

### **LANXESS signs contract to sell Urethane Systems business to UBE Corporation**

- **Enterprise value of €460 million with expected proceeds of around €500 million**
- **Proceeds used to reduce net debt**
- **Fast implementation of portfolio transformation**

**Shanghai, October 9, 2024** – Speciality chemicals company LANXESS signed on October 3 a contract to sell its Urethane Systems business to Japan's UBE Corporation. The enterprise value amounts to €460 million with expected proceeds of around €500 million. With this transaction LANXESS exits the last remaining polymer business.

The Urethane Systems business comprises five manufacturing sites globally as well as application laboratories in the USA, Europe and China. UBE Corporation will take over all operations from LANXESS with a total of around 400 employees. The Urethane Systems business generated sales of around €250 million in the last twelve months until June 2024.

LANXESS will use the proceeds to reduce its net debt. The leverage ratio (net debt / EBITDA pre) will likely be reduced by ~0.5x.

“The sale of Urethane Systems marks another milestone in our fast transformation into a pure-play specialty chemicals company, as we are divesting the last remaining polymer business in our portfolio. We are convinced that the Urethanes business will have significantly enhanced opportunities for growth and development under the umbrella of UBE,” says Matthias Zachert, Chairman of the Board of Management of LANXESS AG. “At the same time, we are using the proceeds from the transaction to strengthen our balance sheet by further reducing our net debt.”

The transaction remains subject to the approval of the relevant authorities. LANXESS expects the transaction to close in the first half of 2025.

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## Press Release

### About LANXESS

LANXESS is a leading specialty chemicals company with sales of EUR 6.7 billion in 2023. The company currently has about 12,500 employees in 32 countries. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives and consumer protection products. LANXESS is listed in the leading sustainability indices of the Dow Jones Sustainability Index (DJSI World and Europe).

### LANXESS China

On January 31, 2005, the company was initially listed on the Frankfurt Stock Exchange and LANXESS Chemical (China) Co., Ltd. officially started operations. LANXESS now has 13 subsidiaries, 5 R&D centers and 5 production sites in Greater China. LANXESS works closely with its local partners to develop market-oriented solutions that meet local market needs.

### Forward-Looking Statements

This company release contains certain forward-looking statements, including assumptions, opinions, expectations and views of the company or cited from third party sources. Various known and unknown risks, uncertainties and other factors could cause the actual results, financial position, development or performance of LANXESS AG to differ materially from the estimations expressed or implied herein. LANXESS AG does not guarantee that the assumptions underlying such forward-looking statements are free from errors, nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecast developments. No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, any information, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and accordingly, no representative of LANXESS AG or any of its affiliated companies or any of such person's officers, directors or employees accept any liability whatsoever arising directly or indirectly from the use of this document.

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