

Quarterly Review

Chemicals & Materials Q2 2021



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An Introduction to Chemical Distribution

by Dr. Thomas Schneider, Director in Lincoln International's global chemicals team

In a nutshell, chemical distributors as business-to-business service / solution providers connect chemical producers (so-called principals) with chemical users and fulfill a value-adding function in the supply chain. The chemical distribution industry is linked to various sectors like pharmaceuticals, construction, paints and coatings, agriculture, food and feed or automotive and is of crucial importance for the global economy or rather global value creation. In the past, chemical manufacturers viewed distributors as a necessary but not as a value-adding partner. They were perceived as an easy way of reaching small customers with low demand or those that are difficult to serve economically with the existing sales set-up. This view has changed continuously. Today, chemical distributors are becoming a crucial puzzle piece of manufacturers' channel strategies, with the capability to create real value for both manufacturers and customers.

Key activities of chemical distributors can be summarized as follows:

- Purchase, transport and storage of chemicals
- Mixing, blending and formulating according to customer specific requirements; typically no (chemical) production
- Filling, (re-)packaging and labeling
- Extensive technical support and training
- Vendor managed inventory
- Bundling and transporting

While chemical producers focus on the production of a relatively narrow product portfolio and direct sales to a few major customers, chemicals distributors are characterized by the following attributes:

- Very broad and diverse customer base and end-market coverage (especially full-range distributors)
- Small customer order size (typically less than a truckload)
- Low fixed asset intensity combined with high asset flexibility (often multi-purpose equipment / infrastructure)
- Raw material prices are based on market prices and the input / output pricing is connected

At the center of the supply chain, distributors have to deal with four main key factors: geographical and time related distances, quality balancing, assortment of goods and service. One of the main objectives of the chemical distributors is related to the supply management and how to add value. Therefore, key differentiators to remain competitive in this industry include: promptness of service and short delivery times; the management of raw material shortages, for example through force majeure situations; the ability to respond to a variety of different customers in parallel; the development of special know-how and capabilities of various industries (for example, GMP regulations for the pharmaceutical industry); and, the establishment of cost competitive services through centralized group functions.

The good news is that the competitive environment in chemical distribution is less consolidated than that of chemical producers. The market is characterized by some large players like Brenntag or Univar – often broadly diversified in terms of their product and market portfolios – as well as by a large number of small- and medium-sized, often highly specialized players. The latter are often privately owned and focus on a specific segment or cover a specific region.

As is often the case in the chemical industry, a distinction can be made between "specialty" and "commodity" chemical distributors, although such a categorization is not always straightforward. "Specialty" chemical distributors like Azelis,

IMCD, Indukern or Biesterfeld are therefore characterized by a strong focus on value-added services for (exclusive factory packaged) specialties. Critical to success here is a powerful application-oriented (technical) service and sales organization. The so-called "commodity" chemical distributors typically focus on bulk chemicals like methanol and non-exclusive suppliers. For them, local presence is of high importance. Industry participants like Brenntag, Univar or Stockmeier, which are active in both arenas, are referred to as full-range chemical distributors.

Direct sales still dominate the chemical industry, but global growth in the "specialty" chemical distribution segment has remained consistent at a more than 5% compound annual growth rate over the past decade with no notable fluctuations. In the global chemical industry, the outsourcing rate varies widely by segment, from near zero in highly concentrated end industries, to over 80% as in the agrochemicals and laboratory chemicals segment. More and more chemical companies have switched to outsourcing sales to third parties, particularly in markets that are sub-critical from the point of view of the individual company or for strategically less relevant customers and product groups. They profit from the access of distributors to markets and product groups for which their own offers do not have the sufficient size or the necessary degree of development. By using distributors, chemical companies also reduce credit risk and cash management for smaller customers, often in markets with complex, long-running payment

Lincoln International Statement

The chemical distribution market remains highly fragmented, facilitating significant further consolidation potential. Lincoln International expects M&A activity in the chemical distribution segment to continue to increase. Competition among the major consolidators — some of them are owned by financial investors — for good targets with strong positioning will continue to increase. Recently, especially the German market seems to be of high interest for international strategists and financial investors. The firm regularly receives inquiries regarding suitable acquisition candidates in Germany. However, most of the small- and mid-sized players in Germany are family-owned and M&A is often done — if at all — through one-on-one discussions. International competitive M&A processes are relatively rare.

processes. In purchasing, many chemical users also benefit from outsourcing and bundling of chemical raw materials to distributors by reducing their internal complexity, increasing efficiency, becoming more professional and increasing their focus on strategic purchasing categories. In recent years, various end-industry specifics and recent market developments have influenced market trends impacting chemical distributors:

1. Supplier and customer streamline distribution relationships

Customers, or rather chemical users expect their suppliers to be increasingly clearly positioned in selected industries / segments or value chains and are demanding that chemical distributors sharpen their business portfolio and core competencies accordingly. Specific capabilities per industry and specific verticals are an absolute must have and an important differentiator. In addition, principals are increasingly intervening in relationships and actively managing the distribution chain and building center of excellence, for example, by using a two-layered distribution model to optimize their activities or by encouraging business units to centralize distributors. Furthermore, investors are also driving the global transformation of business models of chemical distributors and rewarding streamlined or rather homogeneous portfolio alignment with a strong focus for example on the pharmaceutical industry with a premium in company valuations.

2. Market consolidation: distributors expand via M&A activities

Mergers and acquisitions (M&A) is an integral part of the growth strategy of chemical distributors. Brenntag illustrates this very impressively with 170 transactions since 1991, 99 since 2007. Key drivers for M&A in the industry are to build a critical size, regional expansion / optimized regional coverage and to complement the product offering or, to be more precise, specializing in a specific segment whereby a large synergy potential also often plays an important role. In addition, increasing regulation drives inorganic growth of large distributors as small- and medium-sized players often have difficulty implementing or ensuring compliance with the complex rules and regulations.



Thomas Dassler
Managing Director, Häffner Group

The key drivers for M&A in chemical distribution did not change significantly as a result of the COVID-19 crisis. On the contrary, the pandemic showed how resilient the business model of most chemical distributors was due to their high level of diversification and flexibility. While business volume in the textile cleaning and automotive paint and coatings sectors suffered major setbacks during the first wave, characterized by numerous and widespread factory closures, other market segments, such as life science (food, raw materials for disinfectants), continued to generate exceptionally good earnings. Since April 2020, the EBITDA multiples of chemical distributor stocks more than made up for their initial COVID-19 set-back. The segment currently trades well above 12x. In particular, distributors with innovative, sustainable and specialized products are currently achieving record multiples. Consolidation in the chemical distribution market will continue. In addition to the product portfolio, as well as exclusive partnerships with suppliers, customer base and segments, strategic coverage and geographic location are important factors in the selection of a potential acquisition target. The Häffner Group strives to achieve its organic growth by further developing its strategic business fields in close cooperation with its customers and suppliers. At the same time, Häffner is always on the lookout for strategically suitable acquisitions in Germany and abroad to accelerate its growth.

3. Distributors strengthen value chain position via value-added services

For chemical distributors the continuous expansion of specific value-added services is of growing relevance. Thereby, the development of strong technical know-how and capabilities, the offering of formulation and blending services, and the building of application and development laboratories increase the value offered on top of distribution chemicals. The idea or, to be more precise, the key to differentiation is to create a provider of holistic solutions for selected industries. This means, for example, industrial cleaning, instead of selling cleaning chemicals, or offering a comprehensive plastics portfolio and application consulting in selected markets, rather than selling different grades of polyethylene. However, this approach is associated with potential risks. The interfaces between distributors, chemical producers and customers are becoming fluid; distributors are increasingly competing with chemical producers.

4. Digitalization

Digitalization is a huge topic and will likely change the value chains, not only in chemical distribution. The ability to analyze huge amounts of data in real time, in combination with the growing availability of data, holds great potential by increasing the transparency along the complex supply chains. The digital change in the chemical value chain may come from principals, customers, digital attackers like Alibaba or Amazon or from chemical distributors differentiating themselves through value-added services. Currently the efforts of principals, customers and distributors often run in parallel and are not consistent. In recent years, many leading chemical producers have introduced online stores, many of which are open to competitors to create marketplaces, including CheMondis (Lanxess), Covalo (formerly Chemberry, Clariant), OneTwoChem (Evonik) and Asellion (Covestro). But the chemical distributors were not idle either. Market leader Brenntag founded DigiB as a digital hub, Univar runs ChemPoint and Stockmeier invested in Chembid, a metasearch engine that consolidates information from multiple online sources. Independent marketplaces either grow from specific applications like Knowde (chemicals for cosmetic applications) or focus on scale (e.g., Molbase). These e-commerce platforms bring customers and manufacturers closer together and question the added value of a distributor; at least for selected products. However, the disruptive potential of these marketplaces for chemicals has yet to be proven.

The “new kids on the block” Alibaba and Amazon have realized the great potential of the chemical sector. Leading chemical producers, such as BASF, Wacker, Covestro and others, are open to cooperating with marketplaces. All have opened up flagship stores on Alibaba’s 1688.com to generate additional business in China. For Alibaba and Amazon, one way to enter the arena of chemical sales would be to acquire a leading distributor as a foundation upon which to build the marketplace. The technology giants have the technology to build the platform and apply artificial intelligence to develop value-added services from the abundance of data generated by the platform. The distributors would provide the chemical knowledge, access to producers and customers and the physical supply chain. Looks like a perfect fit. News such as “Amazon agreed to acquire Brenntag” would therefore not be a surprise.

Lincoln International Transaction Highlight: Ravago Acquires Indukern, a Leading Specialty Chemicals Distributor

Lincoln International is pleased to have advised Ravago on the acquisition of the chemical distribution activities of Indukern Group. Grupo Indukern is a family-owned Spanish multinational company, founded in 1962, that operates three main companies: Indukern (distribution of specialty chemical products), Calier (products for animal health) and Kern Pharma (pharmaceutical products for human health). Following a recent corporate reflection, Grupo Indukern decided to divest its specialty chemical distribution division with the aim of further investing in the other two companies comprising the group, thus focusing its future strategy and growth in the pharmaceutical and veterinary industries.

Indukern, the specialty chemical distribution business, is dedicated to the distribution of chemical products and value-added activities, such as formulation, production and technical consultancy services, in various industrial sectors. It operates with 11 international subsidiaries in eight countries (France, Portugal, Brazil, Mexico, Colombia, Dominican Republic and Hong Kong) and has facilities in Europe and Latin America to provide global coverage. It operates through four divisions: animal nutrition, pharmaceutical and animal health, flavors and fragrances and food ingredients.

This acquisition of Indukern will fundamentally strengthen Ravago’s specialty chemicals offering, Ravago Chemicals, and confirms the strategic direction to become a strong player in the specialty chemical sector. The acquisition allows both companies to grow their presence in the market since both businesses have complementary product lines and geographies served. Ravago Chemicals is already active in several markets, such as coatings, adhesives, sealants and elastomers, polyurethane and polymers, water, life science, care and base chemicals, among others.

With the acquisition, all of Indukern’s chemical business and teams in Europe, Latin America and China will transfer to the Ravago Group. Indukern's team currently holds more than 500 colleagues, of which 170 are located in Spain.

Lincoln International acted as the exclusive M&A adviser to Ravago on this transaction. This transaction represents the fourth transaction for the firm in the broader chemicals space in Belgium since the beginning of 2021. Earlier this year, the firm advised [Pulcra on the acquisition on Devan](#), [Blackstone on the acquisition of industrial filtration company Desotec](#) and [engineered foams producer, FoamPartner, on its sale to Retichel](#). Other notable global chemicals transactions recently advised by Lincoln International include the recently [announced sale of Cetelon to PPG](#) and [the sale of Schmid Rhyner to Altana](#).



has acquired



from



Buy-Side



Market Intelligence

During Q2 2021, the Lincoln International chemicals and materials indexes and S&P 500 continued to rise over the prior quarter. U.S. specialty chemicals market volumes rose 0.6% in June, the same gain as in May. This gain left volumes 3.7% off from pre-COVID-19 levels. In June, chemical production was mixed, with improvement in corrosion inhibitors, cosmetic chemicals, foundry chemicals, oilfields chemicals, plastic additives, plasticizers, plastic compounding, and printing ink. On a year-over-year basis, specialty chemicals volumes were up 11.3% for June 2021 compared to last year's relatively depressed levels.

The positive momentum through Q2 2021 is projected to carry forward throughout the year and into 2022. U.S. chemical volumes are expected to grow by 1.4% in 2021 and 3.2% in 2022. Shipments will increase 8.1% in 2021 and 8.2% in 2022 after falling 13.5% in 2020. Similarly, chemical industry capital spending will increase 11.9% to \$30.6 billion in 2021 and rise 3.1% in 2022 after falling 17.6% in 2020. U.S. chemical exports are growing as major economies reopen and import demand in foreign economies improves. After falling 7.6% in 2020, chemical exports will be up 5.8% in 2021 and 13.8% in 2022, when recovery to pre-COVID-19 levels is anticipated. After falling 5.1% in 2020, U.S. chemical imports will rise 1.6% in 2021 and 13.7% in 2022. Supporting total U.S. exports, the domestic chemical industry will maintain its net exporter position. By 2025, net exports of chemicals are predicted to reach \$40.5 billion.

Since 2020, the market recovery has been V-shaped. If the economic recovery continues, 2021 will be a great year for the industry. In fact, production volumes, shipments, capital spending and key end-use sector performance are forecasted to rebound from the economic and business disruption caused by COVID-19. The chemical industry directly touches over 96% of all manufactured goods, thus the trends in chemical segments will continue to provide insights into trends in the manufacturing sector and the broader market.

Sources: American Chemistry Council

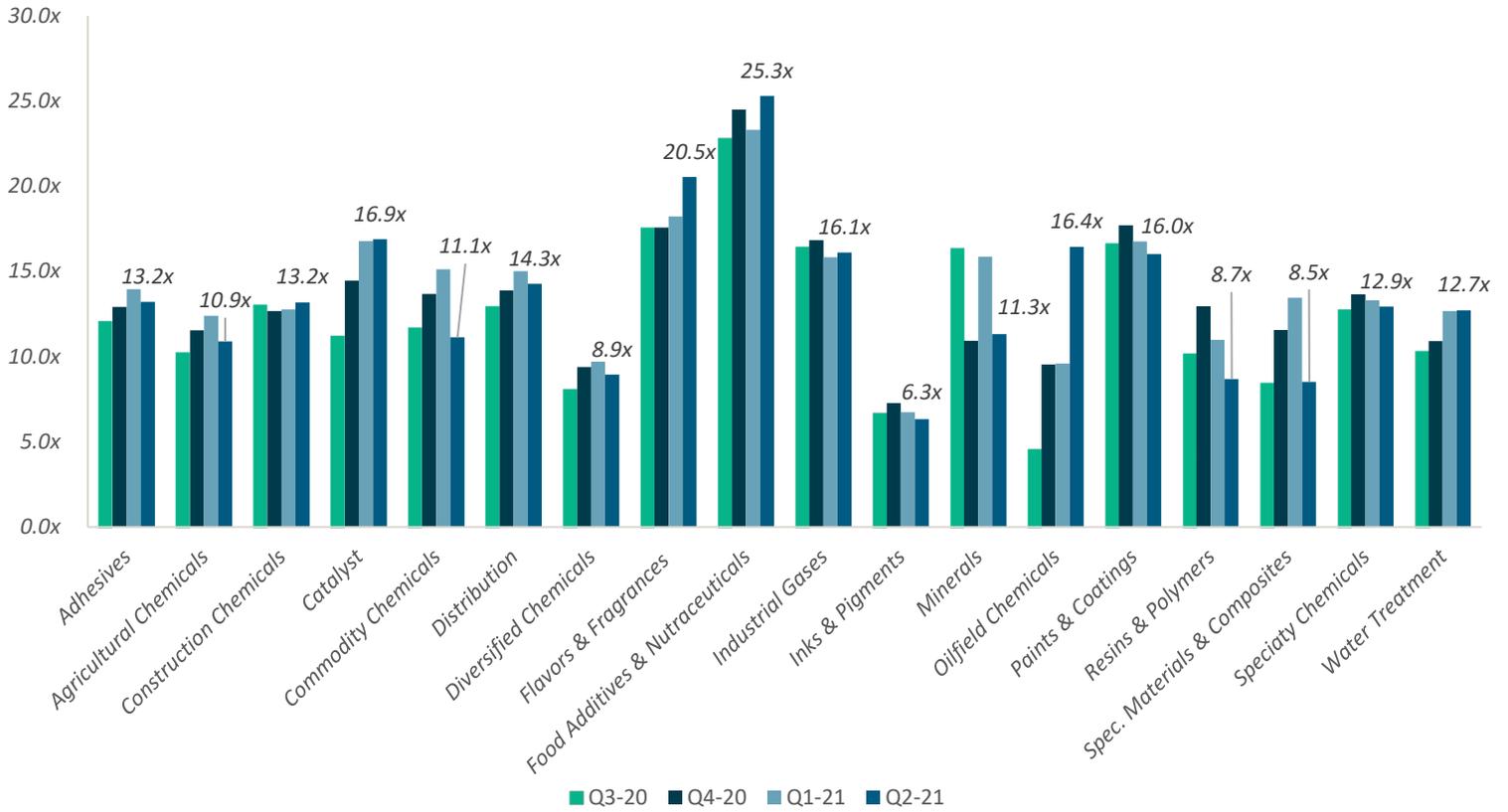
Public Company Valuation Statistics as of 6/30/21

Sector	Number of Companies	Quarterly Stock Performance	% of 52 Week High	EV / CY21E		P / E Multiple	Net Debt / CY21E EBITDA	CY21E Growth		CY21E Margin	
				Revenue	EBITDA			Revenue	EBITDA	Gross	EBITDA
Adhesives	5	1.1%	90.1%	2.39x	14.7x	19.4x	1.4x	3.9%	6.3%	37.2%	17.0%
Agricultural Chemicals	11	4.8%	87.5%	2.39x	11.2x	15.2x	2.1x	1.1%	2.7%	29.5%	17.3%
Construction Chemicals	4	6.3%	92.4%	2.15x	10.6x	16.9x	1.4x	4.0%	6.6%	31.6%	17.4%
Catalyst	13	15.2%	95.4%	4.07x	14.3x	17.8x	1.4x	5.7%	3.2%	35.9%	26.5%
Commodity Chemicals	16	0.9%	85.3%	1.79x	8.1x	7.9x	0.8x	1.5%	(1.0%)	24.3%	18.9%
Distribution	5	8.8%	93.0%	1.21x	12.5x	14.6x	2.4x	5.7%	7.3%	23.8%	9.7%
Diversified Chemicals	15	(0.5%)	89.5%	1.46x	7.8x	11.8x	1.3x	1.8%	5.5%	22.3%	15.5%
Flavors & Fragrances	9	14.8%	97.1%	3.95x	20.0x	25.5x	1.9x	6.0%	8.6%	33.0%	22.0%
Food Additives & Nutraceuticals	6	7.4%	97.9%	7.75x	23.5x	39.5x	1.5x	6.0%	7.7%	39.7%	29.1%
Industrial Gases	7	7.1%	93.9%	4.76x	15.0x	22.2x	2.5x	4.8%	6.6%	18.7%	31.3%
Inks & Pigments	5	(5.3%)	85.7%	0.88x	6.3x	9.2x	0.9x	4.1%	6.7%	22.0%	19.0%
Minerals	11	11.8%	88.4%	3.51x	8.6x	19.4x	1.4x	15.8%	18.5%	25.1%	24.8%
Oilfield Chemicals	3	21.7%	94.1%	1.06x	8.9x	31.8x	2.5x	13.8%	42.5%	0.0%	11.8%
Paints & Coatings	10	(0.2%)	89.2%	2.73x	14.0x	24.0x	1.6x	4.8%	9.9%	17.7%	16.4%
Resins & Polymers	11	(4.1%)	86.1%	1.36x	7.9x	11.6x	1.5x	3.6%	6.2%	23.1%	17.7%
Spec. Materials & Composites	9	13.0%	95.2%	1.35x	10.1x	13.8x	2.8x	6.4%	17.8%	23.1%	11.5%
Specialty Chemicals	18	1.8%	89.1%	2.61x	12.6x	20.0x	1.6x	4.9%	8.5%	32.1%	19.3%
Water Treatment	5	11.9%	94.9%	1.94x	10.8x	25.9x	2.0x	4.0%	6.8%	20.3%	17.9%
Median				2.09x	11.0x	16.3x	1.6x	4.2%	7.2%	26.6%	18.1%

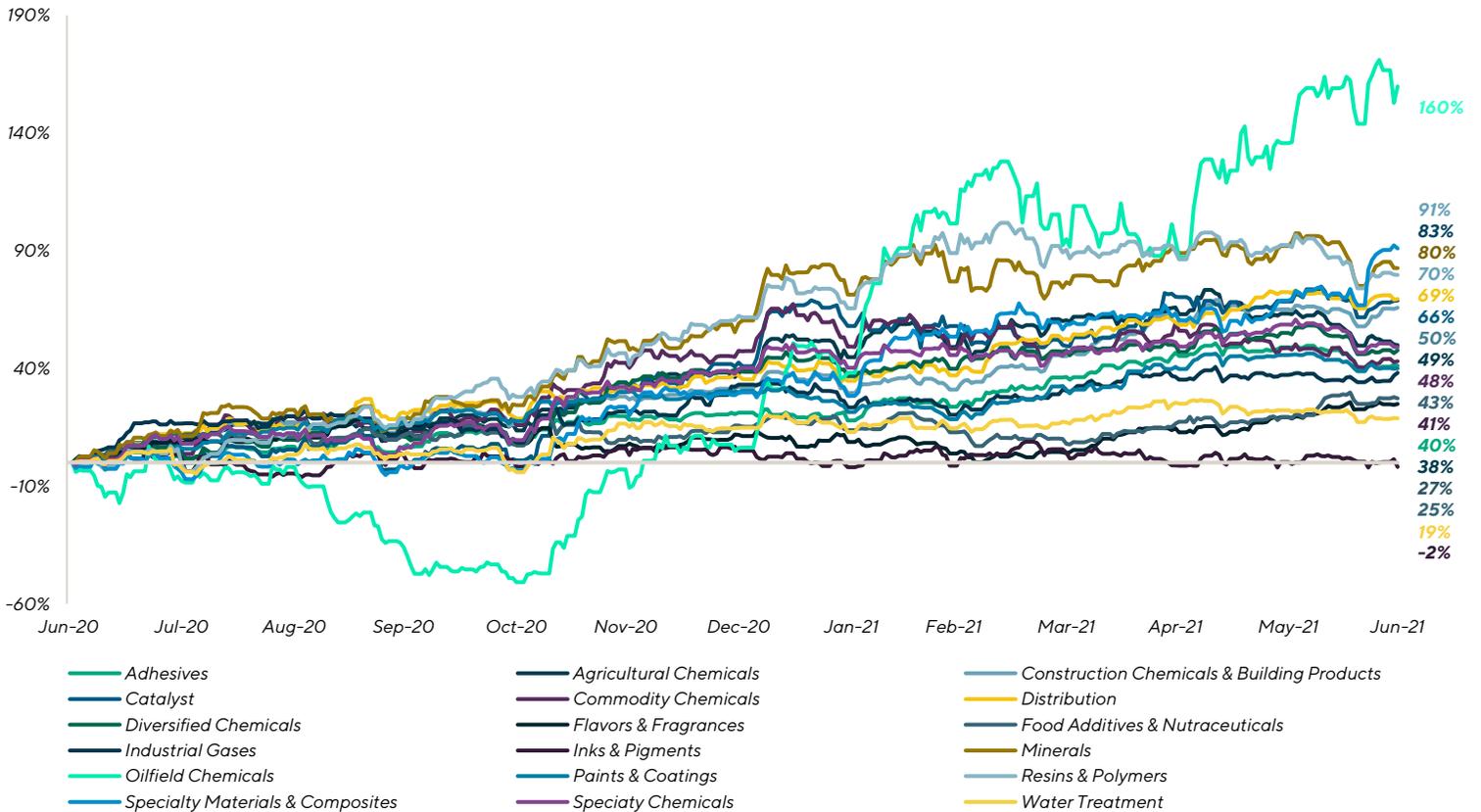
Sources: Capital IQ, ThomsonONE, American Chemistry Council, Wall Street research and company data

Chemicals & Materials Market Update

Enterprise Value / LTM EBITDA



Stock Market Performance



Select Q2 2021 M&A Transactions

(\$ in millions)

Closing Date / Status	Target Company	Acquiring Company	Target Location	Acquirer Location	Enterprise Value	EV / LTM	
						Revenue	EBITDA
Announced	Building Products Businesses of Boral Industries	Westlake	US	US	\$2,150	1.95x	-
Announced	Santoprene TPV Elastomers Business of ExxonMobil Chemical	Celanese	US	US	1,150	-	-
Announced	Gruppo Orbis	AkzoNobel	Colombia	Netherlands	-	-	-
Announced	Ikonics	Terawulf	US	US	-	-	-
Announced	JM Swank	Brenntag	US	Germany	304	0.61x	-
Announced	Niacet	Kerry	US	Ireland	1,015	-	-
Announced	Diana Food's Natural Food Coloring Business	Hansen Natural Colors	France	Denmark	-	-	-
Announced	Chemigate Oy	Berner	Finland	Finland	-	-	-
Announced	Qingdao Yingdong Mould & Plastic Technology	Suzhou Yingdong Mould & Plastic	China	China	51	0.24x	-
Announced	Bridgestone (Huizhou) Synthetic Rubber	LCY Chemical	China	Taiwan	62	-	-
Announced	Infinitec Activos	Evonik	Spain	Germany	-	-	-
Announced	Pigments Business of Clariant	SK Capital and Heubach	Switzerland	Switzerland; Germany	951	-	11.4x
Announced	Ferrari Zagatto Comercio De Insumos	AgroGalaxy Participações	Brazil	Brazil	28	0.24x	-
Announced	Coventya	Element Solutions	France	US	508	-	-
Announced	Lubricants Business of Gleitmo Technik AB in Kungsbacka	Fuchs Lubricants SWEDEN	Sweden	Sweden	-	-	-
Announced	Tire Additives Business of Eastman	One Rock Capital Partners	US	US	800	-	-
Announced	Permal Gloucester	Diamorph	UK	Sweden	-	-	-
Announced	COMPO	Duke Street	Germany	UK	-	-	-
Announced	Unitop Chemicals	Rossari Biotech	India	India	58	1.50x	9.8x
Announced	Kerdry	Hydromécanique et Frottement	France	France	-	-	-
Announced	IM Chemicals	Vertellus	Austria	US	-	-	-
Announced	Best Crop Science	Best Agrolife	India	India	-	-	-
Announced	MAINE	SCOP Bouyer-Leroux	France	France	-	-	-
Announced	Agiplast Italia	Arkema	Italy	France	-	-	-
Announced	Engineered Materials Segment of Crane	Grupo Verzatec	US	Mexico	360	-	-
Announced	Synthetic Rubber Business of Trinseo	Synthos	Germany	Poland	491	-	-
Announced	CHRYSO	Saint-Gobain	France	France	1,246	2.55x	12.0x

Source: Capital IQ, Mergermarket, Pitchbook and company data

Select Q2 2021 M&A Transactions (cont'd)

(\$ in millions)

Closing Date / Status	Target Company	Acquiring Company	Target Location	Acquirer Location	Enterprise Value	EV / LTM	
						Revenue	EBITDA
Announced	Edge Adhesives	Bostik	US	Australia	-	-	-
Announced	DURAZIV	Saint-Gobain	Romania	France	-	-	-
Announced	OOO SPC	Saint-Gobain	Russia	France	-	-	-
Announced	Ferro Corporation	Prince International	US	US	2,161	2.17x	14.0x
Announced	Elastomers Business of JSR	ENEOS	Japan	Japan	1,060	0.80x	2.5x
Announced	Aekyung Chemical	Aekyung Petrochemical	China	South Korea	24	0.13x	-
Announced	Farrow & Ball	Hempel	UK	Denmark	708	-	-
Announced	Fruit Preparation Business of IFF	Frulact	US	Portugal	-	-	-
Announced	Sinopec Mitsubishi Chemical Polycarbonate	China Petroleum & Chemical	China	China	-	-	-
Announced	MAGNIFIN Magnesiaprodukte	J.M. Huber	Austria	US	240	-	-
Announced	Bariq for Advanced Industrial Techniques	Intro Waste Management and Material Recovery	Egypt	United Arab Emirates	31	-	-
Announced	Abriso	Quva	Belgium	Belgium	-	-	-
Announced	Hamatite Business of Yokohama Group	Sika	Japan	Switzerland	-	-	-
Announced	Liaoning Wkioc Bioengineering	Grand Industrial Holding	China	China	22	2.87x	-
Announced	W. R. Grace	Standard Industries	US	US	6,436	3.65x	15.3x
Announced	Fabchem China	Lincotrade & Associates	Singapore	Singapore	-	-	-
Announced	OOO RGD Pererabotka Salavat	RusGasDobycha	Russia	Russia	-	-	-
Announced	Sichuan Leshan Fuhua Tongda Agro-Chemical Technology	Nantong Jiangshan Agrochemical & Chemicals	China	China	-	-	-
Announced	All Essential Assets and Employees of Recyplast	con-pearl	Germany	Germany	-	-	-
Jul-21	SICIT	Galileo Otto	Italy	Luxembourg	427	5.52x	14.1x
Jul-21	Prevenio	John Bean Technologies Corporation	US	US	170	-	-
Jun-21	Polypacific Polymers	LyondellBasell	Malaysia	US	-	-	-
Jun-21	Core Business of Nanogate	Techniplas	Germany	US	-	-	-
Jun-21	Pawling Engineered Products	Quadion	US	US	-	-	-
Jun-21	Adhesive Systems Technology	Applied Products	US	US	-	-	-
Jun-21	Color Resource	Chroma Color	US	US	-	-	-
Jun-21	ASUs from Sasol	Air Liquide	South Africa	France	564	-	-

Source: Capital IQ, Mergermarket, Pitchbook and company data

Select Q2 2021 M&A Transactions (cont'd)

(\$ in millions)

Closing Date / Status	Target Company	Acquiring Company	Target Location	Acquirer Location	Enterprise Value	EV / LTM	
						Revenue	EBITDA
Jun-21	ZAO Alco-Naphtha	PJSC Tatneft	Russia	Russia	89	-	-
Jun-21	Itasa Asia Sdn. Bhd.	Global Release Liners	Malaysia	Spain	-	-	-
Jun-21	Anatech	Cancer Diagnostics	US	US	-	-	-
Jun-21	Chemical Division of Park Thermal International Corporation	Kolene	Canada	US	-	-	-
Jun-21	Lautrup Chemicals	Distrupol	Denmark	UK	-	-	-
Jun-21	rPET Recycling Facility in Dallas of CarbonLITE	Indorama	US	Thailand	68	-	-
Jun-21	Ritter	Avantor Performance Materials	Germany	US	1,418	-	-
Jun-21	Ekopet	Tatneft	Russia	Russia	86	-	-
Jun-21	Dudick	Carboline Company	US	US	-	-	-
Jun-21	rPET Recycling Facility in Reading of CarbonLITE	Alpek	US	Mexico	96	-	-
Jun-21	Debal Finance	Blanchon	Belgium	France	-	-	-
Jun-21	Tikkurila	PPG	Finland	US	1,810	2.59x	17.6x
Jun-21	rPET Recycling Facility in Riverside of CarbonLITE	Indorama	US	US	44	-	-
Jun-21	Cascade Chemistry	Aceto	US	US	-	-	-
Jun-21	Shanghai Yuanhe Chemicals	IMCD	China	Netherlands	-	-	-
Jun-21	Alfa Plastik	Colibri Capital	Czech Republic	Czech Republic	-	-	-
Jun-21	Nevicolor	Nexeo Plastics	Italy	US	-	-	-
Jun-21	Vigon International	Azelis	US	US	-	-	-
Jun-21	Parfex	Iberchem	France	Spain	-	-	-
Jun-21	Albemarle Fine Chemistry Services	W.R. Grace	US	US	570	-	-
Jun-21	Leather Chemicals Business	TFL Ledertechnik	Germany	Germany	231	-	-
May-21	Shakun Polymers	Alphagary	India	UK	-	-	-
May-21	Wilbert	Alleghany Capital	US	US	-	-	-
May-21	Canlak and Valentus	SK Capital	US	US	-	-	-
May-21	Peinture Can-Lak / Valentus Specialty Chemicals	SK Capital	US	US	-	-	-
May-21	Nakai Industrial	Mitsubishi Chemical	Japan	Japan	-	-	-
May-21	Maverick Partners	C.I. TAKIRON	Japan	Japan	-	-	-

Source: Capital IQ, Mergermarket, Pitchbook and company data

Select Q2 2021 M&A Transactions (cont'd)

(\$ in millions)

Closing Date / Status	Target Company	Acquiring Company	Target Location	Acquirer Location	Enterprise Value	EV / LTM	
						Revenue	EBITDA
May-21	Choice Adhesives	Innovative Chemical Products	US	US	-	-	-
May-21	Finar	Aceto Lincoln International Advisory	India	US	-	-	-
May-21	Plastics Design & Manufacturing	Tide Rock Holdings	US	US	-	-	-
May-21	Adhezion	Applied Products	US	US	-	-	-
May-21	Korund	GEM Capital; Industry Partners	Russia	Greece; Russia	475	-	-
May-21	Adaptive 3D Technologies	Desktop Metal	US	US	63	-	-
May-21	Spartech	The Jordan Company	US	US	-	-	-
May-21	Lamisa Teknik	Indutrade	Sweden	Sweden	-	-	-
May-21	Bio-Cide International	Kemin Industries	US	US	-	-	-
May-21	Softroc	Stellar Brands	US	US	-	-	-
May-21	H.K. Wentworth	Element Solutions	UK	US	60	1.36x	-
May-21	Advanced Biological Marketing	Agrauxine	US	France	-	-	-
May-21	Amcorr Products and Services	Winn & Coales International	US	UK	-	-	-
May-21	Micronutrients Business of Compass Minerals	Koch Agronomic Services	US	US	60	-	-
May-21	Alpha Systems	Patrick Industries	US	US	-	-	-
May-21	Frontier Products	Meridian Adhesives	US	US	-	-	-
May-21	Field 16	Hydrofarm Holdings	US	US	79	-	-
May-21	The PMMA Business of Arkema	Trinseo	France	US	1,360	2.21x	9.3x
Apr-21	SACOA	DKSH	Australia	Switzerland	41	-	-
Apr-21	Amphoteric Surfactant Business of Solvay	OpenGate	Turkey	US	-	-	-
Apr-21	Hexion	Black Diamond; InvestIndustrial	US	US	-	-	-
Apr-21	3F Feed and Food	Eastman	Spain	US	-	-	-
Apr-21	S.C. Chemgas Holding Corporation	S.C. Popasul Trebes	Romania	Romania	30	-	-
Apr-21	Plasbel Plásticos	Walki Group	Spain	Finland	-	-	-
Apr-21	Jemmtec	UNICAT Catalyst Technologies	UK	US	-	-	-
Apr-21	Polypeptide Therapeutic Solutions	Arcline	Spain	US	-	-	-
Apr-21	Xypex	TorQuest	Canada	Canada	-	-	-

Source: Capital IQ, Mergermarket, Pitchbook and company data

Select Q2 2021 M&A Transactions (cont'd)

(\$ in millions)

Closing Date / Status	Target Company	Acquiring Company	Target Location	Acquirer Location	Enterprise Value	EV / LTM	
						Revenue	EBITDA
Apr-21	Promens	Arx Equity Partners	Czech Republic	Czech Republic	-	-	-
Apr-21	Agrasys	Arcadia Biosciences	Spain	US	-	-	-
Apr-21	Cetelon	PPG Lincoln International Advisory	Germany	US	-	-	-
Apr-21	Piedmont Polymers & Fabrication	C & K Plastics	US	US	-	-	-
Apr-21	Cytozyme Laboratories	Verdesian Life Sciences	US	US	-	-	-
Apr-21	Etimex USA	Plastiexports	US	Mexico	-	-	-
Apr-21	Keytech Water Management	Kurita Canada	Canada	Canada	-	-	-
Apr-21	Sentinel Performance Solutions Group	Aalberts	UK	Netherlands	31	1.11x	-
Apr-21	A&C	Aceto	Canada	US	-	-	-
Apr-21	JiangXi ChangJiu Biochemical Industry	Jiangxi Fanli Digital Technology	China	China	-	-	-
Apr-21	Select Assets of Harris International Laboratories	CRC Industries	US	US	-	-	-
Apr-21	Hyperform	Patrick Industries	US	US	-	-	-
Apr-21	Assets of APS Plastics	Material & Design Solutions	US	US	-	-	-
Apr-21	Sanyo-Touchi (Shanghai) Rubber	Dalian Pengcheng Investment	China	China	-	-	-
Apr-21	Superior Plus	Birch Hill Equity Partners	US	Canada	637	-	-
Apr-21	Strem Chemicals	Ascensus Specialties	US	US	-	-	-
Apr-21	High Technology Masterbatches	Unnox Inversiones	Spain	Spain	-	-	-
Apr-21	WISErg Corporation	Plant Response	US	US	-	-	-
Apr-21	Flow Scientific	BC Hop Company	Canada	Canada	-	-	-
Apr-21	Toyo Ink Europe Specialty Chemicals	Addiplast	France	France	-	-	-
Apr-21	KaTech Katharina Hahn + Partner GmbH	Ingredion Incorporated	Germany	US	-	-	-
Apr-21	Duramark Products	Lintec	US	US	-	-	-
Apr-21	Woodplastic	M.L.Moran	Czech Republic	Czech Republic	-	-	-
Apr-21	Agc Matex	Nippon Molymer	Japan	Japan	-	-	-
Apr-21	Theseo	Lanxess	France	Germany	82	2.12x	-
Apr-21	Wattyl	Hempel	Australia	Denmark	-	-	-

Source: Capital IQ, Mergermarket, Pitchbook and company data

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