



News Release

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AMPAC FINE CHEMICALS TO BE ACQUIRED BY SK HOLDINGS

RANCHO CORDOVA, CALIFORNIA, July 16, 2018 — AMPAC Fine Chemicals (“AFC”), a leading US-based Contract Development and Manufacturing Organization (“CDMO”), today announced its sale to SK Holdings (“SK”), an investment holding company of SK Group (South Korea). This acquisition is the largest M&A transaction announced in the Korean pharmaceutical industry

Since February 2014, AFC has been owned by H.I.G. Capital (“H.I.G.”), a global private equity firm. Under H.I.G.’s ownership, AFC expanded the manufacturing footprint at Rancho Cordova, CA facility, started AMPAC Analytical, acquired a state-of-the art plant in Petersburg, VA, substantially enhanced its product pipeline, and delivered industry-leading growth every year since acquisition.

SK is purchasing AFC due to its unique capabilities, world class facilities, excellent reputation, outstanding people and great growth potential. AFC is SK’s sole CDMO operation in the US and will play a crucial part in SK’s development as a global leader in pharma manufacturing.

“Pharmaceuticals is one of SK Holdings’ key pillars of growth and the acquisition of AFC is an important step towards becoming a global player in the market,” said Donghyun Jang, President and Chief Executive Officer of SK Holdings. Mr. Jang added, “AFC’s development and manufacturing capabilities and outstanding regulatory track record are an excellent complement to SK”.

Aslam Malik, Chief Executive Officer of AFC, added, “We are excited to join SK Holdings. SK and AFC are highly complementary and with SK’s strong presence in Europe and Asia, we will be able to provide our customers a much broader portfolio of offerings including a global supply chain. Together we will achieve SK’s goal of becoming a global, top-tier CDMO”.

ABOUT AMPAC FINE CHEMICALS

AFC is a U.S.-based company with demonstrated capabilities in process development, scale-up, and cGMP commercial production of active pharmaceutical ingredients and registered intermediates for pharmaceutical and biotechnology customers. Its specially engineered facilities and experienced staff allow AFC to safely produce highly energetic compounds at commercial scale. AFC’s other technology platforms include production of highly potent compounds, continuous processes and industrial-scale chromatographic separation using simulated moving bed chromatography. In addition, AMPAC Analytical also provides testing services to the pharmaceutical industry. AFC’s operations are located in Rancho Cordova & El Dorado Hills CA, La Porte, TX and Petersburg, VA.

Additional information about us can be obtained by visiting our web site at www.ampacfinechemicals.com.

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ABOUT SK HOLDINGS

SK Holdings continues to enhance its portfolio value by executing long-term strategic investments with a number of competitive subsidiaries in various business areas, including energy and chemicals, information and telecommunication, and semiconductors. In addition, SK Holdings is focused on reinforcing its growth foundations through profitable and practical management based on financial stability, while raising its enterprise value by investing in new future growth businesses. For more information, please visit <http://www.sk.com/en/index.jsp>.

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SOURCE: AMPAC Fine Chemicals