>2.52</b>	<b>1.60</b>	<b>1.02</b>
<b>Diluted earnings per share in euro</b>	<b>5.07</b>	<b>2.51</b>	<b>1.60</b>	<b>1.01</b>

B.01 CONSOLIDATED INCOME STATEMENT



# CONSOLIDATED BALANCE SHEET

## ASSETS

in EUR m	Sep. 30, 2022	Dec. 31, 2021
<b>Current assets</b>		
Cash and cash equivalents	1,438.1	705.0
Trade receivables	3,029.5	2,290.2
Other receivables	286.4	230.1
Other financial assets	36.4	22.8
Current tax assets	109.7	84.0
Inventories	2,019.8	1,621.9
	<b>6,919.9</b>	<b>4,954.0</b>
Non-current assets held for sale	2.4	4.1
	<b>6,922.3</b>	<b>4,958.1</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,327.9	1,236.4
Intangible assets	3,637.6	3,358.8
Right-of-use assets	434.6	436.5
Equity-accounted investments	5.6	4.1
Other receivables	46.9	44.5
Other financial assets	25.2	26.1
Deferred tax assets	128.9	131.0
	<b>5,606.7</b>	<b>5,237.4</b>
<b>Total assets</b>	<b>12,529.0</b>	<b>10,195.5</b>

**CONSOLIDATED BALANCE SHEET**

**LIABILITIES AND EQUITY**

in EUR m	Sep. 30, 2022	Dec. 31, 2021
<b>Current liabilities</b>		
Trade payables	2,103.0	1,802.3
Financial liabilities	878.3	677.7
Lease liabilities	114.1	111.7
Other liabilities	681.9	573.1
Other provisions	166.5	187.3
Liabilities relating to acquisition of non-controlling interests	46.8	89.7
Current tax liabilities	137.3	84.3
	<b>4,127.9</b>	<b>3,526.1</b>
<b>Non-current liabilities</b>		
Financial liabilities	2,457.1	1,652.0
Lease liabilities	329.1	333.9
Other liabilities	5.2	6.5
Other provisions	163.5	146.6
Provisions for pensions and other post-employment benefits	97.9	183.3
Liabilities relating to acquisition of non-controlling interests	91.0	126.5
Deferred tax liabilities	263.6	225.3
	<b>3,407.4</b>	<b>2,674.1</b>
<b>Equity</b>		
Subscribed capital	154.5	154.5
Additional paid-in capital	1,491.4	1,491.4
Retained earnings	2,946.2	2,283.3
Accumulated other comprehensive income	349.8	-15.0
<b>Equity attributable to shareholders of Brenntag SE</b>	<b>4,941.9</b>	<b>3,914.2</b>
Equity attributable to non-controlling interests	51.8	81.1
	<b>4,993.7</b>	<b>3,995.3</b>
<b>Total liabilities and equity</b>	<b>12,529.0</b>	<b>10,195.5</b>

B.02 CONSOLIDATED BALANCE SHEET

## CONSOLIDATED CASH FLOW STATEMENT

in EUR m	Jan. 1– Sep. 30, 2022	Jan. 1– Sep. 30, 2021	Jul. 1– Sep. 30, 2022	Jul. 1– Sep. 30, 2021
<b>Profit after tax</b>	<b>796.9</b>	<b>398.4</b>	<b>248.8</b>	<b>161.0</b>
Effect of IAS 29 (hyperinflation) on profit after tax	8.9	–	1.7	–
Depreciation and amortization	268.6	283.6	92.8	80.9
Income tax expense	290.1	163.0	87.8	68.3
Income taxes paid	–259.4	–154.2	–90.3	–60.9
Net interest expense	64.8	41.3	25.6	15.2
Interest paid (netted against interest received)	–43.8	–33.6	–20.0	–15.0
<i>(of which interest paid for leases)</i>	<i>(–7.4)</i>	<i>(–8.1)</i>	<i>(–2.4)</i>	<i>(–2.5)</i>
Inventories	–256.8	–292.3	45.8	–88.6
Trade receivables	–556.3	–429.0	116.5	–10.7
Trade payables	165.6	278.3	–184.9	–14.9
<i>Changes in working capital</i>	<i>–647.5</i>	<i>–443.0</i>	<i>–22.6</i>	<i>–114.2</i>
Changes in other operating assets and liabilities	49.3	–16.9	84.4	37.6
Changes in provisions	–25.5	48.5	–19.6	28.9
Non-cash change in liabilities relating to acquisition of non-controlling interests	8.1	7.2	2.8	2.2
Other non-cash items and reclassifications	43.5	–10.5	29.1	–0.2
<b>Net cash provided by operating activities</b>	<b>554.0</b>	<b>283.8</b>	<b>420.5</b>	<b>203.8</b>
Proceeds from the disposal of other financial assets	0.6	2.6	0.5	1.2
Proceeds from the disposal of intangible assets and property, plant and equipment	18.3	7.5	5.1	2.4
Payments to acquire consolidated subsidiaries and other business units	–30.4	–419.8	–29.7	–364.2
Payments to acquire intangible assets and property, plant and equipment	–148.8	–109.9	–52.5	–35.7
<b>Net cash used in investing activities</b>	<b>–160.3</b>	<b>–519.6</b>	<b>–76.6</b>	<b>–396.3</b>
Repayments of liabilities relating to acquisition of non-controlling interests	–94.0	–16.5	–2.0	–16.5
Dividends paid to Brenntag shareholders	–224.0	–208.6	–	–
Dividends paid to non-controlling interests	–2.5	–1.5	–1.8	–1.1
Proceeds from borrowings	808.0	435.6	656.4	279.5
Repayments of lease liabilities	–98.9	–89.2	–34.6	–33.2
Repayments of borrowings	–101.8	–83.4	–68.1	–61.1
<b>Net cash provided by financing activities</b>	<b>286.8</b>	<b>36.4</b>	<b>549.9</b>	<b>167.6</b>
<b>Change in cash and cash equivalents</b>	<b>680.5</b>	<b>–199.4</b>	<b>893.8</b>	<b>–24.9</b>
Effect of exchange rate changes on cash and cash equivalents	52.6	17.1	29.3	6.1
Cash and cash equivalents at beginning of period	705.0	726.3	515.0	562.8
<b>Cash and cash equivalents at end of period</b>	<b>1,438.1</b>	<b>544.0</b>	<b>1,438.1</b>	<b>544.0</b>

B.03 CONSOLIDATED CASH FLOW STATEMENT

## KEY FINANCIAL FIGURES BY SEGMENT

Period from January 1 to September 30 in EUR m	Brenntag Specialties	Brenntag Essentials	All other Segments	<b>Group</b>
<b>External sales</b>				
2022	6,049.9	8,034.5	610.4	14,694.8
2021	4,319.8	5,599.2	421.8	10,340.8
fx adj. change in %	33.3	33.8	44.7	34.0
<b>Operating gross profit</b>				
2022	1,307.6	1,954.8	26.4	3,288.8
2021	927.5	1,515.8	22.2	2,465.5
fx adj. change in %	34.2	19.9	18.9	25.2
<b>Operating EBITDA (segment result)</b>				
2022	642.9	895.9	-82.3	1,456.5
2021	417.2	634.5	-53.4	998.3
fx adj. change in %	47.7	31.1	54.1	36.7
<b>Operating EBITA</b>				
2022	613.0	719.7	-92.5	1,240.2
2021	393.5	471.1	-58.2	806.4
fx adj. change in %	49.5	41.3	58.9	44.0

## B.04 RECONCILIATION OF THE REPORTABLE SEGMENTS TO THE GROUP 9M 2022/2021

**KEY FINANCIAL FIGURES BY SEGMENT**

Period from July 1 to September 30 in EUR m	Brenntag Specialties	Brenntag Essentials	All other segments	<b>Group</b>
<b>External sales</b>				
2022	2,061.6	2,847.3	191.6	5,100.5
2021	1,589.7	1,995.6	152.9	3,738.2
fx adj. change in %	20.8	30.3	25.4	26.1
<b>Operating gross profit</b>				
2022	420.0	679.3	6.8	1,106.1
2021	334.3	520.2	7.8	862.3
fx adj. change in %	16.8	18.6	-12.8	17.6
<b>Operating EBITDA (segment result)</b>				
2022	193.4	303.1	-36.8	459.7
2021	152.9	210.3	-20.3	342.9
fx adj. change in %	17.8	30.4	79.9	22.1
<b>Operating EBITA</b>				
2022	182.0	241.4	-39.9	383.5
2021	144.5	155.2	-21.9	277.8
fx adj. change in %	17.4	40.0	80.5	25.4

B.05 RECONCILIATION OF THE REPORTABLE SEGMENTS TO THE GROUP Q3 2022/2021

**KEY FINANCIAL FIGURES BY SEGMENT**

Period from January 1 to September 30 in EUR m	EMEA <sup>1)</sup>	Americas <sup>2)</sup>	APAC	Central activities <sup>3)</sup>	<b>Brenntag Specialties</b>
<b>External sales</b>					
2022	2,578.5	2,403.0	1,068.4	–	6,049.9
2021	2,046.5	1,513.6	759.7	–	4,319.8
fx adj. change in %	27.3	41.8	30.5	–	33.3
<b>Operating gross profit</b>					
2022	567.0	515.8	224.8	–	1,307.6
2021	440.7	322.6	164.2	–	927.5
fx adj. change in %	30.0	42.8	27.0	–	34.2
<b>Operating EBITDA (segment result)<sup>4)</sup></b>					
2022	283.4	237.2	121.8	0.5	642.9
2021	205.8	128.5	83.7	–0.8	417.2
fx adj. change in %	40.5	65.0	34.6	–171.4	47.7

**B.06 SEGMENT REPORTING ON THE GLOBAL SPECIALTIES DIVISION 9M 2022/2021**

<sup>1)</sup> Europe, Middle East & Africa.

<sup>2)</sup> North and Latin America.

<sup>3)</sup> Central activities which are part of Brenntag Specialties but not directly attributable to any one segment.

<sup>4)</sup> Segment operating EBITDA is calculated as segment EBITDA adjusted for holding charges and special items.

Period from July 1 to September 30 in EUR m	EMEA <sup>1)</sup>	Americas <sup>2)</sup>	APAC	Central activities <sup>3)</sup>	<b>Brenntag Specialties</b>
<b>External sales</b>					
2022	831.4	857.1	373.1	–	2,061.6
2021	701.0	605.0	283.7	–	1,589.7
fx adj. change in %	20.5	21.9	19.2	–	20.8
<b>Operating gross profit</b>					
2022	169.4	179.5	71.1	–	420.0
2021	148.2	128.6	57.5	–	334.3
fx adj. change in %	16.0	19.9	11.3	–	16.8
<b>Operating EBITDA (segment result)<sup>4)</sup></b>					
2022	75.1	82.9	35.4	–	193.4
2021	69.1	56.3	28.5	–1.0	152.9
fx adj. change in %	11.2	26.6	11.0	–100.0	17.8

**B.07 SEGMENT REPORTING ON THE GLOBAL SPECIALTIES DIVISION Q3 2022/2021**

<sup>1)</sup> Europe, Middle East & Africa.

<sup>2)</sup> North and Latin America.

<sup>3)</sup> Central activities which are part of Brenntag Specialties but not directly attributable to any one segment.

<sup>4)</sup> Segment operating EBITDA is calculated as segment EBITDA adjusted for holding charges and special items.

**KEY FINANCIAL FIGURES BY SEGMENT**

Period from January 1 to September 30 in EUR m	EMEA <sup>1)</sup>	North America	Latin America	APAC <sup>2)</sup>	Central activities <sup>3)</sup>	<b>Brenntag Essentials</b>
<b>External sales</b>						
2022	3,205.5	3,565.4	655.5	608.1	–	8,034.5
2021	2,305.0	2,322.9	454.2	517.1	–	5,599.2
fx adj. change in %	37.8	36.9	29.4	7.1	–	33.8
<b>Operating gross profit</b>						
2022	718.5	1,003.8	137.8	94.7	–	1,954.8
2021	592.1	731.2	110.0	82.5	–	1,515.8
fx adj. change in %	20.4	22.4	12.0	4.9	–	19.9
<b>Operating EBITDA (segment result)<sup>4)</sup></b>						
2022	353.1	457.5	50.6	35.6	–0.9	895.9
2021	245.5	316.2	39.5	35.3	–2.0	634.5
fx adj. change in %	42.6	28.9	14.7	–7.5	–55.0	31.1

**B.08 SEGMENT REPORTING ON THE GLOBAL ESSENTIALS DIVISION 9M 2022/2021**

<sup>1)</sup> Europe, Middle East & Africa.

<sup>2)</sup> Asia Pacific including the China and Hong Kong segment, which is presented separately internally.

<sup>3)</sup> Central activities which are part of Brenntag Essentials but not directly attributable to any one segment.

<sup>4)</sup> Segment operating EBITDA is calculated as segment EBITDA adjusted for holding charges and special items.

Period from July 1 to September 30 in EUR m	EMEA <sup>1)</sup>	North America	Latin America	APAC <sup>2)</sup>	Central activities <sup>3)</sup>	<b>Brenntag Essentials</b>
<b>External sales</b>						
2022	1,088.2	1,319.0	232.2	207.9	–	2,847.3
2021	772.5	882.3	166.7	174.1	–	1,995.6
fx adj. change in %	39.5	28.7	22.7	7.5	–	30.3
<b>Operating gross profit</b>						
2022	237.8	365.7	46.5	29.3	–	679.3
2021	188.3	268.1	37.5	26.3	–	520.2
fx adj. change in %	25.5	17.3	8.5	–	–	18.6
<b>Operating EBITDA (segment result)<sup>4)</sup></b>						
2022	115.2	165.4	14.8	8.5	–0.8	303.1
2021	70.9	118.0	12.1	9.7	–0.4	210.3
fx adj. change in %	61.3	20.2	7.6	–21.9	75.0	30.4

**B.09 SEGMENT REPORTING ON THE GLOBAL ESSENTIALS DIVISION Q3 2022/2021**

<sup>1)</sup> Europe, Middle East & Africa.

<sup>2)</sup> Asia Pacific including the China and Hong Kong segment, which is presented separately internally.

<sup>3)</sup> Central activities which are part of Brenntag Essentials but not directly attributable to any one segment.

<sup>4)</sup> Segment operating EBITDA is calculated as segment EBITDA adjusted for holding charges and special items.

# FINANCIAL CALENDAR

NOVEMBER

**NOV 10**

**2022**

Capital Markets Day 2022

MARCH

**MAR 8**

**2023**

Annual Report 2022

MAY

**MAY 10**

**2023**

Quarterly Statement Q1

The financial calendar is updated regularly. The latest dates can be found on our website at [www.brenntag.com/financial\\_calendar](http://www.brenntag.com/financial_calendar)



## ISSUER

Brenntag SE  
Corporate Investor Relations  
Messeallee 11  
45131 Essen, Germany  
Phone: +49 201 6496 2100  
Fax: +49 201 6496 2003  
E-Mail: [IR@brenntag.de](mailto:IR@brenntag.de)  
Internet: [www.brenntag.com](http://www.brenntag.com)

## DESIGN

MPM Corporate Communication Solutions  
Part of RYZE Digital  
Mombacher Straße 4  
55122 Mainz, Germany  
Phone: +49 61 31 95 69 0  
Fax: +49 61 31 95 69 112  
E-Mail: [info@mpm.de](mailto:info@mpm.de)  
Internet: [www.mpm.de](http://www.mpm.de)

## CONTACT

Brenntag SE  
Corporate Investor Relations  
Phone: +49 201 6496 2100  
Fax: +49 201 6496 2003  
E-Mail: [IR@brenntag.de](mailto:IR@brenntag.de)

### INFORMATION ON THE QUARTERLY STATEMENT

This translation is only a convenience translation. In the event of any differences, only the German version is binding. As part of our sustainability activities, we do not print the quarterly statement and publish it exclusively in digital form.

### INFORMATION ON ROUNDING

Due to commercial rounding, minor differences may occur when using rounded amounts or rounded percentages.

### DISCLAIMER

This report may contain forward-looking statements based on current assumptions and forecasts made by Brenntag SE and other information currently available to the company. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. Brenntag SE does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to adapt them in line with future events or developments.

### SUSTAINABILITY

Brenntag reports on sustainability and corporate citizenship in its Sustainability Reports. These can be found at: [www.brenntag.com/sustainability](http://www.brenntag.com/sustainability)