

Press Release, November 02, 2022

PANOLIN signs agreement to sell ECL business to Shell

Madetswil, 2 November 2022 – Wholly-owned subsidiaries of Shell plc (“Shell”) in Switzerland, the UK, US and Sweden (Shell (Switzerland) AG, Shell U.K. Limited, Pennzoil-Quaker State Company and Shell Aviation Sweden AB) have entered into agreements to acquire the Environmentally Considerate Lubricants (ECLs) business of the PANOLIN Group.

The transaction includes the PANOLIN brand, ECL product formulations, intellectual property, technical expertise and technology, international customer base and portfolio of products – for hydraulics, gears, universal tractor transmission oils, biodegradable engine oils (HDEO), turbine oils, chainsaw oils and greases for machine lubrication, including leading OEM-approved products.

ECLs are biodegradable lubricants and can help contribute to a more sustainable future, offering greater protection for wildlife and ecosystems in the event that they come into contact with the environment, in comparison to conventional lubricants. They enable customers to reduce the risks of operating in sensitive environments. The global market for ECLs is expected to grow significantly over the coming years.

Following completion of the transaction, Shell will manufacture, distribute and market the PANOLIN portfolio of ECL products alongside its established Shell Naturelle branded products.

All PANOLIN staff who currently support the ECL business in Switzerland, the UK, US and Sweden are expected to join Shell.

With the sale of the ECL business to Shell, the long-standing vision of the Lämmle family, for the PANOLIN brand to reach higher visibility and a global reach will be realized. Shell’s financial strength, commitment to sustainability and global distribution and customer network will take the business to the next level.

The conventional and food grade lubricants businesses in Switzerland and Liechtenstein and the production facilities in Madetswil/Switzerland will remain with the Lämmle family and are to be continued in its present form. This includes all current employees supporting above mentioned activities, who make up more than 85% of the company’s total workforce in Madetswil.

Tim Lämmle, currently CEO of PANOLIN International, who will transfer to Shell and assume the post of General Manager ECL to drive the business forward, said: “Shell will be a great custodian of the PANOLIN brand, with its financial strength, global distribution network and customer base, which will take the ECL business to the next level.”

Subject to regulatory clearance and the satisfaction of closing conditions, the deal is expected to be completed by early 2023. PANOLIN was advised in the transaction by REYL Intesa Sanpaolo, Advestra, Umbricht Attorneys and Expertinum.

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ABOUT PANOLIN

The PANOLIN Group is an international lubricants business based in Madetswil in Switzerland and is a pioneer in industrial ECL for over 35 years. The independent Swiss company is owned and managed by the Lämmle family since 1949.

About Shell Lubricants

The term “Shell Lubricants” collectively refers to Shell Group companies engaged in the lubricants business. Shell sells a wide variety of lubricants to meet customer needs across a range of applications across over 100 countries. Shell was named the leading global supplier of finished lubricants for a 15th consecutive year, according to the 19th edition of Kline & Company’s report Global Lubricants: Market Analysis and Assessment 2021. Shell was named number one global supplier in all three main categories – consumer, commercial and industrial.