



Koppers Holdings Inc. Announces Amendment to KJCC Sale Agreement

August 25, 2020

Sellers Receive \$10 Million in Earnest Money

Closing Deadline Extended to September 30, 2020

PITTSBURGH, Aug. 25, 2020 /PRNewswire/ -- Koppers Holdings Inc. (NYSE: KOP), an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds, today announced an amendment to its definitive agreement to sell Koppers (Jiangsu) Carbon Chemical Company Limited (KJCC) to Fangda Carbon New Material Co., Ltd. and C-Chem Co., Ltd., a subsidiary of NIPPON STEEL Chemical & Material Co., Ltd. KJCC is a tar distillation facility located in Pizhou City, Jiangsu Province, China and is 75-percent owned by the Company with the remaining 25 percent owned by Yizhou Group Company Limited (Yizhou).



The definitive agreement was first announced in February 2020, and in April 2020, the State Administration for Market Regulation of China (SAMR) gave its approval for the transaction to proceed. The amendment provides for an extension of the closing deadline from August 18, 2020 to September 30, 2020 and a payment of \$10 million in earnest money to Koppers, which has been received and will be applied against the acquisition price at closing. In addition, the extension applies to the previously disclosed contractual dispute related to application of contractual pricing terms between KJCC and its largest customer in China, which will continue to be resolved upon the successful closing of the transaction.

If the closing of the transaction does not occur by September 30, 2020, subject to certain conditions, the earnest money will be retained by Koppers and Yizhou.

Koppers is continuing to work diligently toward the goal of closing the transaction, which is subject to satisfaction of various closing conditions contained in the definitive agreement. As previously stated, the company expects to realize approximately \$65 million of net cash, after taxes and expenses, and plans to apply the proceeds toward debt reduction.

About Koppers

Koppers, with corporate headquarters in Pittsburgh, Pennsylvania, is an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds. Our products and services are used in a variety of niche applications in a diverse range of end-markets, including the railroad, specialty chemical, utility, residential lumber, agriculture, aluminum, steel, rubber, and construction industries. Including our joint ventures, we serve our customers through a comprehensive global manufacturing and distribution network, with facilities located in North America, South America, Australasia, China and Europe. The stock of Koppers Holdings Inc. is publicly traded on the New York Stock Exchange under the symbol "KOP." For more information, visit us on the Web: www.koppers.com. Questions concerning investor relations should be directed to Michael Zugay at 412-227-2231 or Quynh McGuire at 412-227-2049.

Safe Harbor Statement

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, acquisitions, restructuring, declines in the value of Koppers assets and the effect of any resulting impairment charges, profitability and anticipated expenses, cash outflows and the expected closing of the sale of KJCC. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as "outlook," "guidance," "forecast," "believe," "anticipate," "expect," "estimate," "may," "will," "should," "continue," "plan," "potential," "intend," "likely," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in other press releases, written statements or other documents filed with the Securities and Exchange Commission, or in Koppers communications and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, restructurings, the benefits of and ability to consummate acquisitions, divestitures, joint ventures or other matters as well as financings and debt reduction, are subject to known and unknown risks, uncertainties and contingencies.

Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements include, among other things, the impact of changes in commodity prices, such as oil and copper, on product margins; general economic and business conditions; the length and extent of economic contraction as a result of the coronavirus (COVID-19) pandemic; disruption in the U.S. and global financial markets; potential difficulties in protecting our intellectual property; the ratings on our debt and our ability to repay or refinance our outstanding indebtedness as it

matures; our ability to operate within the limitations of our debt covenants; potential impairment of our goodwill and/or long-lived assets; demand for Koppers goods and services; competitive conditions; interest rate and foreign currency rate fluctuations; availability and costs of key raw materials; unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and any subsequent filings by Koppers with the Securities and Exchange Commission. Any forward-looking statements in this release speak only as of the date of this release, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

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