



Management Board Responsibility Statement  
Independent Auditors' Report  
Consolidated Financial Statements 2022



## Management Board Responsibility Statement

The Consolidated Financial Statements have been prepared by the Management Board of ALTANA AG, which is responsible for the completeness and accuracy of the information contained therein.

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the EU and in accordance with the requirements of German commercial law pursuant to section 315e of the German Commercial Code (HGB).

The information contained in the Consolidated Financial Statements and the Group Management Report is based on the information reported, in accordance with consistent guidelines in force throughout the Group by the companies included in the Consolidated Financial Statements. The integrity of the reporting process is safeguarded by effective internal control systems established at these companies under the direction of the Management Board. This assures a true and fair view of the performance and results of the Group and enables the Management Board to recognize potential investment risks and negative developments at an early stage and take appropriate countermeasures.

By resolution of the Annual General Meeting, the Chairman of the Audit Committee of the Supervisory Board appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft as independent auditors of the Consolidated Financial Statements. The auditors issued an unqualified Auditors' Report on the complete Consolidated Financial Statements and the Group Management Report. The Consolidated Financial Statements, the Group Management Report and the Auditors' Report have been made available to the Supervisory Board for detailed discussion. The report of the Supervisory Board is contained on pages 14 - 18 of the Corporate Report 2022.

To the best of our knowledge and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the net assets, financial position, and results of operations of the Group and the Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Wesel, Germany, February 24, 2023

ALTANA AG  
The Management Board

Martin Babilas

Dr. Tammo Boinowitz

Stefan Genten

## Independent Auditor's Report

To ALTANA Aktiengesellschaft, Wesel

### **Audit Opinions**

We have audited the consolidated financial statements of ALTANA Aktiengesellschaft, Wesel, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in shareholder's equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2022 and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of ALTANA Aktiengesellschaft for the financial year from January 1 to December 31, 2022. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

### **Basis for the Audit Opinions**

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we

have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

#### **Other Information**

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the statement of corporate governance pursuant to § 289f Abs. 4 HGB included in section “Declaration on Corporate Governance” of the group management report (disclosure on the quota for women on executive boards)
- the corporate governance report included in section “Declaration on Corporate Governance” of the group management report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

#### **Responsibilities of the Executive Directors and the Supervisory Board for the consolidated financial statements and the group management report**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting or misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group’s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

### **Auditor's Responsibilities for the Audit of the consolidated financial statements and of the group management report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present

the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to §315e Abs. 1 HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cologne, Germany, February 27, 2023

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Harald Wimmer  
German Public Auditor

ppa. Carsten Manthei  
German Public Auditor





## Consolidated Financial Statements

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## ALTANA Group Consolidated Income Statement

	Notes	2021	2022
in € thousand			
<b>Net sales</b>	4	<b>2,666,539</b>	<b>3,020,990</b>
Cost of sales	5	(1,722,839)	(2,052,117)
<b>Gross profit</b>		<b>943,700</b>	<b>968,873</b>
Selling and distribution expenses		(332,983)	(365,158)
Research and development expenses		(179,672)	(192,944)
General administration expenses		(118,561)	(131,711)
Other operating income	6	16,503	16,335
Other operating expenses	7	(6,146)	(7,846)
<b>Operating income (EBIT)</b>		<b>322,841</b>	<b>287,549</b>
Financial income	8	8,124	21,019
Financial expenses	9	(10,088)	(14,030)
<b>Financial result</b>		<b>(1,964)</b>	<b>6,989</b>
Income from at equity accounted investments		(45,833)	10,945
<b>Income before income taxes (EBT)</b>		<b>275,044</b>	<b>305,483</b>
Income taxes	10	(79,857)	(73,079)
<b>Net income (EAT)</b>		<b>195,187</b>	<b>232,404</b>
thereof attributable to non-controlling interests		1,889	2,930
thereof attributable to the shareholder of ALTANA AG		193,298	229,474

## ALTANA Group Consolidated Statement of Comprehensive Income

	2021	2022
in € thousand		
<b>Net income (EAT)</b>	<b>195,187</b>	<b>232,404</b>
Remeasurement of the net defined employee benefit obligation	22,875	83,993
Income taxes	(6,424)	(24,863)
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>16,451</b>	<b>59,130</b>
Translation adjustments	115,035	54,789
thereof attributable to non-controlling interests	920	(885)
Gains and losses from derivative financial instruments	(133)	
Change in fair value of derivative financial instruments	(16)	
Income taxes	46	
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>114,932</b>	<b>54,789</b>
<b>Other comprehensive income</b>	<b>131,383</b>	<b>113,919</b>
<b>Comprehensive income</b>	<b>326,570</b>	<b>346,323</b>
thereof attributable to non-controlling interests	2,813	2,048
thereof attributable to the shareholder of ALTANA AG	323,757	344,275

## ALTANA Group Consolidated Statement of Financial Position

<b>Assets</b>	Notes	Dec. 31, 2021	<b>Dec. 31, 2022</b>
in € thousand			
Intangible assets	12	995,368	986,190
Property, plant and equipment	13	997,904	1,012,279
Long-term investments	14	55,286	60,584
Investments in at equity accounted companies	15	47,241	83,574
Deferred tax assets	10	33,724	31,203
Other non-current assets	20	13,795	12,587
<b>Total non-current assets</b>		<b>2,143,318</b>	<b>2,186,417</b>
Inventories	16	511,475	616,493
Trade accounts receivable	17	473,434	487,551
Income tax refunds		15,895	33,486
Other current assets	20	133,378	131,847
Marketable securities	18	31,056	40,412
Short-term financial assets	19	67,518	7,158
Cash and cash equivalents		259,946	458,091
<b>Total current assets</b>		<b>1,492,702</b>	<b>1,775,038</b>
<b>Total assets</b>		<b>3,636,020</b>	<b>3,961,455</b>

<b>Liabilities, provisions and shareholders' equity</b>	Notes	Dec. 31, 2021	<b>Dec. 31, 2022</b>
in € thousand			
Share capital <sup>1</sup>		136,098	136,098
Additional paid-in capital		151,276	151,276
Retained earnings		2,263,645	2,482,246
Accumulated other comprehensive income		108,427	164,101
<b>Equity attributable to the shareholder of ALTANA AG</b>		<b>2,659,446</b>	<b>2,933,721</b>
Non-controlling interests		15,941	17,867
<b>Shareholders' equity</b>	21	<b>2,675,387</b>	<b>2,951,588</b>
Non-current debt	23	49,453	183,931
Employee benefit obligations	24	253,916	172,380
Other non-current provisions	25	29,645	29,023
Deferred tax liabilities	10	72,541	84,639
Other non-current liabilities	26	26,927	36,139
<b>Total non-current liabilities</b>		<b>432,482</b>	<b>506,112</b>
Current debt	23	12,846	21,677
Trade accounts payable		247,845	232,209
Current accrued income taxes		55,289	57,549
Other current provisions	25	131,096	111,196
Other current liabilities	26	81,075	81,124
<b>Total current liabilities</b>		<b>528,151</b>	<b>503,755</b>
<b>Total liabilities, provisions and shareholders' equity</b>		<b>3,636,020</b>	<b>3,961,455</b>

<sup>1</sup> Share capital consists of 136,097,896 no-par value registered shares.

## ALTANA Group Consolidated Statement of Changes in Shareholders' Equity

	Share capital issued			Retained earnings	
	Number of shares	Share capital	Additional paid-in capital	Retained earnings	Remeasurement of the net defined employee benefit obligation
in € thousand					
<b>Balance at Jan. 1, 2021</b>	<b>136,097,896</b>	<b>136,098</b>	<b>151,276</b>	<b>2,235,870</b>	<b>(131,970)</b>
Other comprehensive income					16,447
Net income (EAT)				193,298	
Change in reporting entities					
<b>Comprehensive income</b>				<b>193,298</b>	<b>16,447</b>
Dividends paid				(50,000)	
<b>Balance at Dec. 31, 2021</b>	<b>136,097,896</b>	<b>136,098</b>	<b>151,276</b>	<b>2,379,168</b>	<b>(115,523)</b>
Other comprehensive income					59,127
Net income (EAT)				229,474	
Change in reporting entities					
<b>Comprehensive income</b>				<b>229,474</b>	<b>59,127</b>
Dividends paid				(70,000)	
<b>Balance at Dec. 31, 2022</b>	<b>136,097,896</b>	<b>136,098</b>	<b>151,276</b>	<b>2,538,642</b>	<b>(56,396)</b>

Accumulated other comprehensive income			Non-controlling interests			
Derivative financial instruments	Translation adjustments	Equity attributable to the shareholder of ALTANA AG	Shareholders' equity	Translation adjustments	Shareholders' equity	
<b>103</b>	<b>(5,688)</b>	<b>2,385,689</b>	<b>17,750</b>	<b>(4,510)</b>	<b>2,398,929</b>	
(103)	114,310	130,654	4	920	131,578	
		193,298	1,889		195,187	
	(195)	(195)			(195)	
<b>(103)</b>	<b>114,115</b>	<b>323,757</b>	<b>1,893</b>	<b>920</b>	<b>326,570</b>	
		(50,000)	(112)		(50,112)	
	<b>108,427</b>	<b>2,659,446</b>	<b>19,531</b>	<b>(3,590)</b>	<b>2,675,387</b>	
	55,557	114,684	3	(885)	113,802	
		229,474	2,930		232,404	
	117	117			117	
	<b>55,674</b>	<b>344,275</b>	<b>2,933</b>	<b>(885)</b>	<b>346,323</b>	
		(70,000)	(122)		(70,122)	
	<b>164,101</b>	<b>2,933,721</b>	<b>22,342</b>	<b>(4,475)</b>	<b>2,951,588</b>	

## ALTANA Group Consolidated Statement of Cash Flows

	Notes	2021	2022
in € thousand			
<b>Net income (EAT)</b>		<b>195,187</b>	<b>232,404</b>
Depreciation and amortization of intangible assets and property, plant and equipment	12, 13	157,566	164,653
Impairment of intangible assets and property, plant and equipment	12, 13	1,325	
Change in fair value of financial assets and securities	8, 9	2,150	(921)
Net result from the disposal of intangible assets and property, plant and equipment	6, 7	(1,685)	(982)
Net result from the disposal of subsidiaries		(174)	117
Net result from the disposal of long-term investments and marketable securities	8, 9	(329)	(9,093)
Change in inventories	16	(153,379)	(96,430)
Change in trade accounts receivable	17	(54,032)	(9,895)
Change in income taxes	10	(14,242)	(29,960)
Change in provisions	24, 25	36,179	(19,938)
Change in trade accounts payable		53,396	(18,753)
Change in other assets and other liabilities	20, 26	(24,883)	9
Other	15	47,366	(9,585)
<b>Cash flow from operating activities</b>		<b>244,445</b>	<b>201,626</b>
Capital expenditure on intangible assets and property, plant and equipment	12, 13	(149,334)	(103,493)
Proceeds from the disposal of intangible assets and property, plant and equipment	12, 13	2,890	2,110
Acquisitions, net of cash acquired	3	(27,388)	
Purchase of long-term investments and investments in at equity companies	14, 15	(6,073)	(27,127)
Proceeds from the disposal of long-term investments and investments in at equity investments	14	31	14,548
Payments on long-term loans		(1,500)	(941)
Proceeds from long-term loans			25
Purchase of marketable securities	18	(7,775)	(24,740)
Proceeds from the disposal of marketable securities	8, 9	3,855	14,625
Proceeds from and payments for short-term financial assets <sup>1</sup>		(61,513)	60,531
<b>Cash flow from investing activities</b>		<b>(246,807)</b>	<b>(64,462)</b>

<sup>1</sup> There are no significant offsets included in the years reported.



	Notes	2021	2022
in € thousand			
Dividends paid		(50,112)	(70,122)
Proceeds from issuance of long-term debt	23		145,000
Proceeds from and payments on short-term debt <sup>1</sup>	23	(11,230)	(10,703)
<b>Cash flow from financing activities</b>		<b>(61,342)</b>	<b>64,175</b>
Effect of exchange rate changes		9,958	(3,194)
<b>Change in cash and cash equivalents</b>		<b>(53,746)</b>	<b>198,145</b>
Cash and cash equivalents as of January 1	2	313,692	259,946
<b>Cash and cash equivalents as of December 31</b>	2	<b>259,946</b>	<b>458,091</b>
<b>Additional information on cash flows included in the cash flows from operating activities</b>			
Income taxes paid		(105,317)	(123,972)
Interest paid		(1,189)	(1,815)
Income taxes received		8,139	7,587
Interest received		1,710	4,832
Dividends received		1,287	1,696

<sup>1</sup> There are no significant offsets included in the years reported.

## Notes to Consolidated Financial Statements

### 1. Basis of Presentation

The Consolidated Financial Statements of ALTANA AG and its subsidiaries (the "Company" or "ALTANA") as of December 31, 2022 are prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as endorsed by the EU, and in accordance with section 315e of the German Commercial Code (HGB). The Consolidated Financial Statements were authorized for issue by the Management Board on February 24, 2023 and should be approved by the Supervisory Board in the Supervisory Board meeting on March 16, 2023.

ALTANA as a worldwide specialty chemicals group focuses its core activities on demanding markets and customers who require individual solutions to problems. A significant portion of ALTANA's product and service portfolio comprises materials for the production of coatings, printing inks and plastics. In addition, printing inks and coatings for special applications, products for the 3D printing sector, insulating resins for the electrical and electronics industries, sealing compounds for packaging as well as measuring and testing instruments are also produced.

ALTANA AG is incorporated as a stock corporation ("Aktiengesellschaft") under the laws of the Federal Republic of Germany. The Company is registered in the Commercial Register of the district court in Duisburg under HRB 19496 and has its headquarters at Abelstrasse 43 in 46483 Wesel, Germany.

All amounts are reported in thousands of Euro if not stated otherwise. Rounding may result in minor deviations of totals and percentages.

### 2. Significant Accounting Policies

#### Consolidation

The Consolidated Financial Statements of the Company include 23 (prior year: 23) subsidiaries in Germany and 43 (prior year: 43) subsidiaries abroad, over which ALTANA either directly or indirectly exercises control. All consolidated subsidiaries either have the same reporting date or prepare interim financial statements as of the reporting date of the Company.

In 2022, in the BYK division one Chinese subsidiary was founded and one British subsidiary was liquidated in the ECKART division.

ALTANA holds 75.0 % of the listed company ELANTAS Beck India Ltd. (Beck India), Pune (IND). The remaining shares are free float. ALTANA holds 100 % interest in all other consolidated subsidiaries.

The following investments are accounted for by applying the equity method of accounting (see note 15): 39.0 % interest in Aldoro Indústria de Pós e Pigmentos Metálicos Ltda. (Aldoro), São Paulo (BRA) and 29.5 % (December 31, 2021: 33.3 %) interest in Landa Corporation Ltd. (Landa), Rehovot (ISR), (see note 15 for change in interest). On October 4, 2022, the 49.5 % interest in dp polar GmbH (dp polar), Eggenstein-Leopoldshafen was sold to 3D Systems GmbH (3D Systems), Mörfelden-Walldorf (see note 15). Part of the sales price was paid through the delivery of shares in the 3D Systems Corporation (3D Systems Corp.), Rock Hill, SC, U.S. (see note 15).

All intercompany balances and transactions are eliminated in consolidation. The financial statements of the consolidated subsidiaries are prepared in accordance with the Company's accounting policies.

The list of all consolidated companies and ALTANA's full ownership in accordance with section 313 (2) of the German Commercial Code (HGB) is part of the audited Consolidated Financial Statements published in the Federal Gazette (Bundesanzeiger). This list is also available on the internet at [www.altana.com](http://www.altana.com).

### New Accounting Pronouncements Endorsed by the EU

For 2022, no new Standards or Interpretations were issued that have an effect on ALTANA's current and from today's perspective also on subsequent Consolidated Financial Statements. ALTANA has not early adopted any new standards or interpretations.

### Foreign Currency

The Consolidated Financial Statements of ALTANA are expressed in Euro.

Financial statements of subsidiaries where the functional currency is a currency other than the Euro are translated using the functional currency principle. For these entities, assets and liabilities are translated using the middle rate at year end, while revenues and expenses are translated using the average exchange rates prevailing during the year. For one-off large transactions, income and expenses are translated using the exchange rate prevailing at the date of the transaction. Equity is translated at historical exchange rates. Adjustments for cumulative foreign currency translation fluctuations are excluded from profit or loss and are reported in other comprehensive income.

Transactions realized in foreign currencies are translated to the local currency using the exchange rate prevailing at the transaction dates. Transaction gains and losses that arise from exchange-rate fluctuations on transactions denominated in a currency other than the functional currency are generally included in other operating income or other operating expenses and, if they relate to the translation of financial assets or liabilities, in financial income or expenses.

The following table provides the exchange rates for ALTANA's most important currencies to the Euro:

		Spot rate		Average rate for the years ended Dec. 31	
		Dec. 31, 2021	Dec. 31, 2022	2021	2022
1 Euro					
Brazil	BRL	6.31	5.64	6.38	5.44
China	CNY	7.19	7.36	7.63	7.08
India	INR	84.23	88.17	87.44	82.69
Japan	JPY	130.38	140.66	129.88	138.03
Mexiko	MXN	23.14	20.86	23.99	21.19
Switzerland	CHF	1.03	0.98	1.08	1.00
U.S.	USD	1.13	1.07	1.18	1.05

### Basis for Presentation of the Consolidated Financial Statements

The Consolidated Financial Statements are generally prepared by applying the historical cost convention. Excluded from this principle are certain financial assets and liabilities (including

derivative instruments), assets held for sale, defined benefit obligations and obligations from employee incentive plans.

### **Revenue Recognition**

Revenues include all revenues realized in the ordinary course of business of ALTANA (see note 1). Since revenue is almost exclusively generated from product sales, for which the performance obligations are not fulfilled over time but at a specific point in time, revenue is also recognized at the point in time when control is transferred to the customer. Usually, control is transferred as soon as the products have been delivered to the agreed location and the risk, for example, of obsolescence and loss have passed to the customer and the customer has either accepted the products in accordance with the purchase agreement or ALTANA has obtained objective evidence that all acceptance criteria have been met. Revenue from these sales is recognized in the amount stated in the contract less estimated discounts in the form of customer bonuses and cash discounts. A corresponding refund liability is reported in other provisions (see note 25) and other liabilities (see note 26). Management's best estimate (expected value method) which is based on sales and agreed contractual conditions is used to determine the amount of the refund liability. Once payment has been received, revenue is adjusted for the actual payment. The payment of the transaction price is due in the short term. Prepayments from customers for which the performance obligation has not been fulfilled are recorded as contract liabilities and are reported in other liabilities (see note 26). Transaction prices attributable to unfulfilled or partially unfulfilled performance obligations at the end of a financial year relate to contracts with a maximum term of one year and are therefore not disclosed in accordance with IFRS 15, "Revenue from Contracts with Customers".

### **Research and Development Expenses**

In accordance with IAS 38, "Intangible Assets," research costs, defined as costs of original and planned research performed to gain new scientific or technical knowledge and understanding, are expensed as incurred. Development costs are defined as costs incurred to achieve technical and commercial feasibility. When the recognition criteria of IAS 38 are fulfilled, the directly attributable development costs are recognized as intangible assets. In the majority of the cases, the recognition criteria are not completely fulfilled due to the uncertainties regarding the commercialization of products inherent to the development of ALTANA's products.

### **Personnel and Interest Expenses**

The net interest expense from employee benefit obligations is reported under interest expense and not under personnel expense or functional cost.

### **Income Taxes**

Income taxes include current and deferred income taxes. Current income taxes relate to all taxes levied on taxable income of the consolidated companies. Other taxes such as property taxes or excise taxes (power supply, energy) are classified as functional costs.

Under IAS 12, "Income Taxes," deferred tax assets and liabilities are recognized in the Consolidated Financial Statements for all temporary differences between the carrying amounts of assets and liabilities and their tax bases, for tax credits and operating loss carryforwards.

For purposes of calculating deferred tax assets and liabilities, the Company applies the tax rates that have been enacted or substantively enacted at the reporting date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period the legislation is substantively adopted. Deferred tax assets are recognized only to the extent that it is probable that future taxable income will be available against which the tax credits and tax loss carryforwards can be used.

### Fair Value

IFRS 13, "Fair Value Measurement," provides a single framework for measuring fair value and requires disclosures about fair value measurement uniformly in IFRS. The fair value is the price that would be received to sell an asset or paid to transfer a liability. The three-level fair value hierarchy in accordance with IFRS 13 is applied. Fair value hierarchy level 1 is assigned to financial assets or liabilities for which quoted market prices for identical assets or liabilities in active markets exist. The allocation to fair value hierarchy level 2 is applied when valuation models are used or prices are derived from similar transactions. Financial assets and liabilities are measured at fair value hierarchy level 3 if unobservable input factors are applied to determine fair value. When measuring assets and liabilities the effect of non-performance risk is also reflected in the fair value.

### Intangible Assets

Intangible assets, including software, are accounted for in accordance with IAS 38, and are recognized if (a) the intangible asset is identifiable (i.e., it is separable or arises from contractual or other legal rights), (b) it is probable that the expected future economic benefits (e.g., cash or other benefits such as cost savings) that are attributable to the asset will flow to the entity, and (c) the cost of the intangible asset can be measured reliably.

Intangible assets with definite useful lives are measured at cost less accumulated amortization. Borrowing costs that are directly attributable to qualifying assets are capitalized.

Intangible assets are amortized straight-line over the shorter of their contractual term or their estimated useful lives.

The following useful lives are applied:

	Years
Patents, licenses and similar rights	3 to 20
Other intangible assets	1 to 25

Amortization expense relates to intangible assets with definite useful lives and is recorded based on its function in cost of sales, selling and distribution expenses, research and development expenses or general administration expenses.

Intangible assets with indefinite useful lives as well as goodwill are not amortized but tested for impairment at least annually. Impairment losses on these assets are recorded in other operating expenses (see "Impairments of Intangible Assets and Property, Plant and Equipment").

### Property, Plant and Equipment

Property, plant and equipment are measured at acquisition or manufacturing cost less accumulated depreciation. Cost includes certain costs that are capitalized during construction, including material, payroll and direct overhead costs. Borrowing costs that are directly attributable to qualifying assets are capitalized. Government grants are deducted from the acquisition or manufacturing costs.

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. Not included are the "Right of Use assets" (RoU assets) from lease contracts:

	Years
Buildings and leasehold	2 to 75
Plant and machinery	2 to 30
Equipment	2 to 30

The RoU assets from lease agreements are depreciated on a straight-line basis over the shorter of its useful life or the term of the agreement, including any renewal options. The fixed lease terms are applied as follows:

	Years
Buildings and leasehold	> 1 to 79
Plant and machinery	> 1 to 10
Equipment	> 1 to 10

Maintenance and repairs are expensed as incurred while replacements and improvements are capitalized, if the item qualifies for recognition as an asset, as well as asset retirement obligations. Gains or losses resulting from the sale or retirement of assets are recognized in other operating income or expenses.

Depreciation expense of property, plant and equipment is recorded based on its function in cost of sales, selling and distribution expenses, research and development expenses or general administration expenses.

Investment property comprises land and buildings not used in the production or for administrative purposes and is measured at amortized cost.

### Impairment of Intangible Assets and Property, Plant and Equipment

Irrespective of whether there is any indication of impairment, the Company tests goodwill acquired in a business combination and intangible assets with an indefinite useful life for impairment at least annually. For the purpose of testing goodwill for impairment, such goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the business combination. In accordance with IAS 36, "Impairment of Assets," an impairment loss is recognized when the carrying amount of the cash-generating unit, to which goodwill was allocated, exceeds the higher of its fair value less costs of disposal or its value in use.

In the event that facts and circumstances indicate that the Company's property, plant and equipment or intangible assets including goodwill, may be impaired, an impairment test is performed. This is the case regardless of whether they are to be held and used or to be disposed of. An impairment loss is recognized when an asset's carrying amount exceeds the higher of its fair value less costs of disposal and its value in use. Value in use is based on the discounted cash flows expected to arise from the continued use of the asset or from its eventual disposal.

Any impairment loss resulting from this test is reported in other operating expenses.

If there is any indication that the considerations which led to an impairment of property, plant and equipment or intangible assets no longer exist, the Company considers the need to reverse all or a portion of the impairment loss except for goodwill.

### **Government Grants**

Taxable and non-taxable government grants for the acquisition of certain non-current assets are recognized as a reduction of the cost basis of the acquired or constructed assets. Non-refundable reimbursement of cost is recognized in other operating income to the extent the cost has been incurred and at the time all the conditions are fulfilled. Until then, government grants received are recorded in deferred income. Government grants received in connection with the coronavirus pandemic are recognized in profit or loss as a reduction of the related expenses, mainly personnel expenses (see note 11). Government grants related to low-interest loans, which result from the difference between the market interest rate and the contractually agreed interest rate are recognized in deferred income and released into financial result as a reduction of financial expenses over the term of the contract.

### **Long-term Investments and Marketable Securities**

In accordance with IFRS 9 the Company classifies all marketable securities and certain long-term investments (see note 14) as fair value through profit or loss (FVtPL). At the reporting date these financial instruments are carried at fair value.

Long-term investments and marketable securities are recognized on the settlement date. The Company derecognizes these assets when the contractual right to the cash flows expires or the assets are transferred, and the Company retains no contractual rights to receive cash and assumes no obligations to pay cash from the assets.

### **Investments Accounted for at Equity**

Associated companies are companies over which ALTANA can exercise significant influence, which is generally the case when it holds between 20 % and 50 % of the voting power of the investee.

Joint ventures are joint arrangements of which two or more parties have joint control, meaning that decisions about the relevant activities require unanimous consent of the parties sharing control. Neither party has sole control, directly or indirectly.

Investments in associated companies and joint ventures are accounted for by applying the equity method in accordance with IAS 28, "Investments in Associates and Joint Ventures." The respective investment is initially recognized at cost and the carrying amount is increased or decreased to recognize ALTANA's share of changes in the investee's equity after the acquisition. ALTANA's share of profit or loss of the investee is recognized in the profit or loss while

changes in the investee's other comprehensive income are recognized in the other comprehensive income. An impairment test is performed for investments in associated companies and joint ventures if there is an indication of impairment. Goodwill included in such investments is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment. Therefore, impairment losses recognized are not allocated to goodwill which is included in the investment and may be reversed completely in subsequent reporting periods. The gains on the disposal of shares in 2022 are reported in the financial result. Gains or losses from a dilution of ownership interest while maintaining the at equity accounting method are reported in income from at equity accounted investments.

### **Inventories**

Inventories are measured at the lower of acquisition or manufacturing costs or net realizable value at the reporting date. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated selling expense. Acquisition and manufacturing costs are determined based on weighted average costs. Manufacturing costs comprise material, payroll and directly attributable overhead costs, including depreciation and amortization. Write-downs are reported in Material expenses.

### **Trade Accounts Receivable**

Trade accounts receivable are initially recognized at their fair values. Subsequently, accounts receivable are measured at amortized cost.

ALTANA applies the simplified approach (expected credit loss model) pursuant to IFRS 9 to determine the expected credit loss, according to which the default is based on the lifetime expected credit loss. If there is objective evidence of a credit default (e.g. insolvency or delivery stop), an individual loss allowance for the respective receivables is recorded, although ALTANA further asserts the claim. In the event that receivables which have already been written off are recovered, this amount is recognized in profit or loss. Risk provisions for expected credit losses on receivables not individually impaired are determined based on the customer group-specific maturity profile of trade accounts receivables. Receivables are grouped in time bands according to risk level and overdue periods. The historical default rates applied for this purpose are adjusted for forward-looking information such as economic market conditions and general future risks. ALTANA assumes an increased default risk in the valuation of receivables 30 days past due or more. The positive correlation between overdue payments and the probability of default is considered by the definition of time bands in the calculation of risk provisions per portfolio.

### **Cash and Cash Equivalents**

ALTANA considers cash on hand and in banks and highly liquid investments with maturities of three months or less from the date of acquisition as cash and cash equivalents. The components of cash and cash equivalents are consistent with the financial resource fund in the cash flow statement.

### **Financial Instruments**

In accordance with IFRS 9, "Financial Instruments," the Company recognizes all financial assets and liabilities, as well as all derivative financial instruments, as assets or liabilities in the



statement of financial position and measures all at fair value or amortized cost. Derivative financial instruments are initially recognized on their trade date, all other financial instruments on their settlement date. For financial instruments measured at fair value the following rules apply: The fair value of marketable securities and listed financial investments corresponds to prices quoted for identical financial assets in active markets (hierarchy level 1). The fair value of derivative financial instruments, debts and unlisted financial investments allocated to other non-interest bearing non-derivative financial liabilities, is determined by applying valuation techniques for which inputs are based on observable market data (hierarchy level 2) or on unobservable input factors (hierarchy level 3).

Changes in the fair value of financial assets and financial liabilities accounted for at fair value through profit or loss and not designated as a hedging instrument are recognized in profit or loss.

Changes in the fair value of existing equity instruments are not recognized in other comprehensive income; hence the measurement option provided by the standard is not applied.

Changes in the fair value of derivative financial instruments qualifying for hedge accounting are recognized in profit or loss or in other comprehensive income depending on whether the derivative is designated as a fair value or a cash flow hedge. For derivatives designated as fair value hedges, changes in the fair value of the hedged item and the derivative financial instrument are recognized in profit or loss.

For derivative financial instruments designated as cash flow hedges, changes in the fair value of the effective portion of the hedging instrument are recognized in other comprehensive income until the hedged item is recognized in profit or loss. The ineffective portion of derivative financial instruments designated as cash flow hedges and fair value changes of derivative financial instruments which do not qualify for hedge accounting are recognized in profit or loss immediately. The change in the spot element of a forward contract is designated as a hedging instrument in a hedging relationship. ALTANA elected to account for the cost of hedging in other comprehensive income. These are the forward element of a forward transaction and the foreign currency basis spreads.

At the inception of a hedge ALTANA documents the hedging relationship between the hedged item and the hedging instrument. Additionally, at the inception of the hedge and on an ongoing basis, the Company documents its assessment of whether the hedging instrument actually compensates the change in the fair value of the hedged item (assessing hedge effectiveness).

### **Share-based Employee Incentive Plans**

In line with long-term incentive programs, ALTANA has issued share-based instruments to employees and accounts for them in accordance with IFRS 2, "Share-based Payment." These instruments are therefore measured at fair value at the grant date (fair value hierarchy level 3), considering the vesting conditions upon which those instruments were granted. The cost of employee compensation is expensed over the required service period. Until settlement of the instruments in cash, the liability is remeasured at its fair value at each reporting date as well as at the exercise date. Changes in the fair value are recognized in profit or loss.

### **Employee Benefit Obligations**

The accounting for pension liabilities is based on the projected unit credit method in accordance with IAS 19, "Employee Benefits," and the liabilities are measured based on actuarial valuations. Remeasurement gains or losses of the net benefit employee obligations are fully

recognized in other comprehensive income in the period they occur (see Consolidated Statement of Comprehensive Income). The provisions therefore generally equal the fair value of the obligations at the respective reporting dates.

### Other Provisions

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets," the Company recognizes other provisions when it has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The warranty provision is estimated based on the average warranty expenses of the last two to three years, depending on the division they relate to. Based on this experience, the Company calculates a warranty percentage, applies it to net product sales and recognizes the estimated obligation in the warranty provision. The provision is adjusted to reflect changes in estimates. Other provisions also include personnel related obligations measured in accordance with IAS 19.

### Leases

ALTANA leases land and buildings, technical equipment and machinery as well as operating and office equipment. The majority of the lease portfolio consists of lease contracts for vehicles. However, in relation to the carrying amount of the RoU assets, leased land and buildings account for the largest portion.

Lease contracts are usually concluded for a fixed term but can also include renewal and termination options. The leased assets do not serve as collateral and the lease contracts do not contain any specific covenants. The lease contracts are negotiated individually and contain various different terms and conditions.

Leases are recognized as RoU assets and a corresponding liability at the date on which the lessor makes the underlying asset available for use by the lessee. The RoU asset is depreciated on a straight line basis over the shorter of its useful life or the term of the contract.

Under the effective interest method, each payment is divided into payments on principal and interest. Interest expense is recognized in profit or loss over the term of the contract.

Assets and liabilities arising from a lease are initially recognized at their present value.

RoU assets are measured at cost and include the following: (a) the amount of the initial measurement of the lease liability, (b) any lease payments made on or before the commencement date less any lease incentives received, (c) any initial direct costs, and (d) costs of restoring the site.

The lease liabilities include the present value of the following lease payments: (a) fixed payments (including in-substance fixed payments), less any lease incentives; (b) variable lease payments that depend on an index or rate; (c) amounts expected to be paid by the lessee under residual value guarantees; (d) the exercise price of a purchase option if it is reasonably certain that the option will be exercised; and (e) payments of penalties for early termination of the lease.

Lease payments are discounted at ALTANA's incremental borrowing rate which corresponds to the applied Group-wide yield curve.

Payments made under short-term leases and under lease agreements for low-value assets are recognized immediately in profit or loss. Short-term lease contracts are leases with a

term of 12 months or less. Low-value assets are typically operating and office equipment such as printers, copiers, etc. which have acquisition costs of no more than €5,000.

### **Use of Estimates, Assumptions and Judgements**

The preparation of the Consolidated Financial Statements requires management to make estimates, and assumptions as well as exercise judgements which affect the amounts of assets, liabilities and disclosure of contingent assets and liabilities reported at the end of any given period and the amounts of revenues and expenses for that reported period. Actual results may differ from estimates made.

Management's judgement apart from estimates is based on expectations regarding future events and historical experience. In particular, the risks for adverse effects from geopolitical tensions and a deterioration or even a recessionary development of the global economy or core regions compared with expectations are taken into account. This applies, for example, to the impairment testing of assets, to the assessment of whether assets fulfill all conditions to be classified as assets held for sale, to the assessment of the term of lease contracts in respect of whether the option to renew or terminate a lease is reasonably certain and, in the context of revenue recognition, with regard to the allocation of the transaction price.

The instruments for impairment testing and determining impairment losses on goodwill, intangible assets and property, plant and equipment were supplemented by weighted scenario-based valuations in prior years due to the coronavirus pandemic. Likewise, the instruments used to determine the loss allowance on trade accounts receivable were adjusted. The adjustment of the models applied was maintained in 2022 due to the unchanged risk situation.

At the reporting date, management mainly made the following key assumptions concerning the future and identified key sources of estimation uncertainty that might pose a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

**Revenue Recognition:** Revenue and related rebates are determined on the basis of estimates relating to sales and agreed contractual conditions (see Revenue recognition).

**Employee Benefit Obligations:** The measurement of the pension plans is based on the projected unit credit method applying current parameters as of the reporting date, including the expected discount rate, the rate of compensation and pension increase, and the return on plan assets as of the reporting date. A significant change in the underlying parameters could have a material impact on the defined benefit obligations (see note 24).

**Impairments:** Impairment testing for goodwill, other intangible assets and property, plant and equipment is generally based on discounted estimated future cash flows generated from the continuing use and ultimate disposal of the assets. Factors such as lower than anticipated operating income (EBIT) and resulting reduced net cash flows as well as changes in the discount rates used could lead to impairments. For information on the carrying amounts of goodwill, other intangible assets and property, plant and equipment see notes 12 and 13.

**Taxes:** The recognition of deferred tax assets requires that sufficient taxable income will be generated in the future that can be offset against tax credits and tax loss carryforwards. The recognition of deferred tax assets is subject to an estimate of various factors. Tax matters are subject to uncertainties regarding their assessment by the tax authorities and therefore it cannot be precluded that in individual cases tax authorities may conclude on these matters differently than ALTANA. If changes in the assessment are probable, a corresponding provision is recorded.

**Leasing:** In determining the term of a lease, management considers all facts and circumstances that provide an economic incentive to exercise an option to extend or terminate a lease. Renewal and termination options allow for operational flexibility in designing the terms of the contract and, by exercising or not exercising them, a certain extend of flexibility in the event of changed market conditions.

Due to ALTANA's financing structure, the lease liability is determined by applying a Group-wide yield curve, which is subject to an annual review.

### 3. Business Combinations and Disposals

In accordance with IFRS 3, "Business Combinations," the Company accounts for business combinations by applying the acquisition method as of the date when control over the financial and operating policies is effectively obtained. Any excess of the consideration transferred over the fair value of the net assets acquired is recorded as goodwill, which is allocated to those cash-generating units that are expected to benefit from the business combination. The results of operations of the acquired businesses are included in the Company's Consolidated Financial Statements from the respective dates of acquisition until the dates of sale. Fair value measurement of assets acquired and liabilities assumed in a business combination is performed in the course of the allocation of the consideration transferred by using standard discounted cash flow methods based on input factors of fair value hierarchy level 3.

#### **Acquisitions in 2021**

In 2022, the obligation for earn-out payments recognized in financial liabilities, which resulted from the acquisition of the business of TLS Technik GmbH & Co. Spezialpulver KG (TLS), Bitterfeld effected through an asset deal in the ECKART division was reduced by €1.2 million and recognized in profit or loss, as the relevant gross profit targets as defined in the contract, are not expected to be achieved.

#### **Acquisitions in 2017**

For the share deal concluded in the ELANTAS division with the American Cytec Industries Inc., the earn-out payment obligation recognized in financial liabilities, was reduced in prior years: 2019: USD 4.2 million (€3.7 million); 2021: USD 3.6 million (€3.0 million). In 2022, the remaining financial liability in the amount of USD 0.8 million (€0.7 million) was fully derecognized through profit or loss because the relevant sales targets were not met.

## 4. Net Sales

The methodology of the application of IFRS 15 is disclosed in note 2. Net sales are allocated to the divisions of ALTANA as follows:

		BYK	ECKART	ELANTAS	ACTEGA	ALTANA Group
<b>Europe</b>	2021	443,367	196,221	151,198	238,569	1,029,355
	<b>2022</b>	<b>443,824</b>	<b>187,588</b>	<b>175,085</b>	<b>274,232</b>	<b>1,080,729</b>
<i>thereof Germany</i>	2021	125,690	87,363	27,732	54,471	295,256
	<b>2022</b>	<b>132,905</b>	<b>86,421</b>	<b>35,348</b>	<b>63,723</b>	<b>318,397</b>
<b>America</b>	2021	342,419	81,262	99,892	157,999	681,572
	<b>2022</b>	<b>457,965</b>	<b>98,933</b>	<b>143,437</b>	<b>194,916</b>	<b>895,251</b>
<i>thereof U.S.</i>	2021	246,044	65,131	58,280	76,047	445,502
	<b>2022</b>	<b>338,418</b>	<b>81,113</b>	<b>87,321</b>	<b>87,959</b>	<b>594,811</b>
<b>Asia</b>	2021	416,349	97,365	338,368	53,465	905,547
	<b>2022</b>	<b>444,186</b>	<b>104,009</b>	<b>373,419</b>	<b>67,273</b>	<b>988,887</b>
<i>thereof China</i>	2021	194,224	45,070	252,099	23,601	514,994
	<b>2022</b>	<b>196,254</b>	<b>45,403</b>	<b>267,018</b>	<b>31,510</b>	<b>540,185</b>
<b>Other regions</b>	2021	25,080	7,913	4,173	12,899	50,065
	<b>2022</b>	<b>24,687</b>	<b>6,301</b>	<b>6,231</b>	<b>18,904</b>	<b>56,123</b>
<b>Total</b>	2021	1,227,215	382,761	593,631	462,932	2,666,539
	<b>2022</b>	<b>1,370,662</b>	<b>396,831</b>	<b>698,172</b>	<b>555,325</b>	<b>3,020,990</b>

Due to ALTANA's customer base and the large number of business activities, there was no significant concentration on individual customers, regions or divisions in the reporting years. The coronavirus pandemic had no impact on the principles of revenue recognition and related discounts.

In 2022 and 2021, ALTANA recognized revenue from contracts with customers amounting to €3,021.0 million and €2,666.5 million, respectively.

In 2022 and 2021, the refund liabilities from sales reductions amount to €15.3 million and €17.2 million, respectively, and are reported in other provisions (see note 25) or other liabilities (see note 26). Prepayments from customers for which the performance obligation has not been fulfilled are recorded in contract liabilities (see note 26).

## 5. Cost of Sales

Cost of sales include the following items:

	2021	2022
Material expenses	1,209,304	1,477,601
Production expenses	513,535	574,516
	<b>1,722,839</b>	<b>2,052,117</b>

## 6. Other Operating Income

	2021	2022
Reversal of loss allowance from receivables, net	444	
Gains on disposal of intangible assets and property, plant and equipment	2,369	1,583
Government grants	1,698	2,920
Foreign exchange gains / (losses), net	599	
Insurance reimbursements	484	1,268
Other	10,909	10,564
	<b>16,503</b>	<b>16,335</b>

## 7. Other Operating Expenses

	2021	2022
Bad debt expense, net		2,260
Write-down of receivables without prior loss allowance	498	104
Losses from disposal of intangible assets and property, plant and equipment	685	601
Foreign exchange gains / (losses), net		2,303
Exceptional expenses	1,325	
Charitable donations	479	638
Other	3,159	1,940
	<b>6,146</b>	<b>7,846</b>

Foreign exchange gains and losses are as follows:

	2021	2022
Foreign exchange gains	2,770	3,630
Foreign exchange (losses)	(2,171)	(5,933)
<b>Net gain / net (loss)</b>	<b>599</b>	<b>(2,303)</b>

Exceptional expenses relate to the following:

	Notes	2021	2022
Impairment loss on intangible assets	12	416	
Impairment loss on property, plant and equipment	13	909	
		<b>1,325</b>	

In 2021, the impairment of intangible assets (see note 12) related to the Holding division and the impairment of property plant and equipment (see note 13) relates to the ELANTAS division.

## 8. Financial Income

	2021	2022
Interest income	2,733	6,807
Gains on disposal of marketable securities	329	224
Income from fund-based financial instruments	4	
Gains from the change in fair value of financial assets and securities	1,068	2,133
Gains from the change in fair value of financial liabilities	3,044	1,969
Dividends received	414	745
Other financial income	532	9,141
	<b>8,124</b>	<b>21,019</b>

The increase in other financial income is mainly due to the income from the sale of the shares of a previously at equity accounted investment of €8.5 million (see note 15).

## 9. Financial Expenses

	2021	2022
Interest expenses	5,268	6,732
<i>thereof negative interest</i>	243	105
Losses on disposal of marketable securities		26
Losses from the change in fair value of financial assets and securities	3,218	1,212
Other financial expenses	1,602	6,060
	<b>10,088</b>	<b>14,030</b>

In 2022 and 2021, foreign exchange losses of €4.0 million and €0.7 million, respectively, are included in other financial expenses.

In 2022 and 2021, reported interest expenses include interest from lease contracts in the amount of €0.7 million and €0.6 million, respectively.

## 10. Income Taxes

Income tax expense is as follows:

	2021	2022
Current taxes	90,571	87,454
Deferred taxes	(10,714)	(14,375)
<b>Income taxes</b>	<b>79,857</b>	<b>73,079</b>

In 2022 and 2021, the combined income tax rate, derived from local subsidiaries, is 29.5 % and consists of the corporate tax rate of 15 %, the solidarity surcharge on corporate tax of 5.5 % and the trade tax of about 14 %. The trade tax rate is based on the weighted average of the collection rate of all German municipalities in which ALTANA operates business premises.

The following table provides the reconciliation between the expected and the effective income tax rate:

	2021	2022
<b>Income before income taxes (EBT)</b>	<b>275,044</b>	<b>305,483</b>
Income from at equity accounted investments	(45,833)	10,945
<b>Income before income taxes - adjusted (EBT adjusted)</b>	<b>320,877</b>	<b>294,538</b>
Tax expense applying the expected average income tax rate of 29.5 % (Dec. 31, 2021: 29.5 %)	94,659	86,889
Non-deductible expenses	4,193	4,123
Tax rate differential	(8,500)	(12,054)
Tax free income	(2,692)	(5,368)
Tax related to prior years	168	(2,548)
Other	(7,971)	2,037
<b>Income taxes</b>	<b>79,857</b>	<b>73,079</b>
Effective income tax rate <sup>1</sup>	24.9 %	24.8 %

<sup>1</sup>Based on the income before income taxes adjusted for the income from at equity accounted investments.

In 2022 and 2021, the effective income tax rate based on the unadjusted income before income taxes was 23.9 % and 29.0 %, respectively. In 2021, the increase in the item other includes a one-off effect from the step up in the tax base of property, plant and equipment in Italy. In 2022, the effective tax rate was in particular affected by tax refunds for prior years.

Deferred tax assets and liabilities related to the following items in the statement of financial position:

	Dec. 31, 2021		Dec. 31, 2022	
	Assets	Liabilities and provisions	Assets	Liabilities and provisions
Intangible assets	5,427	(82,096)	6,432	(78,911)
Property, plant and equipment	6,058	(57,242)	6,681	(60,282)
Long-term investments	386	(2,279)	1,123	(2,335)
Inventories	19,016	(599)	22,941	(675)
Receivables and other assets	3,222	(1,088)	5,438	(1,578)
Marketable securities		(499)		(747)
Employee benefit obligations	54,461	(259)	30,672	(451)
Other provisions	6,942	(3,207)	6,593	(2,629)
Liabilities	7,817	(722)	7,614	(280)
Tax loss carryforwards	10,205		11,027	
Outside bases differences		(4,360)		(4,069)
Netting	(79,810)	79,810	(67,318)	67,318
<b>Deferred taxes, net</b>	<b>33,724</b>	<b>(72,541)</b>	<b>31,203</b>	<b>(84,639)</b>



The periods in which the tax loss carryforwards may be used are as follows:

	2021	2022
<b>Tax loss carryforwards</b>	<b>44,406</b>	<b>45,309</b>
unlimited	42,160	43,375
will expire through 2027 (prior year: 2026)	2,246	1,934

Deferred tax assets on tax loss carryforwards of €4.0 million and €6.4 million were not recognized as of December 31, 2022 and 2021, respectively, since the future utilization against taxable income is not probable. Tax loss carryforwards for which no deferred tax assets were recognized amounting to €3.5 million have unlimited carryforward periods, €0.5 million will expire through 2027.

For companies that generated a loss in the current year or in previous years, deferred tax assets of €0.9 million (previous year €1.5 million) were recognized since their realization is probable based on tax planning.

As of December 31, 2022 and 2021, deferred tax liabilities in the amount of €47.1 million and €38.3 million, respectively, representing the temporary differences between the net assets of certain investments in subsidiaries and its tax bases, were not recorded, as the timing of their reversal can be controlled and is not probable in the foreseeable future.

## 11. Other Information on the Income Statement

### Personnel Expenses

Personnel expenses consist of the following items:

	2021	2022
Wages and salaries	452,252	476,957
Social security contributions	81,323	93,265
Expenses for pensions and other post-retirement benefits	24,502	25,602
	<b>558,077</b>	<b>595,824</b>

Personnel expenses include expenses for employee incentive plans (see note 22). In 2022 and 2021, expenses of €3.7 million and of €4.5 million, respectively, relate to the compensation plan for key members of the management, "ALTANA Equity Performance (AEP)," and €2.6 million and €3.6 million, respectively, to the compensation plan for employees, "ALTANA Profit Participation." In 2021, personnel expenses were reduced by government grants due to the coronavirus pandemic by €0.3 million.

Personnel expenses were incurred for the following average number of employees:

	2021	2022
Number of employees by division		
BYK	2,372	2,477
ECKART	1,725	1,761
ELANTAS	1,067	1,074
ACTEGA	1,268	1,323
Holding <sup>1</sup>	226	245
	<b>6,658</b>	<b>6,880</b>

<sup>1</sup> The Holding division comprises next to the Group Holding company service and technology companies.

### Amortization, Depreciation and Impairment Loss

Amortization, depreciation and impairment charges for intangible assets and property, plant and equipment are as follows:

	2021	2022
Amortization of intangible assets	54,659	55,288
Depreciation of property, plant and equipment	102,907	109,366
Impairment loss on intangible assets	416	
Impairment loss on property, plant and equipment	909	
	<b>158,891</b>	<b>164,654</b>

In 2022, no impairment losses for intangible assets and property, plant and equipment were recognized.

For information on the impairment loss recognized in 2021 on intangible assets see note 12 and for property plant and equipment see note 13.

## Leases

The following effects occurred in the income statement:

	2021	2022
<b>Depreciation of RoU assets</b>		
RoU assets - Land, leasehold and buildings	6,699	7,764
RoU assets - Plant and machinery	337	302
RoU assets - Equipment	3,173	3,170
	<b>10,209</b>	<b>11,236</b>
<b>Lease expenses for</b>		
short-term leases	2,095	2,527
low value asset leases	560	662
variable lease payments - not included in the lease liability	2,789	4,942
interest	605	657

## 12. Intangible Assets

	Patents, licenses and similar rights	Goodwill	Software and others	Total
<b>Cost</b>				
Balance at Jan. 1, 2021	891,396	655,515	136,723	1,683,634
Additions	46,436		8,309	54,745
Disposals	(1,449)		(3,197)	(4,646)
Transfers			51	51
Translation adjustments	26,508	37,536	1,636	65,680
Change in reporting entities	13,133	5,171	3	18,307
<b>Balance at Dec. 31, 2021</b>	<b>976,024</b>	<b>698,222</b>	<b>143,525</b>	<b>1,817,771</b>
Additions	863		7,647	8,510
Disposals	(2,543)		(1,602)	(4,145)
Transfers	305		2,101	2,406
Translation adjustments	17,718	31,416	1,089	50,223
Change in reporting entities				
<b>Balance at Dec. 31, 2022</b>	<b>992,367</b>	<b>729,638</b>	<b>152,760</b>	<b>1,874,765</b>
<b>Accumulated amortization</b>				
Balance at Jan. 1, 2021	505,681	133,390	111,479	750,550
Additions	46,419		8,240	54,659
Disposals	(1,449)		(3,176)	(4,625)
Impairment			416	416
Transfers			3	3
Translation adjustments	15,310	4,771	1,319	21,400
Change in reporting entities				
<b>Balance at Dec. 31, 2021</b>	<b>565,961</b>	<b>138,161</b>	<b>118,281</b>	<b>822,403</b>
Additions	47,440		7,848	55,288
Disposals	(2,543)		(1,535)	(4,078)
Impairment				
Transfers				
Translation adjustments	10,630	3,408	924	14,962
Change in reporting entities				
<b>Balance at Dec. 31, 2022</b>	<b>621,488</b>	<b>141,569</b>	<b>125,518</b>	<b>888,575</b>
<b>Carrying amount</b>				
Dec. 31, 2021	410,063	560,061	25,244	995,368
<b>Dec. 31, 2022</b>	<b>370,879</b>	<b>588,069</b>	<b>27,242</b>	<b>986,190</b>

In 2022, additions to software and others related to digitalization projects and the further expansion of ERP systems and amount to €2.6 million in the ELANTAS division, to €1.6 million in the Holding division, to €1.4 million in the ECKART division, to €1.2 million in the ACTEGA division and to €0.7 million in the BYK division.

In 2021, additions to patents, licenses and similar rights of €45.2 million related to the acquisition of technologies, customer relationships and brand names from Henkel in the ACTEGA division. At the same time, technical equipment and machinery of €1.1 million was acquired in this transaction.

In 2021, the additions to software and others related to digitalization projects and the further expansion of ERP systems and amount to €3.0 million in the Holding division, to €1.9 million in the BYK division, to €1.4 million in the ECKART division, to €1.0 million in the ELANTAS division and to €0.9 million in the ACTEGA division.

In the Holding division, a software license in the amount of €0.4 million was impaired as it is no longer used.

The change in reporting entities related to the acquisition of TLS in the ECKART division (see note 3).

The following table presents expected amortization expense related to patents, licenses and similar rights as well as software for each of the following periods. The actual amortization expense may differ from the expected amortization expense:

2023	52,157
2024	47,506
2025	43,560
2026	35,201
2027	33,190
Thereafter	150,852

As of December 31, 2022 and 2021, patents, licenses and similar rights include brand names with indefinite useful lives of €24.8 million and €24.6 million, respectively, mainly relating to the brand name ECKART. The brand name was acquired in a business combination and the indefinite useful life was identified in the course of the allocation of the consideration transferred. They continue to be used and as in 2021 there was no need to recognize an impairment loss.

The following table presents the carrying amount of goodwill by cash-generating unit:

	Dec. 31, 2021	Dec. 31, 2022
BYK	373,258	394,572
ECKART	5,171	5,171
ELANTAS	100,185	103,381
ACTEGA	81,447	84,945
	<b>560,061</b>	<b>588,069</b>

### Impairment Test for Goodwill

The Company performed impairment tests on goodwill. Impairment tests are performed at least once a year in the fourth quarter based on long-term planning. The recently performed tests were based on the financial budgets for the years 2023 to 2027. These budgets were based on historical experience and represent management's best estimates about future developments. The weighted average growth rates used in the budgets were derived from corresponding industry forecasts. In order to perform impairment tests, the Company estimated cash flows beyond the planning period by extrapolating the projections using a steady growth rate for subsequent years. The Company then calculated the fair value less costs of disposal for each cash-generating unit by applying the discounted cash flow method based on input factors of fair value hierarchy level 3. The following parameters were applied: discount rate after income taxes of 7.5 % (2021: 7.0 %); growth rates: BYK 1.75 %; ECKART, ELANTAS and ACTEGA 1.5 %, both unchanged to 2021. The fair value calculated was then compared to the carrying amount of the cash-generating unit.

The impairment tests were performed based on fair values less costs of disposal. Furthermore, to support the results of these impairment tests, the Company calculates the value in use for each cash-generating unit. If the impairment test taking into account the sensitivity analyses indicates a need for an impairment, the exact amount of the impairment is determined based on a weighted scenario-based valuation. For the ECKART division a weighted scenario-based valuation was performed, which did not result in an impairment loss. Neither did a subsequently performed sensitivity analysis. Sensitivity analyses for the other divisions indicated that even a reasonably likely change in the significant underlying parameters would not result in an impairment loss in any division.

In 2022 and 2021, no impairment loss was identified on goodwill.

In the period since the performance of the impairment test until December 31, 2022, no impairment indicators were identified.

### 13. Property, Plant and Equipment

	Land, leasehold and buildings	Plant and machinery	Equipment	Construction in progress	Total
<b>Cost</b>					
Balance at Jan. 1, 2021	769,157	873,628	290,922	88,766	2,022,473
Additions	10,252	20,319	21,243	52,385	104,199
Disposals	(5,574)	(13,038)	(10,144)	(931)	(29,687)
Transfers	4,684	33,866	13,126	(51,727)	(51)
Translation adjustments	22,982	28,597	7,159	3,375	62,113
Change in reporting entities	2,519	2,423	290		5,232
<b>Balance at Dec. 31, 2021</b>	<b>804,020</b>	<b>945,795</b>	<b>322,596</b>	<b>91,868</b>	<b>2,164,279</b>
Additions	19,755	14,948	17,354	60,830	112,887
Disposals	(6,982)	(11,178)	(9,064)	(589)	(27,813)
Transfers	14,971	42,338	4,959	(64,674)	(2,406)
Translation adjustments	9,341	14,849	4,056	1,389	29,635
Change in reporting entities					
<b>Balance at Dec. 31, 2022</b>	<b>841,105</b>	<b>1,006,752</b>	<b>339,901</b>	<b>88,824</b>	<b>2,276,582</b>
<b>Accumulated depreciation</b>					
Balance at Jan. 1, 2021	307,120	564,391	191,175	311	1,062,997
Additions	30,822	49,341	22,744		102,907
Disposals	(4,888)	(12,535)	(9,642)	(909)	(27,974)
Impairment				909	909
Transfers		1,226	(1,220)	(9)	(3)
Translation adjustments	7,563	16,104	3,836	36	27,539
Change in reporting entities					
<b>Balance at Dec. 31, 2021</b>	<b>340,617</b>	<b>618,527</b>	<b>206,893</b>	<b>338</b>	<b>1,166,375</b>
Additions	33,173	50,288	25,905		109,366
Disposals	(5,083)	(10,421)	(9,087)	(344)	(24,935)
Impairment					
Transfers	32	(4,692)	4,660		
Translation adjustments	3,136	8,207	2,148	6	13,497
Change in reporting entities					
<b>Balance at Dec. 31, 2022</b>	<b>371,875</b>	<b>661,909</b>	<b>230,519</b>		<b>1,264,303</b>
<b>Carrying amount</b>					
Dec. 31, 2021	463,403	327,268	115,703	91,530	997,904
<b>Dec. 31, 2022</b>	<b>469,230</b>	<b>344,843</b>	<b>109,382</b>	<b>88,824</b>	<b>1,012,279</b>

The following table presents the RoU assets resulting from leases that are recognized in property, plant and equipment:

	Land, leasehold and buildings	Plant and machinery	Equipment	Total
<b>Cost</b>				
Balance at Jan. 1, 2021	46,486	1,431	11,779	59,696
Additions	6,636	81	3,037	9,754
Disposals	(3,941)	(160)	(2,664)	(6,765)
Transfers				
Translation adjustments	2,449	20	246	2,715
Change in reporting entities	62	90		152
<b>Balance at Dec. 31, 2021</b>	<b>51,692</b>	<b>1,462</b>	<b>12,398</b>	<b>65,552</b>
Additions	12,589	152	3,560	16,301
Disposals	(6,109)		(2,717)	(8,826)
Transfers			26	26
Translation adjustments	2,079	19	213	2,311
Change in reporting entities				
<b>Balance at Dec. 31, 2022</b>	<b>60,251</b>	<b>1,633</b>	<b>13,480</b>	<b>75,364</b>
<b>Accumulated depreciation</b>				
Balance at Jan. 1, 2021	11,086	610	5,580	17,276
Additions	6,699	337	3,173	10,209
Disposals	(3,578)	(160)	(2,498)	(6,236)
Transfers				
Translation adjustments	591	10	111	712
Change in reporting entities				
<b>Balance at Dec. 31, 2021</b>	<b>14,798</b>	<b>797</b>	<b>6,366</b>	<b>21,961</b>
Additions	7,763	302	3,170	11,235
Disposals	(4,518)		(2,489)	(7,007)
Transfers			(16)	(16)
Translation adjustments	454	10	109	573
Change in reporting entities				
<b>Balance at Dec. 31, 2022</b>	<b>18,497</b>	<b>1,109</b>	<b>7,140</b>	<b>26,746</b>
<b>Carrying amount</b>				
Dec. 31, 2021	36,894	665	6,032	43,591
<b>Dec. 31, 2022</b>	<b>41,754</b>	<b>524</b>	<b>6,340</b>	<b>48,618</b>

In 2022, additions in the BYK division of €21.8 million related to U.S. subsidiaries and of €19.7 million to European subsidiaries. An additional €5.6 million were invested in Asian subsidiaries. In the ECKART division additions of €12.5 million related to European subsidiaries, €8.3 million related to the U.S. subsidiary and €0.9 million to Asian subsidiaries. For the expansion of its production and laboratory capacities, the ELANTAS division invested €7.7 million in Germany and Italy, €4.7 million in Asia, €2.1 million in its U.S. subsidiary and €0.5 million in Brazil. To expand its production and research capacities the ACTEGA division invested €12.7 million in its European subsidiaries, a further €10.1 million was invested in its subsidiary in Brazil and €4.9 million in its U.S. subsidiaries.



In 2021, additions in the BYK division of €22.5 million related to European subsidiaries and €10.4 million to Asian subsidiaries. An additional €9.0 million were invested in U.S. subsidiaries and €0.4 million in the Mexican subsidiary. In the ECKART division additions of €11.1 million related to European subsidiaries and €12.9 million related to the U.S. subsidiary. For the expansion of its production and laboratory capacities, the ELANTAS division invested €5.1 million in Germany and Italy, €1.8 million in its U.S. subsidiary, €3.8 million in Asia and €0.4 million in Brazil. To expand its production and research capacities the ACTEGA division invested €16.1 million in its European subsidiaries, of which €1.1 million relate to technical equipment and machinery from the acquisition of a group of assets from Henkel (see note 12). An additional €4.1 million were invested in its U.S. subsidiaries and €1.9 million in its subsidiary in Brazil.

The change in the reporting entities relate to the acquisition of TLS in the ECKART division.

In 2022 and 2021, in connection with capital expenditures ALTANA recognized directly attributable borrowing costs of €37 thousand and €0.3 million. The calculation was based on an interest rate of 0.5 % and 1.6 %, respectively.

In both years reported land and buildings with a book value of €0.6 million related to investment property and had a fair value of €0.7 million as of December 31, 2022 and 2021. The fair value is measured using the discounted cash flow method or external expert appraisals, by applying input factors for comparable assets not traded on active markets (fair value hierarchy level 3). No contractual obligations or disposal restrictions exist for land and buildings held as investment property.

In 2022 and 2021, ALTANA received €2.3 million and €3.0 million, respectively, taxable and nontaxable government grants.

In 2021, in the ELANTAS division an investment project in a location in India was discontinued and an impairment of €0.9 million was recognized. In 2022, no impairment was recognized (see note 7).

## 14. Long-term Investments

	Other investments	Other long-term financial assets	Total
<b>Cost</b>			
Balance at Jan. 1, 2021	24,492	24,472	48,964
Additions	2,761	7,157	9,918
Disposals		(1,523)	(1,523)
Translation adjustments	191	650	841
Change in fair value	(2,891)		(2,891)
Change in reporting entities		(23)	(23)
<b>Balance at Dec. 31, 2021</b>	<b>24,553</b>	<b>30,733</b>	<b>55,286</b>
Additions	7,574	3,623	11,197
Disposals	(440)	(5,754)	(6,194)
Translation adjustments	154	366	520
Change in fair value	(225)		(225)
Change in reporting entities			
<b>Balance at Dec. 31, 2022</b>	<b>31,616</b>	<b>28,968</b>	<b>60,584</b>
<b>Carrying amount</b>			
Dec. 31, 2021	24,553	30,733	55,286
<b>Dec. 31, 2022</b>	<b>31,616</b>	<b>28,968</b>	<b>60,584</b>

As of December 31, 2022, other investments include €3.7 million from the shares in the listed 3D Systems Corp. received as part of the sale of dp polar (see note 15). The investment is recognized at fair value.

In addition, investments increased by €1.7 million due to the acquisition of 19.8% of the shares in Saralon GmbH (Saralon), Chemnitz. €1.7 million is included in other financial liabilities as the payment occurred after the reporting date (see note 23).

In 2021, ALTANA participated in a capital increase of TAU ACT GmbH (TAU), Berlin, in the amount of €1.1 million, which increased its interest from 13.5% to 13.7%. In 2022, a loan with a conversion option in the amount of €1.1 million was granted to the company and is reported in other long-term financial assets. Of this amount €0.3 million is included in other financial liabilities as the payment occurred after the reporting date (see note 23). Due to the exit of another investor, the interest increased from 13.7% to 14.6%.

In 2021, the investment in Melior Innovations Inc., U.S. of €3.2 million reported at fair value in other long-term financial assets was impaired in full. In 2022, no change in the fair value was recognized.

In 2019, ALTANA granted a long-term loan of €16.0 million to Israeli Landa Labs. For the years 2020 until 2022, total interest in the amount of €2.6 million accrued. This loan is fully secured by shares in Landa and Landa Labs.

In 2022 and 2021, Beck India invested €1.7 million and €4.3 million of free cash and cash equivalents in a medium-term interest-bearing financial asset.

In 2021, a loan with a conversion option in the amount of €1.5 million was granted to the joint venture dp polar, which is accounted for using the equity method. The investment was reported in other long-term financial assets. The conversion option was exercised on October 4, 2022 in connection with the sale of the shares to 3D Systems (see note 15).

From 2019 until 2021, several funding agreements were signed to finance another Israeli investment totaling €2.2 million. In 2021, €1.4 million from this financing agreement was

converted into equity and is reported in other investments. The remaining unconverted portion is continued to be reported in other long-term financial assets.

In 2018, ALTANA granted a long-term loan, due at the end of term, of USD 7.1 million to an unrelated U.S. investment fund as part of a U.S. development program. The loan is reported in other long-term financial assets. In return, ALTANA has received a loan of USD 9.9 million, also due at the end of the term (see note 23).

The Taunus Treuhandgesellschaft m.b.H. Steuerberatungsgesellschaft, the Seedamm-Versicherungs-Vermittlungs GmbH and the Saralon GmbH are reported in long-term financial assets and not in investments in at equity accounted companies, due to their insignificance.

## 15. Investments in at Equity Accounted Companies

	Investments in at equity accounted companies
Balance at Jan. 1, 2021	89,064
Additions	
Disposals	
Share of net profit of associates	(45,833)
Other changes	
Dividends	(873)
Translation adjustments	4,883
<b>Balance at Dec. 31, 2021</b>	<b>47,241</b>
Additions	25,240
Disposals	(4,198)
Share of net profit of associates	(48,445)
Other changes	58,090
Dividends	(952)
Translation adjustments	6,598
<b>Balance at Dec. 31, 2022</b>	<b>83,574</b>

Investments in associated companies are accounted for by applying the equity method.

The item other changes includes the effects from the dilution of equity interests in connection with capital increases, conversions and forfeiture of stock options granted at the level of one of the investments.

Upon initial recognition in 2005, ALTANA's share in the net assets relating to its 39.0 % investment in Aldoro amounted to €2.8 million, which resulted in the recognition of goodwill of €4.4 million. In Brazil Aldoro produces metallic effect pigments and distributes them worldwide. The main emphasis of the business lies in the South American region. In 2022, the proportionate result amounted to €0.7 million.

At the time of acquisition of ALTANA's 33.3 % initial investment in Landa, its share in the net assets amounted to €28.9 million. An amount of €75.1 million was allocated to development cost and no goodwill was identified. From 2016 until 2019, capital increases were effected, in which ALTANA participated with an amount of €134.4 million. ALTANA participated to a disproportionately lower extend of USD 25.0 million in the capital increases carried out in 2022 totaling USD 300.0 million. Mainly as a result, the interest decreased to 29.5 % and sig-

nificant positive effects on the carrying amount of the investment from the proportionate allocation of the total capital contribution occurred. The conversions and forfeiture of stock options at the level of the investments had additional positive effects on the carrying amount of the investment. The gain from these effects including the proportionate reclassification of exchange rate effects previously recognized in other comprehensive income in the total amount of €59.4 million was recognized in income from at equity accounted investments. Considering all shares of net profit of associates in the amount of €-48.4 million, the total income from at equity accounted investments amounts to €10.9 million. In 2022, the share of net profit of Landa amounted to €-48.5 million.

Landa develops printing presses and consumables for the new nanography technology for water-based digital printing. Amortization of the development costs identified at the time of acquisition started in 2019.

Investments in joint ventures are accounted for by applying the equity method of accounting.

At the date of acquisition of dp polar in 2017 for a purchase price of €3.5 million ALTANA's share of equity of its 43.8% interest amounted to €1.5 million. From the total purchase price an amount of €2.0 million was allocated to development cost and no goodwill was recognized. After the capital increase in 2019, in which ALTANA participated with €3.2 million, ALTANA's share of equity amounted to 49.5%. Since the initial acquisition €3.4 million has been allocated to development costs. Pro rata amortization of the identified development costs has not yet commenced.

In 2021, based on the shares of net profit of associates of €-1.2 million the carrying amount was €4.8 million. In 2022, a share of net profit of associates of €-0.6 million was recognized applying the at equity method.

On October 4, 2022 the investment in dp polar was sold to 3D Systems GmbH. In this context the loan with the conversion option granted by ALTANA to dp polar was converted into shares, which were also sold. The purchase price was paid in cash and cash equivalents in the amount of €10.4 million and in the amount of €4.7 million in shares of the 3D Systems Corp. U.S., which are reported in long-term investments (see note 14). The gain from the sale in the amount of €8.5 million is recognized in financial income (see note 8) due to its non-recurring nature.

The following financial Information relates to all associated companies and represents the amounts reported in the financial statements of the relevant associated companies and not ALTANA's proportionate share of these amounts.

	Dec. 31, 2021	Dec. 31, 2022
<b>Financial statement</b>		
Non-current assets	281,202	304,769
Current assets	39,473	84,036
<b>Total assets</b>	<b>320,675</b>	<b>388,805</b>
Non-current liabilities	113,717	10,484
Current liabilities	28,206	43,793
<b>Total liabilities and provisions</b>	<b>141,923</b>	<b>54,277</b>
<b>Net assets</b>	<b>178,752</b>	<b>334,528</b>
<b>Income statement</b>		
Net sales	38,352	48,643
Net income (EAT) / Comprehensive income	(134,384)	(157,824)

The following table reconciles ALTANA's share in the net assets to the carrying amount of the investments in associated companies:

	Dec. 31, 2021	Dec. 31, 2022
<b>Net assets (100 %)</b>	178,752	334,528
The Group's share of net assets	60,061	99,631
Proportionate goodwill	1,841	2,060
Other	(19,464)	(18,117)
<b>Carrying amount</b>	<b>42,437</b>	<b>83,575</b>

Other changes mainly relate to effects from a local equity-settled share-based payment plan of an associated company.

The line item Other in the consolidated Statement of Cash Flows mainly relates to results from at equity accounted investments.

## 16. Inventories

	Dec. 31, 2021	Dec. 31, 2022
Raw materials and supplies	196,661	225,870
Work in progress	47,504	66,372
Finished products and goods	264,391	323,152
Prepayments	2,919	1,099
	<b>511,475</b>	<b>616,493</b>

In 2022 and 2021, inventories are stated net of write-downs of €33.1 million and €29.4 million, respectively.

## 17. Trade Accounts Receivable

	Dec. 31, 2021	Dec. 31, 2022
Trade accounts receivable	484,694	500,540
thereof long-term		5
Loss allowance	(11,260)	(12,989)
	<b>473,434</b>	<b>487,551</b>

The following table presents the roll-forward of the loss allowance:

	2021	2022
Allowance at Jan. 1	12,124	11,260
Translation adjustments	192	58
Additions	1,439	3,381
Reversal	(1,883)	(1,120)
Utilization	(612)	(590)
<b>Allowance at Dec. 31</b>	<b>11,260</b>	<b>12,989</b>

Impairment losses recognized in profit or loss are as follows:

	2021	2022
Amounts written off	498	104
Addition to loss allowance	1,439	3,381
Reversal of loss allowance	(1,883)	(1,120)
	<b>54</b>	<b>2,365</b>

The following table presents the roll-forward of the gross carrying amounts of accounts receivable:

	2021	2022
Trade accounts receivable (gross) at Jan. 1	412,581	484,694
Translation adjustments	18,561	4,286
Additions	2,642,582	3,183,915
Disposals	(2,588,495)	(3,171,656)
Utilization of loss allowance	(612)	(590)
Amounts written off	(498)	(104)
Change in reporting entities	575	(5)
<b>Trade accounts receivable (gross) at Dec. 31</b>	<b>484,694</b>	<b>500,540</b>

As of December 31, 2022 and 2021, the exposure to credit risk was as follows:

Trade accounts receivable (including long-term portion)	Carrying amount	Individually impaired receivables	Not individually impaired receivables	Thereof at the reporting date			
				not past due	0-30 days past due	31-90 days past due	> 90 days past due
Dec. 31, 2021							
<b>Carrying amount - gross</b>	<b>484,694</b>	<b>10,163</b>	<b>474,531</b>	<b>424,484</b>	<b>37,269</b>	<b>10,261</b>	<b>2,517</b>
Expected loss rate			1.18 %	1.02 %	1.85 %	4.17 %	6.44 %
Loss allowance	11,260	5,668	5,592	4,312	690	428	162
<b>Carrying amount</b>	<b>473,434</b>	<b>4,495</b>	<b>468,939</b>	<b>420,172</b>	<b>36,579</b>	<b>9,833</b>	<b>2,355</b>
Dec. 31, 2022							
<b>Carrying amount - gross</b>	<b>500,540</b>	<b>9,842</b>	<b>490,698</b>	<b>423,249</b>	<b>43,959</b>	<b>17,375</b>	<b>6,115</b>
Expected loss rate			1.35 %	1.03 %	1.57 %	5.70 %	9.13 %
Loss allowance	12,989	6,389	6,600	4,361	691	990	558
<b>Carrying amount</b>	<b>487,551</b>	<b>3,453</b>	<b>484,098</b>	<b>418,888</b>	<b>43,268</b>	<b>16,385</b>	<b>5,557</b>

As of December 31, 2022 and 2021, respectively, the maximum carrying amount subject to credit risk amounts to €500.5 million and €484.7 million.

## 18. Marketable Securities

Marketable securities are measured at fair value through profit or loss. The carrying amounts per category which equal their fair value are as follows:

	Dec. 31, 2021	Dec. 31, 2022
Money market funds	31,029	40,409
Share and equity funds	27	3
	<b>31,056</b>	<b>40,412</b>

## 19. Short-term Financial Assets

ALTANA invested in cash equivalents with an original term of more than three months but less than one year. As of December 31, 2022 and 2021, €7.2 million and €67.5 million, respectively, were invested in such instruments.

## 20. Other Assets

	Dec. 31, 2021		Dec. 31, 2022	
	Other non-current assets	Other current assets	Other non-current assets	Other current assets
Balances due from employees	31	316	39	654
Cash surrender value of life insurance	1,824		1,822	
Balances due from fiscal authorities	965	23,914	1,824	20,722
Prepayments	7	4,990	24	7,400
Loans				213
Receivables from related parties		57		11
Prepaid expenses	1,935	15,946	1,092	16,993
Derivative financial instruments	1,238	65	223	2,945
Notes receivable		77,595		71,975
Other	7,795	10,495	7,563	10,934
	<b>13,795</b>	<b>133,378</b>	<b>12,587</b>	<b>131,847</b>

## 21. Shareholders' Equity

### Issued Share Capital

The share capital was €136,097,896 represented by 136,097,896 no-par value registered shares representing €1 per share. The share capital is fully paid in.

### Additional Paid-in Capital

The additional paid-in capital contains excess amounts over the calculated value resulting from the issuance of shares of ALTANA AG and from equity-settled share-based payment transactions of previous years. Cash-inflows from the sale of shares to non-controlling interests are also included.

### Dividends

In 2022, a dividend of €70.0 million was distributed to the shareholder. The Management Board proposes to the Annual General Meeting to distribute dividends in the amount of



€75.0 million from unappropriated retained earnings as of December 31, 2022 of €1,347.9 million of ALTANA AG and to carry forward the remaining amount of €1,272.9 million.

### Accumulated Other Comprehensive Income

Changes in the fair value of derivative financial instruments qualifying as cash flow hedges are recognized, net of income taxes, in the item "Derivative financial instrument" if all hedge accounting criteria under IFRS 9 are met.

Furthermore, accumulated other comprehensive income includes the translation adjustment of consolidated subsidiaries where the functional currency is a currency other than the Euro.

### Notes on Other Comprehensive Income

The following table shows the income and expenses recognized in other comprehensive income and the income tax effects thereon:

	2021			2022		
	Before income taxes	Income taxes	Net of income taxes	Before income taxes	Income taxes	Net of income taxes
Remeasurement of the net defined employee benefit obligation	22,875	(6,424)	16,451	83,993	(24,863)	59,130
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>22,875</b>	<b>(6,424)</b>	<b>16,451</b>	<b>83,993</b>	<b>(24,863)</b>	<b>59,130</b>
Translation adjustments (including non-controlling interests)	115,035		115,035	54,789		54,789
Gains and losses from derivative financial instruments	(133)	41	(92)			
Change in fair value of derivative financial instruments	(16)	5	(11)			
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>114,886</b>	<b>46</b>	<b>114,932</b>	<b>54,789</b>		<b>54,789</b>
<b>Other comprehensive income</b>	<b>137,761</b>	<b>(6,378)</b>	<b>131,383</b>	<b>138,782</b>	<b>(24,863)</b>	<b>113,919</b>

### Additional Disclosures on Capital Management

The capital management of ALTANA comprises the management of cash and cash equivalents, long-term investments, short-term financial assets and marketable securities, shareholders' equity and debt. The main objective is to ensure the availability of financial funds within the Company. The majority of ALTANA's operations are financed by the Company's operating cash flows. Excess funds required are financed by borrowings.

In 2022, ALTANA's shareholders' equity increased by €276.2 million to €2,951.6 million. The debt to asset ratio was at 25 %. Long-term debt and short-term debt each represented almost 13 % of total liabilities and equity.

In 2021, a new syndicated credit line of €250.0 million with a minimum term until 2026 was issued by an international bank consortium. In 2022, this credit line was extended until 2027. Additionally, in 2021, ALTANA has been granted a credit commitment from the European Investment Bank (EIB) in the amount of €200.0 million which can be used for the development of climate-friendly, digital and sustainable products. In 2022, the EIB credit line was

increased by a further €50.0 million to a total of €250.0 million and the call period was extended by one year until December 21, 2023. In 2022, three tranches of €50.0 million each were drawn.

The Company aims for a balance between equity and liabilities, which allows for further growth either through operational growth or acquisitions. Currently, the Company is not externally rated by a rating agency. The existing and the aspired financing structure – including bolt-on acquisitions – should be adequate for the requirements of an investment grade rating.

Foreign exchange restrictions exist for subsidiaries located in Brazil, India and China.

### Non-controlling Interests

The following table provides financial information for the subsidiary Beck India. The amounts reported refer to 100 % and not to the share of 75 % held by ALTANA:

	Dec. 31, 2021	Dec. 31, 2022
Assets	78,674	86,095
<i>Non-current assets</i>	23,549	19,411
<i>Current assets</i>	55,125	66,684
Liabilities	14,910	14,626
<i>Non-current liabilities</i>	3,241	3,303
<i>Current liabilities</i>	11,669	11,323
Net sales	59,548	77,633
Net income (EAT)	7,554	11,721

In 2022 and 2021, respectively, cash and cash equivalents of ELANTAS Beck India amounted to €0.7 million and €0.4 million and net income of €2.9 million and €1.9 million related to non-controlling interests. In both years reported dividends of €0.1 million were distributed to them. On December 31, 2022 and 2021, non-controlling interests held 25.0 % of the shares.

## 22. Employee Incentive Plans

### ALTANA Equity Performance (AEP)

Since 2010, ALTANA has offered a long-term share-based incentive plan for key members of the management every year. Each of these programs begins on January 1 and has a term of four years. The incentive plans provide for the issuance of so-called ALTANA Equity Performance Awards (AEP rights). ALTANA AG issues these debt instruments; their value develops relative to the value of ALTANA's shareholders' equity. At the beginning of each incentive plan AEP rights, so-called AEP Awards, are granted to the key management members. The awards will be settled at the value determined at the end of the respective plan's term. Payment is limited to a maximum of 250 % of the value of the preliminary awards granted. No payment is made in the event of a negative performance. In case of a positive performance over the subsequent period of four years, catch up payments are made for the respective plan.

The precondition for participating in the incentive plans is a personal investment in AEP rights, which is determined based on the key management category to which the beneficiary belongs. The participant must hold the personal investments for the entire duration of the plan. These AEP rights are subject to the same performance as the AEP Awards, however their increase in value is limited to a maximum of 20 % per year.

For the AEP tranche 2017, no payments were made in 2021 because the required performance was not achieved as of December 31, 2020. Upon the achievement of the corresponding performance in 2021, payments were made in 2022. 10,249 AEP Awards were finally allocated. Also for the AEP tranche 2018 10,356 AEP Awards were finally allocated at the end of the term on December 31, 2021 and payments were made in 2022. For the AEP tranches 2017 and 2018 payments of €6.7 million were made in 2022.

The following table provides the main parameters of the incentive plan:

	Awards granted	Initial fair value in € per award	Fair value in € per award as of Dec.31, 2022	End of term
Tranche AEP 2019	11,192	279.07	307.48	31.12.2022
Tranche AEP 2020	11,529	276.28	360.56	31.12.2023
Tranche AEP 2021	12,014	287.42	414.52	31.12.2024
Tranche AEP 2022	11,434	326.99	482.06	31.12.2025

In 2022 and 2021, expenses for all plans including personal investments of €3.6 million and €4.5 million, respectively, were recognized. Provisions amounted to €10.4 million and €13.2 million, as of December 31, 2022 and 2021, respectively and include €3.4 million for the fully vested AEP tranche 2019. In 2021, the provisions include €6.6 million for the fully vested AEP tranches 2017 and 2018. Total personal investment, which is reported in other liabilities, was measured at €4.4 million and €4.7 million as of December 31, 2022 and 2021 (see note 26).

#### **ALTANA Profit Participation (APP)**

At the end of 2010 ALTANA initiated an incentive plan for employees not eligible for the AEP program. Since then, this incentive plan allows for annual purchases of ALTANA Profit Participation Rights (APPR).

The APPRs are debt instruments issued by ALTANA AG with a minimum term of four years. A basic interest rate per year of the debt instrument is granted as well as an additional bonus interest rate if applicable. For the APPRs 2010 until 2020, the basic interest rate was 3 %. With the launch of the APP plan 2021, the basic interest rate for all new programs was reduced to 2 %. The bonus interest represents 150 % of the relative ALTANA Value Added. The latter corresponds to the excess return on capital employed (ROCE) generated by ALTANA in the respective financial year over the average cost of capital. Additionally, subscribers of APPRs are granted a one-time earnings-related country-specific payment. On December 31, 2022, the APP plans for 2012 und 2013 were terminated and the nominal amounts were repaid in January 2023.

As of December 31, 2022 and 2021, €50.6 million and €47.6 million, respectively, were recognized in other liabilities for the APPRs issued in 2022 and previous years. In 2022 and 2021, the one-time payment and the interest incurred resulted in an expense of €2.8 million and €3.6 million, respectively, which was recognized in personnel expenses.

## 23. Debt

	Dec. 31, 2021		Dec. 31, 2022	
	Non-current debt	Current debt	Non-current debt	Current debt
Borrowings from banks	1,212	1,609	134,064	6,097
Lease obligations	36,104	8,931	40,585	9,806
Other	12,137	2,306	9,282	5,774
	<b>49,453</b>	<b>12,846</b>	<b>183,931</b>	<b>21,677</b>

For general corporate financing purposes ALTANA uses different financing instruments. As of December 31, 2022, ALTANA has an undrawn syndicated credit line of €250.0 million which was issued by eight banks. In addition, ALTANA has obtained a credit commitment of €200.0 million from EIB in 2021, which was increased to €250.0 million in 2022 and which was drawn in the amount of €150.0 million as of December 31, 2022. The interest rate advantage of €10.1 million resulting from the difference between the market interest rate and the contractually agreed interest rate is reported in other liabilities (see note 26). The remaining notional amount of €138.3 million is reported in borrowings from banks. Furthermore, as of December 31, 2022, largely unused lines of credit in the amount of €10.7 million were available to ALTANA. The terms and conditions are based on market conditions and no collateral is provided.

As of December 31, 2022, foreign currency denominated bank borrowings existed in the amount of €0.2 million. In 2021, no foreign currency denominated bank borrowings existed.

The item Other includes the earn-out liability from the acquisition in 2021 of the TLS business. The earn-out liability included in the item Other in 2021 resulting from the acquisition of all shares in Cytec Olean Inc. from Cytec Industries Inc in previous years was derecognized in 2022 (see note 3). Also included is a loan of €9.2 million (USD 9.9 million) which ALTANA received from a U.S. investment fund and the remaining purchase price for the acquisition of Saralon as well as the remaining payments for the loan with the conversion option to TAU in the total amount of €2.0 million (see note 14).

The following table provides information about the change in financial liabilities considering cash and non-cash effects:

	Borrowings from banks	Lease obligations	Other	Total
Balance at Jan. 1, 2021	4,255	43,476	11,653	59,384
Changes in financial liabilities affecting cash flow	(1,478)	(9,752)		(11,230)
Acquisitions		152	4,996	5,148
non-cash changes				
Translation adjustments		2,076	973	3,049
Change in fair value			(3,179)	(3,179)
Leasing		9,083		9,083
Other	44			44
<b>Balance at Dec. 31, 2021</b>	<b>2,821</b>	<b>45,035</b>	<b>14,443</b>	<b>62,299</b>
Changes in financial liabilities affecting cash flow	146,114	(11,817)		134,297
Acquisitions				
non-cash changes				
Translation adjustments		1,809	585	2,394
Change in fair value			(1,959)	(1,959)
Leasing		15,363		15,363
Other	(8,774)		1,987	(6,787)
<b>Balance at Dec. 31, 2022</b>	<b>140,161</b>	<b>50,390</b>	<b>15,056</b>	<b>205,607</b>

Interest payments from financial liabilities are reported separately within the operating cash flow (see Statement of Cash Flows).

In 2022, non-cash changes in the amount of €9.2 million are reported in borrowings from banks and result from the interest rate advantage of the EIB loan agreement (see note 26). Offsetting effects in the amount of €0.4 million result from accrued interest on the non-cash expenses of the EIB loan. In addition, the item other mainly includes non-cash changes of one purchase price liability of €1.7 million (see note 14).

As of December 31, 2022 and 2021, the maturity of total debt was as follows:

		Due within one year	Due within two to five years	Due after five years	Total
<b>Borrowings from banks</b>	Dec. 31, 2021	1,609	1,048	164	2,821
	<b>Dec. 31, 2022</b>	<b>6,098</b>	<b>117,909</b>	<b>16,155</b>	<b>140,162</b>
<b>Other</b>	Dec. 31, 2021	2,306	3,396	8,741	14,443
	<b>Dec. 31, 2022</b>	<b>5,774</b>		<b>9,282</b>	<b>15,056</b>
<b>Total</b>	Dec. 31, 2021	3,915	4,444	8,905	17,264
	<b>Dec. 31, 2022</b>	<b>11,872</b>	<b>117,909</b>	<b>25,437</b>	<b>155,218</b>
<b>Lease obligations</b>	Dec. 31, 2021				45,035
	<b>Dec. 31, 2022</b>				<b>50,390</b>
<b>Total debt</b>	Dec. 31, 2021				62,299
	<b>Dec. 31, 2022</b>				<b>205,608</b>

In the following table the maturity of the lease obligation is presented:

	Dec. 31, 2021	<b>Dec. 31, 2022</b>
Due within one year	8,833	10,160
Due within two to five years	17,287	18,604
Due after five years	23,936	26,616
<b>Total minimum lease payments</b>	<b>50,056</b>	<b>55,380</b>
Less amount representing interest	5,021	4,990
<b>Present value of the lease liability</b>	<b>45,035</b>	<b>50,390</b>
Less current portion	8,931	9,806
<b>Non-current lease liability</b>	<b>36,104</b>	<b>40,584</b>

In 2022 and 2021, respectively, cash payments from lease agreements amounted to €13.8 million and €13.0 million, of which €11.8 million and €9.7 million were attributable to payments of principal of lease liabilities, €0.7 million and €0.6 million payments of interest and €3.2 million and €2.7 million to the exercise of recognition assumptions. The expenses from lease contracts are presented in note 11.

In both years reported, potential future cash payments in the amount of €0.4 million were not included in the lease obligations as it is not reasonably certain that the corresponding lease agreements will be extended (or not terminated).

As of December 31, 2022 and 2021, lease agreements entered into by ALTANA as lessee but not yet commenced will result in future cash outflows of €0.7 million and €1.6 million, respectively.

## 24. Employee Benefit Obligations

### Defined Benefit Plans

The defined benefit obligation comprises unfunded and funded plans. Of these plans approximately 88 % relate to obligations in Germany and the U.S. as follows:

	Dec. 31, 2021	Dec. 31, 2022
Germany	374,509	288,449
The Netherlands	381	
U.S.	17,163	13,726
Other	44,686	42,637
<b>Defined benefit obligation</b>	<b>436,739</b>	<b>344,812</b>

**Domestic Plans:** Certain executives located in Germany are entitled to post-employment benefits ("Ruhegeldendbetrag"). The benefit is agreed individually and is paid out as a life-time pension upon reaching the age of 65, upon early retirement in accordance with statutory retirement provisions or in case of disability. The plan also covers surviving dependents' pension. All other German employees with an employment start date before January 1, 2010, participate in a post-employment benefit plan which also covers old age, disability and surviving dependents' pensions. The plan is basically based on a benchmark model considering length of service and salary with life-time pension payments beginning at the age of 65. Benefits granted from January 1, 1999 include a fixed annual increase of 1 % of the benefits, plans before that date grant compensation for inflation in accordance with section 16 of the German Company Pension Laws (BetrAVG). For ALTANA, the risk is mainly represented by the development of life expectancy and inflation since the obligations resulting from these plans represent life-time pension payments.

All employees with an employment start date after December 31, 2009 are in a plan which is based on a capital commitment (ALTANA Vorsorgekapital/AVK). ALTANA pays the employer's contributions into external investment funds until the benefits are paid out. ALTANA also offers an employee-funded plan that grants the employees the right to have part of their earnings paid into a company pension scheme (AltersvorsorgeAktiv mit ALTANA/AAA) which are increased by employer's contributions, as necessary. For this plan, too, the contributions are invested in external investment funds until pay-out (cf. AVK). The two post-employment benefit plans at ALTANA, AVK and AAA basically have the same features. ALTANA offers two models: a fixed income-based model, where the Company guarantees a minimum interest yield on the contributions paid-in, corresponding to the interest rate of life insurance contracts of 0.9 % as of the reporting date, and an equity-based model, where ALTANA guarantees the payment contributions made, but without any additional interest guarantee. Obligations under the AVK and AAA plans are linked to the development of the fund assets, which results in a reduction of the overall business risk exposure. The remaining risk ALTANA is exposed to, is represented by the risk that the performance of the funds does not cover the guaranteed minimum interest yield or the capital commitment.

**Foreign Plans:** In the U.S., ALTANA basically offers two employee benefit plans which are financed by funds and one additional defined benefit plan for executive employees, which is unfunded. These plans provide for pension payments upon retirement. New employees cannot participate in these plans. Since their closure none of these three funded plans provides for additional benefits in future years of service. The two funded defined benefit plans are managed by trustees. These plans are subject to minimum funding requirements. The risks related to these plans are represented by the change in actuarial assumptions and life expectancy. For example, a lower interest rate will result in higher pension obligations due to lower discounting, which in turn could result in higher fund provisioning.

Post-employment benefit obligations, similar obligations and pension liabilities are rolled-forward as follows.

In 2022, the decrease in the pension liability mainly results from the changes of the actuarial assumptions, in particular from the increase in the discount rate.

	Dec. 31, 2021			Dec. 31, 2022		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Defined benefit obligation - funded	127,114	58,592	185,706	117,722	53,612	171,334
Fair value of plan assets	127,082	57,815	184,897	117,549	55,046	172,595
<b>Funded status</b>	<b>32</b>	<b>777</b>	<b>809</b>	<b>173</b>	<b>(1,434)</b>	<b>(1,261)</b>
Defined benefit obligation - unfunded	247,396	3,637	251,033	170,726	2,752	173,478
<b>Net defined benefit obligation</b>	<b>247,428</b>	<b>4,414</b>	<b>251,842</b>	<b>170,899</b>	<b>1,318</b>	<b>172,217</b>
Effect on asset ceiling limitation		1,925	1,925			
<b>Provision for other post-retirement benefits</b>		<b>149</b>	<b>149</b>		<b>163</b>	<b>163</b>
<b>Reported amount</b>	<b>247,428</b>	<b>6,488</b>	<b>253,916</b>	<b>170,899</b>	<b>1,481</b>	<b>172,380</b>



	Present value of the defined ben- efit obligation	Fair value of plan assets	Effect on asset ceiling limitation	Total
<b>Balance at Jan. 1, 2021</b>	<b>460,235</b>	<b>(187,655)</b>		<b>272,580</b>
Service cost				
Current service cost	13,621			13,621
Interest expense/(income)	4,957	(1,772)		3,185
Administration cost		136		136
	<b>18,578</b>	<b>(1,636)</b>		<b>16,942</b>
<b>Remeasurement</b>				
Return on plan assets excluding amounts included in interest income		(16,833)		(16,833)
Gains/(losses) from changes in demographic assumptions	(1,755)			(1,755)
Gains/(losses) from changes in financial assumptions	(16,088)			(16,088)
Experience-based adjustments	9,982			9,982
Change in the asset ceiling limitation excluding amounts recognized in interest income			1,925	1,925
	<b>(7,861)</b>	<b>(16,833)</b>	<b>1,925</b>	<b>(22,769)</b>
Translation adjustment	2,831	(2,735)		96
Contributions:				
Employer		(7,840)		(7,840)
Beneficiaries of the plan	4,478	(4,478)		
Pension payments	(7,909)	2,703		(5,206)
Settlements	(33,623)	33,623		
Other	10	(46)		(36)
<b>Balance at Dec. 31, 2021</b>	<b>436,739</b>	<b>(184,897)</b>	<b>1,925</b>	<b>253,767</b>
Service cost				
Current service cost	13,426			13,426
Interest expense/(income)	6,330	(2,625)	7	3,712
Administration cost		255		255
	<b>19,756</b>	<b>(2,370)</b>	<b>7</b>	<b>17,393</b>
<b>Remeasurement</b>				
Return on plan assets excluding amounts included in interest income		25,844		25,844
Gains/(losses) from changes in demographic assumptions	(21)			(21)
Gains/(losses) from changes in financial assumptions	(97,433)			(97,433)
Experience-based adjustments	(10,372)			(10,372)
Change in the asset ceiling limitation excluding amounts recognized in interest income			(1,932)	(1,932)
	<b>(107,826)</b>	<b>25,844</b>	<b>(1,932)</b>	<b>(83,914)</b>
Translation adjustment	2,392	(2,282)		110
Contributions:				
Employer		(9,336)		(9,336)
Beneficiaries of the plan	5,822	(5,822)		
Pension payments	(11,557)	6,146		(5,411)
Settlements				
Other	(514)	122		(392)
<b>Balance at Dec. 31, 2022</b>	<b>344,812</b>	<b>(172,595)</b>		<b>172,217</b>

The following table presents the significant actuarial assumptions of the pension plans:

	Dec. 31, 2021		Dec. 31, 2022	
	German plans	U.S. plans	German plans	U.S. plans
Discount rate	1.5 %	2.5 %	4.2 %	5.0 %
Rate of pension increase	1.8 %		2.0 %	

As in the previous year, the discount rate for employee benefit and similar obligations was determined based on the "Mercer Yield Curve Approach."

The life expectancy in Germany is based on the "Richttafeln 2018 G," which were developed by Prof. Dr. Klaus Heubeck and is unchanged to the previous year.

The "U.S. PRI2012 Mortality Tables" are applied in the U.S. with appropriate updates and projections considered.

The following table shows the changes in the present value of the defined benefit obligation resulting from changes in the relevant actuarial assumptions with the other assumptions remaining unchanged. This means no possible correlation effects were considered. For the German plans an increase or decrease of life expectancy of one year is assumed for a person who is exactly 65 years old. For employees who are either younger or older than 65, a corresponding adjustment is made, i.e. the change in life expectancy of younger employees is more than one year and that of older employees is less than one year. For the plans in the U.S. an age-independent shift in the employees' life expectancy is assumed as of the reporting date:

	Change in actuarial assumption	Dec. 31, 2021		Dec. 31, 2022	
		Effect on defined benefit obligation		Effect on defined benefit obligation	
		Defined benefit obligation	Change	Defined benefit obligation	Change
		in € thousand	in %	in € thousand	in %
Present value of the defined benefit obligation		391,672		302,175	
Discount rate	Increase by 50 basis points	368,818	(5.8)	290,297	(3.9)
	Decrease by 50 basis points	417,248	6.5	316,117	4.6
Rate of pension increase	Increase by 50 basis points	401,255	2.4	307,648	1.8
	Decrease by 50 basis points	382,676	(2.3)	297,152	(1.7)
Life expectancy	Increase by 1 year	402,285	2.7	307,975	1.9
	Decrease by 1 year	380,729	(2.8)	296,238	(2.0)

The following table shows the fair values of the plan assets per category:

	Dec. 31, 2021			Dec. 31, 2022		
	Price quotation in an active market	No price quotation in an active market	Total	Price quotation in an active market	No price quotation in an active market	Total
Bonds	21,826		21,826	16,440		16,440
Money market funds	9,246		9,246	8,352		8,352
Mixed funds	117,837		117,837	109,197		109,197
Shares	10,466		10,466	10,132		10,132
Insurances		7,385	7,385		7,738	7,738
Cash and cash equivalents	6,480		6,480	10,571		10,571
Other		11,657	11,657		10,165	10,165
<b>Fair value of plan assets</b>	<b>165,855</b>	<b>19,042</b>	<b>184,897</b>	<b>154,692</b>	<b>17,903</b>	<b>172,595</b>

The domestic plan assets mainly comprise money market funds and mixed funds, while the foreign plan assets mainly comprise shares, debt instruments and insurances.

ALTANA aims to hedge future payments under the pension obligation with long-term returns from the portfolio of the plan assets. Therefore, the composition of the plan assets is geared to the sustainability of the income generated by increases in market values of the assets as well as dividends and interest income.

In 2022, the actual loss on the plan assets amounted to €23.4 million. In 2021 the actual return was €18.5 million.

Plan assets do not include financial instruments issued by ALTANA or other assets or property used by the Company itself.

In 2023, the Company expects to pay benefits of €19.1 million to retirees compared to €17.4 million in 2022 and expects payments from plan assets of €12.5 million compared to €11.5 million in 2022. Contributions to plan assets by the employer are expected to be paid in an amount of €10.0 million in 2023 compared to €7.8 million in 2022. The expected expense for defined benefit plans including net interest expenses for 2023 is estimated to amount to €18.3 million compared to €16.7 million in 2022.

In 2022 and 2021, the weighted average duration of the German and U.S. employee benefit obligation is 14 years and 19 years, respectively.

**Defined contribution plans**

Defined contribution plans mainly exist in non-German subsidiaries. Additionally, the Company pays contributions to domestic and foreign governmental and private pension insurance organizations in accordance with legal regulations. The contributions are recognized as expense based on their function in the respective year and amounted to €31.1 million and €28.7 million in 2022 and 2021, respectively. No further obligations exist besides the contributions paid.

## 25. Other Provisions

	Employees	Sales and marketing	Warranty	Other	Total
<b>Balance at Jan. 1, 2022</b>	<b>94,785</b>	<b>33,110</b>	<b>2,508</b>	<b>30,338</b>	<b>160,741</b>
Additions	59,952	21,999	334	11,959	94,244
Accretion	224				224
Utilization	(71,675)	(26,422)	(70)	(11,918)	(110,085)
Reversal	(2,674)	(1,653)	(478)	(1,808)	(6,613)
Transfers		(14)		14	
Translation adjustments	829	241	17	621	1,708
<b>Balance at Dec. 31, 2022</b>	<b>81,441</b>	<b>27,261</b>	<b>2,311</b>	<b>29,206</b>	<b>140,219</b>
<b>Thereof non-current</b>					
at Dec. 31, 2021	21,609	530		7,506	29,645
<b>at Dec. 31, 2022</b>	<b>19,830</b>	<b>664</b>	<b>107</b>	<b>8,422</b>	<b>29,023</b>

The employee-related provisions include provisions for employee incentive plans and bonuses. The non-current portion mainly relates to partial retirement (Altersteilzeit), anniversary benefits and employee incentive plans.

Provisions for sales and marketing pertain primarily to sales bonuses (refund liability from revenues) and commissions. As of December 31, 2022 and 2021, provisions for sales bonuses amounted to €14.3 million and €16.1 million, respectively. In 2022 and 2021, €12.4 million and €7.1 million were used and €0.5 million were released in both years reported.

Provisions for warranty cover commitments in connection with goods delivered and services rendered. ALTANA expects that the current portion of the provisions will be utilized during 2023.

The item Other includes litigation, legal cost and professional fees, provision for taxes other than income taxes and contributions.

## 26. Other Liabilities

Other liabilities consist of the following:

	Dec. 31, 2021		Dec. 31, 2022	
	Other non-current liabilities	Other current liabilities	Other non-current liabilities	Other current liabilities
Balances due to fiscal authorities (incl. payroll taxes)	304	16,285		14,943
Personnel-related liabilities		13,284		14,791
Social security contributions		4,917		5,283
Employee incentive plans	25,610	26,663	27,816	27,180
Credit notes to customers		2,117		2,211
Derivative financial instruments		2,913		901
Deferred income	1,013	2,563	8,323	4,524
Contract liability		4,394		3,612
Refund liability		1,109		995
Other		6,830		6,684
	<b>26,927</b>	<b>81,075</b>	<b>36,139</b>	<b>81,124</b>

## 27. Additional Disclosures for Financial Instruments

### Measurement of Financial Instruments Based on Categories

ALTANA uses different financial instruments. In accordance with accounting regulations for financial instruments, these financial instruments are classified based on their nature and function into several measurement categories. Financial assets are classified as follows: Debt instruments are classified as carried at amortized cost if the underlying business model objective is to hold assets to collect contractual cash flows and these cash flows are solely payments for principal and interest on the outstanding amount.

Financial instruments are classified as at fair value through profit or loss if the classification criteria of a debt instrument for amortized cost under IFRS 9 is not fulfilled, the financial instrument is a derivative financial instrument for which hedge accounting is not applied to or in case of an equity instrument for which the option to recognize changes in fair value in other comprehensive income (OCI option) is not exercised.

The carrying amounts of cash and cash equivalents, short-term financial assets, trade accounts receivable and other current assets allocated to other non-derivative non-interest-bearing financial assets, approximate their fair values due to the short-term maturities of these instruments.

The carrying amounts of marketable securities and other long-term investments equal their fair values. These investments include listed and unlisted financial investments. For other long-term investments listed on the stock exchange the fair values correspond to the quotation on the stock exchange (hierarchy level 1). As of December 31, 2022, ALTANA holds other long-term investments with a quoted value of €3.7 million. As of December 2021, ALTANA did not hold such investments. In 2022 and 2021, respectively, other long-term investments not traded on the stock exchange amounted to €28.2 million and €24.8 million, and are measured at fair value (hierarchy level 3). A sale of these investments is currently not planned. In addition, listed marketable securities are included whose carrying amounts correspond to the quoted prices as of the reporting date in accordance with hierarchy level 1.

The carrying amounts of the long-term investments, which are allocated to the other interest-bearing non-derivative financial assets and are not measured at amortized cost correspond to their fair value and are allocated to hierarchy level 3. The fair value can increase by a maximum of €0.2 million and relates to a loan with a conversion option described in note 14.

The carrying amounts of the long-term investments, which are allocated to the other non-interest-bearing non-derivative financial assets, are measured at their fair value and are allocated to hierarchy level 3. The fair value can increase by a maximum of €0.5 million and relates to the funding agreement for another investment in Israel described in note 14.

The carrying amounts of derivative financial assets and liabilities equal their fair values. These are generally measured as the present value of the expected future cash inflows and outflows of the financial instruments in consideration of the credit risk and are allocated to hierarchy level 2.

The fair values of interest bearing other non-derivative financial assets and liabilities measured at amortized cost equal the present values of their future estimated cash flows. The present values are calculated taking the currency, interest rates and duration parameters at each reporting date into consideration (hierarchy level 2).

The fair value of the other non-interest-bearing non-derivative financial liabilities allocated to other non-current liabilities is also determined as the present value of the expected future cash inflows and outflows of the financial instruments and is allocated to hierarchy level 2.

Trade accounts payable and other non-interest bearing non-derivative liabilities allocated to other current liabilities, generally have a short remaining maturity; therefore, their carrying amount approximates their fair value. Debt allocated to other non-interest bearing non-derivative financial liabilities essentially relate to earn-out payments in connection with the acquisitions TLS and represent fair values which are assigned to hierarchy level 3. In 2021, the earn-out payments for the acquisition of Cytec Olean Inc. were included, but were fully derecognized through profit or loss in 2022. The fair values of the earn-out payments depend on the achievement of certain sales and gross profit targets. If the estimated sales or gross profit change by +/- 10%, the financial liability and the financial result will change by +/- €1.5 million (2021: +/- €2.3 million). As of December 31, 2022 and 2021, these debts amount to €3.8 million and €5.7 million. In 2022 and 2021, an adjustment of the liability from fair value measurement of €-2.0 million and €-3.0 million occurred. In 2022 and 2021, a change of the liabilities also results from exchange-rate losses of €0.1 million and €0.2 million which were recognized in other comprehensive income. In 2022 and 2021 no payments were made.

Share options are measured at fair value through profit or loss and are assigned to hierarchy level 3. The fair value is determined using an option pricing model because the underlying value of the option is not a listed company and therefore no market-oriented volatilities or correlations are available. The Company uses the Black-Scholes-Modell employing the Margrabe-Formula to determine the fair value.

In measuring the options, the company value and the variable purchase price are compared. The company value is determined based on discounted estimated future cash flows using an interest rate representing a market interest. The variable purchase price is determined as a multiple of a profit target considering different scenarios.

The options have a term of multiple years.

As of December 31, 2022 and 2021, the carrying amount of the derivative share option was €0.2 million and €1.2 million, respectively. In 2022 unrealized losses of €1.0 million and in 2021 unrealized gains of €0.3 million are reported in the financial result.

The following tables provide a reconciliation of the items in the statement of financial position to the different categories of financial instruments, their carrying amounts and fair values as of December 31, 2021 and 2022.

	Dec. 31, 2021		Dec. 31, 2021
	Carrying amount		Fair value
		Financial assets	Hedging instruments (hedge accounting)
	at amortized cost	at fair value through profit or loss	at fair value
<b>Cash and cash equivalents</b>	<b>259,946</b>		<b>259,946</b>
thereof in			
Cash and cash equivalents	259,946		259,946
<b>Short-term financial assets</b>	<b>67,518</b>		<b>67,518</b>
thereof in			
Short-term financial assets	67,518		67,518
<b>Trade accounts receivable</b>	<b>474,167</b>		<b>474,167</b>
thereof in			
Trade accounts receivable	473,434		473,434
Other current assets	733		733
<b>Other interest-bearing non-derivative financial assets</b>	<b>28,830</b>	<b>1,500</b>	<b>30,813</b>
thereof in			
Long-term investments	28,226	1,500	30,209
Other current assets	604		604
<b>Other non-interest-bearing non-derivative financial assets</b>	<b>79,583</b>	<b>1,067</b>	<b>80,650</b>
thereof in			
Long-term investments		794	794
Other non-current assets		273	273
Other current assets	79,583		79,583
<b>Marketable securities and long-term investments</b>		<b>55,822</b>	<b>55,822</b>
thereof in			
Long-term investments		24,766	24,766
Marketable securities		31,056	31,056
<b>Derivative financial assets - without hedge accounting</b>		<b>1,303</b>	<b>1,303</b>
thereof in			
Other non-current assets		1,238	1,238
Other current assets		65	65
	<b>910,044</b>	<b>59,692</b>	<b>970,219</b>



	Dec. 31, 2022		Dec. 31, 2022
	Carrying amount		Fair value
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Hedging instruments (hedge accounting) at fair value
<b>Cash and cash equivalents</b>	<b>458,091</b>		<b>458,091</b>
thereof in			
Cash and cash equivalents	458,091		458,091
<b>Short-term financial assets</b>	<b>7,158</b>		<b>7,158</b>
thereof in			
Short-term financial assets	7,158		7,158
<b>Trade accounts receivable</b>	<b>488,310</b>		<b>488,310</b>
thereof in			
Trade accounts receivable	487,551		487,551
Other current assets	759		759
<b>Other interest-bearing non-derivative financial assets</b>	<b>28,096</b>	<b>1,080</b>	<b>26,110</b>
thereof in			
Long-term investments	26,885	1,080	24,899
Other current assets	1,211		1,211
<b>Other non-interest-bearing non-derivative financial assets</b>	<b>73,565</b>	<b>794</b>	<b>74,359</b>
thereof in			
Long-term investments		794	794
Other non-current assets			
Other current assets	73,565		73,565
<b>Marketable securities and long-term investments</b>		<b>72,237</b>	<b>72,237</b>
thereof in			
Long-term investments		31,825	31,825
Marketable securities		40,412	40,412
<b>Derivative financial assets - without hedge accounting</b>		<b>3,168</b>	<b>3,168</b>
thereof in			
Other non-current assets		223	223
Other current assets		2,945	2,945
	<b>1,055,220</b>	<b>77,279</b>	<b>1,129,433</b>

	Dec. 31, 2021		Dec. 31, 2021
	Carrying amount		Fair value
	Financial liabilities		Hedging instruments (hedge accounting)
	at amortized cost	at fair value	at fair value
<b>Trade accounts payable</b>	<b>249,962</b>		<b>249,962</b>
thereof in			
Trade accounts payable	247,845		247,845
Other current liabilities	2,117		2,117
<b>Other interest-bearing non-derivative financial liabilities</b>	<b>11,562</b>		<b>11,380</b>
thereof in			
Non-current debt	9,953		9,771
Current debt	1,609		1,609
<b>Other non-interest-bearing non-derivative financial liabilities</b>	<b>9,871</b>	<b>5,702</b>	<b>15,573</b>
thereof in			
Non-current debt		3,396	3,396
Current debt		2,306	2,306
Other current liabilities	9,871		9,871
<b>Derivative financial liabilities - without hedge accounting</b>		<b>2,913</b>	<b>2,913</b>
thereof in			
Other current liabilities		2,913	2,913
	<b>271,395</b>	<b>8,615</b>	<b>279,828</b>

	Dec. 31, 2022		Dec. 31, 2022
	Carrying amount		Fair value
	Financial liabilities		Hedging instruments (hedge accounting)
	at amortized cost	at fair value	at fair value
<b>Trade accounts payable</b>	<b>234,420</b>		<b>234,420</b>
thereof in			
Trade accounts payable	232,209		232,209
Other current liabilities	2,211		2,211
<b>Other interest-bearing non-derivative financial liabilities</b>	<b>151,430</b>		<b>149,503</b>
thereof in			
Non-current debt	143,346		140,257
Current debt	8,084		9,246
<b>Other non-interest-bearing non-derivative financial liabilities</b>	<b>9,233</b>	<b>3,787</b>	<b>13,020</b>
thereof in			
Non-current debt			
Current debt		3,787	3,787
Other current liabilities	9,233		9,233
<b>Derivative financial liabilities - without hedge accounting</b>		<b>901</b>	<b>901</b>
thereof in			
Other current liabilities		901	901
	<b>395,083</b>	<b>4,688</b>	<b>397,844</b>

### Income Effect According to Measurement Categories

The following table provides the net result from financial instruments according to the measurement categories. The net financial result contains interest income, interest expense, gains and losses from the sale of financial instruments, dividends received and the net result from the netting of other expenses and income. Additionally, changes in the fair value of derivative financial instruments are included. The net financial result reported only includes income and expense related to financial instruments and their categories. Interest expense from employee benefit and lease obligations are therefore not included. The net operating result mainly includes impairment losses on trade accounts receivable.

	Net financial result	Net operating result	Net result
Dec. 31, 2021			
<b>at amortized cost</b>	<b>5,350</b>	<b>(138)</b>	<b>5,211</b>
thereof from:			
Financial assets	9,145	(138)	9,007
Financial liabilities	(3,795)		(3,795)
<b>at fair value through profit or loss</b>	<b>2,299</b>		<b>2,299</b>
thereof from:			
Financial assets	(745)		(745)
Financial liabilities	3,044		3,044
<b>Derivatives at fair value through profit and loss</b>	<b>(4,458)</b>		<b>(4,458)</b>
<b>Total</b>	<b>3,190</b>	<b>(138)</b>	<b>3,052</b>

	Net financial result	Net operating result	Net result
Dec. 31, 2022			
<b>at amortized cost</b>	<b>7,399</b>	<b>(2,923)</b>	<b>4,476</b>
thereof from:			
Financial assets	10,817	(2,923)	7,894
Financial liabilities	(3,419)		(3,419)
<b>at fair value through profit or loss</b>	<b>3,034</b>		<b>3,034</b>
thereof from:			
Financial assets	1,072		1,072
Financial liabilities	1,962		1,962
<b>Derivatives at fair value through profit and loss</b>	<b>(8,744)</b>		<b>(8,744)</b>
<b>Total</b>	<b>1,688</b>	<b>(2,923)</b>	<b>7,509</b>

In 2022 and 2021, the net financial result includes interest income generated by financial instruments measured at amortized cost amounting to €4.5 million and €2.5 million and interest expense incurred by financial instruments measured at amortized cost amounting to €1.8 million and €0.8 million. Interest income and interest expense are measured by applying the effective interest method.

In 2022 and 2021, impairment losses on financial instruments at amortized cost amount to €4.0 million and €2.0 million. Of these amounts €3.5 million and €1.9 million relate to trade accounts receivable.

The risk provisions recognized in 2020 for potentially increased insolvency risks resulting from the coronavirus pandemic amounting to €4.1 million is retained in 2021 and 2022 due to the unchanged risk situation. The decrease in the corona-related insolvency risks is offset by an increase in general insolvency risk.

### Risk Analysis

**Liquidity Risk:** To assure the solvency and financial flexibility of ALTANA, the Company retains a liquidity reserve through cash and cash equivalents and lines of credit.

The following tables show the contractual amortization including the undiscounted interest payments for non-derivative (for lease liabilities not included in the following table see separate disclosure in note 23) and derivative financial instruments with a positive and a negative fair value. All non-derivative and derivative financial instruments as of December 31, 2022 and 2021, respectively, for which contractual payments had already been agreed, are included. Variable interest payments resulting from non-derivative financial instruments were estimated based on the interest rates applicable at the respective reporting dates. Budgeted amounts for future expected liabilities were not considered. Foreign currency amounts were translated based on the exchange rates as of the reporting dates. The cash flows attached to the foreign currency derivatives were calculated based on the respective forward rates.

		Due within one year	Due within two to five years	Due after five years
<b>Trade accounts payable</b>	Dec. 31, 2021	249,962		
	<b>Dec. 31, 2022</b>	<b>234,420</b>		
<b>Other interest-bearing non-derivative financial liabilities</b>	Dec. 31, 2021	1,631	1,052	8,905
	<b>Dec. 31, 2022</b>	<b>11,266</b>	<b>125,182</b>	<b>26,482</b>
<b>Other non-interest-bearing non-derivative financial liabilities</b>	Dec. 31, 2021	12,177	3,396	
	<b>Dec. 31, 2022</b>	<b>13,020</b>		
<b>Other contingent financial liabilities</b>	Dec. 31, 2021	72,042		
	<b>Dec. 31, 2022</b>	<b>12,588</b>		
<b>Total</b>	Dec. 31, 2021	335,812	4,448	8,905
	<b>Dec. 31, 2022</b>	<b>271,294</b>	<b>125,182</b>	<b>26,482</b>

		Due within one year	Due within two to five years	Due after five years
<b>Forward foreign exchange contracts with positive fair value</b>				
<b>Cash inflow</b>	Dec. 31, 2021	10,537		
	<b>Dec. 31, 2022</b>	<b>112,068</b>		
<b>Cash outflow</b>	Dec. 31, 2021	(10,228)		
	<b>Dec. 31, 2022</b>	<b>(111,438)</b>		
<b>Net</b>	Dec. 31, 2021	309		
	<b>Dec. 31, 2022</b>	<b>631</b>		
<b>Forward foreign exchange contracts with negative fair value</b>				
<b>Cash inflow</b>	Dec. 31, 2021	89,421		
	<b>Dec. 31, 2022</b>	<b>64,750</b>		
<b>Cash outflow</b>	Dec. 31, 2021	(93,009)		
	<b>Dec. 31, 2022</b>	<b>(43,484)</b>		
<b>Net</b>	Dec. 31, 2021	(3,588)		
	<b>Dec. 31, 2022</b>	<b>21,266</b>		

**Credit Risk:** The Company is exposed to credit risk if business partners do not fulfill their obligations. ALTANA continuously analyzes the creditworthiness of significant debtors. Based on its international operations and a diversified customer structure ALTANA has no concentration of credit risk. The Company does not generate sales of more than 3 % with one single customer and generates less than 20 % with its ten most significant customers combined. Receivables are monitored locally in the operating subsidiaries on an ongoing basis. Financing transactions are mainly carried out with contractual partners who have a credit rating of "Investment Grade." Furthermore, rating-based credit limits are defined for each contracting party that ALTANA invests with.

The carrying amount of all trade accounts receivable (see also note 17), marketable securities, long-term investments, cash and cash equivalents and other current and non-current assets represents ALTANA's maximum credit risk.

IFRS 9 requires the calculation of the expected credit risk for financial assets measured at amortized cost.

ALTANA considers an expected credit loss on trade accounts receivables on the basis of the lifetime expected credit loss as these receivables do not contain a significant financing component.

As of December 31, 2022 and 2021, other receivables and assets include bills receivable from Chinese customers in the amount of €72.7 million and €77.8 million for which a risk provision of €0.8 million and €0.2 million was recognized. Due to this low credit risk, ALTANA uses this option: The expected credit default is determined based on an expected loss within 12 months ("low credit risk assets").

The maximum credit risk exposure for each measurement category is as follows:

	Dec. 31, 2021	Dec. 31, 2022
<b>Exposure applying the impairment model</b>		
Financial assets - at amortized cost	910,044	1,055,220
<b>Exposure without application of the impairment model</b>		
Financial assets - at fair value through profit or loss	59,692	77,279
<b>Total</b>	<b>969,736</b>	<b>1,132,499</b>

As of the reporting date no significant agreements reducing the maximum credit risk and no financial assets existed, that were credit-impaired when purchased.

**Currency Risk:** The Company is subject to currency risk associated with its international operations. Currency risk occurs for financial instruments which are denominated in another than the functional currency. Foreign currency translation risk resulting from the consolidation of foreign subsidiaries is not considered. For hedging instruments used by the Company to limit the exposure to foreign currency rate fluctuations see "Hedging."

The main currency fluctuation risks relate to exchange-rate changes of the USD, JPY, CHF, CNY and MXN compared to the Euro.

The following table provides the effects of a 10 % quantitative change of currency exchange rates on profit or loss (see table "Foreign Currency" in note 2):

		Effect on profit or loss	
		exchange rate plus 10 %	exchange rate minus 10 %
<b>Derivatives</b>			
<b>USD</b>	Dec. 31, 2021	4,051	(4,051)
	<b>Dec. 31, 2022</b>	<b>8,730</b>	<b>(8,730)</b>
<b>JPY</b>	Dec. 31, 2021	1,185	(1,185)
	<b>Dec. 31, 2022</b>	<b>1,099</b>	<b>(1,099)</b>
<b>CHF</b>	Dec. 31, 2021	528	(528)
	<b>Dec. 31, 2022</b>	<b>369</b>	<b>(369)</b>
<b>CNY</b>	Dec. 31, 2021	1,706	(1,706)
	<b>Dec. 31, 2022</b>	<b>1,381</b>	<b>(1,381)</b>
<b>MXN</b>	Dec. 31, 2021	1,167	(1,167)
	<b>Dec. 31, 2022</b>	<b>1,591</b>	<b>(1,591)</b>
<b>Total</b>	Dec. 31, 2021	8,636	(8,636)
	<b>Dec. 31, 2022</b>	<b>13,170</b>	<b>(13,170)</b>

		Effect on profit or loss	
		exchange rate plus 10 %	exchange rate minus 10 %
<b>Other financial instruments</b>			
<b>USD</b>	Dec. 31, 2021	(4,613)	4,613
	<b>Dec. 31, 2022</b>	<b>(10,122)</b>	<b>10,122</b>
<b>JPY</b>	Dec. 31, 2021	(1,987)	1,987
	<b>Dec. 31, 2022</b>	<b>(1,242)</b>	<b>1,242</b>
<b>CHF</b>	Dec. 31, 2021	459	(459)
	<b>Dec. 31, 2022</b>	<b>711</b>	<b>(711)</b>
<b>CNY</b>	Dec. 31, 2021	(1,902)	1,902
	<b>Dec. 31, 2022</b>	<b>(1,751)</b>	<b>1,751</b>
<b>MXN</b>	Dec. 31, 2021	(951)	951
	<b>Dec. 31, 2022</b>	<b>(1,673)</b>	<b>1,673</b>
<b>Total</b>	Dec. 31, 2021	(8,994)	8,994
	<b>Dec. 31, 2022</b>	<b>(14,077)</b>	<b>14,077</b>

**Interest Rate Risk:** ALTANA is exposed to changes in interest rates. The majority of interest-sensitive assets and liabilities are marketable securities (money market funds) and debt. For those assets or liabilities that are variable rate instruments, changes in the interest rate will result in changes in the expected cash flows and will affect profit or loss. The fair value of fixed interest rate financial assets and liabilities measured at fair value through profit and loss is affected by changes in the interest rate and the resulting change in the fair value is reported in profit or loss. This has no effect on the other comprehensive income.

The following table shows the profit or loss effect on interest-bearing assets and liabilities resulting from a change in the average market rate of interest of 50 basis points. The sensitivity analysis was performed under the assumption that the interest rate may decrease to below zero percent.

		Effect on profit or loss	
		plus 50 basis points	minus 50 basis points
<b>Other financial instruments</b>	Dec. 31, 2021	160	(160)
	<b>Dec. 31, 2022</b>	<b>(261)</b>	<b>261</b>



## Hedging

ALTANA has established policies and procedures for assessing risks related to derivative financial instrument activities and uses derivative financial instruments exclusively for hedging purposes.

**Forward Foreign Exchange Contracts:** The Company uses forward foreign exchange contracts to hedge foreign currency exchange risks, resulting from intercompany loans, In-house bank accounts as well as accounts receivable and accounts payable.

ALTANA centralizes the foreign currency exposures of the Group companies by using In-house bank accounts. ALTANA AG determines its foreign currency exposure daily through the ALTANA In-house bank and hedges this exposure by foreign currency balances and forward transactions considering natural hedges. The focus is placed on the major foreign group currencies.

The implementation of a new hedging strategy for forecasted transactions of the subsidiaries is planned for 2023.

## Hedging of Intercompany Foreign Currency Exposure

### Foreign Currency Loans

In 2022, ALTANA concluded forward foreign exchange contracts with a nominal volume of USD 248.2 million (2021: USD 57.7 million), JPY 1,700.0 million (2021: JPY 1,700.0 million), MXN 300.0 million (2021: MXN 430.0 million) and of CHF 4.0 million (2021: CHF 6.0 million) as micro hedges to hedge intercompany foreign currency loans. The change in the fair value of these foreign exchange transactions is recognized in the financial result and not designated in a hedging relationship.

### Accounts Receivable and Accounts Payable Denominated in Foreign Currencies and Foreign Currency In-house Bank Accounts

In 2022, ALTANA In-house bank established naturally offsetting positions in foreign currencies on In-house bank accounts to hedge foreign currency balances of subsidiaries.

For balance sheet items, in particular the In-house bank accounts of ALTANA, which are not denominated in Euro and which are not covered by naturally offsetting items, forward foreign exchange contracts classified as portfolio hedge with a nominal volume of USD 101.0 million (2021: USD 4.4 million), JPY 3,200.0 million (2021: JPY 3,675.0 million), CNY 1,976.0 million (2021: CNY 1,004.0 million), MXN 926.0 million (2021: MXN 149.0 million) and CHF 67.6 million (2021: CHF 130.0 million) were concluded. Changes in the fair values of these forward foreign exchange contracts are recognized in the financial result.

### Offsetting of Financial Instruments

Under the German Master Agreement for Financial Futures all derivative financial instruments that ALTANA has concluded are subject to offsetting agreements, which allow for offsetting in event of default by one party. The amounts reported in trade accounts receivable and trade accounts payable result from credit notes issued and received.

The following tables present the amounts of the financial assets and financial liabilities actually offset in the statements of financial position as well as potential offsetting amounts under global netting and other offsetting agreements:

		Gross carrying amount	Offsetting amounts, offset in the statements of financial position	Net carrying amount	Potential offsetting amounts, not offset in the statements of financial position	Net amount after potential offsetting
<b>Receivables from forward foreign exchange transactions</b>	Dec. 31, 2021	65		65	65	
	<b>Dec. 31, 2022</b>	<b>2,945</b>		<b>2,945</b>	<b>280</b>	<b>2,666</b>
<b>Trade accounts receivable</b>	Dec. 31, 2021	484,619	11,185	473,434		473,434
	<b>Dec. 31, 2022</b>	<b>498,128</b>	<b>10,577</b>	<b>487,551</b>		<b>487,551</b>
<b>Total accounts receivable</b>	Dec. 31, 2021	484,684	11,185	473,500	65	473,434
	<b>Dec. 31, 2022</b>	<b>501,074</b>	<b>10,577</b>	<b>490,496</b>	<b>280</b>	<b>490,217</b>
<b>Liabilities from forward foreign exchange transactions</b>	Dec. 31, 2021	2,913		2,913	65	2,848
	<b>Dec. 31, 2022</b>	<b>901</b>		<b>901</b>	<b>280</b>	<b>621</b>
<b>Trade accounts payable</b>	Dec. 31, 2021	249,846	2,001	247,845		247,845
	<b>Dec. 31, 2022</b>	<b>234,738</b>	<b>2,528</b>	<b>232,209</b>		<b>232,209</b>
<b>Total accounts payable</b>	Dec. 31, 2021	252,759	2,001	250,758	65	250,692
	<b>Dec. 31, 2022</b>	<b>235,639</b>	<b>2,528</b>	<b>233,110</b>	<b>280</b>	<b>232,831</b>

## 28. Commitments and Contingencies

### Guarantees and Other Commitments

	Dec. 31, 2021	Dec. 31, 2022
Purchase commitments for intangible assets	1,161	729
Purchase commitments for property, plant and equipment	19,705	32,560
Guarantee for pension obligation from divestments	7,502	6,812
Other contingent financial liabilities	76,842	12,588
	<b>105,210</b>	<b>52,689</b>

In 1995, ALTANA sold its Dietetics business line. In accordance with the German Civil Code, the Company remains liable for the pension commitments for holders of annuities and prospective beneficiaries since the sale was consummated as an asset deal. The Company is obliged to make payments on demand of the former employees but has the right of refund from the acquirer according to the purchase agreement. No payments have been requested so far.

In 2021, other contingent financial liabilities include mainly bank guarantees issued for Landa in the amount of USD 76.3 million. These expired in 2022 and were not drawn.

## 29. Related Party Transactions

In accordance with IAS 24 the following persons or entities are considered related parties: Ms. Susanne Klatten, entities controlled by her, members of the Board of ALTANA AG and its sole shareholder SKion GmbH as well as their close family members, their associates, joint ventures or affiliated, non-consolidated subsidiaries.

In addition to her function as deputy chairwoman of the Supervisory Board of ALTANA AG Ms. Susanne Klatten is also shareholder and member of the Supervisory Board of Bayerische Motoren Werke AG (BMW) and shareholder and chairwoman of the Supervisory Board of SGL Carbon SE.

Apart from her Supervisory Board remuneration and the payment of the regular dividend to SKion GmbH, of which she is the sole shareholder, no other business relationships exist.

Regarding the disclosure on key management personnel compensation see note 30. The employee representatives elected to the Supervisory Board of ALTANA AG are entitled to a regular salary as part of their employment contract. The amount of their salary corresponds to an appropriate remuneration for the respective function and activity in the Company.

Associated companies in which ALTANA holds an ownership interest but which are not included in the Consolidated Financial Statements and investments accounted for at equity are also considered related parties. Receivables and liabilities resulting from transactions with those related parties are reported in other assets (see note 20) and other liabilities (see note 26).

The following table presents all balances and transactions with related parties:

		Accounts receivables	Liabilities
<b>Unconsolidated subsidiaries</b>	Dec. 31, 2021	1	
	<b>Dec. 31, 2022</b>	<b>11</b>	
<b>Joint ventures</b>	Dec. 31, 2021	1,547	51
	<b>Dec. 31, 2022</b>		
<b>Associated companies</b>	Dec. 31, 2021		12
	<b>Dec. 31, 2022</b>		
<b>Other related parties</b>	Dec. 31, 2021	54	316
	<b>Dec. 31, 2022</b>	<b>1,550</b>	<b>671</b>
<b>Total</b>	Dec. 31, 2021	1,603	379
	<b>Dec. 31, 2022</b>	<b>1,562</b>	<b>671</b>

		Sales	Other income	Services and goods acquired	Lease expense / lease payments	Interest income	Interest expenses
<b>Unconsolidated subsidiaries</b>	Dec. 31, 2021		3				
	<b>Dec. 31, 2022</b>		<b>6</b>				
<b>Joint ventures</b>	Dec. 31, 2021	6	130	34		0	
	<b>Dec. 31, 2022</b>			<b>76</b>			
<b>Associated companies</b>	Dec. 31, 2021						
	<b>Dec. 31, 2022</b>	<b>26</b>	<b>54</b>				
<b>Other related parties</b>	Dec. 31, 2021	293		1,963	2,572		
	<b>Dec. 31, 2022</b>	<b>898</b>	<b>156</b>	<b>1,974</b>	<b>2,740</b>	<b>427</b>	<b>65</b>
<b>Total</b>	Dec. 31, 2021	298	133	1,997	2,572	0	0
	<b>Dec. 31, 2022</b>	<b>924</b>	<b>215</b>	<b>2,050</b>	<b>2,740</b>	<b>427</b>	<b>65</b>

In 2022 and 2021, ALTANA purchased or leased company cars from the BMW Group. The lease expense respectively lease payments relate to lease contracts for company cars with Alphabet Fuhrparkmanagement GmbH (BMW Group). In 2022 and 2021, further transactions with BMW Group are included in revenues in the amount €0.8 million and €0.3 million.

In 2022, interest income of €0.4 million was earned from SKion GmbH in relation with the loan granted to Landa Labs.

All transactions with related parties are concluded at arm's length.

### 30. Compensation of the Supervisory Board and Management Board

The compensation of the Supervisory Board is governed by section 18 of ALTANA AG's articles of association. The amount of the compensation is based on the tasks and responsibilities of the Supervisory Board members and on the size and economic success of the Company. Effective since January 1, 2022, the compensation of the Supervisory Board has been converted into a pure fixed compensation, the variable component paid in previous years no longer applies.

In 2022 and 2021, the compensation of the Supervisory Board amounted to €1.4 million and €1.1 million, respectively. In 2021, €0.6 million related to fixed compensation and €0.5 million to variable compensation.

The amount of the compensation of the Management Board members of ALTANA AG is based on the size of the Company, its economic and financial situation, as well as on the amount and structure of the management board compensation in comparable companies. In addition, the scope of duties, the experience and the contribution of the respective Management Board member, as well as the compensation structure that otherwise exists in the Company are considered when assessing compensation. In the process of determining the compensation, the Supervisory Board uses compensation studies and works with an independent expert.

The compensation of the Management Board is largely based on performance. It consists of a fixed component, variable bonuses (short-term bonus and long-term bonus) and a component with a long-term incentive. The predominant part of the variable compensation of the Management Board has a multi-year assessment basis. In addition to the compensation in cash, the Management Board members are entitled to post-employment benefits and receive compensation in kind, primarily in the form of company car usage and insurance premiums.

The short-term bonus for 2022 was determined on a one-year basis. It is based on the development of earnings before interest, taxes and depreciation and amortization (EBITDA)

and EBITDA in relation to consolidated sales (EBITDA margin), each in comparison to the respective target values established by the Supervisory Board. The long-term bonus 2022 was calculated based on the nominal sales development in relation to a group of comparable chemical companies, the operating sales development and the development of net income after cost of capital ("ALTANA Value Added") over an assessment period of three years, each in comparison to the respective target values established by the Supervisory board. In 2022, as a component with long-term incentive, the Management Board members were granted AEP Awards under the "ALTANA Equity Performance 2022" (AEP) plan. None of the members of the Management Board was entitled to special benefits in the case of premature or regular termination of their engagement.

In 2022 and 2021, total compensation paid in cash to the Management Board including remuneration in kind amounted to €6.3 million and €5.9 million, respectively, of which €2.0 million and €1.9 million related to fixed compensation, and €4.3 million and €4.0 million, respectively, related to variable compensation. On December 31, 2022 and 2021, provisions for post-employment benefits of €2.2 million and €4.2 million were recognized; and the corresponding service cost amounted to €0.7 million, in both years reported.

In 2022, the Management Board members received AEP Awards as compensation with a long-term incentive effect from the "ALTANA Equity Performance 2022" (AEP) plan. In 2022 and 2021, 2,973 and 2,714 AEP Awards, were granted to the Management Board, with a value of €1.0 million and €0.8 million, respectively. In 2019, the program conditions were adjusted. At the end of the term of the AEP Tranche 2017 on December 31, 2020, no payment was made in 2021, as the required performance was not achieved. With the achievement of the required performance in 2021, the payments for the 2017 and 2018 AEP tranches were made in 2022 and amounted to €1.6 million. As of December 31, 2022 and 2021, respectively, provisions for AEP Awards amounted to €2.5 million and €3.1 million; personal investment was measured at €0.9 million in both years reported and is recognized in other liabilities (see note 26). In both years reported, these amounts include deposits made by the members of the Management Board of €0.5 million. For more details on the AEP see note 22.

For former members of the Management Board and their surviving dependents, a pension provision in the amount of €13.0 million and €17.1 million was recorded as of December 31, 2022 and 2021, respectively. Pension payments totaled €1.0 million in both years reported.

### 31. Fees Paid to the Auditor

The fees paid to the auditor pursuant to section 314 (1) no. 9 of the German Commercial Code (HGB) are as follows:

	<b>2022</b>
Audit of the financial statements	1,296
Other assurance services	57
Tax advisory services	27
Other services	1,205
	<b>2,585</b>

32. Subsequent Events Following the retirement of Dr. Christoph Schlünken on December 31, 2022, Dr. Tammo Boinowitz was appointed to the Management Board of ALTANA AG as of January 1, 2023.

33. Additional Information The financial statements of ALTANA AG and its subsidiaries are included in the Consolidated Financial Statements of SKion GmbH, Bad Homburg v.d.H. SKion GmbH is the parent company which prepares the Consolidated Financial Statements for the smallest and the largest group of companies to which ALTANA AG belongs as a subsidiary. The Consolidated Financial Statements are filed with the commercial register of Bad Homburg v.d.H., HRB 7569 and are published in the Federal Gazette.

Companies that are exempt from publishing their financial statements according to section 264 (3) and section 264b of the German Commercial Code (HGB):

ACTEGA DS GmbH, Bremen  
 ACTEGA GmbH, Wesel  
 ACTEGA Metal Print GmbH, Lehrte  
 ACTEGA Rhenania GmbH, Grevenbroich  
 ACTEGA Terra GmbH, Lehrte  
 ALTANA Chemie Beteiligungs-GmbH, Hartenstein  
 ALTANA Management Services GmbH, Wesel  
 ALTANA New Technologies GmbH, Wesel  
 ALTANA Newco I GmbH, Wesel  
 BYK-Chemie GmbH, Wesel  
 BYK-Gardner GmbH, Geretsried  
 Eckart Beteiligungs GmbH, Hartenstein  
 Eckart GmbH, Hartenstein  
 ECKART International Trading GmbH, Hartenstein  
 Eckart TLS GmbH, Bitterfeld-Wolfen  
 ELANTAS Europe GmbH, Hamburg  
 ELANTAS GmbH, Wesel  
 Hartensteiner Verwaltungs B.V. & Co. KG, Hartenstein  
 HELIOSONIC GmbH, Wesel  
 Mivera Vermögensanlagen GmbH, Wesel  
 Weseler Grundstücksverwaltungs B.V. & Co. KG, Wesel

Wesel, Germany, February 24, 2023

ALTANA AG  
 The Management Board

Martin Babilas

Dr. Tammo Boinowitz

Stefan Genten

## Supervisory Board of ALTANA AG

**Dr. Matthias L. Wolfgruber**

Chairman  
 (appointed until the Annual General Meeting 2024)  
 Former Chairman of the Management Board of  
 ALTANA AG  
 Member of the Supervisory Board since 2016  
 Other functions:  
 Cabot Corporation<sup>2</sup>  
 LANXESS AG<sup>1</sup> (Chairman)

**Ulrich Gajewiak\***

Deputy Chairman  
 (appointed until the Annual General Meeting 2023)  
 Deputy Chairman of the works council at the Wesel site  
 Chairman of the Group's works council  
 Member of the Supervisory Board since 2003

**Susanne Klatten**

Doctor of Science h.c., University Buckingham  
 Deputy Chairwoman  
 (appointed until the Annual General Meeting 2023)  
 Entrepreneur  
 Member of the Supervisory Board since 1993  
 Other functions:  
 Bayerische Motoren Werke AG<sup>1</sup>  
 SGL Carbon SE<sup>1</sup> (Chairwoman)  
 SprinD GmbH<sup>2</sup>  
 UnternehmerTUM GmbH<sup>2</sup> (Chairwoman)

**Dr. Sven Abend**

(since March 16, 2022, appointed until the Annual General  
 Meeting 2027)  
 Chairman of the Management Board of GELITA AG

**Jürgen Bembenek\***

(since February 16, 2021, appointed until the Annual Gen-  
 eral Meeting 2023)  
 Process Optimization Engineer ACTEGA Rhenania GmbH

**Dr. Anette Brüne\***

(appointed until the Annual General Meeting 2023)  
 Global Head of Marketing & Sales Services of  
 BYK-Chemie GmbH  
 Member of the Supervisory Board since 2013

**Dr. Monika Engel-Bader**

(resigned March 16, 2022)  
 Former Managing Director of Chemetall GmbH  
 Consultant  
 Member of the Supervisory Board since 2012  
 Other functions:  
 OQ Chemicals International Holding GmbH<sup>2</sup>  
 OQ Chemicals Holding GmbH<sup>2</sup>

**Angela Cackovich**

(since March 16, 2022 resigned on June 20, 2022)

**Antje Gerber**

(since June 24, 2022 appointed until the Annual General  
 Meeting 2027)  
 President Specialty Product Solution of Arxada AG

**Armin Glashauser\***

(appointed until the Annual General Meeting 2023)  
 Head of works council Eckart GmbH  
 Member of the Supervisory Board since 2007

\* Employee representative

<sup>1</sup> Membership in other statutory supervisory boards

<sup>2</sup> Membership in other comparable domestic and foreign supervisory bodies

**Klaus Koch\***

(appointed until the Annual General Meeting 2023)  
Manager operational controlling Eckart GmbH  
Member of the Supervisory Board since 2010

**Prof. Dr. Frank Richter**

(appointed until the Annual General Meeting 2025)  
Managing Director of SKion GmbH  
Member of the Supervisory Board since 2020  
Other functions:  
Landa Corporation Ltd.<sup>2</sup>  
Lonrho Holdings Limited<sup>2</sup>  
UnternehmerTUM GmbH<sup>2</sup>

**Dr. Jens Schulte**

(appointed until the Annual General Meeting 2023)  
Member of the Management Board of Schott AG  
Member of the Supervisory Board since 2018  
Other functions:  
NNAISENSE S.A.<sup>2</sup>

**Stefan Soltmann\***

(appointed until the Annual General Meeting 2023)  
Head of the Good Labor and Operational Politics Section of  
the IG BCE  
Member of the Supervisory Board since 2019  
Other functions:  
Dow Olefinverbund GmbH<sup>1</sup>

**Dr. Antonio Trius**

(resigned on March 16, 2022)  
Former Managing Director of Cognis GmbH  
Member of the Supervisory Board since 2012  
Other functions:  
Arxada AG<sup>2</sup>  
Azelis Group NV<sup>2</sup>  
Quantum Medical Cosmetics SL<sup>2</sup>  
Igenomix SL<sup>2</sup>

\* Employee representative

<sup>1</sup> Membership in other statutory supervisory boards

<sup>2</sup> Membership in other comparable domestic and foreign supervisory bodies



## Supervisory Board Committees

The Supervisory Board of ALTANA AG has established the following committees:

### Human Resources Committee

Dr. Matthias L. Wolfgruber (Chairman)  
 Jürgen Bembenek  
 Ulrich Gajewiak  
 Susanne Klatten, Doctor of Science h.c., Univ. Buckingham

### Audit Committee

Dr. Jens Schulte (Chairman)  
 Armin Glashauser  
 Prof. Dr. Frank Richter (since March 16, 2022)  
 Stefan Soltmann  
 Dr. Antonio Trius (until March 16, 2022)

### Mediation Committee

(in accordance with section 27 (3) of the German Codetermination Act)  
 Dr. Matthias L. Wolfgruber, Chairman  
 Ulrich Gajewiak  
 Susanne Klatten, Doctor of Science h.c., Univ. Buckingham  
 Klaus Koch

## Management Board of ALTANA AG

### Martin Babilas

Chairman (appointed until April 30, 2025)

Other functions:

ACTEGA North America Inc.<sup>2</sup>  
 BYK-Chemie GmbH<sup>1</sup> (Chairman)  
 Eckart GmbH<sup>1</sup> (Chairman)  
 ELANTAS Beck India Ltd.<sup>2</sup> (Chairman)  
 ELANTAS EUROPE S.R.L.<sup>2</sup>  
 ELANTAS PDG Inc.<sup>2</sup> (Chairman)  
 ELANTAS Tongling Co., Ltd.<sup>2</sup>

### Stefan Genten

(appointed until July 31, 2026)

Other functions:

ELANTAS Beck India Ltd.<sup>2</sup>  
 Schwabe International SE<sup>1</sup>

### Dr. Christoph Schlünken

(appointed until December 31, 2022)

Other functions:

ACTEGA Metal Print GmbH<sup>2</sup>  
 BYK Additives (Shanghai) Co., Ltd.<sup>2</sup> (Chairman)  
 BYK USA Inc.<sup>2</sup> (Chairman)  
 Eckart GmbH<sup>1</sup>  
 Landa Corporation Ltd.<sup>2</sup>

\* Employee representative

<sup>1</sup> Membership in other statutory supervisory boards

<sup>2</sup> Membership in other comparable domestic and foreign supervisory bodies



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