

Specialty Chemicals DEALTRACKER

*Who's buying, why they're buying,
and what it means for owners and executives.*

What is a DealTracker?

Our DealTrackers give business leaders and owners a clear view of M&A activity in their sector. They are designed to help answer critical strategic questions such as:

- Who are the key deal-makers, and what do they value?
- What is the current market value of businesses like mine?
- Is now the right time to diversify, invest, or divest?

This **Specialty Chemicals DealTracker** draws on:

- Proprietary deal data, with a focus on the often overlooked lower-mid market.
- Interviews with M&A decision-makers at mid-cap specialty chemicals businesses.
- Conversations with private equity principals investing in the sector.

Result:

A practical, executive-level snapshot of buyer behaviour, market valuations, and emerging trends – insights we rely on when advising our specialty chemicals clients.

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“

The DealTracker is a summarised version of the proprietary data and insights we use every day working with our M&A and strategy clients.”

Matt Dixon
Managing Partner





Section 1

Activity, Valuation, and Trends

The specialty chemicals space is defined by companies that focus on chemistry-driven portfolios, delivering material products through R&D-led advancements.

This section highlights a selection of deal flow and valuation metrics combined with insights on strategies from M&A and investor decision-makers in the specialty chemicals sector.

Acquirers using M&A to stay ahead of industry trends

Three big trends we're hearing

Mid-sized companies dominate green chemistry

Petrochemical closures in Europe have resulted in small/mid-sized companies leading growth and innovation in green chemistry.

Large players' appetites for M&A increasing

Larger specialty chemicals businesses are shifting away from in-house innovation, favouring inorganic growth through acquisitions.

High-value end markets

Businesses serving digital and electronics end markets have seen strong growth and are in high demand.



Our dedicated research team has discussed M&A strategies and intentions with 120+ decision-makers in the space

Executives looking to M&A to help achieve their strategic growth ambitions



"I'm only interested in differentiated technologies that fit with my existing portfolio"

Head of Strategy
\$3bn+ revenue specialty chemicals co.



"We want a company at the leading edge of high-tech, sustainable technologies"

Head of M&A
\$4bn+ revenue specialty chemicals co.



"...we need to acquire a company that fits with our existing market and resin portfolio..."

Head of Strategy
\$500m+ revenue resins manufacturer

Rising deal flow and multiples

Momentum is building into H1 2026

The key question: sustained rebound or temporary surge?

Specialty chemicals deal flow maintains momentum in 2025

Our discussions point to ongoing momentum in the specialty chemicals deal flow throughout 2025 and into 2026. This follows indications that, as global economic conditions improve, supply chains are rebalancing, and private investors are putting more capital to work.

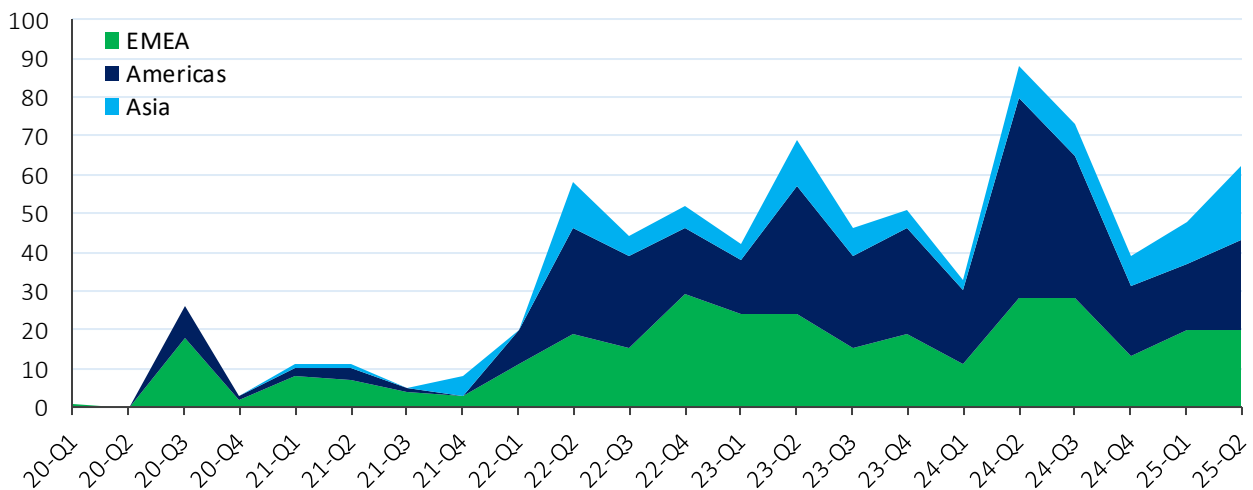


Chart: Specialty Chemicals deals recorded per quarter per region. Source: CCD estimates, proprietary database, and public data

Valuation EBITDA multiples see sector-specific variation

We have seen significant variation in valuation multiples, strongly tied to innovation and end-markets

High multiples - high-tech end markets such as the aerospace, medical, and electronics industries

Mid-range multiples – businesses in the polymers, CASE, and food/nutrition sectors

Low multiples are seen in commoditised and low-value product offerings

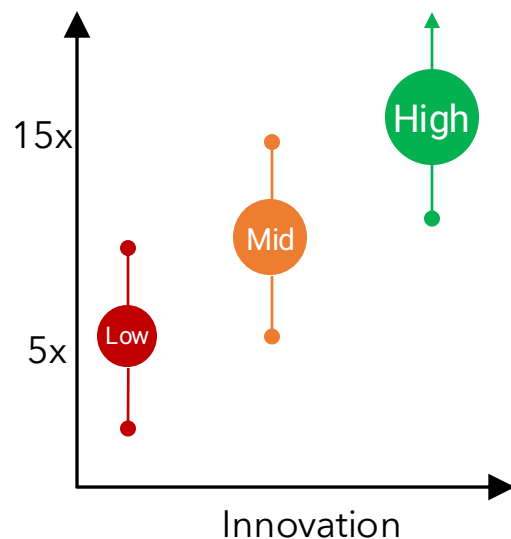


Chart: Specialty Chemicals transaction EBITDA multiples range. Source: CCD estimates, proprietary database, and public data

Who are the most active buyers

The companies buying the most specialty chemicals businesses



Chart: Top buyers in Specialty Chemicals, 2022 to present. Source: Buyer websites, proprietary database, and public data

The background of the slide features a laboratory flask containing a vibrant blue liquid, resting on a surface with a faint, repeating pattern of hexagonal chemical structures. Some of these structures are labeled with chemical formulas such as H_2C , H_2 , and O_2 . A white laboratory pipette with red markings is positioned horizontally in the lower foreground. The entire scene is overlaid with a large, semi-transparent white hexagonal shape that frames the text.

Section 2

Strategic Buyer Landscape

Analytics on the cohort of ~600 strategic trade buyers we have identified as likely interested in acquiring in the specialty chemicals sector.

Based on a combination of publicly available data and interviews with M&A decision-makers (typically, CEOs and strategic executives).

615 Potential Trade Buyers

Analytics based on the profiles we have on over 600 strategic trade players: where they operate, what they sell, and what they want to buy

Strategic consolidators remain central to the specialty chemicals buyer landscape - yet often little detail is published on their M&A priorities. Real insight comes from direct conversations and long-term relationships.

Here's what we found:

>60 mid-large specialty chemicals conversations
(and ~600 profiled) this year

Cross-border ambitions

Many trade players are looking beyond their home markets to fill portfolio gaps and access higher-growth markets, making cross-border acquisitions an important part of M&A strategies.

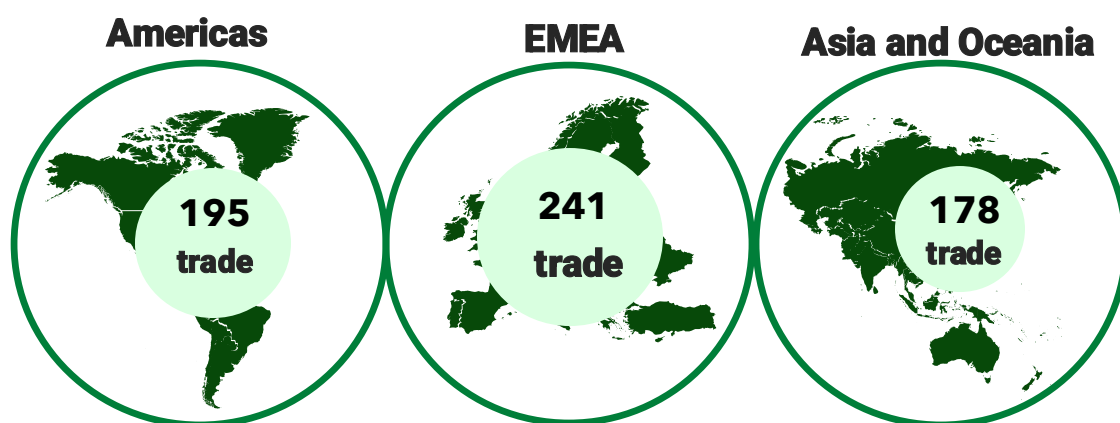


Chart: Mid-large specialty chemicals businesses split by HQ region
Source: CCD estimates, proprietary database, and public data

Portfolio enhancement

The portfolios of large specialty chemicals businesses can be highly diverse. Which targets constitute strategic, high-value, additions is not always clear from publicly available information. One of the key data points we record is what constitutes the 'ideal' acquisition.

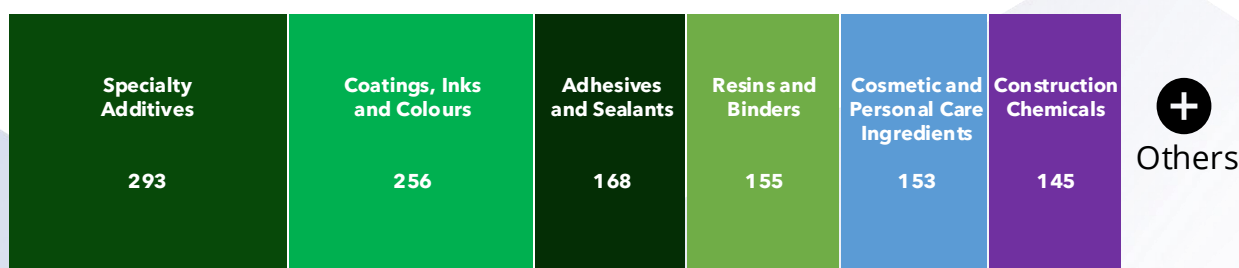


Chart: Mid-large specialty chemicals businesses present in each high-level product classification (not mutually exclusive)
Source: CCD estimates, proprietary database, and public data

Strategic M&A themes are often driven by size

From our discussions, Market Leaders' M&A teams continue to favour larger deals, but they seem to be increasingly keen on smaller strategic bolt-ons too.

Market
Leader

160

Mid-sized players we are talking to are also targeting acquisitions as a key driver of growth, but the focus is primarily on gaining access to new markets, often targeting complementary supply chains.

Mid-Sized
Player

240

Lower mid-sized businesses tend to complete fewer acquisitions but can sometimes pay top value for transformative transactions.

Lower-Mid
Sized Player

215

*Chart: Mid-large specialty chemicals businesses split by revenue / size data
Source: CCD estimates, proprietary database, and public data*

Ownership structure can drive priorities

The trade buyers come from a variety of ownership backgrounds, each bringing its own angle on M&A priorities

Many of the private equity backed companies we speak to are under pressure to capitalise on rising market confidence to secure acquisitions.

PE
15%

Most of the founder-led buyers we are speaking to espouse an entrepreneurial culture and want to see the same in M&A targets.

Individuals
20%

Many of the listed groups and corporates we are speaking to are focused on portfolio rationalisation at the same time as looking for strategic bolt-ons.

Corporate
Subsidiary*
18%

The majority of the family-owned firms we speak to take a longer-term view. Though there are some notable exceptions!

Family
13%

Public
34%

*This is a category we record separately as subsidiaries often function independently in M&A

*Chart: Mid-large specialty chemicals businesses split by ownership structure
Source: CCD estimates, proprietary database, and public data*

Strategic M&A priority themes

...we see cutting across most of the conversations we are having with decision-makers of mid-cap specialty chemicals businesses



Geographic Expansion



Technical and Formulation Capabilities



Growth in New Markets



Cultural and Operational Fit

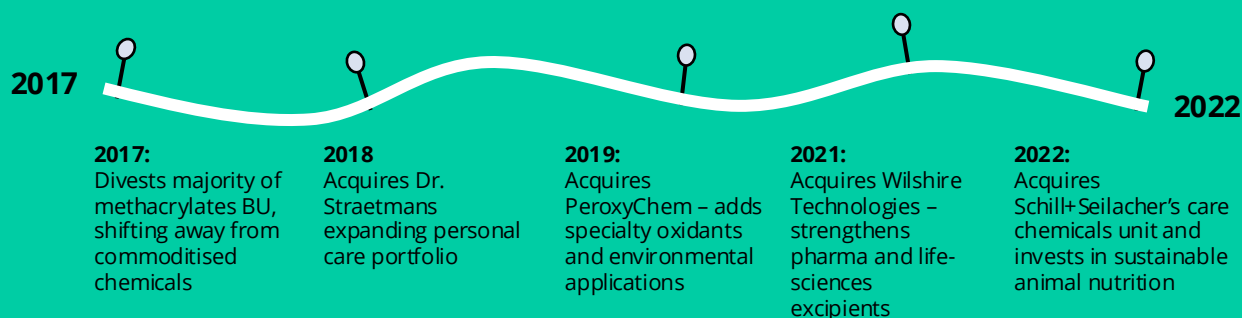


Specialty Segment Deepening

Case Study

Evonik - strategic transformation through M&A

Evonik is a global specialty chemicals leader that has transformed its portfolio from commodity-heavy to innovation-driven businesses through divestitures and targeted acquisitions



M&A Themes:

Geographic Expansion

Huber Silica aided expansion in North America & Asia; Porocel added sites in the US, Canada, Luxembourg, Singapore; PeroxyChem strengthened Evonik's U.S. footprint.

Specialty Segment Deepening

Acquisitions enhanced life sciences, nutrition, cosmetics, and healthcare, reducing reliance on cyclic industries and stabilising demand.

Technology and Innovation

3D-printing materials via Structured Polymers (2019) to broaden specialty polymer powders; eco-solutions and disinfection via PeroxyChem (H_2O_2 /PAA).

Cultural and Operational Fit

M&A accelerated the transition to greener chemistries, low-VOC solutions, and circular economy initiatives, improving margins and investor appeal.

Source: Summarised CCD estimates and public information, including Evonik's website, trade journals, and press releases.



Section 3

Financial Investor Landscape

Analytics on the cohort of ~250 private equity and family office investors we have identified as interested in investing in the specialty chemicals sector.

Based on a combination of publicly available data and interviews with principals.

250 Potential Financial Buyers

Analytics based on the profiles we have on 250 financial investors: where they operate and their investment theses and preferences

Private equity and family offices are an important part of the buyer landscape, but their enthusiasm for specific deals is hard to predict, even with close monitoring of their investment theses and preferences.

The only reliable way is to test each opportunity with a wide group of investors - fortunately, PE screening processes are typically fast and efficient.

Nonetheless, some general themes did emerge from our discussions:

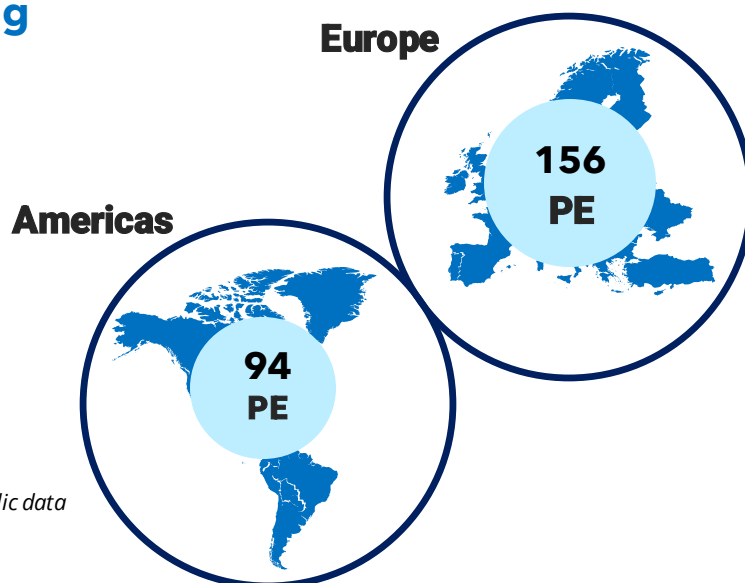
50+ private equity
conversations
(and ~250 profiled)
this year

Regional focus sharpening

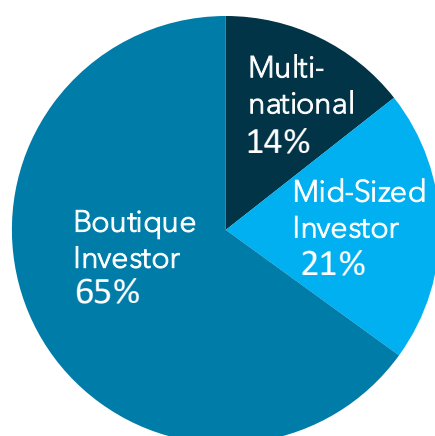
Historically, a number of financial investors have looked to make investments across the Atlantic (in both directions).

This trend continues, but we have also noticed an increase in investors that more strongly prioritise focus in a specific local region.

*Chart: Financial investors split by HQ region
Source: CCD estimates, proprietary database, and public data*



Proliferation of boutique investors



*Chart: Financial investors split by scale and scope
Source: CCD estimates, proprietary database, and public data*

We have noticed an appreciable uptick in boutiques, family offices, and other smaller more entrepreneurial investors. Often originating from seasoned principals setting out on their own rather than relying on a well-known umbrella brand.

Such smaller, more agile investors, bring both advantages and challenges for sellers. In particular, lower-mid market sellers that may have been too small for a classic PE play are now more likely to attract viable financial investor options.

Private Equity FAQs

Below we have noted some of the most common questions we're asked by owners considering private equity options. The answers are a blend of our experience and views from "PE" professionals themselves.



Do PE firms have fixed investment terms?

The typical term range is 3–7 years, but it depends on the growth plan and specific circumstances. PE firms are increasingly flexible on timing, and this is often an attractive trait for sellers.



Do PE firms offer less as they don't benefit from synergies?

In our experience (in the lower-mid market) PE can often actually offer more than strategics. Particularly if a growth case can be made, typically using the target business as a platform for rapid expansion.



Can we engage trade buyers and PE at the same time?

For PE to be a viable option the business must meet certain criteria. Most of which can be prepared in advance. In which case, we typically recommend both tracks are pursued simultaneously.



Do owners typically stay after a PE acquisition?

In most cases, yes. PE firms often want the owners to remain involved to maintain continuity in management. To what extent and for how long will vary depending on the circumstances and negotiation.



What are the biggest drivers of valuation for PE?

Positioning the business as a platform for growth that only requires support and guidance on "how" to grow rather than "why" it will grow. This is the holy grail for many PE investors.

PE investment priority themes

...we see cutting across most of the conversations we are having with principals in PE firms interested in specialty chemicals.



Geographic Expansion



Technical and Formulation Capabilities



Growth-Boosting M&A Pipeline



Differentiated and Diverse Offering

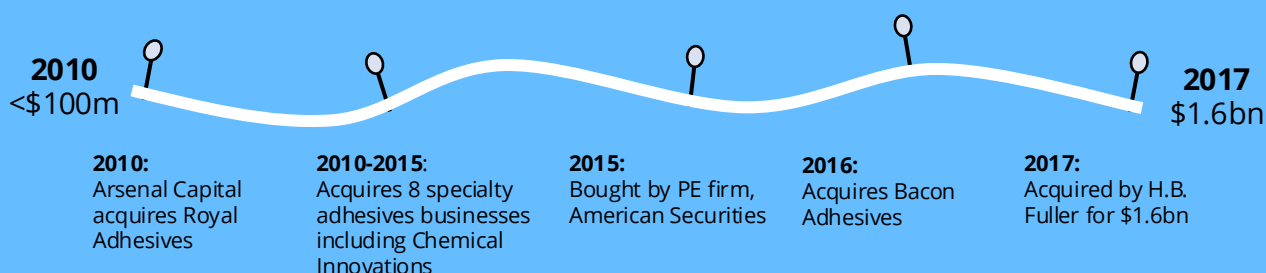


Demonstrable Scalability

Case Study

Royal Adhesives – M&A-boosted growth

Royal Adhesives was a diversified adhesives developer and manufacturer that has grown rapidly following an investment from Arsenal Capital in 2010, selling for \$1.6bn in 2017



Investment Themes:

Geographic Expansion

Royal moved beyond a U.S. base with Chemque in Canada (2014) and the UK-based Chemical Innovations Limited (2015).

Differentiated and Diverse Offering

Acquisitions pushed Royal deeper into performance niches: Clifton Adhesives (aerospace); ADCO Global (construction); Chemical Innovations Ltd. (rubber-to-metal bonding)

Demonstrable Scalability

Royal was used by Arsenal Capital as a buy-and-build platform—starting with Para-Chem (2010) and completing eight add-ons before the 2015 sale to American Securities.

Technology and Formulation

Royal added complementary chemistries and cure systems to enable cross-sell and custom solutions.

Source: Summarised CCD estimates and public info, including Arsenal and H.B. Fuller's websites, trade journals, and press releases.

About the Authors

CCD Partners is a people business. We pair senior ex-industry advisors who know the market personally with an execution team that knows how to deliver deals – all backed by a market engagement team out in the world collecting data and insights not available online.



Tim Evans

Specialty Chemicals Execution Lead

- 25+ years' transactional experience
- Chemicals M&A execution specialist with experience in specialty chemicals, life sciences, and distribution



Matt Dixon

Managing Partner

- 18+ years' transactional experience
- Co-founded CCD Partners and is Head of M&A



Peter Dixon

Chairman

- 40+ years' industry and transactional experience
- 100+ chemistry-driven M&A clients



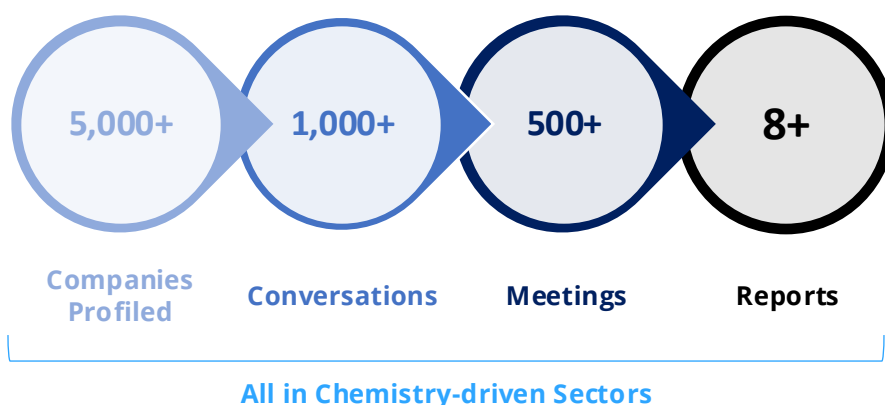
Matthew Wise

Head of Data and Market Engagement

- Specialist at acquisition searches, landscape screening, and market research
- Oversees **market engagement and data gathering team**



Overview



Other Publications

available at ccdpartners.com or via email to contact@ccdpartners.com

WatchLists

Reports on lower-mid market companies in specific sub-sectors



DealTrackers

Reports on deals and mid-cap acquirors by headline sector



PlayBooks

Your M&A playbook. Built for you.



"A bespoke executive planning tool powered by the full WatchList and DealTracker intelligence – applied to a client's specific circumstances."

Matt Dixon
Managing Partner

