

December 2013



has been acquired by

Arsenal | Capital Partners

*The undersigned acted as exclusive financial advisor to
Flowchem Ltd.*



Flowchem Ltd. ("Flowchem" or the "Company")

Founded in 2001, and headquartered in Waller, Texas, Flowchem is a leading provider of Drag Reducing Additives (DRA) to improve pipeline flow in onshore and offshore pipeline applications. The Company's DRA reduces drag in petroleum pipelines in order to increase throughput capacity and energy efficiency, providing significant cost savings to pipeline operators. Flowchem also provides complementary services and equipment to its global customer base. The Company has two operating facilities in Texas.

Arsenal Capital Partners ("Arsenal")

Arsenal is a leading New York-based private equity firm that invests in middle-market specialty industrial and healthcare companies. Arsenal makes investments in sectors where the firm has significant prior knowledge and experience. Arsenal targets businesses that have the potential for further value creation by working closely with management to accelerate growth and leverage the firm's operational improvement capabilities. Arsenal currently has \$1.7 billion of committed equity capital.

PPHB LP ("PPHB")

PPHB is an independent investment banking firm providing financial advisory services exclusively to clients in the energy service industry

HOUSTON:
1900 Saint James Place
Suite 125
Houston, TX 77056
Tel: 713.580.2700



CANADA:
604 – 1st Street SW
Suite 200
Calgary, AB T2P1M7
Tel: 403.264.2727