



SK Capital Completes Acquisition of SI Group

Combination with Addivant Creates a Global Leader in Performance Additives

NEW YORK, NY – October 15, 2018 – SK Capital Partners, a private investment firm focused on the specialty materials, chemicals and pharmaceuticals sectors, announced today the completion of the acquisition of SI Group, a leading global developer and manufacturer of performance additives and intermediates. The transaction includes the combination of SI Group with Addivant, an SK Capital portfolio company since 2013 and a leading global producer of specialty additives.

Headquartered in Schenectady, New York, the newly combined company will market itself under the SI Group brand and will be a global technology and industry leader in performance additives, process solutions, pharmaceuticals and chemical intermediates, with strong market positions in the plastics, rubber, fuel & lubricants, oilfield and active pharmaceutical ingredients industries. Led by Frank Bozich and John Steitz, proven chemical industry leaders with over 75 years of combined expertise, SI Group will operate with a global workforce of over 3,000 employees and 30 manufacturing facilities.

SK Capital Managing Director Barry Siadat commented, “The combination of SI Group and Addivant creates a global leader in the performance additives market with backward integration into key chemical intermediates. It is also expected to unlock significant earnings growth from both commercial and cost synergies.” Jack Norris, a Managing Director of SK Capital Partners, added, “In joining our portfolio of chemicals and pharmaceuticals businesses, SI Group will gain access to certain technologies and relationships to accelerate growth and bring novel solutions to the market.”

“The combination of Addivant and SI Group has resulted in a world-class organization with significant talent, technology and assets,” said Frank Bozich, SI Group CEO. John Steitz, CEO of SI Group’s Additives segment, added, “Our combined organization is a powerful innovation engine well-positioned to create significant value for our customers and business partners.”

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., Bank of America, N.A., KeyBanc Capital Markets Inc., Citigroup Global Markets, Inc., and Citizens Bank, N.A. Baker Botts LLP and HSBC Securities (USA) Inc. acted as legal counsel and exclusive financial advisor, respectively, to SI Group.

ABOUT SI GROUP

SI Group is a leading global developer and manufacturer of performance additives, process solutions, pharmaceuticals and chemical intermediates, with strong market positions in the

plastics, oilfield, rubber, fuel & lubricants, active pharmaceutical ingredients and industrial resins industries. SI Group solutions are critical to the quality and performance of countless industrial and consumer goods. Headquartered in Schenectady, New York, SI Group operates over 30 manufacturing facilities on five continents with approximately \$2 billion in annual sales, and over 3,000 employees worldwide. SI Group is a portfolio company of [SK Capital Partners](#). In 2018, SI Group received its third silver award for corporate social responsibility by EcoVadis, and is ranked among the top seven percent of more than 45,000 worldwide companies. SI Group is *The Substance Inside*. For more information, please visit www.siigroup.com.

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 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.

SK Capital Partners

430 Park Avenue | New York, NY 10022 | 212.826.2700 | skcapitalpartners.com