

12 December 2017

**Elementis plc announces sale of Surfactants business  
for a cash consideration of EUR 39 million**

Elementis plc ("Elementis", or the "Company") announces today that it has entered into an agreement to sell its Surfactants business located in Delden, The Netherlands to Kolb Distribution AG ("Kolb") for a cash consideration of EUR 39 million, subject to working capital adjustments. Completion of the sale, which is subject to completion of employee consultation processes, receipt of regulatory clearances and other customary closing conditions, is expected in the first half 2018. The proceeds resulting from the sale will be used for general corporate purposes and towards debt reduction.

As previously announced, after a strategic review the Company decided that Surfactants did not fit with the Elementis Reignite Growth strategy, due to a lack of scale and material capital requirements, and a third party would be best positioned to develop the business.

In addition to all of the Surfactants products, the Delden facility also manufactures a limited range of products sold by the Specialty Products segment. As part of this transaction Elementis will enter into a long term supply agreement with Kolb for continued sourcing of products which will modestly impact the Specialty Products operating margin in 2018.

Paul Waterman, CEO of Elementis, said:

"After a competitive process, we are very pleased to have reached an agreement to sell our Surfactants business to Kolb. This action is consistent with our Reignite Growth strategy. By exiting Surfactants we not only generate cash, but eliminate a strategically disadvantaged business for us, simplify our supply chain and are free to reallocate material capital and internal resources to focus on higher margin growth opportunities.

I would like to thank our colleagues in the Delden facility for their dedication, professionalism and service to our customers. I am confident that the agreement with Kolb presents an exciting opportunity for both companies and we look forward to working together".

## Enquiries

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Note: The Surfactants business comprises the Delden manufacturing facility in the Netherlands and includes 100 per cent of the shares in Elementis Specialties Netherlands BV. As at 31 December 2016, Elementis Specialties Netherlands BV generated profits before tax of EUR 9 million and as at 30 June 2017 had gross assets of EUR 70 million.

Kolb Distribution AG is a wholly-owned subsidiary of Kuala Lumpur Kepong Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad with a market capitalisation of approximately \$ 6.3 billion at the end of June 2017.