

# SK Capital Announces Agreement to Acquire SI Group

*Combination with Addivant to Create a Global Leader in Plastic, Lubricant, Oilfield and Rubber Additives*

**NEW YORK, NY - June 1, 2018** - SK Capital Partners, a private investment firm focused on the specialty materials, chemicals and pharmaceuticals sectors, announced today an agreement to acquire SI Group, a leading global developer and manufacturer of performance additives and intermediates. Headquartered in Schenectady, New York, SI Group operates 20 manufacturing facilities on five continents with more than \$1 billion in annual sales and over 2,800 employees worldwide.

SI Group is being acquired from the descendants of W. Howard Wright, who founded the company in 1906. At the close of the transaction, SK Capital will combine SI Group and Addivant, a leading global supplier of additives including antioxidants, antiozonants, inhibitors, polymer modifiers and UV stabilizers used by customers to improve the production and performance properties of polymers, plastics and rubbers. SK Capital has owned Addivant since 2013.

Barry Siadat, a co-founder and Managing Director of SK Capital, noted, “We are excited that SI Group will be joining the SK Capital portfolio of chemicals and pharmaceuticals businesses. SI Group has an excellent fit with the technologies and end markets of several SK Capital businesses, including Addivant in additives, Noramco in the area of pain management pharmaceuticals, and TPC Group in building block chemicals for certain SI Group products. These technology and market connections will enhance and accelerate the continued growth and transformation of SI Group. Additionally, by combining the complementary strengths of SI Group and Addivant, we will be creating a global technology and industry leader in plastic, lubricant, oilfield and rubber additives.”

“SK Capital is a firm known for its sound business practices, deep industry experience, and impressive portfolio of companies in the chemicals sector,” said Wallace A. Graham, Chairman of SI Group. “We are thrilled by the prospect of SI Group joining SK Capital, as it will enhance the company’s performance additives and intermediates business in the plastic, oil and gas, pharmaceutical and rubber sectors. We expect to see great things in the years ahead.”

The transaction is expected to close in the second half of 2018. Latham & Watkins LLP acted as legal counsel to SK Capital and committed debt financing was provided by JPMorgan Chase Bank, N.A., HSBC Securities (USA) Inc., Deutsche Bank Securities Inc. and Bank of America, N.A. Baker Botts LLP and HSBC Securities (USA) Inc. acted as legal counsel and exclusive

financial advisor, respectively, to SI Group.

## **ABOUT SK CAPITAL**

SK Capital is a private investment firm with a disciplined focus on the specialty materials, chemicals and pharmaceuticals sectors. The firm seeks to build strong and growing businesses that create substantial long-term economic value. SK Capital utilizes its industry, operating and investment experience to identify opportunities to transform businesses into higher performing organizations with improved strategic positioning, growth and profitability as well as lower operating risk. For more information, please visit [www.skcapitalpartners.com](http://www.skcapitalpartners.com).

## **ABOUT SI GROUP**

SI Group is a leading global developer and manufacturer of performance additives and intermediates — solutions that are critical to the quality and performance of countless industrial and consumer goods. Founded in 1906 and headquartered in Schenectady, New York, SI Group operates 20 manufacturing facilities on five continents with more than \$1 billion in annual sales, and over 2,800 employees worldwide. In 2017, SI Group received its second silver award for corporate social responsibility by EcoVadis, and is ranked among the top 10 percent of more than 30,000 worldwide companies. SI Group is The Substance Inside. For more information, please visit [www.siigroup.com](http://www.siigroup.com).

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