

LANXESS completes sale of its organic leather chemicals business

Cologne, June 1, 2021 – Specialty chemicals company LANXESS completed the sale of its organic leather chemicals business to TFL Ledertechnik GmbH on June 1, 2021. TFL is a global supplier of leather chemicals and a portfolio company of US investment firm Black Diamond Capital Management, L.L.C. All relevant antitrust authorities have granted the necessary approvals for the transaction, which was announced in August 2020.

The purchase price comprises a fixed component of EUR 80 million. Furthermore, the agreed trade working capital mechanism will lead to a payment of around EUR 20 million, to be paid out in the third quarter. In addition, there will be a performance-related component of up to 115 million euros, to be paid out over the next three years. TFL has also assumed certain liabilities associated with the business. With the sale, all operations of the organic leather chemicals business line with around 420 employees have been transferred to TFL.

In January 2020, the specialty chemicals company had already divested its chrome chemicals business and, at the end of 2019, signed an agreement to sell its stake in the South African chrome ore mine. LANXESS is thus exiting the leather chemicals business completely. Since the end of 2019, the company has reported the Leather business unit as a discontinued operation.

LANXESS is a leading specialty chemicals company with sales of EUR 6.1 billion in 2020. The company currently has about 14,200 employees in 33 countries. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives, specialty chemicals and plastics. LANXESS is listed in the leading sustainability indices Dow Jones Sustainability Index (DJSI World and Europe) and FTSE4Good.

Forward-Looking Statements

This company release contains certain forward-looking statements, including

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Information for editors:

All LANXESS news releases and their accompanying photos can be found at <http://press.lanxess.com>. Recent photos of the Board of Management and other LANXESS image material are available at <http://photos.lanxess.com>.

You can find further information concerning LANXESS chemistry in our WebMagazine at <http://webmagazine.lanxess.com>.

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