



## Stepan Announces Acquisition of Aromatic Polyester Polyol Business from INVISTA

January 29, 2021

NORTHFIELD, Ill., Jan. 29, 2021 /PRNewswire/ -- Stepan Company (NYSE: SCL) today announced that it has purchased INVISTA's aromatic polyester polyol business and associated assets. Included in the transaction are two manufacturing sites, one in Wilmington, NC (United States) and the other in Vlissingen (the Netherlands), and intellectual property, customer relationships, inventory and working capital. The business acquired has global sales of approximately \$100 million. This acquisition was financed with cash on hand and is expected to be accretive to Stepan's EBITDA margins.

"We are excited to add INVISTA's polyester polyol capabilities to Stepan. This acquisition expands our manufacturing capability in both the United States and Europe, enhances our business continuity capabilities for the market and supports the growth of our global rigid polyol business. We expect that INVISTA's available spare capacity, plus debottlenecking opportunities in both plants, will allow Stepan to support market growth in a capital efficient way," said F. Quinn Stepan, Jr. Chairman and Chief Executive Officer of Stepan. "We believe the long-term prospects for rigid polyol use in insulation remain strong as energy conservation efforts and more stringent building codes should continue to drive market growth. Additionally, we believe the acquired technology will accelerate our product leadership initiatives, drive manufacturing efficiencies and output, and create increased value for the overall market. We look forward to providing the highest level of service to our new customers and are excited to add the new employees and the two new sites to our global polyester polyol manufacturing network."

Management will provide more perspective on this acquisition as part of Stepan Company's fourth quarter and full year 2020 results conference call on February 18, 2021.

### Corporate Profile

Stepan Company is a major manufacturer of specialty and intermediate chemicals used in a broad range of industries. Stepan is a leading merchant producer of surfactants, which are the key ingredients in consumer and industrial cleaning and disinfection products and in agricultural and oilfield solutions. The Company is also a leading supplier of polyurethane polyols used in the expanding thermal insulation market, and CASE (Coatings, Adhesives, Sealants, and Elastomers) industries.

Headquartered in Northfield, Illinois, Stepan utilizes a network of modern production facilities located in North and South America, Europe and Asia.

The Company's common stock is traded on the New York Stock Exchange (NYSE) under the symbol SCL. For more information about Stepan Company please visit the Company online at [www.stepan.com](http://www.stepan.com)

More information about Stepan's sustainability program can be found on the Sustainability page at [www.stepan.com](http://www.stepan.com)

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*Certain information in this news release consists of forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include statements about Stepan Company's plans, objectives, strategies, financial performance and outlook, trends, the amount and timing of future cash distributions, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, Stepan Company's actual financial results, performance, achievements or prospects may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "guidance," "predict," "potential," "continue," "likely," "will," "would," "should," "illustrative" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by Stepan Company and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements are not guarantees of future performance, and stockholders should not place undue reliance on forward-looking statements.*

*There are a number of risks, uncertainties and other important factors, many of which are beyond Stepan Company's control, that could cause actual results to differ materially from the forward-looking statements contained in this news release. Such risks, uncertainties and other important factors include, among other factors, the risks, uncertainties and factors described in Stepan Company's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports, and include (but are not limited to) risks and uncertainties related to the impact of the COVID-19 pandemic; accidents, unplanned production shutdowns or disruptions in manufacturing facilities; reduced demand due to customer product reformulations or new technologies; our inability to successfully develop or introduce new products; compliance with laws; our ability to identify suitable acquisition candidates and successfully complete and integrate acquisitions; global competition; volatility of raw material and energy costs and supply; disruptions in transportation or significant changes in transportation costs; downturns in certain industries and general economic downturns; international business risks, including currency exchange rate fluctuations, legal restrictions and taxes; unfavorable resolution of litigation against us; maintaining and protecting intellectual property rights; our ability to access capital markets; global political, military, security or other instability; costs related to expansion or other capital projects; interruption or breaches of information technology systems; our ability to retain executive management and key personnel; and our debt covenants.*

*These forward-looking statements are made only as of the date hereof, and Stepan Company undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.*

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