



M&A MARKET MONITOR

CHEMICALS

January 2021

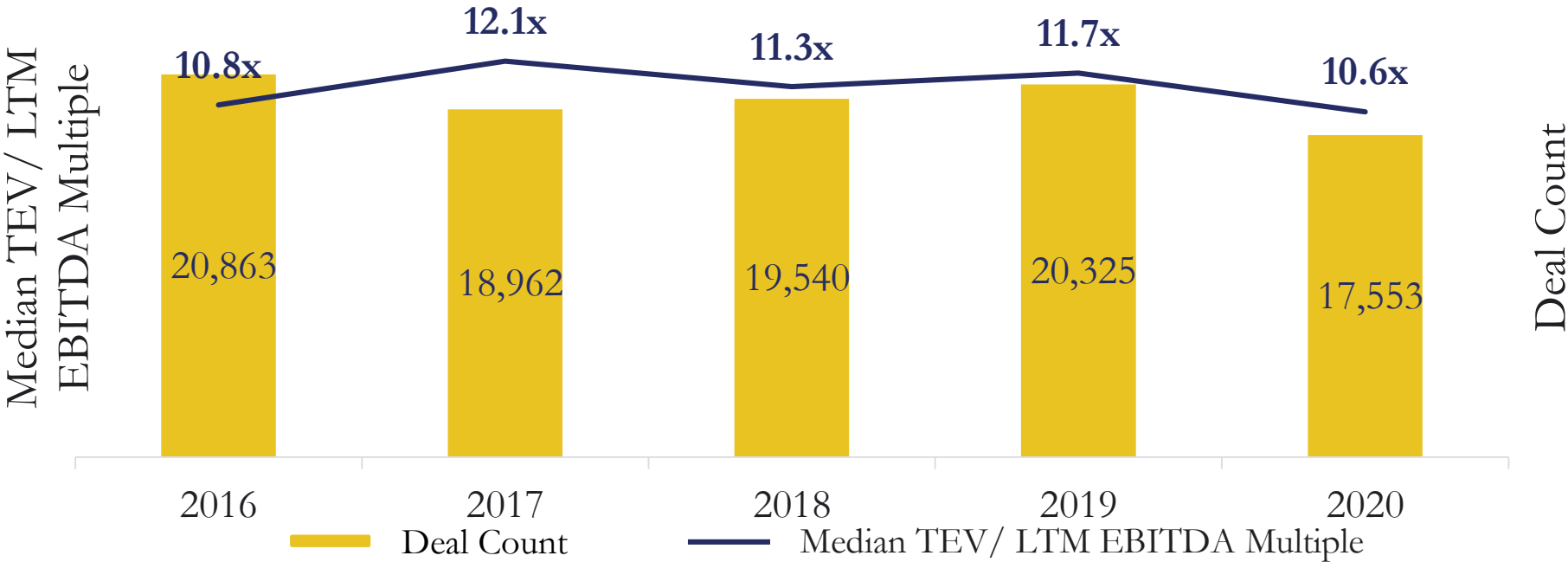
U.S. & Canada M&A Market Overview



Overall Market Transactions

Quick Highlights

- Although the pandemic affected the U.S. & Canada M&A market, volume and multiples ended the year at approximately 90% of recent historical averages
 - 2020 deal count was 88% of the previous 4-year (2016-2019) average
 - 2020 median TEV/LTM EBITDA multiple was 92% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources, As of 12/31/2020

About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

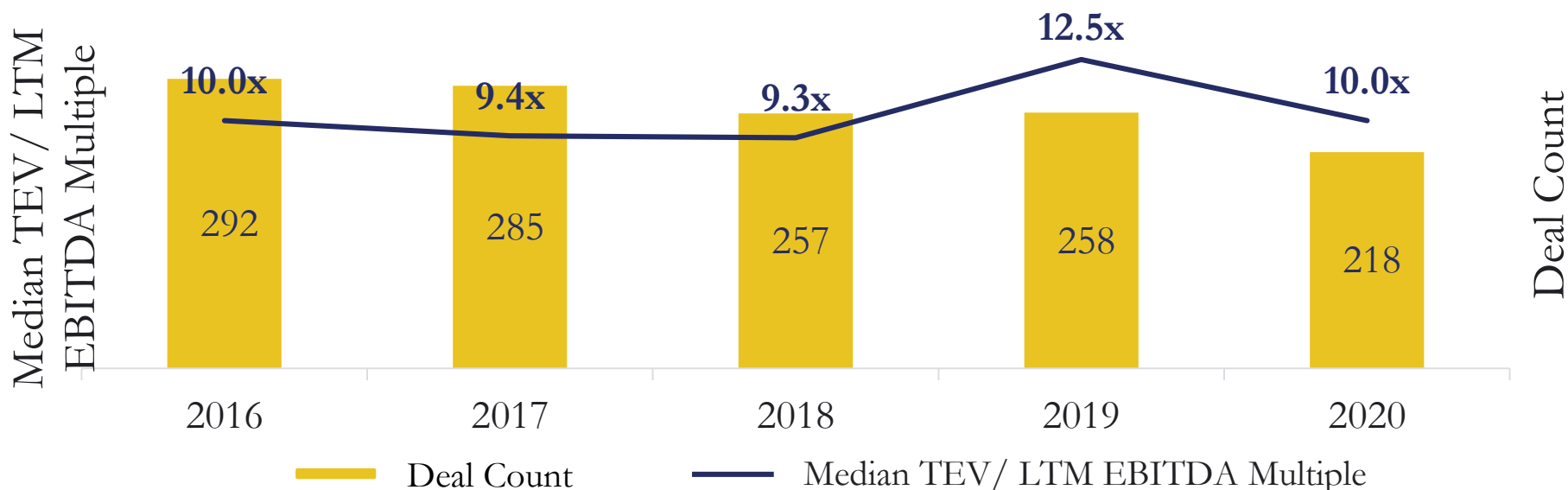
U.S. & Canada M&A Market Overview

Chemicals Transactions



Quick Highlights

- The Chemicals industry 2020 deal count lagged historical averages while multiples remained relatively unchanged
 - 2020 deal count was 80% of the previous 4-year (2016-2019) average
 - 2020 median TEV/LTM EBITDA multiple was 97% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

As of 12/31/2020

About the Data

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Public Companies' Trading Metrics | Chemicals

As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
					LTM	NTM	LTM	NTM
USD in millions except per share price								
Agricultural								
Corteva, Inc.	\$38.72	\$28,847	\$29,411	16.1%	2.1	2.0	13.1	12.9
Nutrien Ltd.	\$48.06	\$27,354	\$40,212	16.6%	2.0	1.9	10.9	10.2
The Mosaic Company	\$23.01	\$8,723	\$12,950	13.0%	1.6	1.4	9.5	7.0
The Scotts Miracle-Gro Company	\$199.14	\$11,090	\$12,781	16.9%	3.1	3.0	17.9	15.7
Median	\$43.39	\$19,222	\$21,180	16.4%	2.0	2.0	12.0	10.2
Chemical Distributors & Services								
Brenntag AG	\$77.48	\$11,971	\$13,948	7.2%	0.9	0.9	11.7	10.7
IMCD N.V.	\$127.52	\$7,253	\$8,192	8.6%	2.5	2.3	26.9	21.5
Quaker Chemical Corporation	\$253.39	\$4,518	\$5,292	13.1%	3.7	3.5	25.4	20.3
Median	\$127.52	\$7,253	\$8,192	8.6%	2.5	2.3	25.4	20.3
Coatings								
Akzo Nobel N.V.	\$107.47	\$20,713	\$22,572	13.7%	2.2	2.1	14.2	12.0
Axalta Coating Systems Ltd.	\$28.55	\$6,723	\$9,555	18.4%	2.5	2.3	13.8	10.4
PPG Industries, Inc.	\$144.22	\$34,065	\$38,337	15.6%	2.8	2.6	16.0	13.8
The Sherwin-Williams Company	\$734.91	\$59,732	\$69,204	18.5%	3.8	3.7	17.8	18.8
Median	\$125.85	\$27,389	\$30,455	17.0%	2.7	2.4	15.1	12.9

Source: S&P Capital IQ; ArkMalibu
 EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful

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As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
					LTM	NTM	LTM	NTM
USD in millions except per share price								
Diversified								
Albemarle Corporation	\$147.52	\$15,705	\$18,882	26.3%	5.8	5.9	18.6	23.1
Ashland Global Holdings Inc.	\$79.20	\$4,798	\$6,344	18.9%	2.7	2.6	13.1	10.9
BASF SE	\$79.11	\$72,714	\$92,778	4.1%	1.3	NM	42.7	NM
Celanese Corporation	\$129.94	\$15,189	\$19,325	18.6%	3.5	3.2	15.4	12.2
Clariant AG	\$21.27	\$7,006	\$8,739	11.5%	1.9	1.9	13.5	11.5
Dow Inc.	\$55.50	\$41,167	\$56,704	14.7%	1.5	1.4	9.0	8.9
DuPont de Nemours, Inc.	\$71.11	\$52,206	\$73,577	24.5%	3.6	3.5	13.9	14.2
Eastman Chemical Company	\$100.28	\$13,588	\$19,074	18.9%	2.2	2.1	11.0	9.8
Evonik Industries AG	\$32.89	\$15,181	\$18,668	15.3%	1.2	NM	7.5	NM
FMC Corporation	\$114.93	\$14,913	\$18,045	27.3%	3.8	3.6	13.6	12.9
RPM International Inc.	\$90.78	\$11,796	\$14,140	14.8%	2.5	2.4	16.1	14.9
Median	\$79.20	\$15,181	\$18,882	18.6%	2.5	2.6	13.6	12.2
Specialty								
Avery Dennison Corporation	\$155.11	\$12,939	\$14,781	14.4%	2.2	2.0	15.2	13.3
Compagnie de Saint-Gobain S.A.	\$45.87	\$24,435	\$36,840	9.7%	0.8	0.8	6.7	6.4
International Flavors & Fragrances Inc.	\$108.84	\$11,639	\$15,613	21.2%	3.1	3.0	14.4	12.8
Solvay SA	\$118.51	\$12,255	\$15,445	18.0%	1.3	1.4	6.4	6.3
Median	\$113.67	\$12,597	\$15,529	16.2%	1.7	1.7	10.6	9.6

Source: S&P Capital IQ; ArkMalibu
 EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful



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Unconflicted. Loyalty to You is our Livelihood

- We only represent sellers; we're not incentivized to encourage you to accept less than your company's true maximum value.
- We pursue the highest possible value because we're unconflicted.



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- All of ArkMalibu's clients receive care and attention from our senior-level advisors and principals.
- From analysts to principals, our team remains present and available throughout the process.



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- Our proprietary Four Boxes Analysis delivers prospective buyers a compelling investment story with undeniable upside.



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