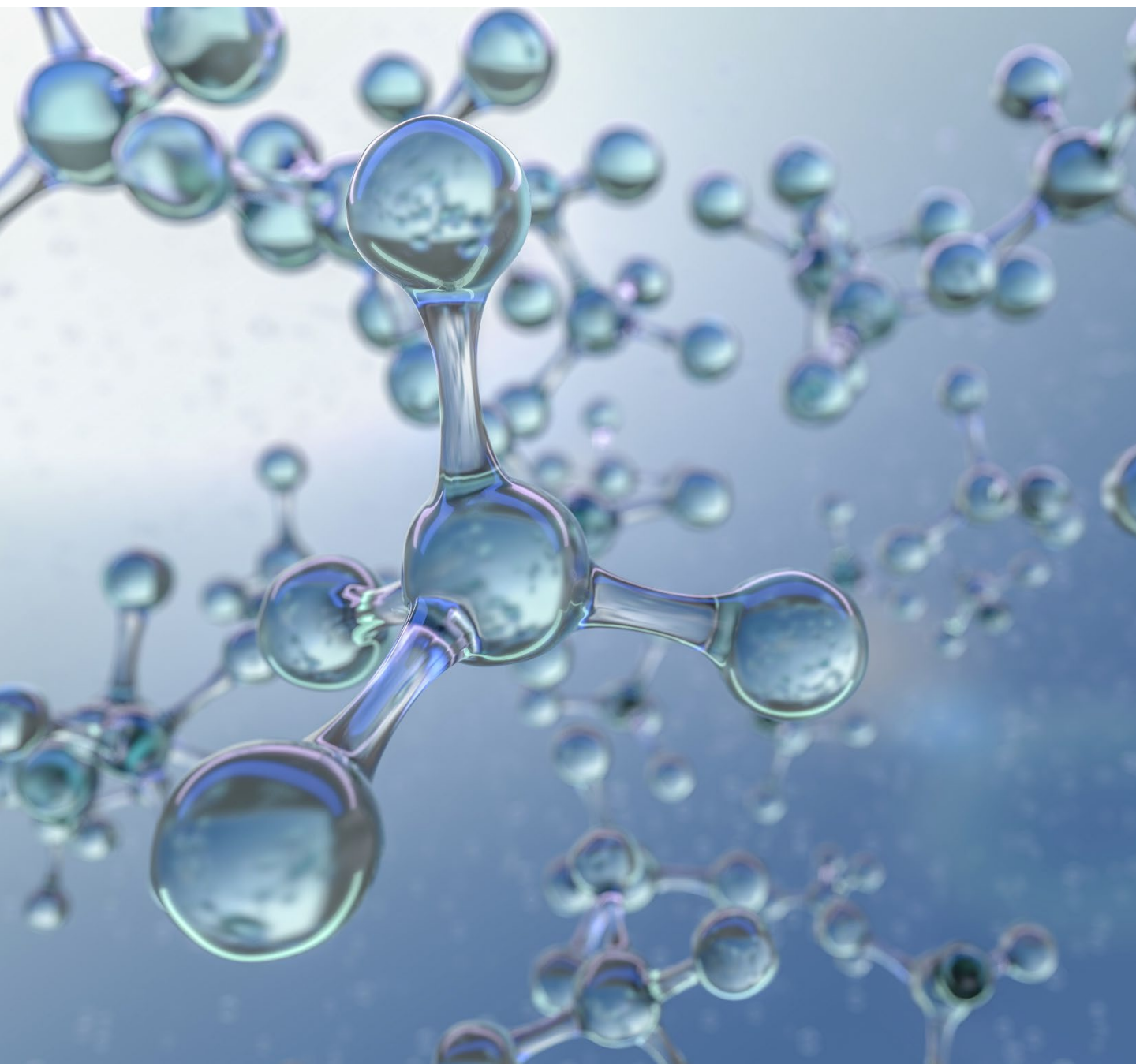




HOULIHAN LOKEY

CHEMICALS UPDATE

SPRING 2022



Introduction

Dear Clients and Friends,

Houlihan Lokey is pleased to present its Chemicals Update for spring 2022 to help provide you with an update on the current chemicals market as financial markets and the world at large continue to return to a standard operating environment.

In this issue, we have included relevant news stories, recent M&A transaction announcements, a public markets overview, and other industry insights to help you stay ahead in this evolving industry. We hope you find this quarterly update to be informative and that it serves as a valuable resource to you in staying abreast of the market. If there is additional content you would find useful for future updates, please don't hesitate to call or email us with your suggestions. We look forward to staying in touch with you.

Regards,

Chemicals Group Contacts

Financial and Valuation Advisory



Christopher Glad
Director
CGlad@HL.com
312.456.4730



Ben Chiu
Associate
BChiu@HL.com
312.995.7768

Corporate Finance



Leland Harrs
Head of Chemicals
LHarrs@HL.com
212.497.7842



Martin Bastian
Head of Chemicals, Europe
MBastian@HL.com
+49 (0) 15 228 997 966



David Schneider
Managing Director
DSchneider@HL.com
646.259.7479



Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

2021 Investment Banking Rankings All Global Transactions		
	Advisor	Deals
1	Houlihan Lokey	549
2	Goldman Sachs & Co	511
3	JP Morgan	508
4	Rothschild & Co	437
5	Morgan Stanley	393

Source: Refinitiv. Excludes accounting firms and brokers.

2021 Global Distressed Debt & Bankruptcy Restructuring Rankings		
	Advisor	Deals
1	Houlihan Lokey	63
2	Rothschild & Co	38
3	Moelis & Co	34
4	PJT Partners Inc	33
5	Lazard	24

Source: Refinitiv.

2002 to 2021 Global M&A Fairness Advisory Rankings		
	Advisor	Deals
1	Houlihan Lokey	952
2	JP Morgan	890
3	Duff & Phelps, A Kroll Business	882
4	Morgan Stanley	602
5	BofA Securities Inc	531

Source: Refinitiv. Announced or completed transactions.

No. 1 Global M&A Advisor

Leading Capital Markets Advisor

No. 1 Global Investment Banking
Restructuring Advisor

1,500+ Transactions Completed
Valued at More Than \$3.0 Trillion
Collectively

No. 1 Global M&A Fairness Opinion
Advisor Over the Past 20 Years

1,000+ Annual Valuation
Engagements

Leading Advisor in the Chemicals Sector

Houlihan Lokey is thrilled to announce that it advised on four closed transactions in the chemicals industry in the past six months, making it one of the most active advisors in the sector for middle-market transactions.

We have been fortunate to advise a number of fantastic companies, institutions, and management teams and would like to congratulate each of our clients on their success. Our activity in the sector has provided us with real-time insights, unparalleled industry perspectives, and unique viewpoints on relevant investors.

has divested its European wax activities to

state of the art waxes

Sellside Advisor

has acquired

a portfolio company of

Unternehmerkapital

Buyside Advisor

a portfolio company of

has been acquired by

Sellside Advisor

has been acquired by

a portfolio company of

Sellside Advisor

Houlihan Lokey Global Industrials Conference

Houlihan Lokey Global Industrials Conference in New York

Houlihan Lokey is pleased to host its 16th annual Global Industrials Conference on Tuesday, May 17, 2022, consisting of company presentations, panels, and targeted one-on-one meetings. The conference is an excellent opportunity to showcase your company to an audience of prospective strategic, financial, and institutional investors as well as other capital providers. Participants and attendees will gain insights into the market dynamics and strategies employed within a variety of industrial sectors and participate in insightful discussions on the state of the market and current issues.

Conference Format

- Presentations From Attractive, Highly Successful Companies
- Panel Discussions From Industry Leaders
- High-Profile Featured Speakers
- Targeted One-on-One Meetings

Industry Sectors

A final schedule will be released to preregistered attendees prior to the event and will include presentations in each of the following industry sectors:

- Aerospace
- Automotive, Aftermarket, and Automotive Technologies
- Advanced Manufacturing and Engineered Products
- Building Products and Materials
- **Chemicals**
- Defense
- Decarbonization Products and Services
- Energy Services and Equipment
- Government Services
- Industrial Technology
- Metals and Engineered Materials
- Packaging and Paper
- Security and Safety Solutions
- Specialty Distribution

Our 2021 Virtual Conference Highlights

- More than 450 CEOs and dealmakers attended
- 56 presenting and panelist companies shared business models and insights into their strategies and expertise
- Targeted one-on-one meetings were scheduled with presenters, prospective investors, and strategic partners

For registration and more information, please visit [the conference website](#).

Houlihan Lokey Media Mentions

Houlihan Lokey Advises Silverfleet

Houlihan Lokey is pleased to announce that Silverfleet Capital Partners LLP (Silverfleet), the European middle-market private equity firm, has signed an agreement to divest Prefere Resins Group (Prefere) to U.S.-based private equity firm One Rock Capital Partners, LLC (One Rock). The transaction was signed on April 11, 2022. Completion of the transaction is subject to customary antitrust and FDI approvals and is expected to occur in the second or third quarter of 2022.

Headquartered in Erkner, Germany, Prefere is a leading European manufacturer of phenolic, specialty urea, and melamine resins as well as high-quality derivatives of methanol (C1) chemistry. The company employs more than 600 people largely based in Europe and North America, where it operates a number of high-quality manufacturing and R&D facilities. The company serves high-growth subsectors within construction, insulation, coatings, and various industrial niches that are expected to continue to benefit from positive market trends.

New York-headquartered One Rock makes controlling investments in companies with potential for growth and operational improvement using a rigorous approach that utilizes highly experienced operating partners to identify, acquire, and enhance businesses in select industries. One Rock has approximately \$5.0 billion of cumulative capital commitments.

Houlihan Lokey served as the exclusive financial advisor to Silverfleet. This deal highlights the firm's deep chemicals sector expertise and ability to identify potential investors globally.



Houlihan Lokey Media Mentions (cont.)

Houlihan Lokey Advises Sasol Wax

Houlihan Lokey is pleased to announce that Sasol Wax GmbH, the European wax activities of Sasol Ltd. (JSE:SOL), has been acquired by the AWAX Group (AWAX). Excluded from the sale is the South African Fischer-Tropsch hard wax business. The transaction was signed on 20 December 2021 and closed on 1 March 2022.

Sasol Wax GmbH is a leading manufacturer of high-quality wax products with revenues of c. €360 million in FY 2021. At the plant in the port of Hamburg, around 390 employees produce a wide range of waxes, petroleum jellies, and wax emulsions. Further emulsion plants are located in Linz, Austria, and Birkenhead, England. The products are used worldwide in a wide variety of processing industries, including hot-melt adhesives, paper and packaging, paints and varnishes, cosmetics and pharmaceutical products, wood-based materials, candles, and road construction.

Sasol is a global chemicals and energy company that produces and markets a range of high-quality products in 27 countries. In FY 2021, Sasol generated revenues of €11.3 billion and a related EBITDA of €2.3 billion. Sasol is publicly listed on the Johannesburg and New York Stock Exchanges.

AWAX is an international group of companies exclusively focused on waxes and operating globally. The group has 40 years of experience in developing, producing, and distributing unique wax products for all industrial applications, with a leadership in sustainable waxes.

Houlihan Lokey served as the exclusive financial advisor to Sasol Wax. This deal highlights the firm's deep chemicals sector expertise and successful track record with corporate carve-outs.



Houlihan Lokey Media Mentions (cont.)

Houlihan Lokey Advises Arsenal Capital Partners

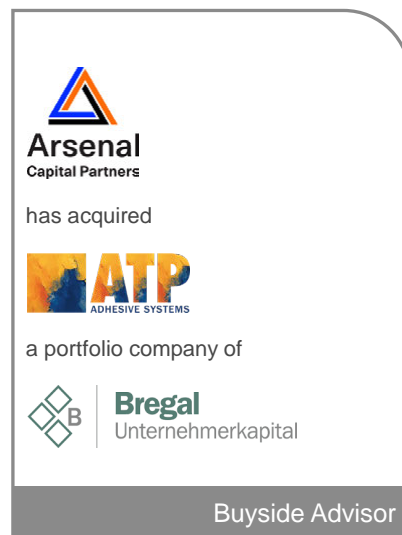
Houlihan Lokey is pleased to announce that Arsenal Capital Partners (Arsenal) has acquired ATP Group (ATP), a portfolio company of Bregal Unternehmerkapital (BU). The transaction closed on January 31, 2022.

Arsenal is a leading private equity firm that specializes in investments in middle-market industrial growth and healthcare companies. Since its inception in 2000, Arsenal has raised institutional equity investment funds of more than \$10 billion, has completed more than 250 platform and add-on investments, and achieved more than 30 realizations. Arsenal invests in industry sectors in which the firm has significant prior knowledge and experience. The firm works with management teams to build strategically important companies with leading market positions, high growth, and high value-add.

ATP is a solution provider of customized specialty pressure sensitive adhesive (PSA) tapes and is the pioneer of high-performance water-based tapes. The company has focused on water-based PSA tapes, which are increasingly substituting solvent-based tapes due to their superior characteristics in terms of lower emissions, environmentally friendly production, and recyclability. The company is headquartered in Wollerau, Switzerland, with production sites in Germany, the U.S., and the U.K. ATP has established a leading proprietary water-based adhesives formulation database as well as state-of-the-art mixing, coating, and converting capabilities. The products are manufactured on state-of-the-art coating machines and utilized by customers in a broad range of medical, mobility, construction, electronics, industrial, and graphics applications.

BU is part of a family-owned business that has grown over several generations. The BU funds invest in mid-sized companies in the DACH region and Northern Italy across a wide range of sectors with a focus on market leaders and “hidden champions” with strong management teams and outbreak potential. With patient capital, entrepreneurial expertise, and a partnership approach, BU works closely with entrepreneurs to develop, internationalize, and digitalize portfolio companies and to help them generate sustainable value on a responsible basis.

Houlihan Lokey served as the exclusive buy-side advisor to Arsenal Capital Partners and assisted in initiating and negotiating the transaction on its behalf. The transaction exemplifies the continued success of Houlihan Lokey’s dedicated coverage of the chemical subsectors of adhesives, sealants, and coatings as well as its globally integrated execution teams.



Houlihan Lokey Media Mentions



Below are excerpts from Martin Bastian, Houlihan Lokey's Head of Chemicals in Europe, from his February interview with ICIS.

ESG Outweighs Pandemic for Chems Firm Long-Term Planning – Banker (ICIS.com, February 3, 2022)

“Environmental and sustainability issues represent a bigger long-term strategic issue for chemicals players than the pandemic, with sustainability and carbon footprint likely to drive more radical reform of company portfolios than coronavirus, according to the Head of Chemicals at U.S. investment bank Houlihan Lokey.

‘The ESG topic is probably a bigger strategic topic than the current pandemic, which is more of an operational factor. ESG is much more strategic, and everybody is looking at their portfolios to determine the highest contributors of carbon emissions,’ said Martin Bastian.

‘It’s more about a company’s path to carbon neutrality and how much you need to invest which is not returning capex [capital expenditure], in order to comply with new regulations or to comply with path to carbon reduction by X percent going forward,’ Bastian said.

‘You cannot do an M&A process almost now without touching on this point where before you had a one pager in there,’ he added.

While the decarbonisation and circularity drives may result in some investments with a less clearly defined return profile than what traditionally drives corporate spending, firms with management teams that are taking stronger steps into sustainability will likely prove to be the winners, he added.

‘I would say the more visionary and proactive CEOs look at it as a challenge but also an opportunity to change the company's portfolio, becoming more specialty, becoming more green or more carbon neutral, because the chemical industry has to adapt,’ he said.

‘Ultimately, the winners will be the ones who see this as an opportunity and take a proactive approach, for if you’re only putting out fires, you limit yourself by staying on the defensive,’ he added.”

To read the full article, please [view the full PDF](#).

Selected Recent M&A News

Hexion Holdings to Be Acquired by American Securities (*BusinessWire.com, December 20, 2021*)

“Hexion Holdings Corporation (Hexion Holdings) today announced that it has entered into a definitive agreement to be acquired by affiliates of American Securities LLC for \$30.00 per share in cash. The transaction is expected to close in the first half of 2022, following and conditioned upon the closing of the company’s previously announced sale of its Epoxy business to Westlake Chemical Corporation, shareholder and regulatory approvals, and satisfaction of other customary closing conditions.

Hexion Holdings’ net sales for the year-ended December 31, 2020, were \$2.5 billion. Pro forma net sales for the same period, reflecting the sale of the company’s Epoxy business, would have been approximately \$1.4 billion. Post-sale of the Epoxy business, the remaining Hexion business will be a leading global producer of adhesives and performance materials that enable the production of engineered wood products and other growing specialty materials.

The transaction delivers substantial value to Hexion Holdings’ shareholders as the purchase price per share represents a 15% premium to the closing price as of December 17, 2021, and a 53% premium to the company’s closing share price on July 30, 2021, the day prior to its announcement of its ongoing strategic review.”

Carlyle to Acquire Altadia Group From Lone Star (*Carlyle.com, December 17, 2021*)

“Global investment firm Carlyle announced today that it has agreed to acquire Altadia Group (Altadia) from an affiliate of Lone Star Funds (Lone Star), partnering with current management, led by Vincente Bagan and Antonio Blasco, the original founders of Itaca. The transaction is subject to customary regulatory approvals and is expected to close in 1H 2022.

Headquartered in Castellón, Spain, Altadia is the largest global manufacturer of intermediate products for the production of ceramic tiles. The group, formed in 2021, was created as a result of the transformational merger between Esmalglass-Itaca and Ferro Tile Coatings, consolidating its leading market position across all ceramic specialties, including the production of inkjet inks, body stains, glaze stains, and frits and glazes.

Carlyle will support Altadia in accelerating its growth plan through the development of its leading R&D platform and through strategic acquisitions to expand its presence further in international markets.”

Selected Recent M&A News (cont.)

GCP Applied Technologies Signs a Definitive Agreement to Be Acquired by Saint-Gobain

(GlobeNewswire.com, December 6, 2021)

“GCP Applied Technologies Inc. (NYSE:GCP; GCP), today announced that it has entered into a definitive agreement pursuant to which Saint-Gobain will acquire all of the outstanding shares of GCP Applied Technologies for \$32.00 per share, in cash, in a transaction valued at approximately \$2.3 billion (approximately €2.0 billion).

The agreed-upon price represents a premium of 39% above the volume-weighted average price per GCP share for the 30 trading days ended on the undisturbed date of November 30, 2021. The business combination has been unanimously approved by the boards of directors of Saint-Gobain and GCP Applied Technologies, respectively. Saint-Gobain has obtained undertakings from Starboard and Standard Investments (formerly known as 40 North)/Standard Industries to vote their respective stakes of 8.9% and 24.2% in favor of the transaction.

Closing of the transaction is subject to GCP Applied Technologies’ shareholders’ approval, antitrust approvals, and satisfaction of other customary closing conditions, with closing expected in the second half of 2022.”

Synthomer Buys Eastman’s Adhesive Resins Unit for \$1 Billion *(Reuters.com, October 28, 2021)*

“Polymer maker and supplier Synthomer (SYNTS.L) has agreed to buy U.S.-based Eastman Chemical Company’s adhesive resins business for \$1 billion as it looks to scale up its business, the British company said on Thursday.

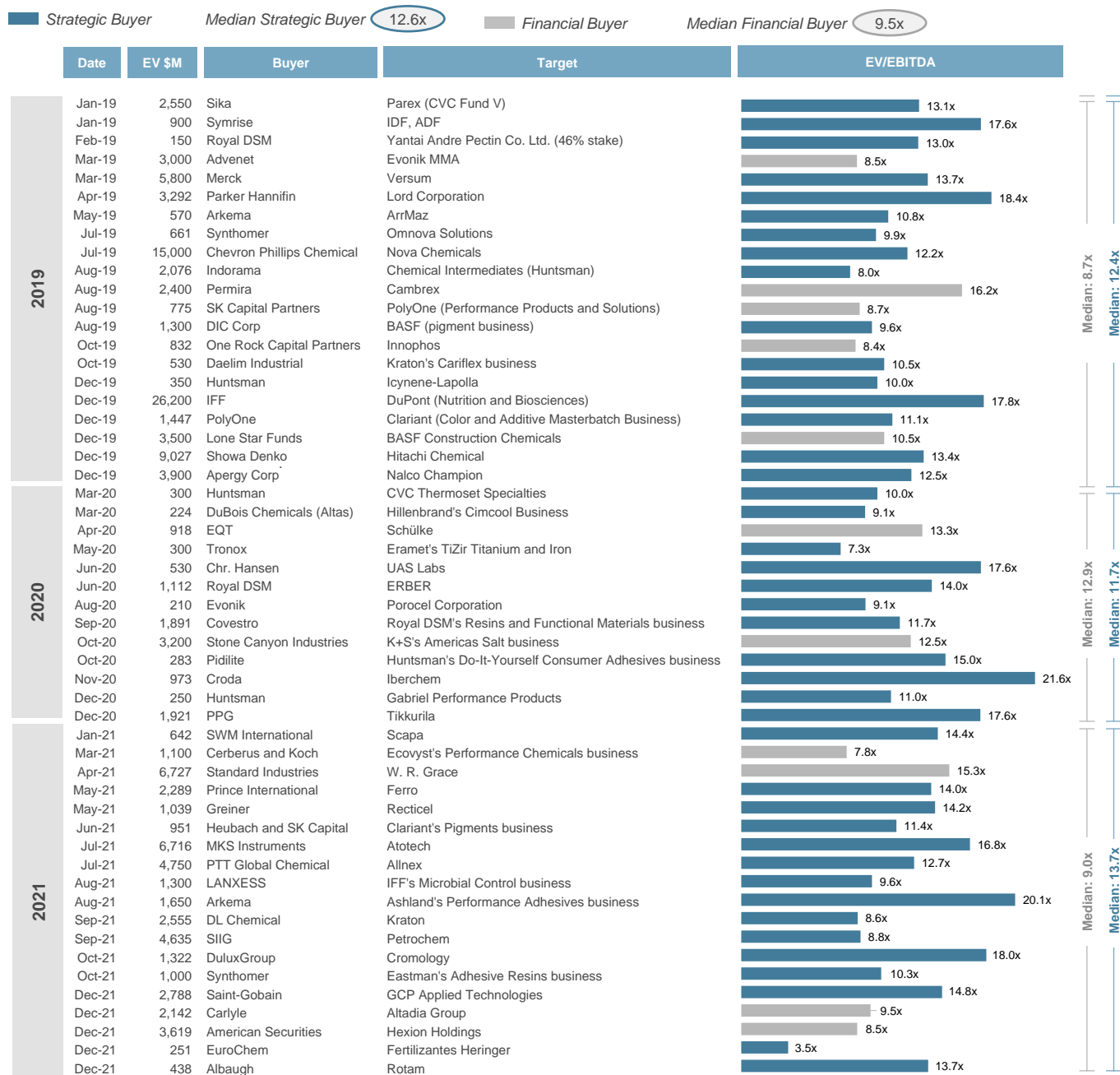
To partly fund the cash deal, Synthomer is issuing shares to raise about 200 million pounds (\$275 million), the London-listed company said, adding that it would also be drawing a new \$300 million debt facility.

‘The business is well-invested, with six manufacturing facilities, a highly skilled and experienced workforce, and has a...strong innovation pipeline which will deliver meaningful revenue growth over the next few years,’ Synthomer Chief Executive Calum MacLean said in a statement.

The company expects the business to add to earnings per share on a double-digit basis from the first year, with annual pre-tax cost synergies of about \$23 million by the end of the third year following the completion of the deal.”

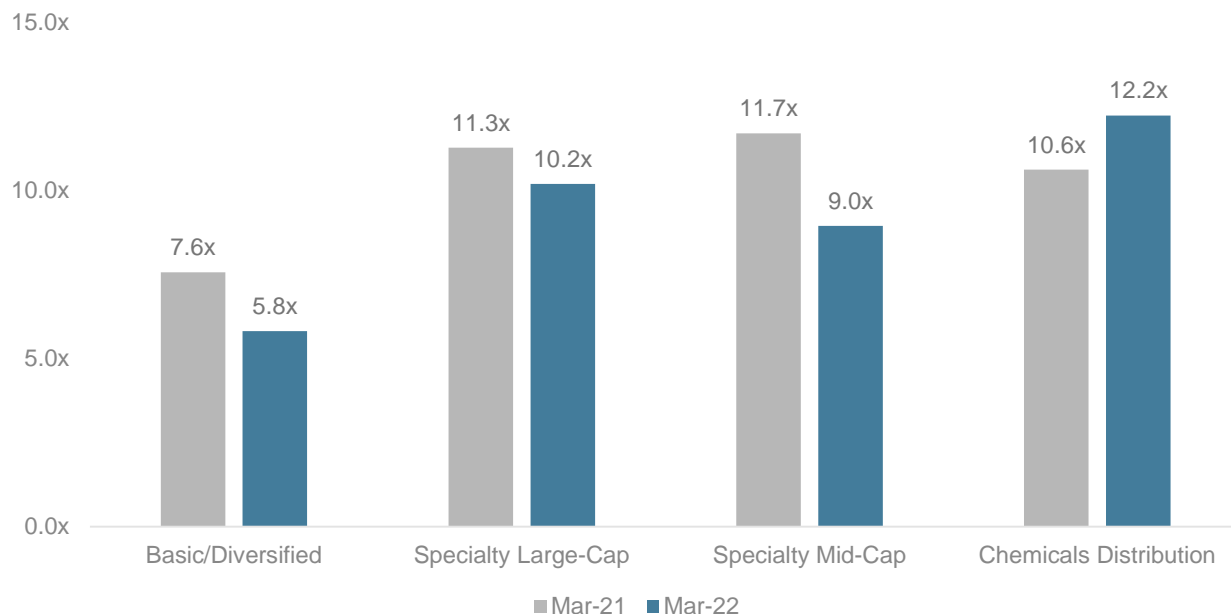
Chemical M&A Activity

Strategic acquisitions in the chemicals M&A market continues to be more prevalent in the most recent quarters. Valuation levels for strategic transactions in 2021 were generally higher than those in 2020, while M&A activity is adjusting to a return to normalcy from a pandemic-impacted environment and the Russia-Ukraine conflict in 2022.

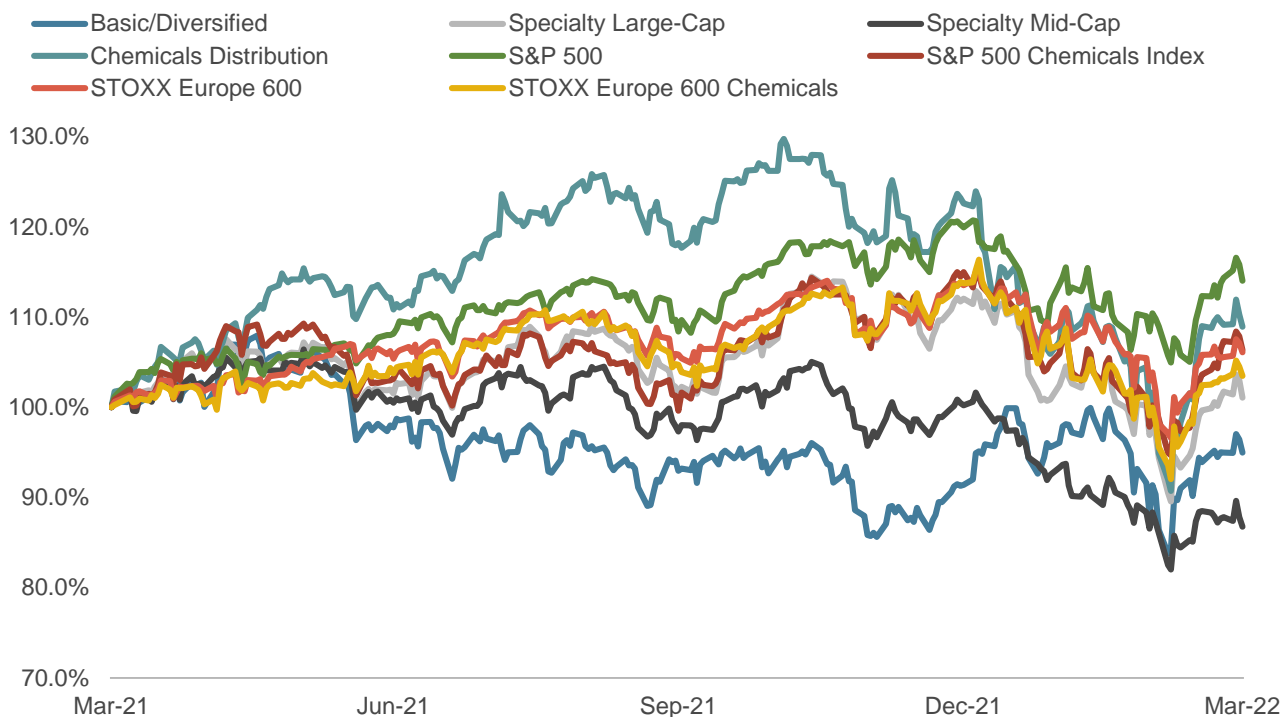


Public Markets Overview

Median TEV/NTM EBITDA Multiples



Stock Price Index



Source: S&P Capital IQ.

Note: NTM refers to next-12-month consensus estimates per S&P Capital IQ as of 3/31/2021 and 3/31/2022.

Selected Chemical Inputs

Weekly Index Prices

Cushing Crude Oil (WTI)

(\$ per barrel)



U.S. Gulf Ethylene (FD)

(\$ per pound)



U.S. Gulf Propylene (FD)

(\$ per pound)



U.S. Gulf Butadiene (CIF)

(\$ per pound)



Selected Chemical Inputs

Weekly Index Prices (cont.)

U.S. Gulf Benzene (FOB)

(\$ per gallon)



U.S. Mixed Xylene (FOB)

(\$ per gallon)



Natural Gas (Henry Hub)

(\$ per million BTU)



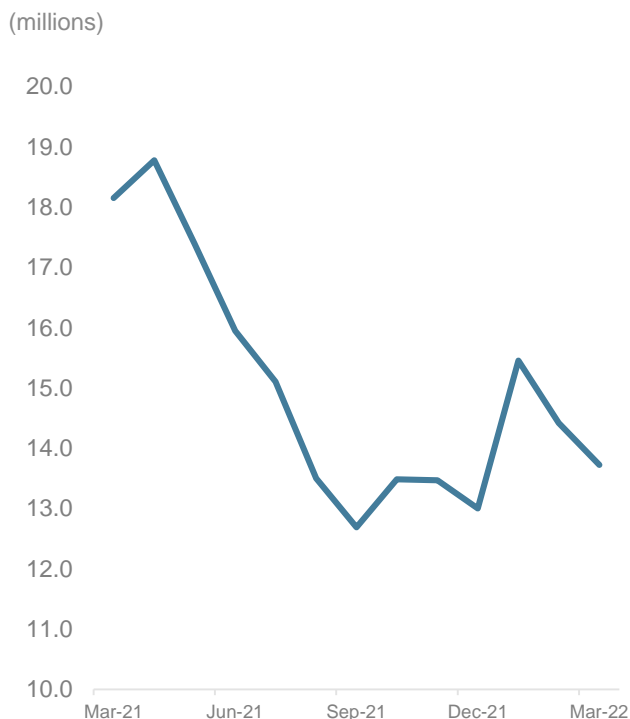
U.S. Toluene

(\$ per gallon)

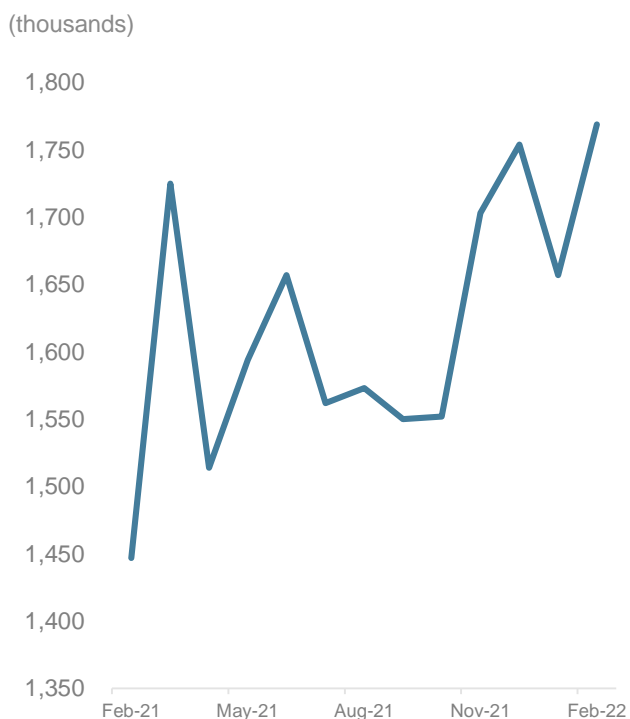


Selected Macroeconomic Data

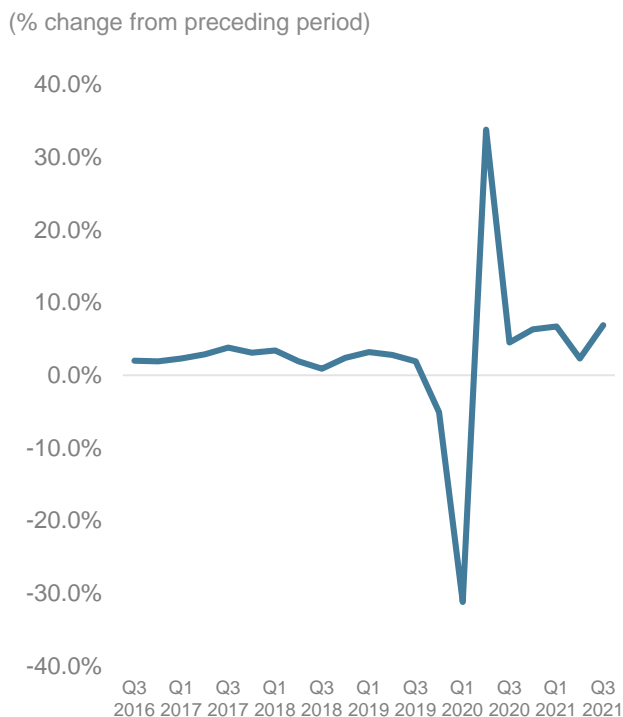
U.S. Total Monthly Automotive Sales



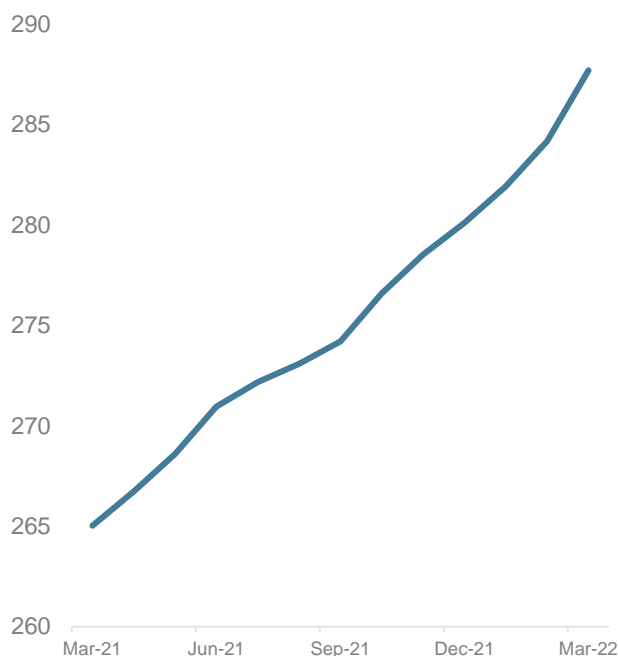
U.S. Privately Owned Housing Units Started



U.S. QoQ Real GDP Growth



U.S. Consumer Price Index



Selected Public Comparables

Basic/Diversified

(as of 3/31/2022, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	FY2023E			Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	EBITDA	Margin	FY2023E Revenue	FY2023E EBITDA
BASF SE	DB:BAS	\$57.38	-12.8%	-18.2%	-31.1%	\$52,058.2	\$69,875.3	\$89,094.8	\$12,073.9	13.6%	0.78x	5.8x
Bayer Aktiengesellschaft	DB:BAYN	\$68.84	19.2%	28.4%	8.8%	\$67,772.2	\$104,742.9	\$53,279.1	\$14,363.6	27.0%	1.97x	7.3x
Celanese Corporation	NYSE:CE	\$142.87	2.6%	-15.0%	-4.6%	\$15,434.1	\$19,440.1	\$8,765.8	\$2,403.9	27.4%	2.22x	8.1x
Covestro AG	DB:1COV	\$50.93	-5.6%	-17.1%	-25.1%	\$9,809.2	\$11,899.9	\$18,865.1	\$2,947.4	15.6%	0.63x	4.0x
Dow Inc.	NYSE:DOW	\$63.72	8.1%	12.3%	-0.3%	\$46,839.7	\$60,454.7	\$54,422.4	\$9,958.3	18.3%	1.11x	6.1x
Huntsman Corporation	NYSE:HUN	\$37.51	-7.2%	7.5%	30.1%	\$8,046.9	\$9,157.9	\$9,285.5	\$1,537.3	16.6%	0.99x	6.0x
LANXESS Aktiengesellschaft	XTRA:LXS	\$44.31	-9.5%	-28.5%	-39.9%	\$3,822.3	\$6,350.6	\$9,884.6	\$1,420.6	14.4%	0.64x	4.5x
LyondellBasell Industries N.V.	NYSE:LYB	\$102.82	5.7%	11.5%	-1.2%	\$33,725.9	\$46,249.9	\$46,468.7	\$7,815.7	16.8%	1.00x	5.9x
Methanex Corporation	TSX:MX	\$54.60	4.8%	38.1%	48.1%	\$4,018.2	\$6,262.8	\$3,715.6	\$920.3	24.8%	1.69x	6.8x
Olin Corporation	NYSE:OLN	\$52.28	1.5%	-9.1%	37.7%	\$8,062.0	\$11,039.6	\$9,416.2	\$2,519.4	26.8%	1.17x	4.4x
The Chemours Company	NYSE:CC	\$31.48	14.1%	-6.2%	12.8%	\$5,015.0	\$7,552.0	\$6,970.8	\$1,504.5	21.6%	1.08x	5.0x
Westlake Corporation	NYSE:WLK	\$123.40	11.9%	27.0%	39.0%	\$15,785.4	\$20,197.4	\$14,465.9	\$3,513.7	24.3%	1.40x	5.7x
Median			3.7%	0.7%	4.2%			\$12,175.3	\$2,733.4	19.9%	1.10x	5.9x
Mean			2.7%	2.6%	6.2%			\$27,052.9	\$5,081.5	20.6%	1.22x	5.8x

Specialty Large-Cap (Greater Than \$5 Billion EV)

(as of 3/31/2022, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	FY2023E			Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	EBITDA	Margin	FY2023E Revenue	FY2023E EBITDA
Albemarle Corporation	NYSE:ALB	\$221.15	12.9%	-5.4%	51.4%	\$25,899.4	\$28,156.1	\$5,258.2	\$1,650.3	31.4%	5.35x	17.1x
Arkema S.A.	ENXTPA:AKE	\$120.81	-9.5%	-14.2%	-0.4%	\$8,932.7	\$9,514.8	\$11,350.2	\$1,864.6	16.4%	0.84x	5.1x
Ashland Global Holdings Inc.	NYSE:ASH	\$98.41	6.6%	-8.6%	10.9%	\$5,601.9	\$7,502.9	\$2,443.3	\$607.5	24.9%	3.07x	12.4x
Clariant AG	SWX:CLN	\$17.47	-3.3%	-16.2%	-13.6%	\$5,758.0	\$7,283.7	\$5,249.7	\$967.3	18.4%	1.39x	7.5x
Corteva, Inc.	NYSE:CTVA	\$57.48	10.5%	21.6%	23.3%	\$41,774.9	\$39,044.9	\$17,665.4	\$3,243.6	18.4%	2.21x	12.0x
Croda International Plc	LSE:CRDA	\$103.58	3.2%	-24.4%	18.4%	\$14,337.3	\$15,437.7	\$2,266.2	\$733.7	32.4%	6.81x	21.0x
DuPont de Nemours, Inc.	NYSE:DD	\$73.58	-4.9%	-8.9%	-4.8%	\$37,739.7	\$47,602.7	\$18,725.4	\$4,901.7	26.2%	2.54x	9.7x
Eastman Chemical Company	NYSE:EMN	\$112.06	-5.4%	-7.3%	1.8%	\$14,450.1	\$19,425.1	\$10,689.3	\$2,260.1	21.1%	1.82x	8.6x
Ecolab Inc.	NYSE:ECL	\$176.56	0.2%	-24.7%	-17.5%	\$50,548.4	\$59,373.3	\$14,808.5	\$3,385.1	22.9%	4.01x	17.5x
Evonik Industries AG	DB:EVK	\$27.99	-7.3%	-13.8%	-21.1%	\$13,034.7	\$16,281.8	\$18,213.4	\$2,953.9	16.2%	0.89x	5.5x
FMC Corporation	NYSE:FMC	\$131.57	12.2%	19.7%	18.9%	\$16,563.8	\$19,398.7	\$5,702.5	\$1,554.2	27.3%	3.40x	12.5x
H.B. Fuller Company	NYSE:FUL	\$66.07	-3.4%	-18.4%	5.0%	\$3,505.2	\$5,383.2	\$3,942.4	\$583.8	14.8%	1.37x	9.2x
Johnson Matthey Plc	LSE:JMAT	\$24.69	-2.2%	-10.9%	-40.5%	\$4,551.7	\$5,491.6	\$5,519.3	\$1,007.9	18.3%	0.99x	5.4x
Koninklijke DSM N.V.	ENXTAM:DSM	\$180.52	-3.9%	-19.8%	6.6%	\$31,125.4	\$32,372.9	\$11,385.8	\$2,263.8	19.9%	2.84x	14.3x
Solvay SA	ENXTBR:SOLB	\$99.38	-11.3%	-14.5%	-20.3%	\$10,251.7	\$12,796.6	\$12,602.0	\$2,823.0	22.4%	1.02x	4.5x
Wacker Chemie AG	XTRA:WCH	\$171.91	10.3%	14.9%	20.7%	\$8,540.0	\$8,377.1	\$7,420.9	\$1,330.2	17.9%	1.13x	6.3x
Median			-2.8%	-12.3%	3.4%			\$9,055.1	\$1,757.5	20.5%	2.01x	9.5x
Mean			0.3%	-8.2%	2.4%			\$9,577.7	\$2,008.2	21.8%	2.48x	10.5x

Source: S&P Capital IQ.

Notes: E refers to expected. Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of March 31, 2022. All financials calendarized to a December year-end.

Selected Public Comparables (cont.)

Specialty Mid-Cap (Less Than \$5 Billion EV)

(as of 3/31/2022, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	FY2023E			Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	EBITDA	Margin	FY2023E Revenue	FY2023E EBITDA
Balchem Corporation	NasdaqGS:BCPC	\$136.70	-1.2%	-18.9%	9.0%	\$4,400.0	\$4,417.0	\$915.1	\$215.9	23.6%	4.83x	20.5x
Ecovyst Inc.	NYSE:ECVT	\$11.56	5.8%	12.9%	-30.8%	\$1,597.7	\$2,384.8	\$769.1	\$300.8	39.1%	3.10x	7.9x
Elementis plc	LSE:ELM	\$1.56	-9.6%	-12.2%	-9.5%	\$909.5	\$1,335.7	\$968.2	\$182.9	18.9%	1.38x	7.3x
Ferro Corporation	NYSE:FOE	\$21.74	0.0%	-0.4%	28.9%	\$1,818.1	\$2,034.0	\$1,206.7	\$223.3	18.5%	1.69x	9.1x
Fuchs Petrolub SE	DB:FPE3	\$36.59	-7.7%	-19.5%	-24.7%	\$4,519.6	\$4,415.2	\$3,572.5	\$560.0	15.7%	1.24x	7.9x
GCP Applied Technologies Inc.	NYSE:GCP	\$31.42	-0.5%	-0.8%	28.0%	\$2,324.6	\$2,227.0	\$1,097.8	\$181.0	16.5%	2.03x	12.3x
Ingevity Corporation	NYSE:NGVT	\$64.07	-6.1%	-10.6%	-15.2%	\$2,498.8	\$3,551.6	\$1,624.5	\$485.8	29.9%	2.19x	7.3x
Innospec Inc.	NasdaqGS:IOSP	\$92.55	-3.1%	2.4%	-9.9%	\$2,292.8	\$2,187.2	\$1,740.6	\$239.8	13.8%	1.26x	9.1x
Koppers Holdings Inc.	NYSE:KOP	\$27.52	-3.9%	-12.1%	-20.8%	\$586.3	\$1,420.1	\$1,867.5	\$244.0	13.1%	0.76x	5.8x
NewMarket Corporation	NYSE:NEU	\$324.38	2.1%	-5.4%	-14.7%	\$3,356.5	\$4,132.7	NA	NA	NA	NA	NA
Quaker Chemical Corporation	NYSE:KWR	\$172.81	-6.9%	-25.1%	-29.1%	\$3,092.4	\$3,859.3	\$2,000.8	\$323.5	16.2%	1.93x	11.9x
Siegfried Holding AG	SWX:SFZN	\$830.72	10.1%	-14.9%	0.6%	\$3,527.7	\$3,969.7	\$1,378.6	\$287.4	20.8%	2.88x	13.8x
Stepan Company	NYSE:SCL	\$98.81	-4.6%	-20.5%	-22.3%	\$2,215.6	\$2,490.6	\$2,568.1	\$344.8	13.4%	0.97x	7.2x
Synthomer plc	LSE:SYNT	\$4.02	4.4%	-25.8%	-37.2%	\$1,877.3	\$2,102.7	\$3,555.4	\$527.6	14.8%	0.59x	4.0x
Median			-2.1%	-12.1%	-14.9%			\$1,624.5	\$287.4	16.5%	1.69x	7.9x
Mean			-1.5%	-10.8%	-10.5%			\$1,789.6	\$316.7	19.6%	1.91x	9.6x

Chemicals Distribution

(as of 3/31/2022, \$ in millions, except per-share prices)

Company Name	Ticker	Stock Price	Stock Performance (% Change)			Equity Value	Enterprise Value	FY2023E			Enterprise Value /	
			1 Month	3 Month	1 Year			Revenue	EBITDA	Margin	FY2023E Revenue	FY2023E EBITDA
Azelis Group NV	ENXTBR:AZE	\$24.44	21.2%	-14.8%	NA	\$5,715.0	\$6,709.1	\$3,804.4	\$401.7	10.6%	1.76x	16.7x
Brenntag SE	XTRA:BNR	\$81.47	-3.1%	-10.0%	-4.7%	\$12,587.2	\$14,969.9	\$18,121.9	\$1,712.0	9.4%	0.83x	8.7x
Hawkins, Inc.	NasdaqGS:HWKN	\$45.90	1.4%	16.3%	36.9%	\$969.2	\$1,072.7	\$732.4	\$86.8	11.9%	1.46x	12.4x
IMCD N.V.	ENXTAM:IMCD	\$172.46	6.1%	-22.1%	24.0%	\$9,820.6	\$10,866.5	\$4,597.3	\$522.8	11.4%	2.36x	20.8x
Univar Solutions Inc.	NYSE:UNVR	\$32.14	4.7%	13.4%	49.2%	\$5,459.8	\$7,672.2	\$10,309.7	\$911.1	8.8%	0.74x	8.4x
Median			4.7%	-10.0%	30.5%			\$4,597.3	\$522.8	10.6%	1.46x	12.4x
Mean			6.1%	-3.4%	26.4%			\$7,513.2	\$726.9	10.4%	1.43x	13.4x

Source: S&P Capital IQ.

Notes: E refers to expected. NA refers to not available. Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of March 31, 2022. All financials calendarized to a December year-end.

About Houlihan Lokey

Houlihan Lokey (NYSE:HLI) is a global investment bank with expertise in [mergers and acquisitions](#), [capital markets](#), [financial restructuring](#), and [valuation](#). The firm serves corporations, institutions, and governments worldwide with offices in the United States, Europe, the Middle East, and the Asia-Pacific region. Independent advice and intellectual rigor are hallmarks of the firm's commitment to client success across its advisory services. Houlihan Lokey is the No. 1 investment bank for all global M&A transactions, the No. 1 M&A advisor for the past seven consecutive years in the U.S., the No. 1 global restructuring advisor for the past eight consecutive years, and the No. 1 global M&A fairness opinion advisor over the past 20 years, all based on number of transactions and according to data provided by Refinitiv.

Locations

North America	Europe and Middle East	Asia-Pacific
Atlanta	Amsterdam	Beijing
Boston	Birmingham	Fukuoka
Chicago	Dubai	Ho Chi Minh City
Dallas	Frankfurt	Hong Kong SAR
Houston	Lausanne	Mumbai
Los Angeles	London	Nagoya
Miami	Manchester	New Delhi
Minneapolis	Milan	Osaka
New York	Munich	Shanghai
San Francisco	Paris	Singapore
Washington, D.C.	Stockholm	Sydney
	Tel Aviv	Tokyo
	Zurich	



Industry Expertise

Product Expertise

- Mergers and Acquisitions
- Capital Markets
- Financial Restructuring
- Financial and Valuation Advisory

Dedicated Industry Groups

- Business Services
- Consumer, Food, and Retail
- Energy
- Financial Services
- Healthcare
- Industrials
- Real Estate, Lodging, and Leisure
- Technology

Financial Sponsors

- Active Dialogue With a Diverse Group of 1,000+ Sponsors
- Private Equity Firms
- Hedge Funds
- Capital Alliances

Disclaimer

© 2022 Houlihan Lokey. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of Houlihan Lokey.

Houlihan Lokey is a trade name for Houlihan Lokey, Inc., and its subsidiaries and affiliates, which include the following licensed (or, in the case of Singapore, exempt) entities: in (i) the United States: Houlihan Lokey Capital, Inc., and Houlihan Lokey Advisors, LLC, each an SEC-registered broker-dealer and member of FINRA (www.finra.org) and SIPC (www.sipc.org) (investment banking services); (ii) Europe: Houlihan Lokey EMEA, LLP, Houlihan Lokey (Corporate Finance) Limited, and Houlihan Lokey UK Limited, authorized and regulated by the U.K. Financial Conduct Authority; Houlihan Lokey (Europe) GmbH, authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht); (iii) the United Arab Emirates, Dubai International Financial Centre (Dubai): Houlihan Lokey (MEA Financial Advisory) Limited, regulated by the Dubai Financial Services Authority for the provision of advising on financial products, arranging deals in investments, and arranging credit and advising on credit to professional clients only; (iv) Singapore: Houlihan Lokey (Singapore) Private Limited and Houlihan Lokey Advisers Singapore Private Limited, each an “exempt corporate finance adviser” able to provide exempt corporate finance advisory services to accredited investors only; (v) Hong Kong SAR: Houlihan Lokey (China) Limited, licensed in Hong Kong by the Securities and Futures Commission to conduct Type 1, 4, and 6 regulated activities to professional investors only; (vi) India: GCA India Investment Advisers Private Limited, registered as an investment adviser with the Securities and Exchange Board of India (registration number INA000001217); and (vii) Australia: Houlihan Lokey (Australia) Pty Limited (ABN 74 601 825 227), a company incorporated in Australia and licensed by the [Australian Securities and Investments Commission](#) (AFSL number 474953) in respect of financial services provided to wholesale clients only. In the United Kingdom, European Economic Area (EEA), Dubai, Singapore, Hong Kong, India, and Australia, this communication is directed to intended recipients, including actual or potential professional clients (UK, EEA, and Dubai), accredited investors (Singapore), professional investors (Hong Kong), and wholesale clients (Australia), respectively. Other persons, such as retail clients, are NOT the intended recipients of our communications or services and should not act upon this communication.

Houlihan Lokey gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Houlihan Lokey makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Houlihan Lokey. Officers, directors, and partners in the Houlihan Lokey group of companies may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Houlihan Lokey or its affiliates may from time to time provide investment banking or related services to these companies. Like all Houlihan Lokey employees, the authors of this presentation receive compensation that is affected by overall firm profitability.



HOULIHAN LOKEY

CORPORATE FINANCE
FINANCIAL RESTRUCTURING
FINANCIAL AND VALUATION ADVISORY

[HL.com](https://www.hl.com)