

Colombes, 2 December 2024

ARKEMA FINALIZES THE ACQUISITION OF DOW'S FLEXIBLE PACKAGING LAMINATING ADHESIVES BUSINESS

Arkema finalized on 2 December 2024 the acquisition of Dow's flexible packaging laminating adhesives business, one of the leading global producers of adhesives for the flexible packaging market. This operation will enable the Group to significantly expand its portfolio of solutions for flexible packaging and become a key player in this attractive market.

With annual sales of around US\$250 million, Dow's flexible packaging laminating adhesives business offers a broad range of high-quality solutions in food and medical applications, as well as for industrial lamination. Boasting cutting-edge technologies and well-recognized brands, Dow's laminating adhesives business is one of the main historical solutions providers for the packaging industry, with presence in North America and Europe, operating five state-of-the-art production sites in Italy, the United States and Mexico and employing 280 people.

This acquisition will enable Bostik to ideally complement its existing commercial presence, product offering and technological breadth for flexible packaging. Beyond benefiting from the underlying growth and from the recovery of the market, the Group aims to rapidly capture new growth opportunities. It also expects to deliver a high level of cost and development synergies, which should represent around US\$30 million in EBITDA after 5 years.

This acquisition is based on an enterprise value of US\$150 million and will trigger around US\$50 million of implementation costs or capex over the next three years.

"We are particularly happy to welcome Dow's flexible packaging laminating adhesives' team within Arkema. This operation marks a step change for Bostik in the flexible packaging adhesives market and is a unique opportunity to position ourselves among the key partners for customers across the packaging industry" says Thierry Le Hénaff, Arkema's Chairman and Chief Executive Officer.

Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become a pure player in Specialty Materials, the Group is structured into 3 complementary, resilient and highly innovative segments dedicated to Specialty Materials - Adhesive Solutions, Advanced Materials, and Coating Solutions - accounting for some 92% of Group sales in 2023, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of around € 9.5 billion in 2023, and operates in some 55 countries with 21,100 employees worldwide.

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