Polynt: 60 years of success in the chemicals industry

Corporate development timeline

- Combination with Reichhold

PCCR and CCP

- Trading companies in France (2012) and Spain (2013) started operations
- Acquisition of CCP Composites from Total

Investindustrial

- Polynt listing on the Milan Stock Exchange
- Investindustrial takes Polynt private
- Acquisition of Composites and Coating Resins business of Momentive Specialty Chemicals Inc. in USA by PCCR, a Polynt Group company

Foundation and initial growth of the business through acquisitions

- Acquisition of Distillerie Italiane S.p.A.
- Opening of FTALITAL complex, mainly dedicated to the production of Phthalic Anhydride used for synthetic materials

Over the mid-70’s, the company continues to grow through acquisitions

- Over the ‘80s the company continues to grow through acquisitions
- Opening of the Maleic Anhydride plant in Ravenna

Over the mid-70’s, the company (renamed Lonza S.p.A.) expanded its production capacity through acquisitions and construction of new industrial sites

- Lonza Group separates from Alusuisse and listed on the Zurich Stock Exchange
- 2001: acquisition of two Lonza companies based in Mielhen, Germany
- 2003: merger with two Lonza Group companies based in Italy
- 2005: opening of the Polish site

1955 - 2017

- 2001: acquisition of a Trimellitic Anhydride production site in China
- 2008: 2011: acquisition of Chemial It+UK
- 2013: Alusuisse S.A. acquires FTALITAL
- 2014: Investmentindustrial takes Polynt private
- 2017: completion of a new plant in Poland, producing Composites
- 2018: trading companies in France (2012) and Spain (2013) started operations
- 2019: acquisition of CCP Composites from Total
Integrated business model

Source: Group information

Notes:
1 BMC: Bulk Moulding Compounds; SMC: Sheet Moulding Compounds
# Product summary and end markets

## Products

<table>
<thead>
<tr>
<th>Coating and Composites</th>
<th>Specialties</th>
<th>Intermediates</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Unsaturated Polyester Resins (UPR)</td>
<td>• Special Anhydrides</td>
<td>• Maleic Anhydride (MA)</td>
</tr>
<tr>
<td>• Coating Resins</td>
<td>• Special Esters</td>
<td>• Phthalic Anhydride (PA)</td>
</tr>
<tr>
<td>• Gelcoat</td>
<td>• Special and General Purpose Plasticizers (SPP &amp; GPP)</td>
<td>• Trimellitic Anhydride (TMA)</td>
</tr>
<tr>
<td>• Thermoset Compounds (BMC/SMC)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Position

<table>
<thead>
<tr>
<th>Products</th>
<th>Specialties</th>
<th>Intermediates</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Worldwide in Composites</td>
<td>#1 Worldwide in Special Anhydrides</td>
<td>#1 in Europe in Trimellitic Anhydride, #2 worldwide</td>
</tr>
<tr>
<td></td>
<td>in worldwide in Special Esters and Trimellitic based SPP</td>
<td>• Co-leader in Europe in Maleic and Phthalic Anhydride</td>
</tr>
</tbody>
</table>

## Revenue 2019PF:

<table>
<thead>
<tr>
<th>Products</th>
<th>Specialties</th>
<th>Intermediates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue 2019PF: €1,603 mm$^1$</td>
<td>Revenue 2019PF: € 345 mm$^1$</td>
<td>Revenue 2019PF: € 95 mm$^1$</td>
</tr>
<tr>
<td>78.5%</td>
<td>16.9%</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

## % of total revenue

<table>
<thead>
<tr>
<th>Products</th>
<th>Specialties</th>
<th>Intermediates</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Batch production</td>
<td>• Batch production</td>
<td>• Key raw materials for the other 2 families</td>
</tr>
<tr>
<td>• Coating and composited are mainly used in transportation, electrical, construction, aerospace, automotive and marine industries</td>
<td>• Large number of formulations and applications</td>
<td>• Continuous production located in Europe</td>
</tr>
<tr>
<td></td>
<td>• Customisation, innovation, quality and service are distinctive features</td>
<td>• MA, PA markets have been rationalizing over the past few years</td>
</tr>
<tr>
<td></td>
<td>• Among leading manufacturers of Special Anhydrides and Special Esters (often sole manufacturer in Europe)</td>
<td>• TMA is a niche market globally</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Polynt is among the most efficient producers in MA, PA and owns its own Catalyst technology</td>
</tr>
</tbody>
</table>

## Source:
Group information

## Notes:

$^1$ Based on Polynt + Reichhold combined financials, internal consumption excluded
# Among leading global specialty players and producers of Composites worldwide

## Coating and Composites

### Unsaturated Polyester Resins (UPR)
- Consisting of reinforced and unreinforced plastics matrices
- Automotive, construction and wind industries

### Coating Resins
- Consisting of solvent-based and water-based paints (Alkyd, liquid Polyester, solution Acrylic Resins, Latex/powder polymer)
- Paints & Coatings, Construction and Transportation industries

### Gelcoat
- Compounding of UPR products and additives
- Marine, leisure and construction industries

### Thermoset Compounds
- BMC/SMC
- Transportation, construction and electrical industries

## Specialties

### Special Anhydrides
- Used for a range of specialty materials and pigments
- Electrical industries

### Special Esters
- Fragrances & cosmetics industries, Phthalates free SPPs

### Special Purpose Plasticizers (SPP)
- Transport, packaging, oil drilling, medical industries as well as other specific applications

### General Purpose Plasticizers (GPP)
- Used to provide polymers with high resistance to high/low temperature and chemical agents
- Transport, packaging, as well as other specific applications

## Intermediates

### Maleic Anhydride
- Raw material for the production of UPR, Alkyd Resins, Lube oil additives, Special Anhydride, powder coatings and Epoxy hardeners
- Co-leader in Europe

### Phthalic Anhydride
- Raw material for the production of UPR, coating Resins and GPPs
- Co-leader in Europe

### Trimellitic Anhydride
- Raw material for the production of SPPs, wire enamels, powder coatings, PVC additives and lubricant oils

## Competitors

### Among others
- AOC/Aliancys
- INEOS Enterprises
- IDI Composites International
- Interplastic
- Menzolit

### Among others
- Eastman
- BASF
- Dixie
- ESIM Chemicals
- Evonik
- Lanxess

### Among others
- Huntsman
- BASF
- ESIM Chemicals
- Stepan
- Lanxess
- INEOS Enterprises

---

Source: Group information
Revenues breakdown by end market

- Construction: 35%
- Transportation: 16%
- Housing appliances: 11%
- Electrical: 10%
- Wind Energy: 5%
- Marine: 5%
- Food, Feed & Tobacco: 3%
- Others: 15%
Sales by geography

- Americas: 43.0%
- Europe: 42.2%
- Asia: 13.8%
- Africa: 0.9%
- Oceania: 0.1%
Truly global participant, with presence in the Americas, Europe and Asia
## Financial highlights

<table>
<thead>
<tr>
<th></th>
<th>Pro-forma 2017</th>
<th>Actual 2018</th>
<th>Actual 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volumes sold to third parties (Ktons)</strong></td>
<td>1,117</td>
<td>1,077</td>
<td>1,050</td>
</tr>
<tr>
<td><strong>Revenues (€m)</strong></td>
<td>2,113</td>
<td>2,097</td>
<td>2,043</td>
</tr>
<tr>
<td><strong>EBITDA (€m)</strong></td>
<td>204</td>
<td>215</td>
<td>241</td>
</tr>
<tr>
<td><strong>EBITDA %</strong></td>
<td>9.7%</td>
<td>10.2%</td>
<td>11.8%</td>
</tr>
</tbody>
</table>
## Net Financial Position

Dec 31, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>303</td>
</tr>
<tr>
<td>Short term debts vs banks</td>
<td>(66)</td>
</tr>
<tr>
<td>Long term financial indebtedness</td>
<td>(537)</td>
</tr>
<tr>
<td>Net Debt (IFRS)</td>
<td>(300)</td>
</tr>
<tr>
<td>Leverage Ratio (Net Debt/EBITDA)</td>
<td>1.3</td>
</tr>
</tbody>
</table>