



# 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

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Reinforcing Saint-Gobain's leadership and GROWTH platform in construction chemicals (>€3bn)

Driven by SUSTAINABILITY & PERFORMANCE value proposition

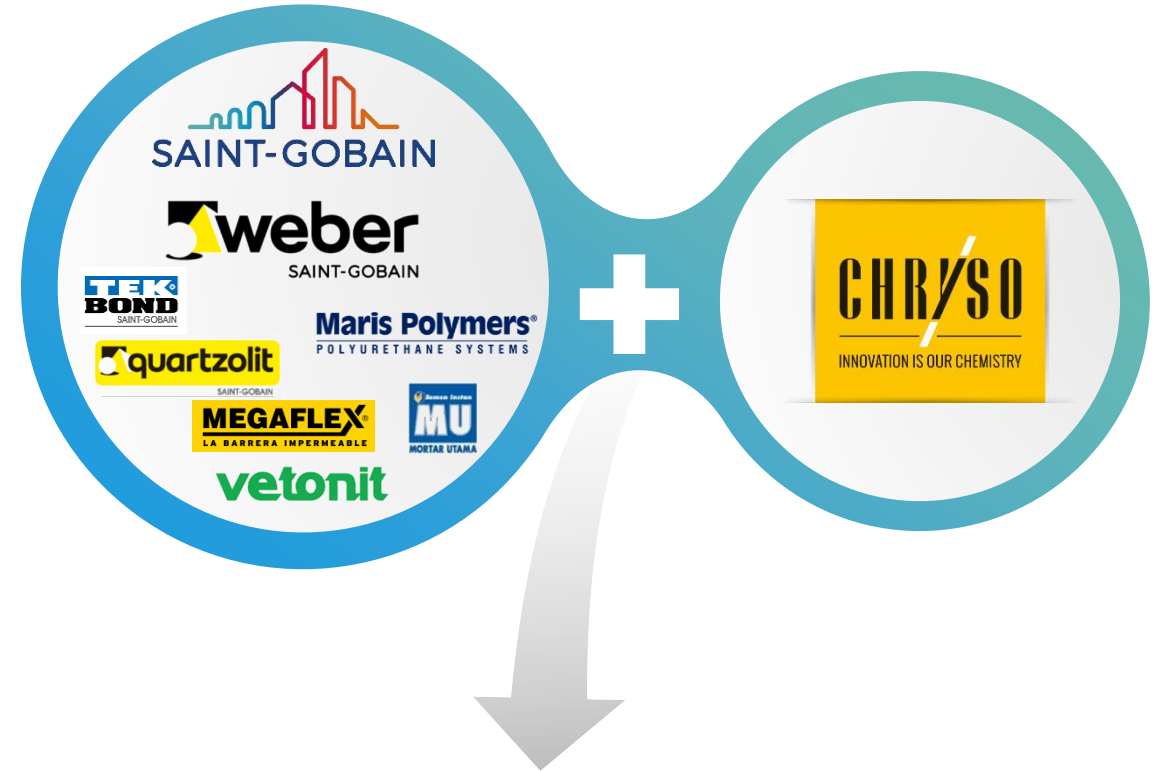
A leading, HIGHLY PROFITABLE global player in additives  
with strong innovation and fast growth in both emerging and mature countries

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



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 (%)



<sup>1</sup> For 2021-2025 period



# CHRYSO HAS AN OUTSTANDING TRACK RECORD OF PROFITABLE GROWTH



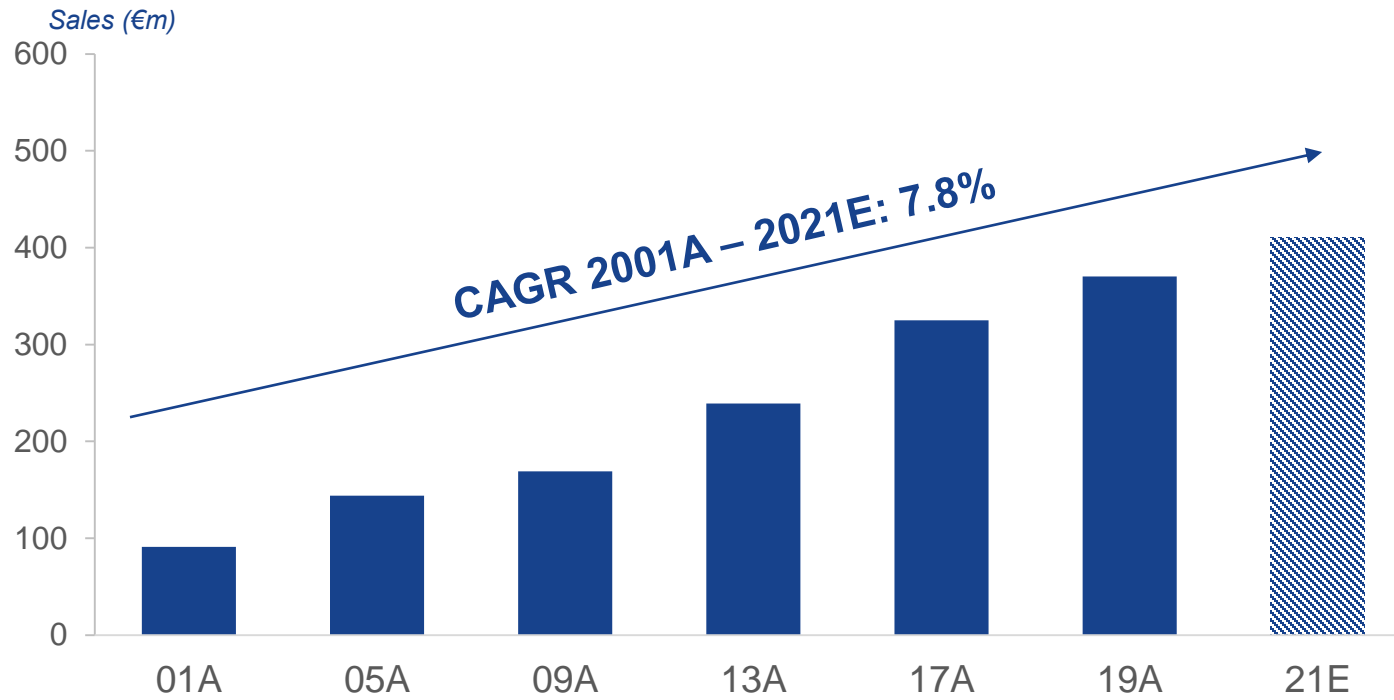
**~€400m**  
Sales  
2021 LTM

**~€85m**  
EBITDA  
2021 LTM

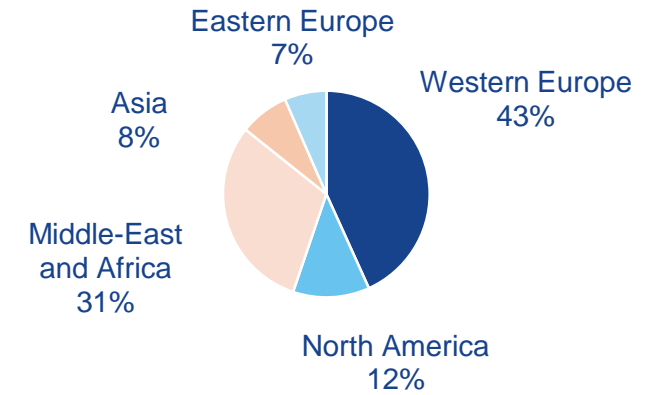
**20**  
Countries

**35**  
Manufacturing Facilities

## An Outstanding Growth Trajectory



## Global Platform (2020 Sales)



**#1**  
Player in France,  
South Africa, Turkey

**#4**  
Player in the  
United States

# STRONG ATTRIBUTES MAKING CHRYSO AN ATTRACTIVE PLATFORM



## Vertical integration of polymer know-how

4 polymerization centers

Cost competitiveness



## Customer intimacy and value-added services

Differentiated and local services

Optimized supply chain



## Value-creative M&A

~20 small bolt-on acquisitions integrated during last 20 years

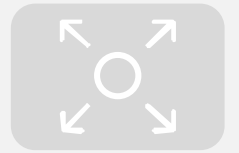
Live M&A pipeline



## Outstanding track-record in organic growth

Successful expansion in the USA: ~17% CAGR 2017-2020

Strong positions developed in emerging markets



Led by a competent management team

# RECOGNIZED INNOVATIVE SOLUTIONS FOR SUSTAINABILITY AND PERFORMANCE

**5**  
R&D Centers  
globally

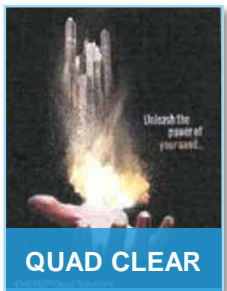
**26**  
Application  
laboratories

**340**  
Active  
patents

**~3%**  
Sales in R&D

**35%**  
of Sales realized  
with new products (<5 years)

## SUSTAINABILITY



### LOW-CARBON CEMENT & CONCRETE

Significant reduction of  
concrete CO<sub>2</sub> emissions

### CIRCULAR ECONOMY

Aggregate shortage

**CHRYSO**  
INNOVATION IS OUR CHEMISTRY

## PERFORMANCE

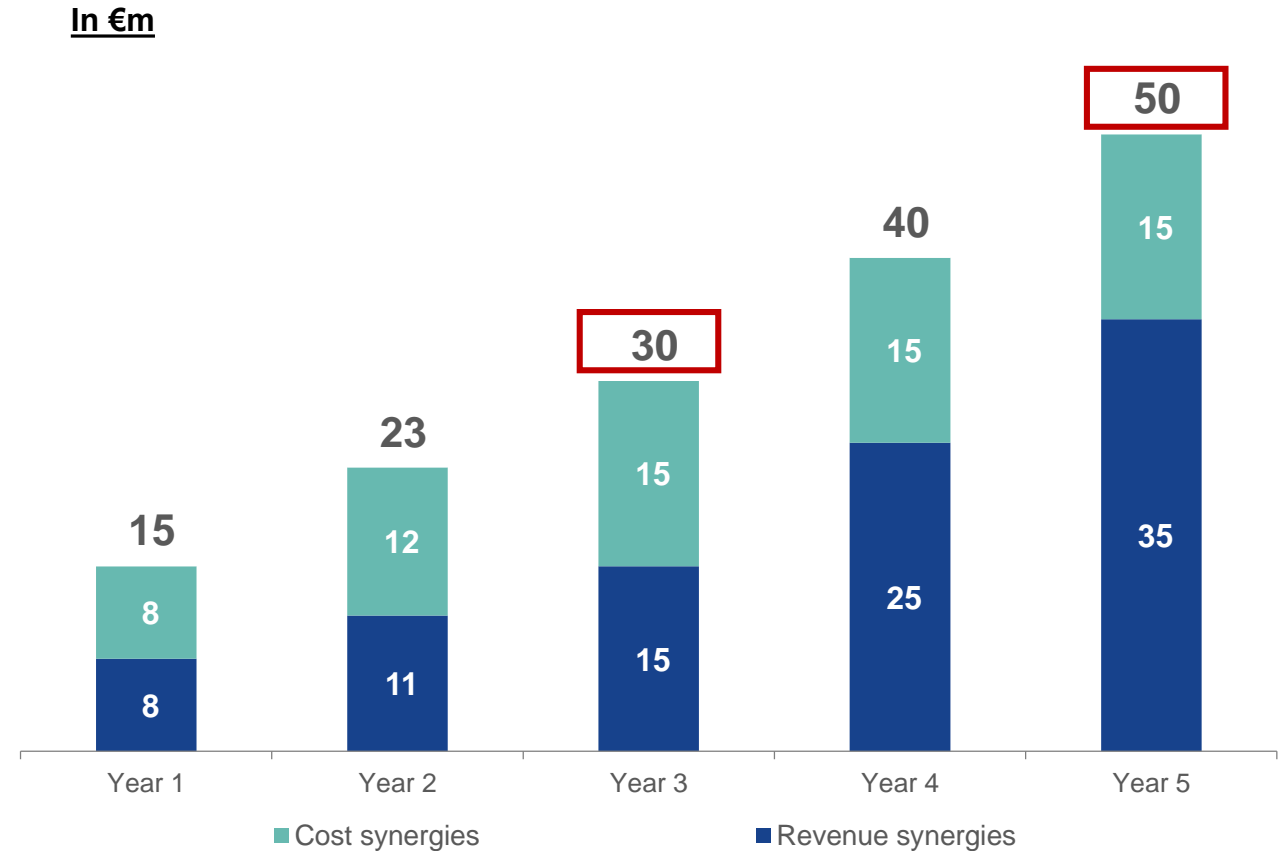
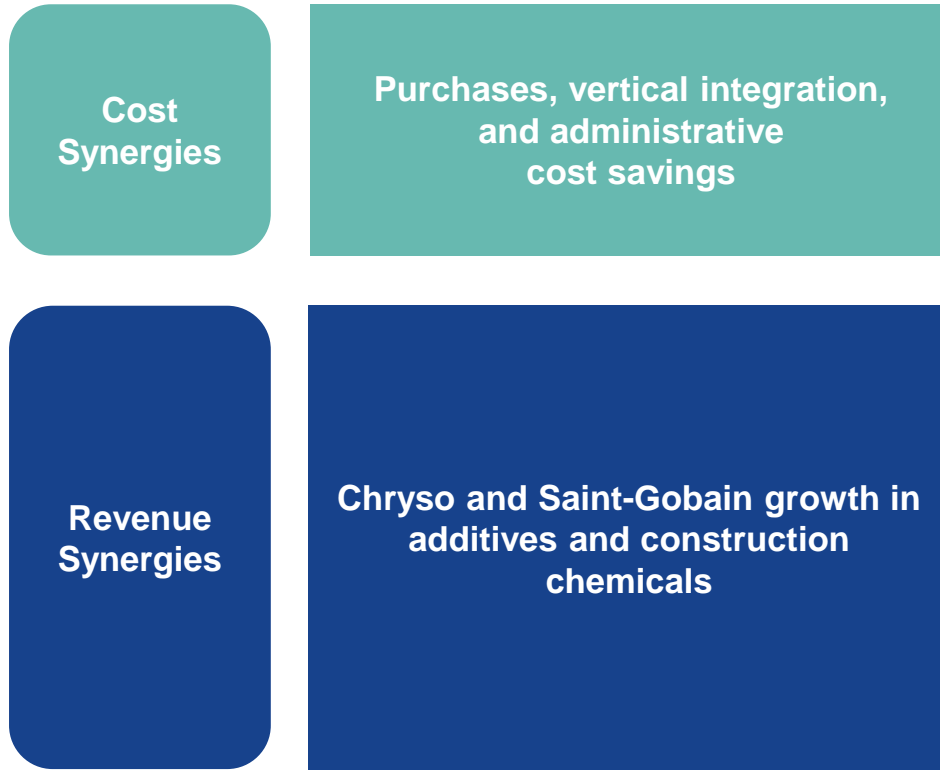
### URBANIZATION AND INFRASTRUCTURE NEEDS

### COST EFFECTIVENESS

### PRODUCTIVITY



# VALUE CREATIVE TRANSACTION SUPPORTED BY SOLID SYNERGIES



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

1/3



### Acceleration in Chryso top growth countries

*Leveraging Saint-Gobain strong presence & Chryso growth path*



*US, India, South Africa and Middle-East*



1/3



### New countries for Chryso

*Leveraging Weber industrial positions*

*Brazil, Indonesia, Malaysia, Singapore, Russia*



1/3



### Chryso cross-selling

*Project & construction systems sales with Weber in sophisticated markets*

*Western Europe*



## Additional upside opportunities

*Not included in revenue synergies*



### Acceleration in other Weber strongholds

*Argentina, Peru, Thailand, Vietnam, Egypt, Western Africa, Eastern Africa...*



### Other organic growth opportunities

*Off-site manufacturing, polymer for other building materials application...*



### Bolt-on acquisitions

*Large pipeline in synergy with Saint-Gobain & Chryso*

# TRANSACTION OVERVIEW

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## FINANCIAL TERMS

- **Acquisition EV of €1,020m**
- Representing a **12.0x EV/LTM EBITDA<sup>(1)</sup>** 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<sup>(2)</sup>**

## 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

<sup>1</sup> Based on LTM EBITDA of ~€85m

<sup>2</sup> Pro forma end-2020 before IFRS 16

# CONCLUSION

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1



**Strengthening Saint-Gobain's growth platform in construction chemicals**

2



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

3



**Aligned with our vision to be the leader in sustainable construction**

4



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



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