

August 9, 2022



Huntsman Announces Agreement to Sell Textile Effects Division

THE WOODLANDS, Texas, Aug. 9, 2022 /PRNewswire/ -- Huntsman Corporation (NYSE: HUN) today announced it has entered into a definitive agreement to sell its Textile Effects division to Archroma, a portfolio company of SK Capital Partners. The total enterprise value of the transaction is approximately \$718 million, which includes the assumption of approximately \$125 million in net underfunded pension liabilities as of December 31, 2021. The acquisition is being partially funded with preferred equity, of which Huntsman is taking up to \$80 million, an amount SK Capital Partners will seek to syndicate prior to the transaction closing.

Over the last twelve months ending June 30, 2022, the Textile Effects division reported sales of \$772 million and adjusted EBITDA of \$94 million. Huntsman anticipates cash taxes on the transaction of approximately \$50 million. Huntsman intends to report Textile Effects as discontinued operations beginning in the third quarter of 2022. The transaction is subject to regulatory approvals and other customary closing conditions and is expected to close in the first half of 2023.

Peter Huntsman, Chairman, President, and CEO commented:

"Over the past seven months, we have conducted a comprehensive strategic review of our Textile Effects division, including detailed discussions with a wide range of relevant parties. After evaluating several different options and thoroughly reviewing prospective offers for the business, our Board of Directors decided that SK Capital would be a better owner of the business over the long-term than Huntsman and that the value they offered was in the best interests of our shareholders. After closing, Textile Effects will combine with SK Capital's Archroma business to create a world leader in textile chemicals and dyes, with a leadership in sustainability and innovation.

"We expect the cash proceeds from this divestiture to be deployed in-line with our current balanced capital allocation program which includes strategic investments and acquisitions to further strengthen our core businesses as well as returning cash to shareholders through both our dividend and share repurchase program."

BofA Securities is serving as Huntsman's financial advisor and Kirkland & Ellis LLP is acting as its legal advisor.

About Huntsman:

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2021 revenues of approximately \$8 billion. Our chemical products number in the thousands and are sold worldwide to manufacturers

servicing a broad and diverse range of consumer and industrial end markets. We operate more than 70 manufacturing, R&D and operations facilities in approximately 30 countries and employ approximately 9,000 associates within our four distinct business divisions. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Social Media:

Twitter: www.twitter.com/Huntsman_Corp

Facebook: www.facebook.com/huntsmancorp

LinkedIn: www.linkedin.com/company/huntsman

Forward-Looking Statements:

Certain information in this release constitutes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on management's current beliefs and expectations. The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company's operations, markets, products, services, prices and other factors as discussed under the caption "Risk Factors" in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of Huntsman's operations, including any delay of, or other negative developments affecting the ability to implement cost reductions, timing of proposed transactions, and manufacturing optimization improvements in Huntsman businesses and realize anticipated cost savings, and other financial, economic, competitive, environmental, political, legal, regulatory and technological factors. The company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.

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