BlueTigre Screening of NewMarket and Afton

29 October 2026

Third quarter 2026. Risk by STALK, our machine-learning model: it flags about 1 in 5 healthy chemical companies; the Altman score flags more than half. Markets from PROWL.

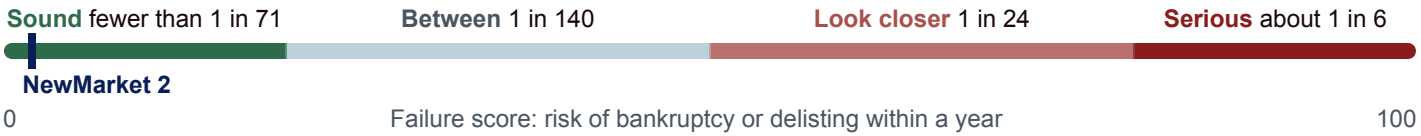
Our call: NewMarket is sound and throws off cash. In the third quarter Afton held its profit on price while its volumes fell. The question for any buyer is growth, not the books.

1 COMPANY HEALTH

Is NewMarket headed for trouble within a year?

NewMarket 2 out of 100

SOUND



Odds counted on US chemical companies, 2016-2025, the years the score was built from.

2 THE QUARTER

Did Afton hold up in the third quarter?

Profit held; volume did not. Shipments fell 8%. Sales of $651m and operating profit of $131m were level with 2025, because surcharges covered higher costs.

PRICE, NOT VOLUME

A. Who they are

NewMarket, the owner

Richmond, Virginia. 2025 sales $2.73bn, earnings before interest, tax and depreciation $666m (24.4%), net income $419m. Two businesses: petroleum additives ($2.53bn of sales) and specialty materials ($183m) (rocket propellant ingredients, hydrazine).

Afton Chemical, the additives arm

Lubricant and fuel additives. Its rivals: Lubrizol (Berkshire Hathaway), Infineum (ExxonMobil and Shell) and Chevron Oronite. Afton is the only one of the four that reports in public.

B. The third quarter of 2026

Measure	Q3 2026	Q3 2025	Nine months 2026	Nine months 2025
Additive sales	$651.0m	$649.1m	$1.9bn	$1.9bn
Additive operating profit	$130.9m	$131.3m	$415.3m	$413.2m
Additive shipments	−8%		−6%	
Specialty materials sales	$62.0m	$38.2m		
Specialty materials operating profit	$16.4m	$6.0m		

Part of the nine-month fall was NewMarket's choice to cut low-margin business. Specialty materials grew with the Calca Solutions purchase (October 2025).

C. The books, five years

Measure	2021	2022	2023	2024	2025
Sales ($m)	2,356	2,765	2,698	2,787	2,725
Earnings before interest, tax and depreciation, % of sales	14.5%	15.8%	20.8%	25.4%	24.4%
Net debt, years of those earnings	3.1	2.1	0.9	1.3	1.2
Earnings cover interest, times	10.0	12.4	15.0	12.3	16.8
Plant spending, % of wear and tear	94%	68%	62%	49%	63%

What has to be true: margins near 24% hold after the surcharges come off, or volumes return first.

D. The case for

1. **Sound:** 2 out of 100; fewer than 1 in 71 at that level failed within a year. Altman score 4.99, above the 2.99 safe line.
2. **Cash:** free cash flow $491m in 2025, 74% of earnings before interest, tax and depreciation.
3. **Light debt:** about 1.2 years of earnings; interest covered 17 times.
4. **Pricing power:** surcharges held profit through an 8% volume fall.

E. The case against

1. **No growth:** sales fell 2% in 2025 and grew 0.5% a year from 2023 to 2025.
2. **Volumes falling:** −8% in the quarter, −6% over nine months.
3. **Plants:** it spent 63% of what they wore out in 2025.
4. **Surcharges can come off:** if costs ease first, margins may come under pressure.

F. What the record shows for each kind of investor

Investor	Answer	Ask first
Venture capital	GO; 6 of 13 tests could be decided from public records	How hard is it for a new supplier to get into this market?
Growth equity	GO	How much of the planned growth comes from products sold today?
Private equity	GO	What share of sales passes a raw-material rise straight to the customer? How full are the plants?
Strategic buyers	GO	Which main products, by name, sit on any restricted list?

Nothing on the public record stops a deal for any of the four. A screen shows where to look; it never says buy.

G. Looking ahead: no company or analyst forecast

Who	Lubricant additive sales, in dollars	Years
Verified Market Research	2.57% a year	2026-2032
Grand View Research	4.1% a year	2026-2033
The Business Research Company	5% a year	2025-2030

None publishes its method. The forecasts include price; this quarter's 8% fall is in volume. Stricter emission and fuel-economy rules and thinner engine oils call for more advanced additives (Grand View Research). NewMarket says its surcharges "remain in place" and names the Middle East, the economy and tariffs as what it watches. Its two specialty plant expansions are due by the end of 2026.

H. What it may mean for Infineum

Shell and ExxonMobil are reported to weigh selling Infineum at about $8 billion. Afton is the nearest public view of the market Infineum sells into. Volumes down with margins held could support that price if a buyer trusts the pricing, or temper it if a buyer weighs the volumes. ExxonMobil reports on 30 October.

> **Not yet identified:** each supplier's share of the market, and the technologies that could replace these additives; the public record we read does not give them. **Only the company can answer:** how full its plants are; what its plants need spent on them; what share of sales carries a surcharge.

Sources: NewMarket third quarter 2026 results (28 October 2026); NewMarket annual reports filed with the US Securities and Exchange Commission on 15 February 2024 and 12 February 2026; Verified Market Research (February 2026); Grand View Research; The Business Research Company. Full assessment: bluetigre.com/investors/afton-q3-2026/. Analysis of public information, not investment advice. Bluetigre Consultants LLC.