

AD HOC ANNOUNCEMENT PURSUANT TO ART. 53 LR

Clariant completed acquisition of Lucas Meyer Cosmetics

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Clariant, a sustainability-focused specialty chemical company, today announces that it has completed the acquisition of Lucas Meyer Cosmetics, a leading provider of high-value ingredients for the cosmetics and personal care industry, from IFF for an Enterprise Value (EV) of USD 810 million (~ CHF 720 million). Purchase price will be subject to customary net debt and working capital adjustments.

“The acquisition of Lucas Meyer Cosmetics is a prime example of how we implement our purpose-led growth strategy and support our goal of accelerating customer- and sustainability-driven innovation,” said Conrad Keijzer, Chief Executive Officer of Clariant. “The complementarity in customer portfolio, product portfolio, and regional strongholds and capabilities in R&D and in marketing make the combination of Clariant and Lucas Meyer Cosmetics a leading solutions provider for high value personal care brands.”

“I see the acquisition of Lucas Meyer Cosmetics as a significant step forward for Care Chemicals. Customers as well as consumers increasingly demand high value natural ingredients,” said Christian Vang, President of the Clariant Business Unit Care Chemicals and the Americas region. “I extend a warm welcome to 190 highly qualified professionals as our new colleagues at Clariant. We jointly look forward to exciting growth opportunities and expect to increase annual sales to USD 180 million in 2028 from around USD 100 million currently.”

The transaction further transforms Clariant’s portfolio toward high-growth, high-margin and highly cash-generative specialty chemicals businesses and consumer end-markets underpinned by accelerating demand for natural and sustainable products. It increases Clariant’s exposure to the active and functional cosmetic ingredients market in the Business Unit Care Chemicals.

Clariant will consolidate Lucas Meyer Cosmetics in its Business Unit Care Chemicals as of 2 April 2024. The acquisition was funded through the issuance in March 2024 of a CHF 350 million dual-tranche (CHF 200 million for 3 years at 2.375 % and CHF 150 million for 7 years at 2.75 %) senior unsecured bond and through a multi-currency bridge facility at an interest rate of around 4.4 % per annum, which is intended to be refinanced in 2024, subject to market conditions. Clariant expects no change to its investment-grade credit rating after closing.

About Lucas Meyer Cosmetics

Lucas Meyer Cosmetics, founded in 1999 and headquartered in Québec, Canada, is a leading player in the high value active and functional cosmetic ingredients market. Lucas Meyer Cosmetics’ competitive edge stems from its superior marketing and innovation capabilities, including global R&D and regional application centers, which translate into strong financial performance with ~ USD 100 million in revenues (~ CHF 90 million) and a highly attractive profitability. The business is also highly cash-generative due to its asset-light model and outsourced production. In addition, Lucas Meyer Cosmetics has a unique customer-centric business model, resulting in strong brand recognition among customers around the world.

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Clariant is a focused specialty chemical company led by the overarching purpose of 'Greater chemistry – between people and planet'. By connecting customer focus, innovation, and people the company creates solutions to foster sustainability in different industries. On 31 December 2023, Clariant totaled a staff number of 10 481 and recorded sales of CHF 4.377 billion in the fiscal year for its continuing businesses. As of January 2023, the Group conducts its business through the three Business Units Care Chemicals, Catalysts, and Adsorbents & Additives. Clariant is based in Switzerland.