

Executive Summary

- Akoya is pursuing a buy-and-build investment strategy in the specialty chemical distribution space with the goal of creating a \$300MM+ super-regional chemical distribution company and has recently executed an exclusive LOI, on a proprietary basis, with a platform company to begin executing the strategy
- The platform is a market leading specialty chemical distribution company that primarily serves the food and beverage, flavor and fragrance, life science, oil / lubricants, and a variety of additional end markets and offers value-add services including storage, blending, packaging, and manufacturing
- The Company is geographically focused in the Eastern United States with opportunities to expand nationally
- For the TTM period, the Company had no customer concentration as the top customer accounted for 3.8% of sales and the top 10 customers accounted for 23.7% of sales
- The Company distributed nearly 18,000 SKUs through YTD 2019 for a blue-chip supplier base, including many Fortune 500 chemical manufacturers.
- The Company owns significant assets including warehouses, storage & blending tanks, trucks and trailers and rail access to their sites.
- TTM Revenue of \$111.0 million and Adj. EBITDA of \$7.6 million
- The North American chemical distribution industry is valued at \$36B with an expected CAGR of 3.8% through 2022. The industry is highly fragmented with hundreds of niche distributors with sales <\$100 million.

Current Situation

- The value creation plan consists of commercial growth via new supplier authorizations, product line expansion, new customer acquisition, building out technical capabilities, and continuing development of online sales channel; gross margin expansion via the expansion of value-add capabilities.
- In addition, we seek to add-on complimentary acquisitions in the Company's market space to accelerate geographic expansion, expansion into new end markets, and to leverage the Company's value add services.
- The Company has a strong management team in place that is planning on rolling over significant transaction proceeds. The total rollover investment will represent a 40% ownership interest in the new entity.

Akoya Expertise in Chemical Distribution

- Greg Vas Nunes is an Akoya Specialty Chemicals Managing Director. Greg brings more than 35 years of global leadership experience in sales, distribution, marketing and manufacturing from the chemical and material industries. His experience includes public companies, private equity owned companies and joint ventures across the specialty chemicals, distribution, building materials, apparel/textile fiber and automotive sectors. Additionally, he brings vast multinational experience leading business units for both Western and Asian multinational companies. Most recently Greg was Senior Vice President for Univar and an Officer of the Company. Univar, a \$9B public company, is the largest chemical distributor in North America. Before this he served as President for subsidiaries of two major Korean multinationals, Hyosung and LG in Europe, Asia Pacific and the Americas serving the apparel and building materials industries respectively. Greg launched his career with DuPont where he spent over 20 years in management and senior leadership roles with P&L accountability across numerous industrial businesses.