



M&A FACTS – H1 2025
SPECIALTY CHEMICALS & MATERIALS
SECTOR

August 2025

SPECIALTY CHEMICALS & MATERIALS – M&A-HIGHLIGHTS AND MARKET INSIGHTS

Overall, SC&M M&A activity in early 2025 saw a decline in deal volume, while valuations remained relatively stable.

H1 2025 Deal activity

143
Deals

In line with sluggish trading comps, H1 2025 saw almost 20% less deals than H2 2024.

H1 saw, in particular, greater engagement from financial sponsors, as well as a lower deal count for US/Canada and recently APAC vs. Europe.

€22bn
Deal value

Total deal value declined even stronger in Q2 2025 than deal count. The slow down in average deal size highlights the slowdown in M&A activity amid macroeconomic uncertainties.

Valuations

Trading multiples came down in H1 2025, as uncertainties in the market were on the rise and interest rates being kept stable amid mixed economic data and tariff uncertainty.

H2 2024	H1 2025
9.9x	9.4x
Trading EBITDA Multiple	

Transaction multiples, on the other hand, were relatively stable and continued showing sizeable premiums vs. trading multiples.

H2 2024	H1 2025
14.6x	15.7x
Transaction EBITDA Multiple	

Insights

H1 2025 proved a challenging environment for the industry. Particularly in Q2, trading multiples dropped below long-term averages.



Strategies

Notable strategic initiatives include a reshaping of supply chains and a push to diversify client portfolios in light of impending trade obstacles, in particular under the new US government. Green/sustainable products remain top-of-mind under regulatory and consumer pressure, with growing emphasis on portfolio streamlining.



Trends

Current trends align with strategic priorities. Geopolitical uncertainties saw interest across borders, e.g. from Chinese buyers who seek to gain access to technology and sales channels in the West.

On the back of green chemistry developments, the industry continues to see partnerships between established chemical companies and start-ups in biotech and circular technologies.



Key growth areas

With a continued rise of EV mobility and renewable energy, demand for specialty materials (e.g. high-performance coatings / composites, conductive adhesives, thermal management materials) remains high. Ongoing strength in nanotechnology (electronics, automotive) further sustains demand.

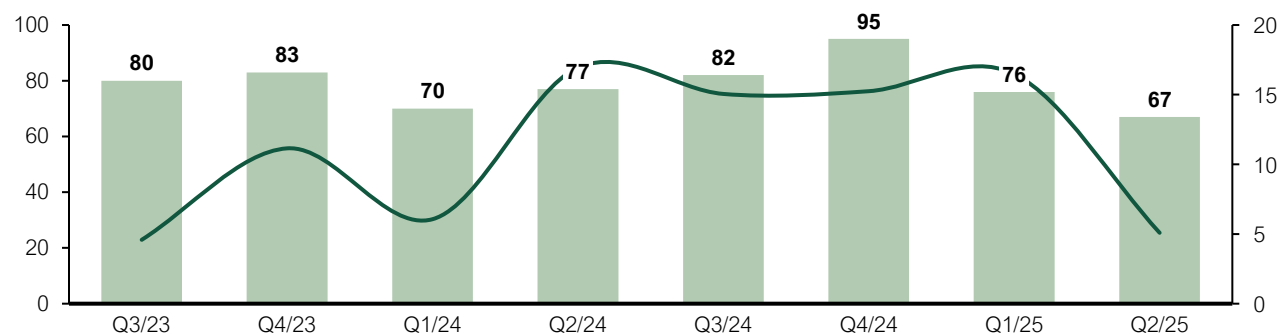
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M&A SUMMARY

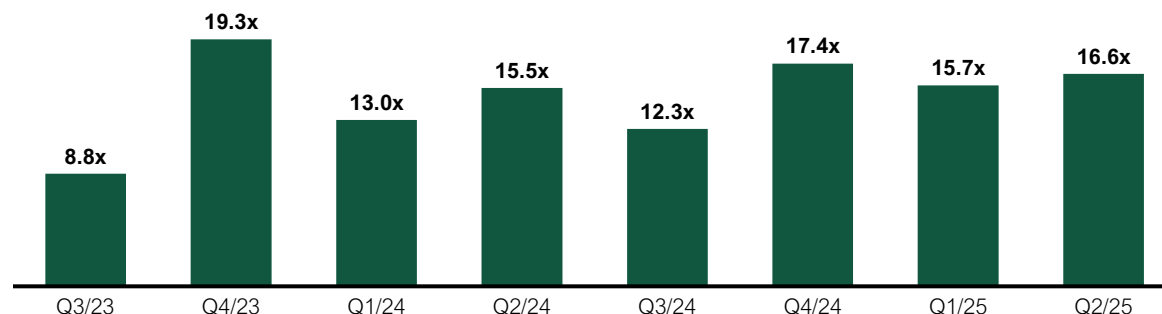
Stable transaction multiples, but a noticeable drop in volume in the Specialty Chemicals & Materials M&A market in H1 2025.

Specialty Chemicals & Materials M&A Deal Count, Recorded Transaction Volume 2023-2025



Specialty Chemicals & Materials M&A Transaction Multiples 2023-2025

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



“The outlook for 2025 remains very much uncertain, any portrays the first half number and size of transactions. Overall market remained flat while transaction times remained far above prior years. Too many political variables are around that influence decision making processes.”

Dr. Uwe Nickel
Partner, Zurich

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NOTABLE TRANSACTIONS IN THE SPECIALTY CHEMICALS & MATERIALS SECTOR

Strategic acquisitions in H1 2025 reflect portfolio reshaping, additive specialization, and cross-border expansion.

	Announced Date	Target	Acquirer	Stake %	Total Transaction Value (EURm)	Implied EV/ EBITDA
	30/05/2025	DyStar Global Holdings	Zhejiang Longsheng Group	38	614	n/a
1	22/05/2025	Johnson Matthey Davy Technologies/Johnson Matthey Chemicals/Johnson Matthey Process Technologies	Honeywell International	100	2'142	14.9
2	15/05/2025	SICIT Group	Renaissance Partners; TPG Capital; Schrodgers Capital; LGT Capital Partners; Intesa Holding	>50%	~1'000	n/a
	14/05/2025	Impact Formulators Group	Delta Tecnic	100	n/a	n/a
	31/03/2025	CSP	AURELIUS Investment Lux One	100	n/a	n/a
	28/03/2025	Daicel Novafoam	Jigyo Shokei Kiko Co.	100	n/a	n/a
	25/03/2025	Channell Commercial Corp	Prysmian	100	1'064	n/a
	04/03/2025	HPS North America	Sika	100	n/a	n/a
	10/02/2025	Liquid Crystal Polymer (LCP) Neat Resin Business of Syensqo	Sumitomo Chemical Company	100	n/a	n/a
	05/02/2025	Metamark UK	UPM Raflatac	100	175	n/a
	03/02/2025	Elkhart Composites	Patrick Industries	100	n/a	n/a

Selected Transactions in H1 2025



Deal Specs

Honeywell acquired Johnson Matthey's Catalyst Technologies Business for a value of EUR 2.1bn.

Details / Rationale

Honeywell agreed to acquire Johnson Matthey's Catalyst Technologies. The acquisition strengthens Honeywell's position in catalysts and process technologies by expanding UOP's installed base, enhancing its catalyst portfolio (especially in renewable fuels), and integrating complementary offerings. It creates synergies with UOP and Honeywell Process Solutions, leverages aftermarket capabilities, and is expected to be EPS-accretive in the first year with material cost synergy potential.



Deal Specs

Renaissance Partners and TPG Rise Climate agreed to jointly acquire control of SICIT for a rumored value of EUR 1bn.

Details / Rationale

NB Renaissance Partners Holdings Sarl and TPG Capital's TPG Rise Climate strategy have reached an agreement to jointly acquire a controlling stake in SICIT Group SpA, an Italian leader in biostimulant production transforming the residues of the leather industry into high value-added products for sustainable agriculture through a fully circular business model. The closing is expected to occur in Q3 2025, subject to the satisfaction of customary conditions.

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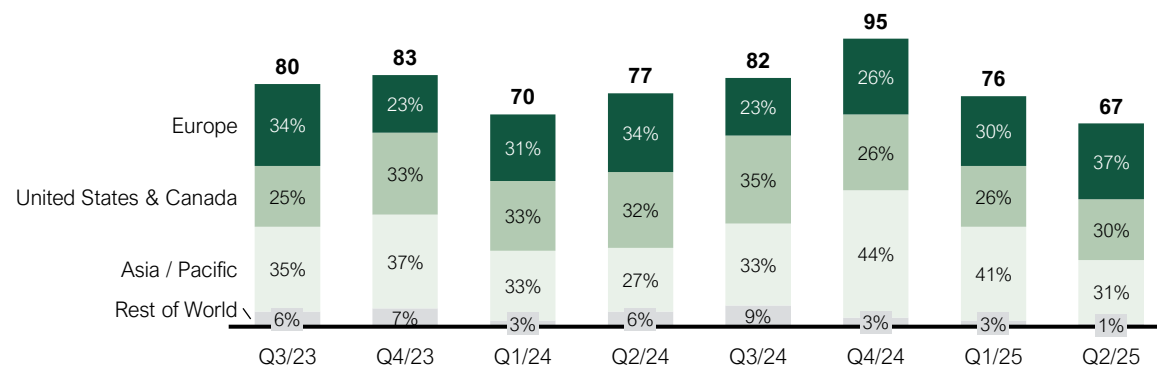
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SPECIALTY CHEMICALS & MATERIALS M&A DEAL ANALYSIS¹

Financial sponsor-backed deals continue to show higher multiples and accounted for a larger share than in previous quarters.

Deal Volume by Region

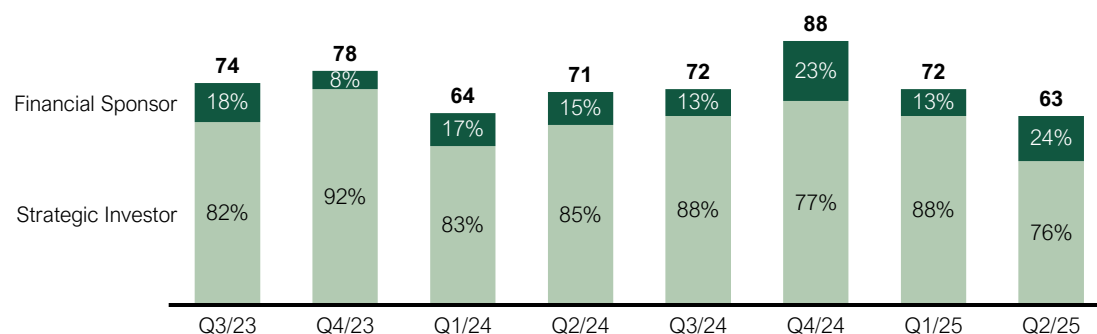
Deal count by Target Region



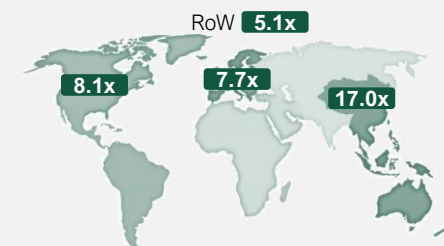
Deal Volume by Investor Type

Deal count by Investor Type

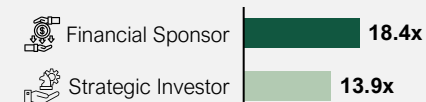
Announced transaction with identified investors.



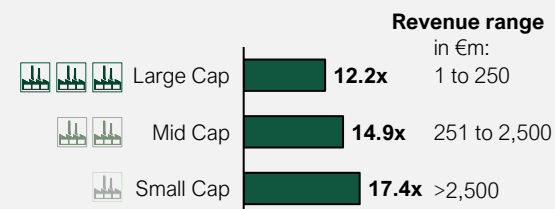
EBITDA Multiple (LTM) by Target Region



EBITDA Multiple (LTM) by Investor Type



EBITDA Multiple (LTM) by Company Size



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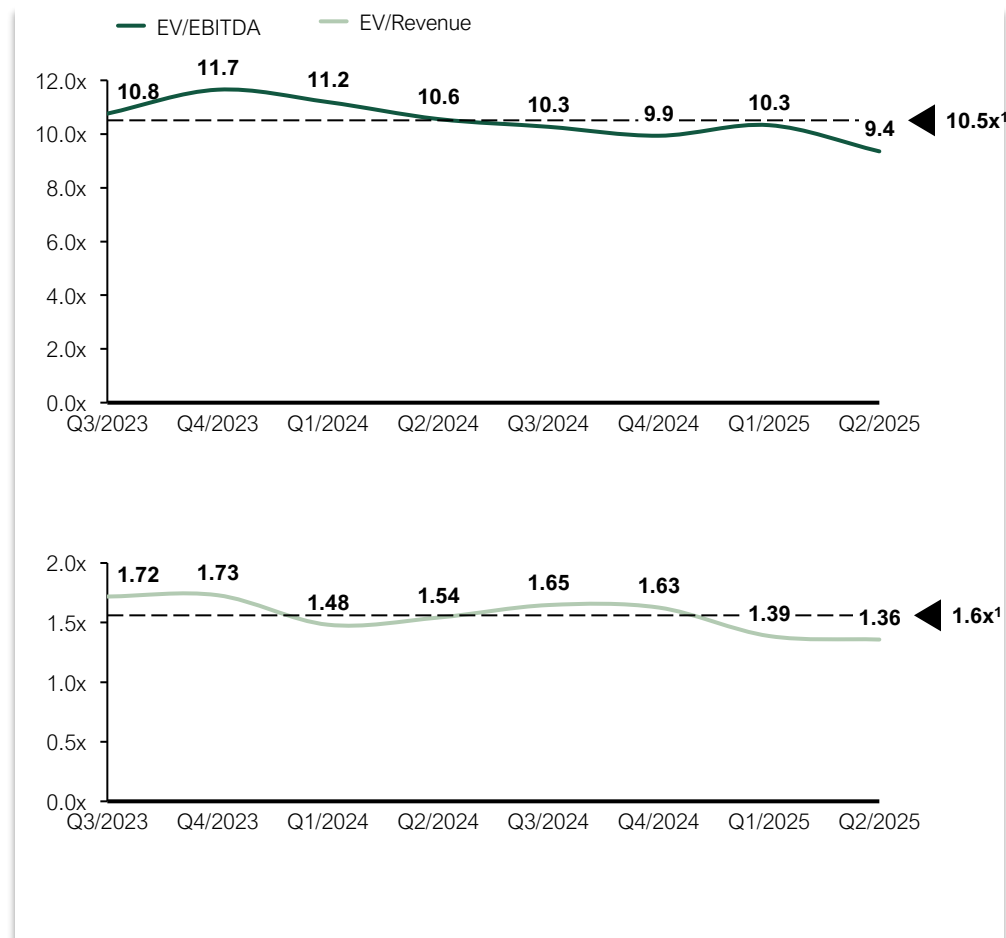
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TRADING MULTIPLES

While EV/revenue multiples stabilized, EV/EBITDA continued to fall and is currently below the average over the last two years.

Enterprise value multiples of comparable listed companies.

Company	EV/Revenue	EV/EBITDA
 MERCK	3.4x	12.5x
 Lonza	5.9x	20.1x
 Jilka	4.0x	21.1x
 Henkel	1.4x	9.3x
 DUPONT	3.1x	12.1x
 dsm-firmenich	2.4x	33.2x
 Bayer	1.4x	6.4x
 AkzoNobel	1.4x	12.0x
 EVONIK Leading Beyond Chemistry	0.8x	6.2x
 SYENSQO	1.0x	4.5x
 AXALTA	2.0x	10.8x
 CLARIANT	1.2x	7.1x
 LANXESS Energizing Chemistry	0.7x	12.3x



Data Source: S&P Capital IQ. 1) Average Multiples; Peer Group Organized by Market Capitalization in Descending Order.

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PRESENTING THE PROVENTIS PARTNERS SENIOR PROFESSIONALS IN THE SPECIALTY CHEMICALS & MATERIALS SECTOR

An M&A team of 30 professionals backed by the global Mergers Alliance network is at your disposal at Proventis Partners.

Our Specialty Chemicals & Materials Team



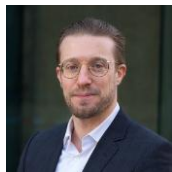
Dr. Jan-Philipp Pfander, Partner

- 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



Raffael Dubach
Associate



Philippe Hänni
Analyst

Selected Specialty Chemicals & Materials Deals

M&A Sell-Side

pontacol

LAS Holding has signed an agreement to sell Pontacol, active in thermoplastic adhesive films, to Covestro.



M&A Sell-Side



IMCD N.V. acquired VELOX GmbH, a leading European distributor of specialty chemicals, from its founders.



Capital Raise



Interface Polymers Ltd. has successfully raised growth capital from Evonik's Sustainability Tech Fund.



M&A Buy-Side



Microdiamant has acquired US-based Eminess Technologies to continue to grow in several dimensions.



M&A Buy-Side

Cinven

Cinven has acquired Bayer's Environmental Science Professional business, for a total purchase price of USD 2.6 billion.



M&A Buy-Side



Sukano has acquired KAYS Kft., a leading compounder specialized in engineering plastics



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

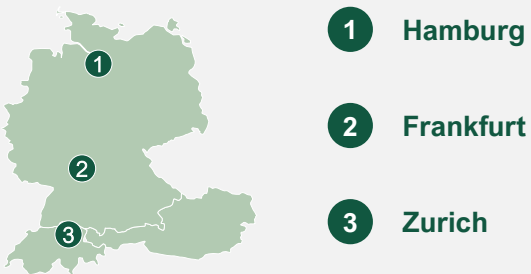
Excellent contacts with national and international strategic buyers and Private Equity firms through our worldwide network.

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 Norgeston	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

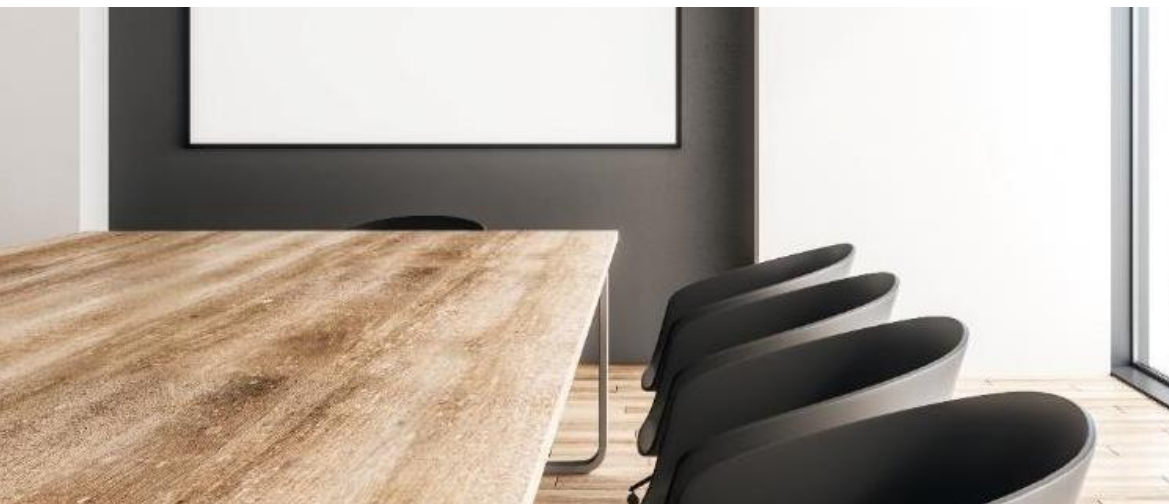


1,761 Deals since 2010	107 Deals in 2024	280+ Professionals
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Proventis Partners is an integral part of Mergers Alliance – a partnership of award-winning M&A specialists who provide high-quality advisory services to companies that need an international 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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APPENDIX

Specialty Chemicals & Materials 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
Merck KGaA	Germany 	47'826	54'979	21'316	5'877	13.1x	9.4x	▽
Lonza Group AG	Switzerland 	42'731	46'561	7'594	2'082	21.4x	23.8x	△
Sika AG	Switzerland 	37'003	42'414	12'538	2'279	16.5x	17.5x	△
Henkel AG & Co. KGaA	Germany 	26'289	27'199	21'586	3'524	8.5x	7.4x	▽
DuPont de Nemours, Inc.	USA 	24'442	29'766	11'584	2'940	12.0x	10.3x	▽
DSM-Firmenich AG	Switzerland 	23'727	26'476	12'799	1'599	26.1x	15.7x	▽
Bayer Aktiengesellschaft	Germany 	25'086	59'222	46'579	8'432	5.0x	7.0x	△
Akzo Nobel N.V.	Netherlands 	10'151	14'504	10'526	1'125	9.9x	11.4x	△
Evonik Industries AG	Germany 	8'155	11'778	15'138	1'717	5.4x	6.2x	△
Syensqo SA/NV	Belgium 	6'704	8'219	6'803	1'228	6.3x	6.2x	▽
Axalta Coating Systems Ltd.	USA 	5'525	7'985	4'852	935	9.6x	8.9x	▽
Clariant AG	Switzerland 	2'961	4'741	4'426	599	7.7x	6.7x	▽
LANXESS Aktiengesellschaft	Germany 	2'181	4'768	6'360	550	11.0x	9.7x	▽
Median						9.9x	9.4x	▽