

## Alpek signs agreement to acquire NOVA Chemicals' styrenics business

Monterrey, N.L., Mexico. October 19<sup>th</sup>, 2020 – Alpek, S.A.B. de C.V. (“Alpek”) announced today that one of its subsidiaries has signed an agreement with NOVA Chemicals Corporation (“NOVA Chemicals”) to acquire their expandable styrenics business by purchasing a 100% stake in BVPV Styrenics LLC, which owns and operates a facility located in Monaca, Pennsylvania, USA, with an annual capacity of 123,000 tons of expandable polystyrene (“EPS”), 36,000 tons of ARCEL<sup>®</sup>, and a world-class R&D pilot plant, as well as one in Painesville, Ohio, USA with an annual capacity of 45,000 tons of EPS.

During its second quarter 2020 Earnings Webcast, Alpek explained in detail the three pillars that comprise its long-term growth strategy. The acquisition of NOVA Chemicals' expandable styrenics business is strongly aligned with various elements considered in that plan:

### Strategic & Focused Growth:

- **Value Chain Integration:** This acquisition grows Alpek's EPS & ARCEL<sup>®</sup> capacity, further solidifying Alpek's position as the industry' leader in the Americas, a core principle of ours.

### Strengthen the Core Business:

- **Global Cost Improvement:** As the most efficient EPS producer in the Americas, Alpek will bring its significant expertise to optimize costs at its newly acquired facilities.
- **Value Added Products:** Through ARCEL<sup>®</sup>, an EPS-PE copolymer used in protective packaging for high-end products like electronics, Alpek will move further into the attractive specialty application markets.
- **Footprint Optimization:** By adding two new EPS sites in the USA, Alpek will now be able to serve its existing and new customer base with increased efficiency, lower logistics costs and products that better suit their evolving needs.

### Foster a Circular Economy:

- **Sustainable Product Portfolio:** Alpek intends to continue growing its business in the Construction and reusable Packaging segments, both of which require long-term-use application for EPS, while also using the combined R&D strength of both companies to develop more sustainable products, like biodegradable EPS.

“This acquisition is both attractive from a financial perspective as well as fully aligned with Alpek’s long-term growth strategy,” said José de Jesús Valdez, Alpek CEO. “Moving forward, our team is focused on executing a seamless integration to welcome our new team members, while quickly capitalizing on all the identified synergies and business opportunities.”

The terms of this agreement have not been disclosed, and the acquisition is expected to be completed in the fourth quarter of 2020.

*About Alpek: Alpek is a leading petrochemical company operating two business segments: “Polyester” (PTA, PET, rPET, and polyester fibers), and “Plastics & Chemicals” (polypropylene, expandable polystyrene, caprolactam, and other specialty & industrial chemicals). Alpek is a leading producer of PTA and PET worldwide, one of the largest rPET producers in the Americas, the largest expandable polystyrene manufacturer in the Americas, and the only producer of polypropylene and caprolactam in Mexico. In 2019, Alpek reported revenues of U.S. \$6.2 billion and EBITDA of U.S. \$0.9 billion. The Company operates 28 plants in the United States, Mexico, Canada, Brazil, Argentina, Chile and the United Kingdom, and employs more than 6,000 people. Alpek is a publicly traded company listed on the Mexican Stock Exchange.*

*About NOVA Chemicals: NOVA Chemicals develops and manufactures chemicals and plastic resins that make everyday life healthier, easier and safer. Our employees work to ensure health, safety, security and environmental stewardship through our commitment to Sustainability and Responsible Care®. NOVA Chemicals, headquartered in Calgary, Alberta, Canada, is wholly-owned ultimately by Mubadala Investment Company of the Emirate of Abu Dhabi, United Arab Emirates.*