

Funds are taking the lead. Owners have options.

Manufacturing, formulation, distribution: what 582 North American transactions, from January 2021 to October 21, 2026, reveal for the owner of a chemical company.

77%

of 2026 transactions involve an investment fund or a company it owns

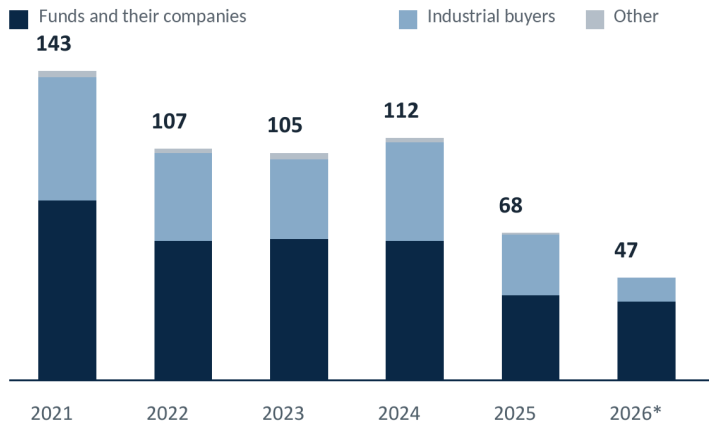
+13%

more transactions by funds in 2026, while industrial buyers fell 45% (same period as 2025)

29 of 42

Canadian transactions involve a foreign buyer, 22 of them an American buyer

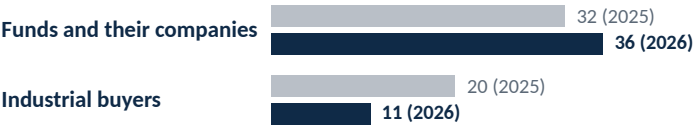
FIGURE 1 / WHO IS BUYING CHEMICAL COMPANIES?



* 2026: January 1 to October 21.

Fewer deals than in 2021, but funds keep buying. The market has slowed since the 2021 peak. Over the same period, funds are buying more than in 2025; industrial buyers are the ones who pulled back.

FIGURE 2 / SAME PERIOD, JANUARY 1 TO OCTOBER 21



CLOSE TO HOME / FIVE QUEBEC TRANSACTIONS, FOUR DIFFERENT PATHS

YEAR	COMPANY	ACTIVITY	ACQUIRER / INVESTOR	TRANSACTION TYPE
2021	Québec-O-Chimie	Water treatment	Rochester Midland	US INDUSTRIAL
2021	Canlak	Wood coatings	SK Capital Partners	US FUND
2021	Avmor	Cleaning products	Diversey	US INDUSTRIAL
2024	Groupe Dissan	Sanitation distribution	BDC Capital	MINORITY PARTNER
2026	Groupe Somavrac	Chemical handling and distribution	Instar Asset Management	CANADIAN FUND

Selling 100% to a competitor is only one option. A fund, a foreign buyer or a minority partner who leaves you in charge are others.

WHAT THIS MEANS FOR YOU

1 Funds are building groups.

APPLIED Adhesives completed 11 acquisitions. Arsenal Capital took part in 22 transactions, directly or through its companies. Overall, 71% of acquisitions strengthen a business that is already operating.

For you: your company could become the next piece of a group. A fund may also offer you the chance to reinvest part of the price and share in the group's growth.

2 Your buyer may be American.

22 of the 42 Canadian transactions involve an American buyer.

For you: a search limited to Quebec misses the buyers behind more than half of Canadian transactions.

Funds up 13%, industrial buyers down 45%. If you only talk to your competitors, you are talking to the group of buyers that is buying the least right now.

PUBLIC MARKET VALUATIONS

What the buyers are worth.

These twelve listed groups buy specialized businesses. Their stock market value shows how far they can go for an acquisition.

EBITDA	Enterprise value		EBITDA multiple			
Operating profit before interest, taxes, depreciation and amortization. It is the measure buyers use to compare companies.	What the whole company is worth: the value of its shares, plus debt, minus cash.		How much a buyer pays for each dollar of operating profit. At 11.6x, it pays \$11.60 for \$1 of EBITDA.			
COMPANY	ENTERPRISE VALUE	SALES	EBITDA	EBITDA MARGIN	VALUE / SALES	EBITDA MULTIPLE
DISTRIBUTION						
Brenntag BNR.DE	13,553	17,003	1,178	6.9%	0.8x	11.5x
IMCD IMCD.AS	8,413	5,574	579	10.4%	1.5x	14.5x
Azelis AZE.BR	5,343	4,621	454	9.8%	1.2x	11.8x
Mean / median					1.2x / 1.2x	12.6x / 11.8x
SPECIALTY CHEMICALS AND FORMULATIONS						
Hawkins HWKN	2,985	1,110	167	15.0%	2.7x	17.9x
Stepan SCL	2,029	2,430	210	8.6%	0.8x	9.7x
Eastman EMN	12,037	8,870	1,390	15.7%	1.4x	8.7x
Quaker Houghton KWR	3,487	1,980	287	14.5%	1.8x	12.2x
Ecolab ECL	89,560	16,840	4,140	24.6%	5.3x	21.6x
Mean / median					2.4x / 1.8x	14.0x / 12.2x
ADHESIVES, COATINGS AND MATERIALS						
H.B. Fuller FUL	4,815	3,550	610	17.2%	1.4x	7.9x
Arkema AKE.PA	7,806	9,982	1,211	12.1%	0.8x	6.4x
PPG PPG	30,004	16,420	2,700	16.4%	1.8x	11.1x
Sika SIKA.SW	42,397	13,436	2,346	17.5%	3.2x	18.1x
Mean / median					1.8x / 1.6x	10.9x / 9.5x
Median of the 12 groups					1.4x	11.6x

In millions of US dollars · Closing prices of October 20, 2026 · Last twelve months sales and EBITDA · Unweighted averages. Mean of the 12 groups: 1.9x sales and 12.6x EBITDA.

Why a listed group can pay a good price and still come out ahead.

Every dollar of EBITDA a group adds is worth its own multiple on the stock market. If it buys a company at a lower multiple than its own, the gap creates value for its shareholders at closing. That gap is what gives it room to move on price. Synergies and the cost of financing complete the equation.

EXAMPLE	
EBITDA of the business	\$2M
Price paid at 7x	\$14M
Value of that EBITDA in a 12x group	\$24M
Gap for the buyer	\$10M

Key takeaway. A private company does not sell at Ecolab's or Sika's multiple. These multiples show how far a buyer can go. The negotiation happens in the gap between what the buyer is worth and what it pays you.

NEXT: WHAT BUYERS ACTUALLY PAID IN SIX ACQUISITIONS →

TRANSACTIONS

What acquirers pay.

Six acquisitions paid between 7.7x and 20.1x EBITDA. The gap depends mostly on what the business brings to the buyer.

COMPANY / ACQUIRER	ACTIVITY	YEAR	VALUE (US\$M)	MULTIPLE	
Univar Acquirer: Apollo FUND	Chemical distribution	2023	8,100	7.7x	
ND Industries Acquirer: H.B. Fuller	Specialty adhesives	2024	250	<10x	
Dow packaging adhesives Acquirer: Arkema	Divisional sale	2024	150	~10x	
Emerald Kalama Acquirer: LANXESS	Flavors and preservatives	2021	1,075	11.9x	
Niacet Acquirer: Kerry	Specialty preservatives	2021	1,015	15.4x	
Ashland adhesives Acquirer: Arkema	Divisional sale	2021	1,650	20.1x	

EBITDA multiples before synergies. Univar, the largest transaction in the table, was acquired by a fund.

WHAT MAKES THE DIFFERENCE

What takes a business from 8x to 15x.

- 01

Distribution that does more than deliver

Distribution sells for less than specialty manufacturing. Univar does not just deliver: it combines a supplier network, technical sales and formulation development. Everything that sets you apart from a simple distributor raises the price.

To document: your supplier mandates, your sales by application and your customer loyalty.

7.7x
Univar
low end of the range
- 02

Adhesives for demanding applications

Adhesives span almost the whole range. With ND Industries, H.B. Fuller adds adhesives that lock and seal fasteners in automotive and aerospace. The more specific your formulations and the more embedded they are with your customers, the closer you get to the top.

To document: your formulations and how customers use them.

10x to 20x
ND Industries, Dow,
Ashland
- 03

A manufacturing process in a precise niche

Niacet brings Kerry proprietary drying and granulation processes for preservatives. Expertise that is hard to replicate commands a high price.

To document: your processes, yield per batch and the capacity of your production lines.

15.4x
Niacet
high end of the range

How these buyers would look at your company.

A confidential 30 minute conversation: which buyers would be interested in you, how they would value you, and what would raise your multiple. No commitment.

Moses Bendayan, CFA
Founder, Tribal Capital
514 231 1577
moses@tribalcapital.ca