



January 16th, 2020

PRESS RELEASE

ITALMATCH CHEMICALS Group acquires the RecoPhos Project Technology from Israel Chemicals (ICL), a project which will further contribute to the Group's activities in the development of a completely new process for the production of Elemental Phosphorus (P4) from secondary "waste" raw materials.

This transaction reaffirms Italmatch Chemicals' strategic focus on innovation as well as its commitment to promote sustainability and Circular Economy as business practice, in particular in its core business of Phosphorus Derivatives.

Genoa – January 16th, 2020 – Italmatch Chemicals, a leading global specialty chemical group focused on the production and marketing of performance additives for water & process treatment, oil & gas, industrial lubricants and plastics, announces that has acquired from Israel Chemicals (ICL) the *RecoPhos Project Technology*, including all licenses, IP, know-how and assets related to it. The aim is to further develop and complete a sustainable, highly efficient and economical viable process to recover phosphorus from all P containing waste streams (sewage sludge's ashes is one of them) to produce P4, to which the Recophos technology is expected to further add.

Italmatch Chemicals's historical and current portfolio is strongly related to Phosphorus (P4) as strategic raw material. Italmatch Chemicals therefore decided to acquire the *Recophos Project Technology*, which was initiated by ICL and other partners.

Once the *Recophos Project Technology* (literally *Recovery of Phosphorus*) will be completed, Italmatch Chemicals will open a new route to produce Elemental Phosphorus with the purest quality, out of secondary "waste" raw materials, contributing to reduce the consumption of Natural Phosphate Ore, declared as critical and strategic raw material by the EU due to its limited availability in the long term future. Phosphorus (P4) is a key raw material for different industrial applications fields like Flame Retardants, Oil Additives, Crop Protectors, Pharmaceuticals, Electronics, etc. The *RecoPhos Project Technology* aims at using recovered P contained in ashes, out of waste streams, replacing mined phosphate rock, and fully complying with the principles of the Circular Economy.

Sergio Iorio, CEO of Italmatch Chemicals Group, stated: "For Italmatch Chemicals, Innovation and Sustainability represent the key element factor for the company's long-term success. Our roots, our history, our culture and guidelines, drive us to continue investing in research and development and innovative "break-through technologies" for the realization of projects that can contribute to spread and promote sustainable and circular business practices. Indeed this transaction, completely based on the concept of "circularity" of resources rather than exploitation of new ones, follows the recent acquisition of *Eco Inhibitors* that has allowed Italmatch to present to the market a new class of innovative "anti agglomerant" products for off shore drilling, with high environmental compatibility, utilizing natural organic waste as raw materials, and replacing oil-based alternative products: another perfect example of circular economy."

Maurizio Turci, General Manager Corporate & Group CFO, stated: "This transaction perfectly complies with the Group development strategy focused on organic growth, research and Innovation projects and new "break-through" technologies. As a specific example we have recently launched *Beyond Innovation*, an encouraging internal plan based on sharing and enhancing sustainable Project ideas, to increase and support the long-term Group future profitability and address innovation towards circular economy."



Carlos Galeano, Beyond Innovation Project Director, stated: "This acquisition not only introduces a new way to treat waste streams containing Phosphorus (P), but also transforms the way the industry will treat P containing ashes in the future. With Recophos, Italmatch Chemicals aims to both offer a P4 with a considerably higher quality to the market and consolidate its global leadership in the high-tech industry."

About Italmatch Group: Founded in 1997, Italmatch Chemicals, is a leading innovative chemical group, specialized in flame retardants and performance additives for water treatment, oil & gas, and lubricants and plastics, and boasts a wide product range able to fulfil the requirements of the most demanding applications, including personal care.

The group generates approximately 650 million Euros in sales revenue and operates through seven manufacturing plants in Europe (Italy, Spain, Germany and UK), five in Asia Pacific (China, Japan and India), six in North America (USA) and sales/distribution subsidiaries in Brazil, Belgium, China, Japan, India, Poland, Singapore and the USA. It employs approx. 1,000 workers.

Bain Capital Private Equity, a leading global private investment firm, acquired the majority of Italmatch Chemicals together with the management in October 2018.

Cautionary Notice Regarding Forward Looking Statements

This announcement contains statements reflecting assumptions, expectations, projections, intentions or beliefs about future events that are intended as "forward-looking statements". A number of risks and uncertainties could cause our actual results to differ materially from current projections, forecasts, estimates and expectations relating to us. Any or all of these forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors, many of which are beyond our control.

www.italmatch.com

Contact:

Media Relations

Pietro Como
Alice Ferrari
Barabino & Partners
Tel. +44 (0)207 15 26 425
p.como@barabino.co.uk
a.ferrari@barabino.co.uk

Investor Relations

Arturo Carchio - M&A and IR Manager
Italmatch Chemicals
Tel. +39 02 93525243
Mob. +39 366 63 66 164
a.carchio@italmatch.com

Caterina Michelotti
Italmatch Chemicals
Tel. +39 010 64 208 208
Mob. +39 334 6419 410
c.michelotti@italmatch.com