

Press Release

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Further globalization of venture capital activities

Henkel invests into advanced materials fund in China

Düsseldorf – Henkel further globalizes its corporate venture capital activities by investing into the second investment fund of China Materialia LLC (China Materialia), Shanghai. The investment, under the umbrella of Henkel Ventures, will enable the company's Adhesive Technologies business unit to access the growing scene of advanced materials start-ups in China and adjacent Asian markets.

Henkel has committed to invest about five million euros into China Materialia's Investment Fund II. As limited partner of the fund, the company has access to an annual deal flow of up to 500 start-ups providing innovative technologies in the areas of new materials, energy, environment and advanced manufacturing as well as digital industrial.

"China is an important market for our Adhesive Technologies business and has become a hotspot for material-science focused start-ups over the past years," explained Paolo Bavaj, Head of Corporate Venturing, Henkel Adhesive Technologies. "China Materialia provides a proven expertise in gaining access and insights into the local ecosystem. The investment is aligned with our defined search fields for advanced materials and will further drive our corporate venture capital approach by expanding the footprint into key regions."



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"We are delighted to welcome Henkel to China Materialia Fund II. Henkel Ventures' focus on 3D printing, printed electronics, batteries, functional coatings, smart building materials, smart packaging and digitalization are very well aligned with the focus of our fund," commented Dr. Min Zhou, China Materialia Managing Partner. "Together with other prominent global leaders in materials and advanced manufacturing technologies, Henkel will help to enrich our portfolio with a global footprint, strong brands, technological expertise as well as opportunities to partner with start-ups in key markets and channels."

During the past two years Henkel Adhesive Technologies has already committed to invest through advanced material focused venture capital funds from Emerald Technology Ventures, Zurich, and Pangaea Ventures Ltd, Vancouver. As a limited partner of these two funds, the company has access to a deal flow of more than 2,000 start-ups per year with a regional focus on North America and Europe.

Henkel Ventures is Henkel's corporate venture capital engagement with a total volume of up to 150 million euros. The dedicated team actively evaluates and manages equity investments and joint development projects with start-up companies. Building on existing successful collaborations between Henkel's three business units and start-ups, Henkel Ventures focuses on a variety of digital and technological search fields. For more information please visit <u>www.henkel-ventures.com</u>.

About Henkel

Henkel operates globally with a well-balanced and diversified portfolio. The company holds leading positions with its three business units in both industrial and consumer businesses thanks to strong brands, innovations and technologies. Henkel Adhesive Technologies is the global leader in the adhesives market – across all industry segments worldwide. In its Laundry & Home Care and Beauty Care businesses, Henkel holds leading positions in many markets and categories around the world. Founded in 1876, Henkel looks back on more than 140 years of success. In 2017, Henkel reported sales of 20 billion euros and adjusted operating profit of around 3.5 billion euros. Combined sales of



the respective top brands of the three business units – Loctite, Schwarzkopf and Persil – amounted to 6.4 billion euros. Henkel employs more than 53,000 people globally – a passionate and highly diverse team, united by a strong company culture, a common purpose to create sustainable value, and shared values. As a recognized leader in sustainability, Henkel holds top positions in many international indices and rankings. Henkel's preferred shares are listed in the German stock index DAX. For more information, please visit <u>www.henkel.com</u>.

About China Materialia

Founded in 2010 in Shanghai, China Materialia started as a boutique business advisory company focused on open innovation consulting for multinational companies and business plan advisory for local promising start-ups. China Materialia raised its first RMB-denominated venture capital fund In 2011, backed by Shanghai venture capital guidance fund and local Chinese entrepreneurs. Successes of Fund I in spotting and fostering promising start-ups in hard technologies lead to successful formation of China Materialia Fund II in 2016, backed again by Shanghai venture capital guidance fund and by six multinational companies including GE, Samsung, SABIC, BASF, BAT and Henkel. The investment focus of China Material Fund II is new materials and applications, advanced manufacturing, and digital industrial. For more information, please visit www.chinamaterialia.com

Photo material is available at http://www.henkel.com/press

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