

## LANXESS to sell its chrome chemicals business to Brother Enterprises

**Cologne** – Specialty chemicals company LANXESS is selling its chrome chemicals business to Brother Enterprises, a Chinese leather chemicals producer. Both companies today, August 12, 2019, signed a respective agreement. The transaction is still subject to approval by the relevant antitrust authorities. LANXESS expects to complete the planned transaction by the end of 2019.

"We have successfully reorganized our chrome chemicals business in recent years. However, it no longer fits in with our strategic focus on specialty chemicals. We are therefore convinced that future growth and the further development of the business can be better implemented under the leadership of Brother Enterprises," said Matthias Zachert, Chairman of the Board of Management of LANXESS AG.

The chrome chemicals business belongs to the LANXESS Leather business unit and generates annual sales of around EUR 100 million. The specialty chemicals company produces these chemicals at two sites in South Africa. In Newcastle, LANXESS manufactures sodium dichromate, that is in part processed into chromic acid there. At its Merebank site, the company produces chrome tanning salts from sodium dichromate for the global leather industry. The plant in Newcastle with around 220 employees will be taken over by Brother Enterprises as part of the transaction. At the Merebank site LANXESS will continue to manufacture chrome tanning salts for Brother Enterprises on a contract basis, presumably until 2024.

LANXESS is a leading specialty chemicals company with sales of EUR 7.2 billion in 2018. The company currently has about 15,400 employees in 33 countries and is represented at 60 production sites worldwide. 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.

Cologne,

August 12, 2019

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### **Forward-Looking Statements**

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