



PQ Group Holdings Completes Sale of Performance Materials; Board Declares Special Cash Dividend

MALVERN, Pa.--(BUSINESS WIRE)-- PQ Group Holdings Inc. (NYSE:PQG), a leading integrated and innovative global provider of specialty catalysts, chemicals and services, announced today that it has completed the sale of its Performance Materials business for a purchase price of \$650 million, subject to customary closing adjustments, to an affiliate of The Jordan Company, L.P. ("TJC"), a U.S. middle-market private equity firm (www.thejordancompany.com) that was founded in 1982.

"With the sale of Performance Materials at an attractive valuation, we take a significant step in reshaping the PQ portfolio toward a higher-margin, higher-growth-potential business," said Belgacem Chariag, PQ's Chairman, President and Chief Executive Officer. "We are also pleased to expand our capital allocation with a special dividend, and we look forward to continuing to execute our strategic transformation in 2021, unlocking greater value for shareholders."

The company expects to use after tax cash proceeds from the sale of its Performance Materials business to reduce its debt by approximately \$465 million. In addition, the company's Board of Directors has declared a special cash dividend of \$250 million, or \$1.80 per share, payable on December 29, 2020 to shareholders of record as of the close of business on December 21, 2020.

Goldman Sachs & Co., LLC and Harris Williams LLC are serving as financial advisors and Ropes & Gray LLP is serving as legal counsel for PQ. Kirkland & Ellis LLP is serving as legal counsel and Barclays Capital, Inc. is serving as financial advisor for TJC.

About PQ Group Holdings Inc.

PQ Group Holdings Inc. is a leading integrated and innovative global provider of specialty catalysts, chemicals and services. We support customers globally through our strategically located network of manufacturing facilities. We believe that our products, which are predominantly inorganic, and services contribute to improving the sustainability of the environment. We have three uniquely positioned specialty businesses: **Refining Services** provides sulfuric acid recycling to the North American refining industry; **Catalysts** serves the packaging and engineering plastics and the global refining, petrochemical and emissions control industries; and **Performance Chemicals** supplies diverse product end uses, including personal and industrial cleaning products, fuel efficient tires, surface coatings, and food and beverage products. For more information, see our website at <https://www.pqcorp.com>.

Note on Forward-Looking Statements

Some of the information contained in this press release constitutes “forward-looking statements.” Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “projects” and similar references to future periods. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Examples of forward-looking statements include, but are not limited to, statements regarding our future results of operations, financial condition, prospects, growth and strategies. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you, therefore, against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, our ability to identify a strategic alternative for the Performance Chemicals business segment, regional, national or global political, economic, business, competitive, market and regulatory conditions, including the ongoing COVID-19 pandemic, tariffs and trade disputes, currency exchange rates and other factors, including those described in the sections titled “Risk Factors” and “Management Discussion & Analysis of Financial Condition and Results of Operations” in our filings with the SEC, which are available on the SEC’s website at www.sec.gov. These forward-looking statements speak only as of the date of this release. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable law.

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