SAINT-GOBAIN TO ACQUIRE CHRYSO

20 MAY 2021
CHRYSO ACQUISITION: IN LINE WITH SAINT-GOBAIN STRATEGY DRIVEN BY ESG AND PROFITABLE GROWTH TO CREATE VALUE

- Reinforcing Saint-Gobain’s leadership and GROWTH platform in construction chemicals (>€3bn)
- Driven by SUSTAINABILITY & PERFORMANCE value proposition
- A leading, HIGHLY PROFITABLE global player in additives with strong innovation and fast growth in both emerging and mature countries
- Highly experienced management team with strong track record
  Excellent CULTURAL FIT that bodes well for successful integration
- A highly VALUE-CREATIVE TRANSACTION for Saint-Gobain’s shareholders
SAINT-GOBAIN LEADING POSITIONS IN CONSTRUCTION CHEMICALS REINFORCED WITH CHRYSO ACQUISITION

Construction Chemicals, a €60bn market

SAINT-GOBAIN
weber
SAINT-GOBAIN
Maris Polymers
SCHMITT MEGAFLEX
quartzolit
vetonit

A strong platform in Construction Chemicals with combined sales of >€3bn
THE ADDITIVES MARKET, DRIVEN BY SUSTAINED GROWTH

Growth drivers: 7% CAGR

Strong perspectives in all geographies

Growth drivers of the additives market (%)

~6-7%¹

Additives market

Mature countries
Carbon reduction

2%

Emerging countries
Ready-mix penetration

2%

Global Construction

2-3%

Sustainability in mature markets

Performance in emerging markets

Up to 90% low carbon concrete by 2030

From 0 to 70% penetration of ready-mix concrete

Global construction recovery
Urbanization & infrastructure spending

¹ For 2021-2025 period
CHRYSO HAS AN OUTSTANDING TRACK RECORD OF PROFITABLE GROWTH

An Outstanding Growth Trajectory

Global Platform (2020 Sales)

- Western Europe: 43%
- Middle-East and Africa: 31%
- Asia: 8%
- North America: 12%
- Eastern Europe: 7%

Sales (€m)

CAGR 2001A – 2021E: 7.8%

Source: Chryso
STRONG ATTRIBUTES MAKING CHRYSO AN ATTRACTIVE PLATFORM

**Value-creative M&A**

- ~20 small bolt-on acquisitions integrated during last 20 years
- Live M&A pipeline

**Vertical integration of polymer know-how**

- 4 polymerization centers
- Cost competitiveness

**Outstanding track-record in organic growth**

- Successful expansion in the USA: ~17%
- CAGR 2017-2020
- Strong positions developed in emerging markets

**Customer intimacy and value-added services**

- Differentiated and local services
- Optimized supply chain

Led by a competent management team

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Source: Chryso
RECOGNIZED INNOVATIVE SOLUTIONS FOR SUSTAINABILITY AND PERFORMANCE

SUSTAINABILITY

- LOW-CARBON CEMENT & CONCRETE
  Significant reduction of concrete CO₂ emissions

- CIRCULAR ECONOMY
  Aggregate shortage

URBANIZATION AND INFRASTRUCTURE NEEDS

COST EFFECTIVENESS

PRODUCTIVITY

PERFORMANCE

5 R&D Centers globally
26 Application laboratories
340 Active patents
~3% Sales in R&D
35% of Sales realized with new products (<5 years)

Source: Chryso
VALUE CREATIVE TRANSACTION SUPPORTED BY SOLID SYNERGIES

Cost Synergies

- Purchases, vertical integration, and administrative cost savings

Revenue Synergies

- Chryso and Saint-Gobain growth in additives and construction chemicals

Run-rate synergies estimated at €30m in year 3 and €50m in year 5
## A CLEAR ROADMAP FOR GROWTH SYNERGIES, WITH UPSIDE POTENTIAL

### Chryso and Saint-Gobain growth synergies

<table>
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<tr>
<th>1/3</th>
<th>Acceleration in Chryso top growth countries</th>
<th>US, India, South Africa and Middle-East</th>
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<td>Leveraging Saint-Gobain strong presence &amp; Chryso growth path</td>
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<tr>
<th>1/3</th>
<th>New countries for Chryso</th>
<th>Brazil, Indonesia, Malaysia, Singapore, Russia</th>
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<tr>
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<td>Leveraging Weber industrial positions</td>
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<tr>
<th>1/3</th>
<th>Chryso cross-selling</th>
<th>Western Europe</th>
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<td>Project &amp; construction systems sales with Weber in sophisticated markets</td>
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### Additional upside opportunities

<table>
<thead>
<tr>
<th>1/3</th>
<th>Acceleration in other Weber strongholds</th>
<th>Argentina, Peru, Thailand, Vietnam, Egypt, Western Africa, Eastern Africa…</th>
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<tr>
<td></td>
<td>Other organic growth opportunities</td>
<td>Off-site manufacturing, polymer for other building materials application…</td>
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<th>1/3</th>
<th>Bolt-on acquisitions</th>
<th>Large pipeline in synergy with Saint-Gobain &amp; Chryso</th>
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## TRANSACTION OVERVIEW

### FINANCIAL TERMS
- Acquisition EV of €1,020m
- Representing a 12.0x EV/LTM EBITDA\(^{(1)}\) multiple, 7.6x including full synergies (€50m)

### VALUE CREATION
- Value creation in year 3 with only cost synergies of €15m
- EPS accretive from year 1

### FINANCING
- Transaction financed fully in cash
- Post-acquisition, Saint-Gobain pro forma net debt to EBITDA to be around 1.3x\(^{(2)}\)

### NEXT STEPS
- Closing expected H2 2021
- Chryso will become part of Saint-Gobain’s High Performance Solutions
- Chryso management team will join Saint-Gobain and lead synergies and development plan

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\(^{1}\) Based on LTM EBITDA of ~€85m  
\(^{2}\) Pro forma end-2020 before IFRS 16
Strengthening Saint-Gobain’s growth platform in construction chemicals

Chryso, a leading player with a strong track record of profitable growth

Aligned with our vision to be the leader in sustainable construction

Growth-driven and value-creative opportunity for Saint-Gobain’s shareholders
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