

M&A FACTS – H2 2024 BASE- & PETROCHEMICALS SECTOR

February 2025

BASE- & PETROCHEMICALS – M&A-HIGHLIGHTS AND MARKET INSIGHTS

Overall, the Base- & Petrochemicals M&A market showed an increase in activity in the 2nd half of 2024.

H2 2024 Deal activity

236
Deals

Deal volume has increased compared to H1 2024. Strategics continue to look for consolidate the market and drive deal activity.

€31.3bn
Deal value

Deal value is up significantly in H2 2024, lead by the Asian market with multiple large transactions in Q3. Stable overall M&A environment, despite consistently high interest rates and ongoing supply-chain challenges.

Valuations

EBITDA trading multiples decreased compared to H1 mainly due to macro economic sentiment.

H1 2024	H2 2024
7.6x	6.5x
Trading EBITDA Multiple	

The median of the transaction multiples at 10.8x, significantly higher in H2 2024, possibly due to Asian outliers.

H1 2024	H2 2024
8.5x	10.8x
Transaction EBITDA Multiple	

Insights

Overall, the Base- & Petrochemicals M&A market continues to demonstrate resilience, navigating economic challenges in multiple markets. Strategic shifts focus on adapting to regulations, market consolidation, and growth through innovation.



Strategies

Strategies are adapting to address overcapacity by retrofitting plants for cost-effective feedstocks like ethane. Companies are also prioritizing portfolio diversification, with major oil firms investing in petrochemical production, particularly plastics, to offset declining fuel demand driven by electric vehicles.



Trends

Consolidation in Europe and North America grows, driven by regional supply chain needs and the impact of CBAM regulations. In addition, shifting demand dynamics in markets like China, driven by electric vehicle adoption and economic shifts, are pushing petrochemicals to the forefront as a key growth sector.



Key growth areas

Key growth areas include chemical recycling processes especially for plastic waste as well as hydrogen production and infrastructure, particularly in Europe, as part of broader decarbonization strategies targeting hard-to-abate industries.

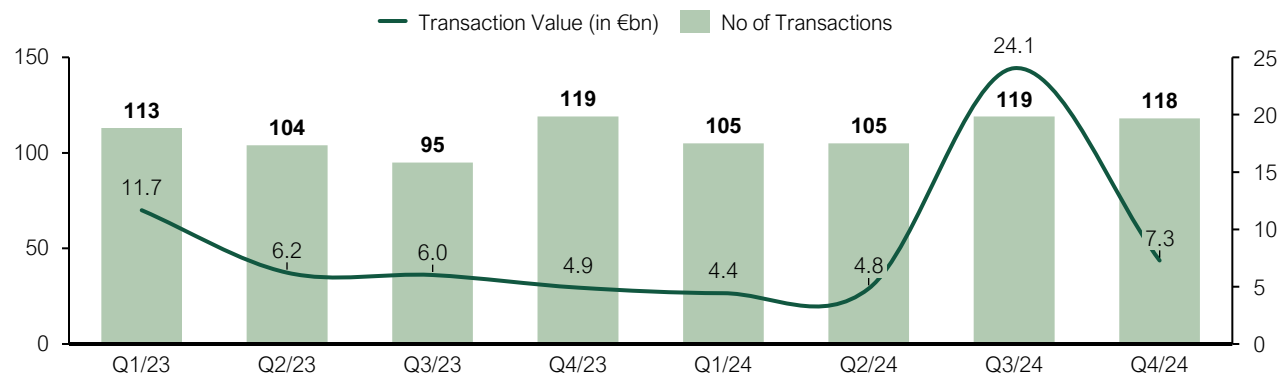
M&A Facts H2 2024

Base- & Petrochemicals

M&A SUMMARY

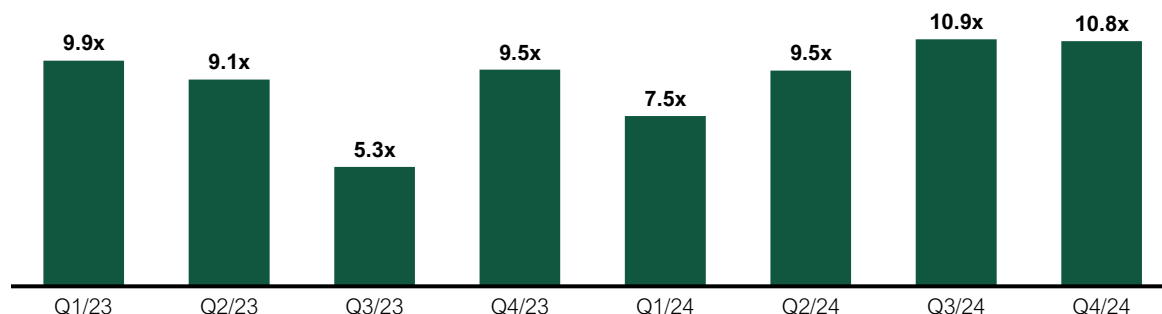
M&A market for Base- & Petrochemicals with increased activity, while transactions in Asia driving deal value in 2nd half of 2024.

Base- & Petrochemicals M&A Deal Count, Recorded Transaction Volume 2023-2024



Base- & Petrochemicals M&A Transaction Multiples 2023-2024

Implied Transaction Enterprise Value / EBITDA of announced transactions with disclosed multiple.



Data Source: S&P Capital IQ.



“Volatility in this cluster of the chemical industry fell slightly throughout the year. Consequently, global deal activities increased with focus on carve-outs and medium-sized transactions driven by consolidation”

Dr. Uwe Nickel
Partner, Zurich

M&A Facts H2 2024

Base- & Petrochemicals

NOTABLE TRANSACTIONS IN THE BASE- & PETROCHEMICALS SECTOR

The number of transactions in the core of petrochemicals remains lower in the 2nd half of 2024, especially in Europe.

Announced Date	Target	Acquirer	Stake %	Total Transaction Value (EURm)	Implied EV/ EBITDA
30/09/2024	SK Materials Co., Ltd., KR	Hahn & Co. No. 30 Co., Ltd.,	85	1'844	n/a
12/11/2024	Adams Resources & Energy, Inc. (NYSEAM:AE)	Tres Energy LLC	100	134	3.53
08/11/2024	CVR Energy, Inc.	Icahn Enterprises Holdings L.P.	18	307	6.31
31/10/2024	Bericap North America, Inc.	BERICAP GmbH & Co. KG	50	112	n/a
13/09/2024	STRUB & Co. AG	Fuchs SE	100	n/a	n/a
30/08/2024	Gujarat State Petroleum Corporation Limited	Gujarat Gas Limited	100	2'290	n/a
07/08/2024	Rabigh Refining and Petrochemical Company	Saudi Arabian Oil Company	23	10'337	116.47
06/08/2024	Formaplex Technologies Limited	Unipart Group of Companies Limited	100	n/a	n/a
05/08/2024	Aeronautical oxygen and nitrogen activities of Air Liquide	Safran SA	100	n/a	n/a
01/08/2024	Monarch Chemicals Ltd	Brenntag SE	100	n/a	n/a
31/07/2024	Veolia North America Regeneration Services, LLC	AIP, LLC	100	573	n/a
17/07/2024	TC innov	Egis SA	100	n/a	n/a

Data Source: S&P Capital IQ.



Selected Transactions in H2 2024

1



Deal Specs:

The German Fuchs SE acquired 100% of the Swiss STRUB & Co. AG.

Details:

This acquisition provides Fuchs direct market access in Switzerland and expands their presence with a new development and production site. STRUB will continue under its brand, with Diana and Marcel Strub staying on the management team.

2



Deal Specs:

The German Brenntag SE continued its dedicated M&A route and acquired 100% of the British Monarch Chemicals Ltd.

Details:

Brenntag has acquired Monarch Chemicals Ltd., expanding its presence in the UK with two new sites in Southeast England and Scotland. This acquisition enhances Brenntag's local service offerings and provides additional resources for liquid and powder mixing.

M&A Facts H2 2024

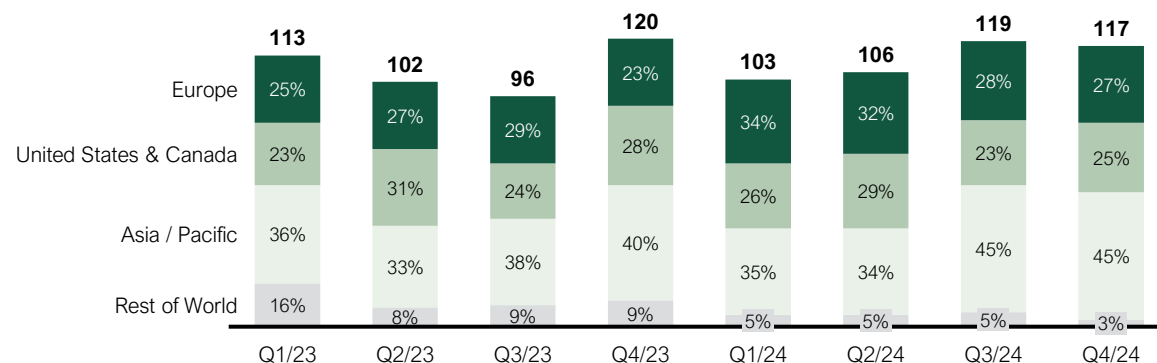
Base- & Petrochemicals

BASE- & PETROCHEMICALS M&A DEAL ANALYSIS¹

Market strongly driven by Asia. Financial sponsors recovered in Q4 2024 driven by improved financing conditions.

Deal Volume by Region

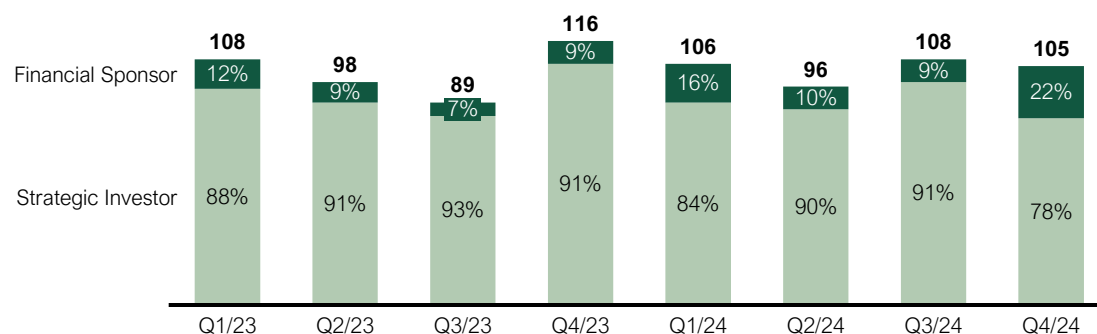
Deal count by Target Region



Deal Volume by Investor Type

Deal count by Investor Type

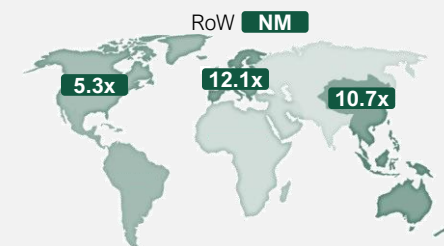
Announced transaction with identified investors.



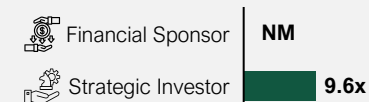
Data Source: S&P Capital IQ.

1) Announced transactions. Implied M&A Enterprise Value / LTM EBITDA of announced transactions with disclosed multiple.

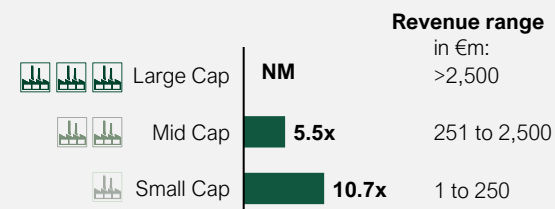
EBITDA Multiple (LTM) by Target Region



EBITDA Multiple (LTM) by Investor Type



EBITDA Multiple (LTM) by Company Size



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Base- & Petrochemicals

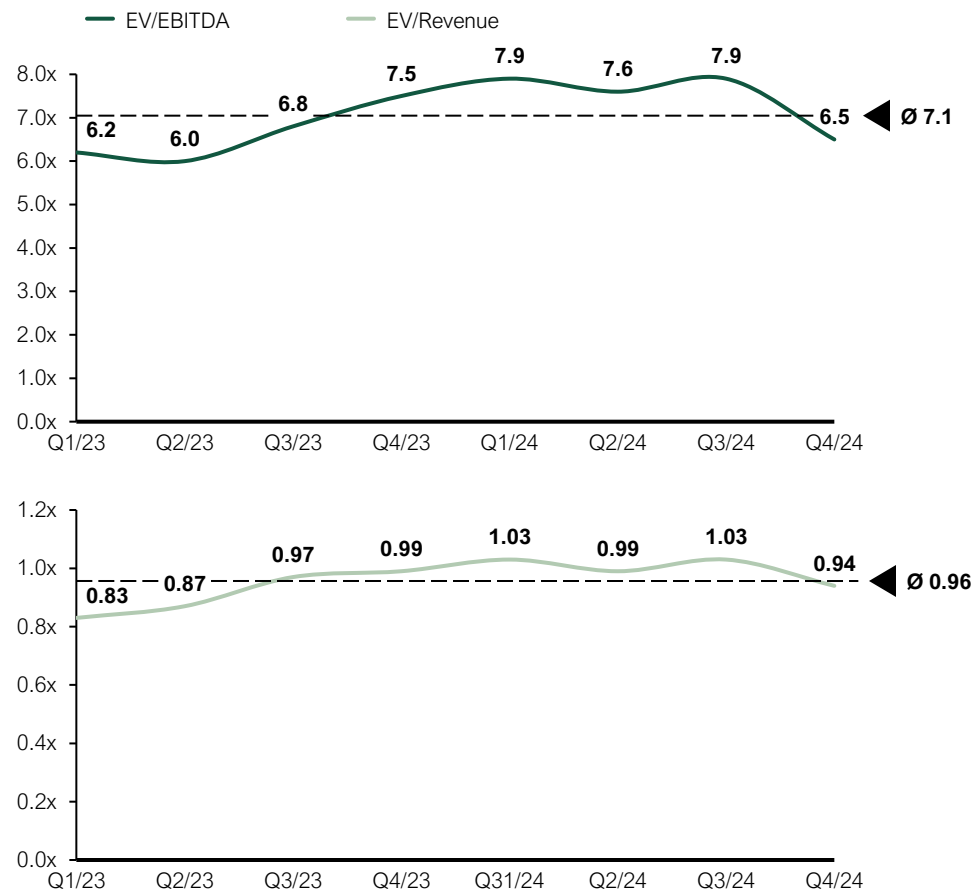
TRADING MULTIPLES

Multiples have recently dipped lower after stabilizing over the last quarters.

Enterprise value multiples of comparable listed companies

Company	EV/Revenue	EV/EBITDA
 ExxonMobil	1.4x	6.1x
 Reliance Industries Limited	2.0x	11.3x
 TotalEnergies	0.8x	4.3x
 SINOPEC	0.4x	5.9x
 sabik	1.6x	11.6x
 BASF The Chemical Company	0.9x	9.0x
 Dow	1.0x	6.5x
 LYB LyondellBasell	0.8x	7.0x
 LG Chem	1.0x	10.0x
 EASTMAN	1.6x	8.4x
 MITSUBISHI CHEMICAL	0.8x	6.5x
 ARKEMA	0.9x	5.8x
 SOLVAY	0.9x	4.8x

Median multiples of comparable listed companies over time



Data Source: S&P Capital IQ.



M&A Facts H2 2024

Base- & Petrochemicals

PRESENTING THE PROVENTIS PARTNERS SENIOR PROFESSIONALS FROM THE BASE- & PETROCHEMICALS SECTOR.
An M&A team of 35 professionals backed by the global Mergers Alliance network is at your disposal at Proventis Partners.

Our Base- & Petrochemicals Team



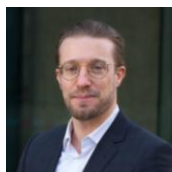
Dr. Jan-Philipp Pfander, Partner

- 30+ years experience in the chemicals and related sectors.
- Significant experience in advising clients on a wide range of M&A and capital market transactions.
- Co-Head of the Chemicals & Materials sector of Proventis Partners.



Dr. Uwe Nickel, Partner

- 35+ years experience of management in different areas of the chemical industry.
- Long-lasting experience in M&A and integrations/divestments
- Co-Head of the Chemicals & Materials sector of Proventis Partners.



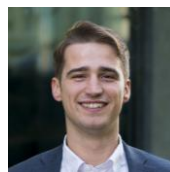
Cédric Mutz
Director



Artur Maibach
Vice President



Giuseppe Di Tommaso
Associate



Tassilo Pilars de Pilar
Analyst

Selected Base- & Petrochemicals Deals

M&A Sell-Side



Sale of production and distribution of hydrous ammonia assets to Proman



M&A Buy-Side



Siliconas Silam was sold to Elastofirm BV, backed by Egeria Private Equity



PROVENTIS PARTNERS TRACK RECORD

Our experience results from more than 430 completed M&A transactions with a total value of more than EUR 22 billion.

Experience from 20 years of Proventis Partners

Comprehensive network of executives, M&A decision-makers in corporations and private equity investors

So far, we have closed M&A deals in **30 countries**

~30
M&A professionals

> 50%
Cross-border deals

Strong track-record on sell- and buy-side mandates

> 430
successful deals

Transaction volume of **> EUR 22bn**

> 85% closing success

We are one of the top fully independent M&A advisors in the DACH region

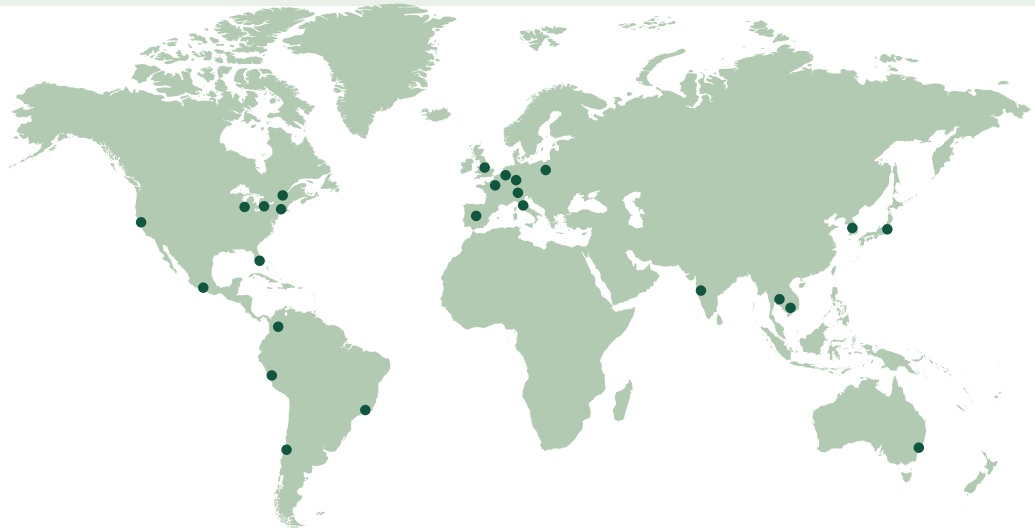
Extensive expertise in our six main sectors



PROVENTIS IS PART OF MERGERS ALLIANCE

Excellent contacts with national and international strategic buyers and Private Equity firms through our worldwide network.

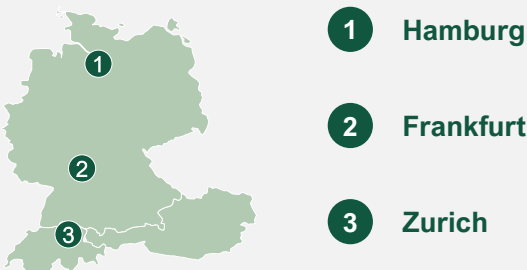
Overview global network Mergers Alliance



Switzerland Proventis Partners	Benelux OXEYE HJW Capital Advisors	USA Dresner Partners	Peru EFIC Partners	Brazil/Caribbean BroadSpan Capital
Germany Proventis Partners	Italy Ethica Corporate Finance	USA Montminy & Co	Chile Servicios Financieros Altis	Thailand Khronos Advisory
Austria Proventis Partners	Spain Norgestion	Mexico Broadspan	Japan Tokyo Kyodo Accounting Office	Korea Stewart & Co.
United Kingdom Opus Corporate Finance	Poland IPOPEMA	India Singhi Advisors	Australia Greenstone Partners	
France Aurignac Finance	Croatia InterCapital Investment Banking			



Our locations in German speaking Europe



Total **33** locations globally
A third in Europe



1,761
Deals since
2010

107
Deals
in 2024

280+
Professionals

Proventis Partners is an integral part of Mergers Alliance – a partnership of award-winning M&A specialists who provide high-quality advisory services to companies that need an international network for their M&A deals.

OUR CONTACT INFORMATION

We would be happy to meet you personally and support you in an advisory capacity.



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Base- & Petrochemicals

APPENDIX

Base- & Petrochemicals Peer Group.

Company Name	Country		Market Cap (EURm)	TEV (EURm)	Total Revenue LTM (EURm)	EBITDA LTM (EURm)	TEV/EBITDA H1 2024	TEV/EBITDA H2 2024	Change
Exxon Mobil Corporation	United States		456'659	479'291	304'734	64'141	6.1x	6.1x	△
Reliance Industries Limited	India		174'314	205'646	106'075	18'177	14.7x	11.3x	▽
TotalEnergies SE	France		120'282	147'919	182'243	33'844	4.2x	4.3x	△
China Petroleum & Chemical Corporation	China		99'258	163'850	389'551	21'996	5.8x	5.9x	△
Saudi Basic Industries Corporation	Saudi Arabia		51'713	58'922	33'561	4'172	13.3x	11.6x	▽
BASF SE	Germany		37'896	60'575	65'274	5'600	9.3x	9.0x	▽
Dow Inc.	United States		27'230	41'870	38'715	4'350	7.6x	6.5x	▽
LyondellBasell Industries N.V.	United States		23'272	33'174	36'522	3'964	8.1x	7.0x	▽
LG Chem, Ltd.	South Korea		12'337	33'332	33'938	3'508	8.8x	10.0x	△
Eastman Chemical Company	United States		10'220	14'711	8'378	1'510	9.8x	8.4x	▽
Mitsubishi Chemical Group Corporation	Japan		6'992	21'210	28'034	3'290	6.9x	6.5x	▽
Arkema S.A.	France		5'558	8'216	9'493	1'342	6.0x	5.8x	▽
Solvay SA	Belgium		3'251	4'898	4'574	859	3.5x	4.8x	△
Median							7.6x	6.5x	▽

1) EBITDA LTM does not include income (loss) from affiliates.

2) Multiples are calculated based on last reported LTM EBITDA including income (loss) from affiliates.

Source: S&P Capital IQ (01/2025)