

Evonik successfully completes acquisition of Porocel

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- Evonik is expanding its Catalysts portfolio to include activities in the area of desulfurization catalysts and adsorbents
- Acquisition will enable the growth acceleration of Evonik's catalyst business
- Porocel sales channels will remain in place for the time being

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Essen, Germany. On November 3, 2020, Evonik completed the acquisition of the Porocel Group, Houston (USA), for US\$ 210 million, as planned. Contributions from the new business will therefore be included in Evonik's sales and earnings as of this day. The company with its approximately 300 employees and the corresponding production facilities will be integrated into the Smart Materials division of Evonik. Porocel's global activities in the field of desulfurization catalyst rejuvenation, sulfur recovery catalysts and alumina based purification adsorbents represent an expansion of Evonik's catalyst portfolio.

The intensive planning work that has been done for the integration into the business line Catalysts over the past few months will be put into action straight away. Porocel's customers will continue to receive the same high-quality products and services they have come to expect via the established sales channels.

Claus Rettig, head of the Smart Materials division, sees additional growth potential in Evonik's global catalyst business through the transaction. "The Catalysts business line is an important driver of growth and sustainability within Evonik's Smart Materials division. With the targeted acquisition, we expand our competencies with new technologies and products. In this way, we enable our customers to make their processes and products more efficient and resource-saving," said Rettig. "The global presence of Porocel along with its available production capacities will further strengthen the worldwide presence of Evonik's catalyst activities."

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"With the technology for the highly efficient rejuvenation of desulfurization catalysts, Evonik will be able to serve the growing market for low-sulfur fuels. Catalyst rejuvenation reduces CO₂ emissions, contributes to sustainability and transition to circular economy thus enabling the reduction of the carbon footprint. Porocel represents a decisive milestone for the Catalysts business line and opens up a new horizon for growth" says Sanjeev Taneja, head of Evonik's Catalysts business line at Evonik.

For the financial year 2019, Porocel generated sales of approximately US\$ 100 million and EBITDA of about US\$ 23 million in 2019. The EBITDA margin at around 23 percent is above Evonik's target range of 18–20 percent.

Company information

Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €13.1 billion and an operating profit (adjusted EBITDA) of €2.15 billion in 2019. Evonik goes far beyond chemistry to create innovative, profitable and sustainable solutions for customers. More than 32,000 employees work together for a common purpose: We want to improve life, today and tomorrow.

About Smart Materials

The Smart Materials division includes businesses with innovative materials that enable resource-saving solutions and replace conventional materials. They are the smart answer to the major challenges of our time: environment, energy efficiency, urbanization, mobility and health. The Smart Materials division generated sales of around €3.4 billion in 2019 with about 7,500 employees. It is part of Evonik Operations GmbH.

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