

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

Clariant completes sale of its Pigments business

- **Divestment is a final milestone in Clariant’s portfolio transformation**
- **Clariant retains a 20 % stake in newly formed Group**
- **Net cash inflow of approximately CHF 615 million from divestment at closing will be invested into growth within the core Business Areas, the ongoing transformation and further debt reduction**

MUTTENZ, JANUARY 3, 2022

Clariant, a focused, sustainable and innovative specialty chemical company, today completed the sale of its Pigments business to a consortium of Heubach Group (“Heubach”) and SK Capital Partners (“SK Capital”). As announced upon signing of the transaction, the base enterprise value of the sale amounts to CHF 805 million subject to closing accounts adjustments and before a potential earn-out payment of CHF 50 million which is subject to the business’ 2021 financial performance.

Clariant rolled over approximately CHF 115 million to retain a 20 % stake in the new holding company, alongside Heubach and SK Capital. This combined business is a global pigments player with approximately 3 000 employees generating approximately EUR 1 billion in annual sales with strong service and production capabilities across the globe. This roll-over allows Clariant to further benefit from the improving profitability of the Pigments business, participate in future growth opportunities and realize synergies via the combination with Heubach’s Pigments business.

Clariant’s net cash inflow after roll-over and initial debt adjustments, but before closing account adjustments, tax, transaction cost and a potential earn-out payment amounts to approximately CHF 615 million. Clariant intends to use the proceeds of the divestment to invest into growth projects within the core Business Areas, execute the strategy along sustainability and innovation, fund the performance improvement programs as well as strengthen Clariant’s balance sheet to reach and defend a solid investment rating.

“The Pigments divestment concludes Clariant’s transformation into a high-value specialty chemical company, allows us to invest in profitable growth in our most attractive segments and to address the increasing demand for more sustainable products,” said Conrad Keijzer, Chief Executive Officer of Clariant. “We are convinced that the Heubach and SK Capital consortium is the best owner of the Pigment activities and I wish our former colleagues all the best in their new environment. Clariant looks forward to participating in the group’s further development as a shareholder.”

CORPORATE MEDIA RELATIONS

Jochen Dubiel
Phone +41 61 469 63 63
jochen.dubiel@clariant.com

Anne Maier
Phone +41 61 469 63 63
anne.maier@clariant.com

Ellese Golder
Phone +41 61 469 63 63
ellese.golder@clariant.com

INVESTOR RELATIONS

Andreas Schwarzwälder
Phone +41 61 469 63 73
andreas.schwarzwaelder@clariant.com

Maria Ivek
Phone +41 61 469 63 73
maria.ivek@clariant.com

Alexander Kamb
Phone +41 61 469 63 73
alexander.kamb@clariant.com

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This media release contains certain statements that are neither reported financial results nor other historical information. This document also includes forward-looking statements. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors that are beyond Clariant’s ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators and other risk factors such as: the timing and strength of new product offerings; pricing strategies of competitors; the Company’s ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Clariant does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

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Clariant is a focused and innovative specialty chemical company based in Muttenz near Basel/Switzerland. On 31 December 2020, the company employed a total workforce of 13 235. In the financial year 2020, Clariant recorded sales of CHF 3.860 billion for its continuing businesses. The company reports in three business areas: Care Chemicals, Catalysis and Natural Resources. Clariant’s corporate strategy is led by the overarching purpose of ‘Greater chemistry – between people and planet’ and reflects the importance of connecting customer focus, innovation, sustainability, and people.