

LANXESS plans to expand capacity for Oxone monopersulfate - a main active ingredient for disinfectants

- **Production increase of around 50 percent targeted**
- **Investment amount in the lower double-digit million euro range**
- **Significant increase in demand due to African swine fever and corona pandemic**
- **Long-term trend towards more disinfection and increasing demand for powerful oxidizing agents**

Cologne/Memphis, September 15, 2020 – Due to the continuous strong demand for disinfectants, specialty chemicals company LANXESS is planning to expand its production capacity for Oxone monopersulfate by around 50 percent. To this end, the company intends to invest a lower double-digit million euro sum in its production facility in Memphis, USA.

LANXESS uses Oxone monopersulfate as the main active ingredient in many of its Virkon and Rely+On disinfection products. Demand for these products has increased significantly in recent months due to, amongst others, the outbreak of African swine fever as well as the corona pandemic. The company also sells Oxone as a powerful oxidizing agent for numerous other applications. The capacity expansion is expected to be completed in the second half of 2022.

“Disinfection products are important growth drivers in our highly profitable Consumer Protection segment. We expect a sustainable high level of demand even after the corona pandemic,” said Matthias Zachert, Chairman of the LANXESS Board of Management.

Michael Schäfer, head of LANXESS' Material Protection Products business unit, added: “We are also seeing a growing demand for Oxone in the water treatment sector as well as from the electronics

LANXESS AG

Corporate Communications
50569 Cologne
Germany

Contact:

Ingo Drechsler
Head of External Relations
Phone +49 221 8885-3790
ingo.drechsler@lanxess.com

Daniela Eltrop
Spokesperson
Financial and Business Media
Phone +49 221 8885-4010
daniela.eltrop@lanxess.com

Alexander Böhm
Spokesperson
Financial and Business Media
Phone +49 221 8885-4746
alexander.boehm@lanxess.com

and paper industries. We want to meet this demand by expanding our production capacity.”

Long-term trend towards more disinfection and increasing demand for oxidizing agents

Under the umbrella brand Virkon, LANXESS develops and sells products that agricultural businesses use for disinfection purposes. These products help to contain the spread of diseases such as African swine fever or avian influenza and make a sustainable contribution to reducing the use of antibiotics in the animal husbandry industry. The topic of biosecurity also continues to gain importance due to the increasing populations and meat consumption, which in turn leads to a sustained growth in demand for disinfectants.

LANXESS also offers disinfectants for human health: The product Rely+On Virkon is used in hospitals, laboratories, public institutions and for medical equipment. It is proven to completely inactivate the coronavirus SARS-CoV-2 in only 60 seconds.

Oxone is used, for example, to clean pool water, thereby reducing the use of chlorine. In the electronics industry, it is applied to prepare surfaces within the production process of printed circuit boards. Paper manufacturers use the product to effectively break down paper products containing wet strength resins during paper reprocessing. In addition, Oxone is a primary component of denture cleansers. Demand in these industries is growing, not least because regulatory requirements are becoming stricter and customers increasingly prefer chlorine-free oxidation solutions.

LANXESS is a leading specialty chemicals company with sales of EUR 6.8 billion in 2019. The company currently has about 14,300 employees in 33 countries. 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.

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Alexander Böhm
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Financial and Business Media
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alexander.boehm@lanxess.com

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You can find further information concerning LANXESS chemistry in our WebMagazine at <http://webmagazine.lanxess.com>.

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Alexander Böhm
Spokesperson
Financial and Business Media
Phone +49 221 8885-4746
alexander.boehm@lanxess.com