

Evonik to restructure its keto and pharma amino acid business

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- Strategic portfolio shift towards core growth areas
- Evaluation of strategic options to develop keto and pharma amino acid business in Ham, France and Wuming, China
- Production of keto acids in Hanau, Germany to be discontinued by end of 2025

Main press contact

Janusz Berger
Head of Market Communications
Health Care
Phone + 49 6151 18-4984
janusz.berger@evonik.com

Alternative press contact

Dr. Jürgen Krauter
Head of Market Communications Evonik
Phone +49 6181 59-6847
juergen.krauter@evonik.com

Essen, Germany. Evonik is transforming its Health Care business to focus on its strategic core growth areas. As a next step in this transformation, Evonik will evaluate strategic options, such as partnerships or divestment, for developing its keto and pharma amino acid production sites in Ham and Wuming. It is also planning to discontinue its production of keto acids in Hanau by the end of 2025, affecting around 260 colleagues. Evonik's keto and pharma amino acid business generates an annual average revenue of around 100 million euros.

As part of Evonik's life sciences division, Nutrition & Care, the Health Care business is transforming into a system solutions provider and is growing in its core areas of expertise. These include complex and highly potent APIs, oral and injectable drug delivery, and precision biosolutions such as lipids for mRNA and gene delivery, and cell culture ingredients. System solutions are tailored offerings that integrate products, technologies and services and have proven sustainability benefits.

"This is the start of a new chapter in our transformation. Social responsibility is in our core. We will support all the affected colleagues and try to find the best solution for each person. I am confident our new chapter will focus our Health Care business, and empower our customers to pioneer innovation," said Thomas Wessel, Chief Human Resources Officer and Labor Relations Director.

The keto and pharma amino acid business at Evonik's sites in Ham and Wuming has outstanding potential. Evonik is therefore not considering closure of these sites and is committed to continue

Evonik Industries AG

Rellinghauser Straße 1-11
45128 Essen
Germany
Phone +49 201 177-01
www.evonik.com

Supervisory Board
Bernd Tönjes, Chairman
Executive Board
Christian Kullmann, Chairman
Dr. Harald Schwager, Deputy Chairman
Maike Schuh, Thomas Wessel

Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

supplying its customers. With investments in assets, this business can reach its full potential and thrive. However, Evonik's strategy to focus on system solutions and other core growth areas means streamlining its asset footprint. The company is therefore considering strategic options for these sites, such as partnerships or divestments, which will allow the business to fulfill its potential going forward.

“Our colleagues in Hanau have contributed to saving lives by making active pharmaceutical ingredients. Finding a good home for our employees is close to my heart. At the same time, our Health Care business will now be able to focus all energy and resources on future technologies to better serve our customers and accelerate growth,” said Yann d'Hervé, Head of the Health Care business line.

Keto acids are used as active pharmaceutical ingredients (APIs). Pharma amino acids and their derivatives have various applications such as in medical nutrition, cosmetics, human nutrition, APIs, and pharmaceutical intermediates.

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 €15.3 billion and an operating profit (adjusted EBITDA) of €1.66 billion in 2023. Evonik goes far beyond chemistry to create innovative, profitable, and sustainable solutions for customers. About 32,000 employees work together for a common purpose: We want to improve life today and tomorrow.

About Nutrition & Care

The focus of the business of the Nutrition & Care division is on health and quality of life. It develops differentiated solutions for active pharmaceutical ingredients, medical devices, nutrition for humans and animals, personal care, cosmetics, and household cleaning. In these resilient end markets, the division generated sales of €3.61 billion in 2023 with more than 5,600 employees.

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