Consolidated

3 Financial Statements

Consolidated income statement

in EUR m	Note	2024	2023
Sales	1.)	16,237.4	16,815.1
Cost of materials	2.)	–12,210.9	–12,795.0
Gross profit		**4,026.5**	**4,020.1**
Other operating income	3.)	102.9	133.2
Personnel expenses	4.)	–1,446.4	–1,391.9
Depreciation and impairment of property, plant and equipment, and amortization and impairment of intangible assets	18.) / 19.) / 20.)	–444.1	–388.0
Impairment losses on trade receivables and other receivables	13.)	–1.6	–3.2
Other operating expenses	5.)	–1,321.9	–1,247.5
Operating profit		**915.4**	**1,122.7**
Share of profit or loss of equity-accounted investments	21.)	–0.1	0.9
Interest income		19.0	18.9
Interest expense	6.)	–152.7	–122.8
Change in liabilities relating to acquisition of non-controlling interests recognized in profit or loss	7.)	–14.0	26.4
Loss on the net monetary position	8.)	–4.2	–16.0
Other net finance costs	9.)	–20.8	–27.3
Net finance costs		**–172.8**	**–119.9**
Profit before tax		**742.6**	**1,002.8**
Income tax expense	10.)	–198.9	–281.7
Profit after tax		**543.7**	**721.1**
Attributable to:			
Shareholders of Brenntag SE		536.2	714.9
Non-controlling interests		7.5	6.2
Basic earnings per share in euro	11.)	**3.71**	**4.73**
Diluted earnings per share in euro	11.)	**3.71**	**4.73**

3.01 Consolidated income statement

Consolidated statement of comprehensive income

in EUR m	Note	2024	2023
Profit after tax		**543.7**	**721.1**
Remeasurements of defined benefit pension plans	26.)	3.3	–9.5
Deferred tax relating to remeasurements of defined benefit pension plans	26.)	–1.3	2.7
Items that will not be reclassified to profit or loss		**2.0**	**–6.8**
Change in exchange rate differences on translation of consolidated companies	28.)	162.8	–102.6
Change in exchange rate differences on translation of equity-accounted investments		0.1	–0.1
Change in net investment hedge reserve	32.)	–4.9	6.1
Remeasurement of cross-currency interest rate swaps	32.)	–20.3	21.2
Reclassification to profit or loss of hedging losses	32.)	36.9	–8.0
Costs of hedging	32.)	–3.6	–2.6
Reclassification to profit or loss of costs of hedging	32.)	–0.8	–0.8
Deferred tax relating to those items	32.)	–3.1	–
Items that may be reclassified subsequently to profit or loss		**167.1**	**–86.8**
Other comprehensive income, net of tax		**169.1**	**–93.6**
Total comprehensive income		**712.8**	**627.5**
Attributable to:			
Shareholders of Brenntag SE		704.8	625.5
Non-controlling interests	28.)	8.0	2.0

3.02 Consolidated statement of comprehensive income

Consolidated balance sheet

Assets

in EUR m	Note	Dec. 31, 2024	Dec. 31, 2023
Current assets			
Cash and cash equivalents	12.)	763.3	576.9
Trade receivables	13.)	2,282.5	2,263.1
Other receivables	14.)	222.9	275.4
Other financial assets	15.)	20.7	13.9
Current tax assets		174.0	104.4
Inventories	16.)	1,518.4	1,376.4
		4,981.8	**4,610.1**
Non-current assets held for sale	17.)	107.1	2.5
		5,088.9	**4,612.6**
Non-current assets			
Property, plant and equipment	18.)	1,695.1	1,505.2
Intangible assets	19.)	4,044.8	3,573.0
Right-of-use assets	20.)	596.2	438.2
Equity-accounted investments	21.)	5.0	6.0
Other receivables	14.)	67.5	52.0
Other financial assets	15.)	21.3	16.7
Deferred tax assets	10.)	149.2	134.1
		6,579.1	**5,725.2**
Total assets		**11,668.0**	**10,337.8**

Liabilities and equity

in EUR m	Note	Dec. 31, 2024	Dec. 31, 2023
Current liabilities			
Trade payables	22.)	1,661.6	1,633.7
Financial liabilities	23.)	812.5	439.9
Lease liabilities	20.)	136.9	122.8
Other liabilities	24.)	567.4	567.3
Other provisions	25.)	94.8	103.1
Liabilities relating to acquisition of non-controlling interests	27.)	–	57.4
Current tax liabilities		120.7	96.8
		3,393.9	**3,021.0**
Liabilities associated with assets held for sale	17.)	84.3	–
		3,478.2	**3,021.0**
Non-current liabilities			
Financial liabilities	23.)	2,126.5	1,874.0
Lease liabilities	20.)	480.4	327.0
Other liabilities	24.)	2.3	2.3
Other provisions	25.)	260.2	264.4
Provisions for pensions and other post-employment benefits	26.)	135.1	134.0
Liabilities relating to acquisition of non-controlling interests	27.)	64.5	60.0
Deferred tax liabilities	10.)	358.8	298.4
		3,427.8	**2,960.1**
Equity	28.)		
Subscribed capital		144.4	147.5
Additional paid-in capital		755.2	1,002.2
Retained earnings		3,675.8	3,419.0
Accumulated other comprehensive income		151.3	–14.0
Treasury shares		–	–250.0
Equity attributable to shareholders of Brenntag SE		**4,726.7**	**4,304.7**
Equity attributable to non-controlling interests		35.3	52.0
		4,762.0	**4,356.7**
Total liabilities and equity		**11,668.0**	**10,337.8**

3.03 Consolidated balance sheet

Consolidated statement of changes in equity

in EUR m	Subscribed capital	Additional paid-in capital	Retained earnings	Exchange rate differences	Net investment hedge reserve
Dec. 31, 2022	**154.5**	**1,491.4**	**3,035.0**	**86.0**	**–4.4**
Dividends	–	–	–304.7	–	–
Business combinations	–	–	–36.8	–	–
Transactions with owners	–	–	17.4	–3.0	–
Treasury shares canceled / acquired	–7.0	–489.2	–	–	–
Profit after tax	–	–	714.9	–	–
Other comprehensive income, net of tax	–	–	–6.8	–98.5	6.1
Total comprehensive income for the period	**–**	**–**	**708.1**	**–98.5**	**6.1**
Dec. 31, 2023	**147.5**	**1,002.2**	**3,419.0**	**–15.5**	**1.7**
Dividends	–	–	–303.2	–	–
Business combinations	–	–	–	–	–
Transactions with owners	–	–	21.8	–1.3	–
Treasury shares canceled / acquired	–3.1	–247.0	–	–	–
Profit after tax	–	–	536.2	–	–
Other comprehensive income, net of tax	–	–	2.0	162.4	–4.9
Total comprehensive income for the period	**–**	**–**	**538.2**	**162.4**	**–4.9**
Dec. 31, 2024	**144.4**	**755.2**	**3,675.8**	**145.6**	**-3.2**

in EUR m	Cash flow hedge reserve	Treasury shares	Deferred tax relating to cash flow hedge reserve	Equity attributable to share-holders of Brenntag SE	Equity attributable to non-controlling interests	**Equity**
Dec. 31, 2022	**–10.0**	**–**	**–**	**4,752.5**	**50.2**	**4,802.7**
Dividends	–	–	–	–304.7	–2.0	–306.7
Business combinations	–	–	–	–36.8	16.2	–20.6
Transactions with owners	–	–	–	14.4	–14.4	–
Treasury shares canceled / acquired	–	–250.0	–	–746.2	–	–746.2
Profit after tax	–	–	–	714.9	6.2	721.1
Other comprehensive income, net of tax	9.8	–	–	–89.4	–4.2	–93.6
Total comprehensive income for the period	**9.8**	**–**	**–**	**625.5**	**2.0**	**627.5**
Dec. 31, 2023	**–0.2**	**–250.0**	**–**	**4,304.7**	**52.0**	**4,356.7**
Dividends	–	–	–	–303.2	–1.8	–305.0
Business combinations	–	–	–	–	–2.4	–2.4
Transactions with owners	–	–	–	20.5	–20.5	–
Treasury shares canceled / acquired	–	250.0	–	–0.1	–	–0.1
Profit after tax	–	–	–	536.2	7.5	543.7
Other comprehensive income, net of tax	12.2	–	–3.1	168.6	0.5	169.1
Total comprehensive income for the period	**12.2**	**–**	**–3.1**	**704.8**	**8.0**	**712.8**
Dec. 31, 2024	**12.0**	**–**	**–3.1**	**4,726.7**	**35.3**	**4,762.0**

3.04 Consolidated statement of changes in equity

Consolidated cash flow statement

in EUR m	Note	2024	2023
	29.)		
Profit after tax		**543.7**	**721.1**
Loss on the net monetary position		4.2	16.0
Depreciation and amortization	18.) / 19.) / 20.)	444.1	388.0
Income tax expense	10.)	198.9	281.7
Income taxes paid		–229.6	–249.1
Net interest expense	6.)	133.7	103.9
Interest paid		–118.0	–117.0
(of which interest paid for leases)	20.)	(–23.4)	(–17.0)
Interest received		18.8	18.6
Dividends received		1.0	0.3
Inventories		–78.4	404.1
Trade receivables		76.9	436.0
Trade payables		–44.3	–231.4
Changes in working capital		–45.8	608.7
Changes in other assets and liabilities		–33.4	–111.6
Changes in provisions		–29.5	46.4
Non-cash change in liabilities relating to acquisition of non-controlling interests	7.)	14.0	–26.4
Other non-cash items and reclassifications		4.5	–16.7
Net cash provided by operating activities		**906.6**	**1,663.9**
Proceeds from the disposal of consolidated subsidiaries and other business units less costs to sell		–	8.1
Proceeds from the disposal of other financial assets		0.4	0.4
Proceeds from the disposal of intangible assets and property, plant and equipment		29.2	31.6
Payments to acquire consolidated subsidiaries and other business units	29.)	–436.1	–277.3
Payments to acquire other financial assets		–0.3	–
Payments to acquire intangible assets and property, plant and equipment		–342.2	–321.1
Net cash used in investing activities		**–749.0**	**–558.3**
Payments to acquire treasury shares		–250.1	–496.2
Payments to acquire non-controlling interests		–76.1	–12.0
Proceeds from non-controlling interests		–	1.7
Dividends paid to Brenntag shareholders		–303.2	–304.7
Profits distributed to non-controlling interests		–4.1	–4.5
Proceeds from borrowings	29.)	1,262.5	348.1
Repayments of lease liabilities		–152.8	–143.2
Repayments of borrowings		–453.2	–943.0
Net cash provided by/used in financing activities		**23.0**	**–1,553.8**
Change in cash and cash equivalents		**180.6**	**–448.2**
Effect of exchange rate changes on cash and cash equivalents		11.5	–22.4
Reclassification into non-current assets held for sale		–5.7	1.4
Cash and cash equivalents at beginning of period	12.)	576.9	1,046.1
Cash and cash equivalents at end of period	12.)	**763.3**	**576.9**

3.05 Consolidated cash flow statement

Notes

General information

As one of the world's leading chemical distributors, Brenntag offers its customers and suppliers an extensive range of services, global supply chain management and a highly developed chemical distribution network in EMEA, North and Latin America as well as in Asia Pacific.

Brenntag SE has its registered office at Messeallee 11, 45131 Essen, Germany, and is entered in the commercial register at the Essen Local Court under commercial register number HRB 31943.

These consolidated financial statements of Brenntag SE were prepared by the Board of Management of Brenntag SE on March 6, 2025, authorized for publication and submitted to the Supervisory Board for approval at its meeting on March 10, 2025.

The consolidated financial statements of Brenntag SE are denominated in euros (EUR). Unless stated otherwise, the amounts are in millions of euros (EUR million). For arithmetic reasons, rounding differences of ± one unit after the decimal point (EUR, %, etc.) may occur.

Consolidation policies and methods

Standards applied

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards, as adopted in the EU.

The IFRS Accounting Standards comprise the standards (International Financial Reporting Standards and International Accounting Standards) issued by the International Accounting Standards Board (IASB) and the IFRS® Interpretations by the IFRS Interpretations Committee (IFRS IC) and the former Standing Interpretations Committee (SIC).

The accounting policies applied comply with all the standards and interpretations existing and adopted by the EU as at December 31, 2024 whose application is mandatory. In addition, the German commercial law provisions to be applied in accordance with Section 315e, para. 1 of the German Commercial Code (HGB) were taken into account.

The following revised and new standards issued by the International Accounting Standards Board (IASB) have been applied by the Brenntag Group for the first time:

First-time adoption in 2024

- Amendments to IAS 1: regarding the classification of liabilities as current or non-current as well as non-current liabilities with covenants required to be complied with – effective date January 1, 2024
- Amendments to IFRS 16: regarding the lease liability in a sale and leaseback – effective date January 1, 2024
- Amendments to IAS 7 and IFRS 7: reverse factoring arrangements

The narrow-scope amendment to IAS 1 clarifies that liabilities are classified as current or non-current based on the entity's rights in existence at the end of the reporting period. Under the amendment, liabilities are classified as non-current if, at the end of the reporting period, the entity has a substantive right to defer settlement of the liability for at least twelve months after the reporting date. In assessing whether a (substantive) right exists, the entity does not consider whether it will exercise its right. Classification is unaffected by management's intentions in this regard.

Moreover, the amendments to IAS 1 now specify that conditions contained in loan arrangements with which an entity must comply within twelve months after the reporting period do not affect whether an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, i.e. such conditions do not affect a liability's classification as current or non-current. Whether an entity has the right at the end of the reporting period to defer settlement of a liability arising from a loan arrangement for at least twelve months after the reporting period is determined based solely on those conditions with which an entity must comply on or before the end of the reporting period.

Under the amendments to IFRS 16, an entity is required to subsequently measure the lease liability in such a way that it does not recognize any gain or loss that relates to the right of use it retains.

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures primarily concern additional disclosure requirements in connection with reverse factoring arrangements. The disclosures required by the amendments are not required for interim financial statements in the year in which the entity first applies the amendments.

The aforementioned new and revised standards do not have a material impact on the presentation of the Group's net assets, financial position and results of operations.

First-time adoption in 2025

- Amendments to IAS 21: Lack of Exchangeability

The amendments to IAS 21 issued by the IASB specify whether a currency is exchangeable or not, and set out how an entity determines the exchange rate to be applied when a currency is not exchangeable. Moreover, IAS 21 is extended to include a provision requiring the disclosure of additional information when a currency is not exchangeable.

First-time adoption in 2026

- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

The amendments clarify that a financial liability is generally derecognized on the settlement date. If the liability is settled using an electronic payment system, it may in certain circumstances be derecognized before the settlement date.

In addition, the application guidance on how an entity assesses the contractual cash flow characteristics criterion in determining the measurement categories of financial assets has been extended, and further disclosures have been introduced for financial instruments with contingent cash flows and equity instruments measured at fair value through other comprehensive income.

- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity

The changes affect the following:

Own use exemption: The exemption will be extended for contracts for the physical delivery of nature-dependent electricity, provided certain conditions are met, particularly in relation to sales of unused electricity.

Hedge accounting: It will also be possible to include variable volumes of expected purchases and sales of nature-dependent electricity in the hedged item, provided certain conditions are met.

Disclosures: Extended disclosure requirements are provided for contracts within the scope of these amendments.

- Annual Improvements to IFRSs Volume 11

The annual improvements to IFRSs contain a number of minor amendments to various standards that are intended to clarify the content of the standards and eliminate any existing inconsistencies.

First-time adoption in 2027

- IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, the standard required to be applied thus far. The objective in developing IFRS 18 was to improve the reporting on an entity's financial performance with a focus on the income statement. The main changes include the introduction of predefined subtotals and the classification of income and expenses in the income statement, provisions to improve the aggregation and disaggregation of items and the introduction of disclosures on certain management-defined performance measures.

- IFRS 19: Subsidiaries without Public Accountability: Disclosures

IFRS 19 enables subsidiaries without public accountability to apply the full IFRSs, but with reduced disclosure requirements.

Brenntag is currently examining the effects of the amended standards on the presentation of the net assets, financial position and results of operations. From a present perspective, they do not have a material impact on the presentation of the Group's net assets, financial position and results of operations.

Scope of consolidation

As at December 31, 2024, the consolidated financial statements include Brenntag SE and in addition 25 (Dec. 31, 2023: 27) domestic and 216 (Dec. 31, 2023: 195) foreign consolidated subsidiaries including structured entities.

The table below shows the changes in the number of consolidated companies including structured entities:

	Dec. 31, 2023	Additions	Disposals	Dec. 31, 2024
Domestic consolidated companies	28	–	2	26
Foreign consolidated companies	195	26	5	216
Total consolidated companies	**223**	**26**	**7**	**242**

3.06 Changes in scope of consolidation

The additions relate to entities acquired in business combinations under IFRS 3 and two entities established. The disposals are the result of mergers of companies no longer operating and liquidations.

Four (Dec. 31, 2023: four) associates are accounted for using the equity method.

A full list of shareholdings for the Brenntag Group in accordance with Section 313, para. 2 of the German Commercial Code (HGB) can be found in the Annex to the Notes.

In the case of two (Dec. 31, 2023: two) subsidiaries where Brenntag does not hold the majority of the voting rights, it nevertheless exercises its power to direct the relevant activities. The structured entities individually listed in the list of shareholdings in accordance with Section 313, para. 2 of the German Commercial Code (HGB) are a leasing company and a sales company.

In financial year 2022, the Board of Management of Brenntag SE decided to halt the business operations of all Brenntag companies in Russia and Belarus until further notice due to the war in Ukraine. In the second quarter of 2023, Brenntag sold all shares in OOO Brenntag based in Moscow, Russia. As at December 31, 2024, Brenntag still reported cash and cash equivalents of EUR 7.3 million in Russia (of which EUR 0.2 million in rubles and EUR 7.1 million in US dollars) which were only available to Brenntag for cross-border transfers subject to the applicable restrictions on foreign exchange transactions. As at December 31, 2023, the cash and cash equivalents of the Brenntag companies in Russia amounted to EUR 7.6 million.

Business combinations in accordance with IFRS 3

At the beginning of June 2024, Brenntag closed the acquisition of 100% of the shares in the Solventis Group, a glycols and solvents distributor based in Antwerp, Belgium, and the UK. The site in Antwerp will extend Brenntag's regional access and warehousing capacity, while opening up the potential for interregional optimization.

At the end of October 2024, Brenntag acquired 100% of the shares in Química Delta based in Teoloyucan, Mexico. Química Delta is a leading distributor of industrial chemicals and has a dense service network in central Mexico with access to tollgate infrastructure in Mexico.

In addition, Brenntag made the following smaller acquisitions.

At the end of March 2024, Brenntag acquired all shares in Lawrence Industries Ltd. based in Tamworth, UK. The company supplies high-quality additives, minerals and catalysts to a wide range of markets across the UK and Ireland. This acquisition strengthens Brenntag's position in the Material Science segment.

At the beginning of July 2024, Brenntag acquired the site and business operations of Industrial Chemicals Corporation (ICC) in Denver, Colorado, USA. ICC operates a centrally located chemical distribution facility and a transport hub. The transaction strengthens strategically important capacity for last-mile service operations in North America, especially in the Colorado area.

At the beginning of August 2024, Brenntag acquired all shares in Monarch Chemicals based in Sheerness, UK, one of the UK's leading distributors of commodity and agricultural chemicals with its own liquid and powder blending facilities. The transaction includes two sites in the southeast of England

and Scotland and expands Brenntag's local service offering in the UK.

At the end of October, Brenntag acquired all shares in PIC Química e Farmacêutica Ltda. (PIC) and PharmaSpecial Especialidades Químicas e Farmacêuticas Ltda. (PharmaSpecial) in Brazil. This acquisition expands Brenntag Specialties' position in Brazil's growing life science market significantly.

The purchase price, net assets and goodwill relating to these business combinations break down as follows:

in EUR m	Solventis Group	Química Delta	Other entities	**Total**
Purchase price	**224.0**	**216.0**	**141.5**	**581.5**
of which consideration contingent on earnings targets	–	–	0.6	0.6
Assets				
Cash and cash equivalents	37.1	33.7	8.6	79.4
Trade receivables, other financial assets and other receivables	36.2	72.7	19.5	128.4
Other current assets	37.1	24.6	16.7	78.4
Non-current assets	160.2	125.0	81.3	366.5
Liabilities				
Current liabilities	31.9	56.0	11.9	99.8
Non-current liabilities	85.4	61.2	15.9	162.5
Net assets	**153.3**	**138.8**	**98.3**	**390.4**
of which Brenntag's share	153.3	138.8	98.3	390.4
of which non-controlling interests	–	–	–	–
Goodwill	**70.7**	**77.2**	**43.2**	**191.1**
of which deductible for tax purposes	–	–	8.3	8.3

3.07 Net assets acquired in 2024

Assets acquired and liabilities assumed in business combinations are normally recognized at their fair value at the date of acquisition. The multi-period excess earnings method was used to measure customer relationships. In particular, the estimate of the useful lives of customer relationships can affect their fair value.

For reasons of time, measurement of the assets acquired and liabilities assumed (among others customer relationships and deferred taxes) of the entities acquired in financial year 2024 has not yet been completed. There are no material differences between the gross amount and the carrying amount of the receivables. The main factors determining the goodwill are the above-mentioned reasons for the acquisitions where not included in other assets (e.g. customer relationships and similar rights).

Acquisition-related costs in the amount of EUR 2.7 million were recognized under other operating expenses.

Since their acquisition by Brenntag, the business units acquired in financial year 2024 have generated the following sales and the following profit after tax:

in EUR m	Solventis Group	Química Delta	Other entities	**2024**
Sales	174.6	46.0	87.7	308.3
Profit after tax	4.4	5.1	7.0	16.5

3.08 Sales and profit after tax of the businesses acquired since acquisition

If the above-mentioned business combinations had taken place with effect from January 1, 2024, sales of about EUR 16,688 million would have been reported for the Brenntag Group in the reporting period. Profit after tax would have been about EUR 559 million.

The carrying amounts and amortization of the intangible assets held by the business units acquired in 2024 and contained in non-current assets, in each case at the exchange rate at the acquisition date, are as follows:

in EUR m	Solventis Group	Química Delta	Other entities	**Provisional fair value**
Customer relationships and similar rights				
Customer relationships	66.2	69.3	44.1	179.6
Annual amortization	4.8	5.0	4.2	14.0
Trademark	12.5	13.1	4.1	29.7
Annual amortization	0.9	1.0	2.1	4.0

3.09 Intangible assets acquired

Measurement of the assets and liabilities from the acquisition in financial year 2023 of the Aik Moh Group (Aik Moh) based in Singapore has been completed.

The purchase price, net assets acquired and goodwill were adjusted as follows in the measurement period:

in EUR m	Provisional fair value	Adjustments	**Final fair value**
Purchase price	**60.7**	**2.4**	**63.1**
of which consideration contingent on earnings targets	–	–	–
Assets			
Cash and cash equivalents	10.3	–	10.3
Trade receivables, other financial assets and other receivables	13.6	–	13.6
Other current assets	6.4	–	6.4
Non-current assets	43.7	1.5	45.2
Liabilities			
Current liabilities	11.3	–	11.3
Non-current liabilities	7.4	5.0	12.4
Contingent liabilities	–	–	–
Net assets	**55.3**	**-3.5**	**51.8**
of which Brenntag's share	55.3	-3.5	51.8
of which non-controlling interests	–	–	–
Goodwill	**5.4**	**5.9**	**11.3**
of which deductible for tax purposes	–	–	–

3.10 Net assets acquired in 2023: Aik Moh

Measurement of the assets and liabilities from the acquisition in financial year 2023 of 70% of the shares in Shanghai Saifu Chemical Development Co., Ltd. (Saifu) headquartered in Shanghai, China, has been completed.

The purchase price, net assets acquired and goodwill were adjusted as follows in the measurement period:

in EUR m	Provisional fair value	Adjustments	**Final fair value**
Purchase price	**60.5**	**–**	**60.5**
of which consideration contingent on earnings targets	–	–	–
Assets			
Cash and cash equivalents	2.9	–	2.9
Trade receivables, other financial assets and other receivables	13.9	–	13.9
Other current assets	17.1	–	17.1
Non-current assets	42.0	–10.5	31.5
Liabilities			
Current liabilities	10.5	–	10.5
Non-current liabilities	11.3	–2.6	8.7
Net assets	**54.1**	**–7.9**	**46.2**
of which Brenntag's share	37.9	–5.5	32.4
of which non-controlling interests	16.2	–2.4	13.8
Goodwill	**22.6**	**5.5**	**28.1**
of which deductible for tax purposes	–	–	–

3.11 Net assets acquired in 2023: Saifu

Measurement of the assets and liabilities from the acquisition in financial year 2023 of Colony Gums, Inc. and Harvest Moon Holdings, LLC, based in Monroe, North Carolina, USA, (Colony Gums) has been completed.

The purchase price, net assets acquired and goodwill were adjusted as follows in the measurement period:

in EUR m	Provisional fair value	Adjustments	**Final fair value**
Purchase price	**119.9**	**–1.1**	**118.8**
of which consideration contingent on earnings targets	–	–	–
Assets			
Cash and cash equivalents	3.2	–	3.2
Trade receivables, other financial assets and other receivables	3.4	0.2	3.6
Other current assets	3.8	–1.2	2.6
Non-current assets	6.4	50.6	57.0
Liabilities			
Current liabilities	0.3	–	0.3
Non-current liabilities	–	–	–
Net assets	**16.5**	**49.6**	**66.1**
of which Brenntag's share	16.5	49.6	66.1
of which non-controlling interests	–	–	–
Goodwill	**103.4**	**–50.7**	**52.7**
of which deductible for tax purposes	103.4	–50.7	52.7

3.12 Net assets acquired in 2023: Colony Gums

Measurement of the assets and liabilities from the acquisition in financial year 2023 of Old World Specialty Chemicals, LLC and Old World Logistics, LLC, headquartered in Northbrook, Illinois, USA, (OWI Chlor Alkali) has been completed.

The purchase price, net assets acquired and goodwill were adjusted as follows in the measurement period:

in EUR m	Provisional fair value	Adjustments	Final fair value
Purchase price	**55.3**	**-4.5**	**50.8**
of which consideration contingent on earnings targets	–	–	–
Assets			
Cash and cash equivalents	–	–	–
Trade receivables, other financial assets and other receivables	34.3	–0.1	34.2
Other current assets	18.0	–0.1	17.9
Non-current assets	17.5	17.6	35.1
Liabilities			
Current liabilities	25.2	0.2	25.4
Non-current liabilities	13.9	–	13.9
Net assets	**30.7**	**17.2**	**47.9**
of which Brenntag's share	30.7	17.2	47.9
of which non-controlling interests	–	–	–
Goodwill	**24.6**	**-21.5**	**3.1**
of which deductible for tax purposes	24.6	–21.5	3.1

3.13 Net assets acquired in 2023: OWI Chlor Alkali

Measurement of the assets and liabilities of the other entities and businesses acquired in financial year 2023 (Al-Azzaz Chemicals Company, based in Al-Khobar Dammam, Saudi Arabia, and Avebe Nişasta Sanayii ve Ticaret Limited Şirketi, based in Izmir, Turkey) has been completed.

The purchase price, net assets acquired and goodwill were adjusted as follows in the measurement period:

in EUR m	Provisional fair value	Adjustments	Final fair value
Purchase price	**38.8**	**-0.2**	**38.6**
of which consideration contingent on earnings targets	–	–	–
Assets			
Cash and cash equivalents	3.0	–	3.0
Trade receivables, other financial assets and other receivables	14.7	–	14.7
Other current assets	7.3	–	7.3
Non-current assets	12.5	–	12.5
Liabilities			
Current liabilities	4.5	–	4.5
Non-current liabilities	4.2	–	4.2
Net assets	**28.8**	**-**	**28.8**
of which Brenntag's share	28.8	–	28.8
of which non-controlling interests	–	–	–
Goodwill	**10.0**	**-0.2**	**9.8**
of which deductible for tax purposes	–	–	–

3.14 Net assets acquired in 2023: Other business combinations

Goodwill from the business combinations carried out in financial years 2023 and 2024 changed as follows:

in EUR m	Aik Moh	Saifu	Colony Gums	OWI Chlor Alkali	Solventis Group	Química Delta	Other	Goodwill
Dec. 31, 2023	**5.5**	**22.4**	**99.1**	**23.7**	**–**	**–**	**9.7**	**160.4**
Exchange rate differences	0.4	1.0	5.3	1.0	–	0.9	0.8	9.4
Business combinations in 2024	–	–	–	–	70.7	77.2	43.2	191.1
Adjustments in the measurement period	5.9	5.5	–50.7	–21.5	–	–	–0.2	–61.0
Dec. 31, 2024	**11.8**	**28.9**	**53.7**	**3.2**	**70.7**	**78.1**	**53.5**	**299.9**

3.15 Change in goodwill

Consolidation methods

The consolidated financial statements include the single-entity financial statements – prepared according to uniform accounting policies – of Brenntag SE and all entities controlled by Brenntag. This is the case when the following conditions are met:

- Brenntag has decision-making power over the relevant activities of the other entity.
- Brenntag has exposure, or rights, to variable returns from its involvement with the other entity.
- Brenntag has the ability to use its decision-making power over the relevant activities of the other entity to affect the amount of the variable returns of the other entity.

Control may be based on voting rights or arise from other contractual arrangements. Accordingly, the scope of consolidation includes, in addition to entities in which Brenntag SE directly or indirectly controls the majority of voting rights, structured entities which are controlled as a result of contractual arrangements.

Inclusion in the consolidated financial statements commences at the date on which control is obtained and ends when control is lost.

Acquisitions are accounted for using the acquisition method in accordance with IFRS 3. The cost of an acquired business unit is considered to be the fair value of the assets given. Acquisition-related costs are recognized as an expense. Contingent consideration is recognized as a liability at the acquisition-date fair value when determining the cost. If Brenntag gains control but does not acquire 100% of the shares, the corresponding non-controlling interest is recognized.

Identifiable assets, liabilities and contingent liabilities of an acquiree that are eligible for recognition are generally measured at their fair value at the transaction date, irrespective of the share of any non-controlling interests. Any remaining differences between cost and the share of the net assets acquired are recognized as goodwill.

In the event of an acquisition in stages which leads to control of a company being obtained, or in the event of a share sale involving a loss of control, the shares already held in the first case or the remaining shares in the second case are measured at fair value through profit or loss. Acquisitions or disposals of shares which have no effect on existing control are recognized in equity.

Receivables, liabilities, expenses, income and intercompany profits or losses within the Brenntag Group are eliminated.

Associates of the Brenntag Group where Brenntag has significant influence are accounted for using the equity method. Significant influence is generally considered to exist when Brenntag SE holds between 20% and 50% of the voting rights either directly or indirectly. The same consolidation policies apply to companies accounted for using the equity method as to consolidated companies, whereby recognized goodwill is contained in the carrying amount of investments accounted for using the equity method. Brenntag's share of the profit/loss after tax of the companies accounted for using the equity method is recognized in the income statement. The accounting policies of the companies accounted for using the equity method were, as far as necessary, adjusted in line with the accounting policies of Brenntag.

Currency translation

Foreign currency receivables and liabilities in the single-entity financial statements are stated on initial recognition at the spot exchange rate at the date of the transaction. At the reporting or settlement date, foreign currency receivables and liabilities are translated at the closing rate. The resulting differences are recognized in profit or loss.

The items contained in the financial statements of a Group company are measured on the basis of the currency of the relevant primary economic environment in which the company operates (functional currency). The presentation currency of the Brenntag Group is the euro.

The single-entity financial statements of the companies whose functional currency is not the euro are translated into euros as follows:

Assets and liabilities are translated at the closing rate, income and expense at the annual average rate. This notwithstanding, income and expense of Brenntag Kimya Ticared Limited Sirketi are also translated at the closing rate due to the classification of Turkey as a hyperinflationary economy. Any differences resulting from currency translation are recognized in other comprehensive income. Goodwill and fair value adjustments resulting from the acquisition of foreign companies are assigned to the foreign company and also translated at the closing rate.

For some companies in Latin America and in the Asia Pacific region, the functional currency is the US dollar and not the local currency. Non-monetary items, primarily property, plant and equipment, goodwill and other intangible assets as well as environmental provisions, are translated from the local currency into US dollars using the exchange rate at the transaction date. Monetary items are translated at the closing rate. All income and expenses are translated at the average exchange rate for the reporting period with the exception of depreciation and amortization, impairment losses and reversals of impairment losses as well as income and expenses incurred in connection with environmental provisions. These are translated at the same exchange rates as the underlying assets and liabilities. The resulting foreign currency differences are recognized in profit or loss. After translation of the items in the single-entity financial statements into the functional currency, the US dollar, the same method is used for translation from US dollars into the Group currency, the euro, as for companies whose functional currency is the local currency.

The single-entity financial statements of foreign companies accounted for using the equity method are translated using the same principles.

The euro exchange rates of major currencies changed as follows:

	Closing rate		Average rate	
EUR 1 = currencies	**Dec. 31, 2024**	Dec. 31, 2023	**2024**	2023
Brazilian real (BRL)	6.4253	5.3618	5.8283	5.4010
Canadian dollar (CAD)	1.4948	1.4642	1.4821	1.4595
Swiss franc (CHF)	0.9412	0.9260	0.9526	0.9718
Chinese yuan renminbi (CNY)	7.5833	7.8509	7.7875	7.6600
Danish krone (DKK)	7.4578	7.4529	7.4589	7.4509
Pound sterling (GBP)	0.8292	0.8691	0.8466	0.8698
Polish zloty (PLN)	4.2750	4.3395	4.3058	4.5420
Russian ruble (RUB)	113.8116	99.7293	100.3354	92.1155
Swedish krona (SEK)	11.4590	11.0960	11.4325	11.4788
Turkish lira (TRY)	36.7372	32.6531	35.5734	25.7597
US dollar (USD)	1.0389	1.1050	1.0824	1.0813

3.16 Exchange rates of major currencies

Accounting and measurement policies

Revenue recognition

Revenue from contracts with customers is recognized using a five-step model in accordance with IFRS 15:

1. Identify the contract(s) with a customer
2. Identify the separate performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the separate performance obligations
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognized in the amount of consideration to which Brenntag expects to be entitled in exchange for goods or services. Variable consideration, such as cash discounts, discounts and rebates, is estimated and taken into account when determining the transaction price.

Revenue from the sale of goods or services is recognized when control of the goods or services transfers to the customer. Control transfers when the customer obtains control of the agreed goods or services and can obtain benefits from them. In a sale of goods, control usually transfers when the goods are collected by the customer or dispatched by Brenntag or a third party. In this case, revenue is recognized at a point in time. Revenue from services is recognized over time.

There are currently no significant financing components in the Brenntag Group. Payment terms are negotiated locally and reflect standard market practice. As there are no long-term performance obligations, the amount and timing of allocated transaction prices are not required to be disclosed for performance obligations that are unsatisfied as of the reporting date (practical expedient in IFRS 15.121).

Interest income is recognized as the interest accrues using the effective interest method.

Dividend income is recognized when the right to receive payment is established.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques and deposits held with banks with an original term of three months or less. They are measured at amortized cost.

Trade receivables, other receivables and other financial assets

Trade receivables that do not contain a significant financing component are initially recognized at the transaction price in accordance with IFRS 15. All other financial assets are measured on initial recognition at fair value (if applicable, including transaction costs). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For the purpose of subsequent measurement, financial assets are classified into one of three categories, depending on the business model for managing the financial assets and the contractual cash flow characteristics:

- Measured at amortized cost: Assets held in order to collect contractual cash flows, where those cash flows are solely payments of principal and interest
- Measured at fair value through other comprehensive income: Assets held in order to collect contractual cash flows and sell the assets, where those cash flows are solely payments of principal and interest
- Measured at fair value through profit or loss: Assets that do not meet the criteria of the two aforementioned categories

Trade receivables, other receivables and receivables included in other financial assets are measured at amortized cost. There are no financial instruments measured at fair value through other comprehensive income. Securities and shares in entities where Brenntag does not have at least significant influence are measured at fair value through profit or loss, as are derivative financial instruments.

For fair value measurement, IFRS 13 provides a three-level hierarchy that reflects the extent to which the inputs used to determine fair value are market-based:

- Level 1: Fair value determined using quoted or market prices in an active market
- Level 2: Fair value determined using quoted or market prices in an active market for similar financial assets or liabilities, or other measurement methods for which significant inputs used are based on observable market data
- Level 3: Fair value determined using measurement methods for which significant inputs used are not based on observable market data.

Trade receivables are subsequently measured using provision matrices under the simplified impairment model. Based on historical credit losses and forward-looking estimates, the country-specific valuation allowances expected over the lifetime of the trade receivables are determined for receivables in the same credit risk class (e.g. customer industries) (stage 2 of the impairment model). In this context, credit risk is assessed primarily on the basis of the extent to which the receivables are past due.

For other receivables and financial assets subsequently measured at amortized cost, the lifetime expected losses resulting from default events within the next twelve months are recognized in profit or loss on initial recognition and subsequent measurement (stage 1 of the impairment model). In the event of a significant increase in credit risk, the total losses expected over the lifetime of the assets are reflected (stage 2 of the impairment model).

If there is objective evidence that trade receivables or other financial assets measured at amortized cost should be considered impaired, e.g. because they are more than 180 days past due or because insolvency or similar proceedings are opened, a specific valuation allowance reflecting the credit risk in question is recognized in profit or loss. The valuation allowances are posted to an allowance account in the balance sheet. If a receivable is uncollectible, the gross amount and the valuation allowance are both derecognized. Uncollectibility is determined on a case-by-case basis, based on appropriate indicators.

A regular way purchase or sale of non-derivative financial assets is recognized at the settlement date. Derivative financial instruments are recognized in the balance sheet when Brenntag becomes a party to the contractual provisions of that instrument.

Financial assets are derecognized if the contractual rights to the cash flows from the financial asset have expired or Brenntag has transferred substantially all the risks and rewards of ownership of the financial asset.

Inventories

Inventories mainly comprise merchandise. They are initially recognized at cost. Production costs for the inventories produced through further processing are also capitalized.

Inventories are subsequently measured in accordance with IAS 2 at the lower of cost (on the basis of the average cost formula) and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realizable value also reflects effects of obsolescence or reduced marketability. Earlier valuation allowances on inventories are reversed if the net realizable value of the inventories increases again.

Property, plant and equipment

Property, plant and equipment is carried at cost of acquisition or construction and, except for land, depreciated over its estimated useful life on a straight-line basis. If major components of an item of property, plant and equipment have different useful lives, these components are accounted for separately and depreciated over their respective useful lives.

Acquisition costs include all expenditure directly attributable to the acquisition.

In accordance with IAS 16, future costs for any restoration obligation are recognized as an increase in the cost of acquisition or construction of the respective asset and a corresponding provision is established at the time of acquisition or construction of the item of property, plant and equipment.

In accordance with IAS 20, government grants and assistance for investments are deducted from the related asset.

The charges on property, plant and equipment include both depreciation charges and impairment losses.

When items of property, plant and equipment are sold, the difference between the net proceeds and the carrying amount of the respective asset is recognized as a gain or loss in other operating income or expenses.

Assets are depreciated over the following useful lives:

	Useful life
Land rights	40 to 50 years
Buildings	15 to 50 years
Installations and building improvements	8 to 20 years
Technical equipment and machinery	3 to 20 years
Vehicles	5 to 8 years
Other equipment, operating and office equipment	2 to 10 years

3.17 Useful lives of property, plant and equipment

Intangible assets

Intangible assets include customer relationships and similar rights purchased, the “Brenntag” trademark, other trademarks, software, concessions and similar rights as well as goodwill from the acquisition of consolidated subsidiaries.

Intangible assets acquired through business combinations are measured on initial recognition at their acquisition-date fair value.

Separately acquired intangible assets are carried at cost.

Acquired software licenses are recognized at cost plus directly attributable costs incurred to acquire and bring to use the specific software.

For the purposes of accounting for cloud computing arrangements, the individual contract components, such as the software used in the context of such arrangements, are assessed separately. Software applications provided by cloud service providers are assessed as to whether they are an intangible asset under IAS 38. This assessment considers the following aspects among others:

- hosting is performed by an independent third party engaged by the user,
- the user has substantive rights to download the software and run it locally on its own hardware or on that of a third-party provider, and
- the user has an exclusive right to use the software or owns the intellectual property in the software.

The accounting for implementation costs arising in cloud computing arrangements follows the accounting for the related software component. If the related software component is an intangible asset under IAS 38, the criteria for recognizing acquisition-related costs as part of the cost of an intangible asset apply. If, on the other hand, the software component is a service contract, the implementation costs are accounted for based on the IFRS IC’s 2021 agenda decision “Configuration or Customization Costs in a Cloud Computing Arrangement”.

In addition to goodwill, the “Brenntag” trademark also has an indefinite useful life as, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The other intangible assets are amortized on a straight-line basis over their estimated useful lives. The following useful lives are assumed:

	Useful life
Concessions, industrial and similar rights as well as software and trademarks with definite useful lives	3 to 10 years
Customer relationships and similar rights	3 to 15 years

3.18 Useful lives of intangible assets

The charges on intangible assets include both amortization charges and impairment losses.

Leases

The leases at Brenntag relate mainly to land and buildings (warehouse and office space), vehicles and other plant and equipment. Leases are entered into for fixed terms of more than one year to 70 years in limited cases, but may also contain extension options.

For leases where Brenntag is lessee, a lease liability is generally recognized along with a corresponding right-of-use asset, if applicable taking into account any further cost components. This excludes short-term leases with a term of one year or less and leases of low-value and intangible assets, for which expenditure is recognized as an expense over the term.

On initial recognition, the lease liability is measured at the present value of the lease payments not yet paid at that date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, Brenntag uses the incremental borrowing rate. The incremental borrowing rates were determined on the basis of a base rate plus a risk premium. The base rates in major currencies and countries were derived from interest rate swaps (if available) or government bond yields for a period of up to twenty years. For countries or currencies for which there were no reliable data available on which to base the determination, the euro base rate was adjusted to reflect a country risk premium.

Lease payments are not separated into payments for lease components and payments for non-lease components (e.g. payments for maintenance or servicing costs).

In subsequent periods, the right-of-use asset is generally depreciated on a straight-line basis. The lease liability is adjusted using the effective interest method.

Impairment testing of non-current non-financial assets

In accordance with IAS 36, non-current non-financial assets (property, plant and equipment, intangible assets and right-of-use assets) are tested for impairment whenever there is an objective indication that the carrying amount may not be recoverable.

Intangible assets that have an indefinite useful life and are, therefore, not subject to amortization are also tested for impairment at least annually.

Impairment exists when the carrying amount of an asset exceeds the estimated recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset. If the carrying amount is higher than the recoverable amount, the asset is written down to the recoverable amount.

If the recoverable amount of an individual asset cannot be determined, the recoverable amount of the cash-generating unit (CGU) or group of cash-generating units to which this asset belongs is determined and compared with the carrying amount of the CGU or group of CGUs.

Impairments, except for impairments of goodwill, are reversed as soon as the reasons for the impairment no longer exist.

Goodwill is tested for impairment regularly, at least annually, after completion of the annual budget process by comparing the carrying amount of the relevant group of CGUs with its recoverable amount.

If the carrying amount of a group of CGUs exceeds the recoverable amount, an impairment exists in the amount of the difference. In this case, the goodwill of the relevant group of CGUs would first be written down. Any remaining impairment would be allocated to the assets of the group of CGUs in proportion to the net carrying amounts of the assets at the reporting date. The carrying amount of an individual asset must not be less than the highest of fair value less costs of disposal, value in use (in each case in as far as they can be determined) and zero.

Other provisions

In accordance with IAS 37, other provisions are recognized when the Group has a present legal or constructive obligation towards third parties as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Non-current provisions are recognized at the present value of the expected outflow and their discounting is unwound over the period until their expected utilization. For provisions for long-service anniversary bonuses and pre-retirement part-time working arrangements, this is carried out bearing in mind actuarial principles or by obtaining external appraisals.

If the amount of an obligation declines as a result of a change in an estimate, the provision is reversed by the corresponding amount. Reversals of provisions for personnel expenses are recognized in personnel expenses. Provisions recognized as other operating expenses are reversed as other operating income.

Provisions are recognized for share-based payments in accordance with IFRS 2. The long-term incentive programs and the expiring long-term, virtual share-based remuneration program for the members of the Board of Management and the Long-Term Incentive Plans for executives and senior managers are classified as cash-settled share-based payments. Provisions are established for the resulting obligations. The obligations are measured at fair value. They are recognized as personnel expenses over the vesting period during which the beneficiaries acquire a vested right (unconditional right). The fair value is remeasured at each reporting date and at the settlement date.

Provisions for pensions and other post-employment benefits

The Group's pension obligations comprise both defined contribution and defined benefit pension plans.

The contributions to be paid into defined contribution pension plans are recognized directly as expense. Provisions for pension obligations are not established as, in these cases, Brenntag has no additional obligation apart from the obligation to pay the premiums.

In accordance with IAS 19, provisions are established for defined benefit plans, unless the plans are multi-employer pension funds for which insufficient information is available. The obligations arising from these defined benefit plans are determined using the projected unit credit method, under which the expected benefits to be paid after retirement are determined taking dynamic measurement inputs into account and spread over the entire length of service of the employees participating in the plan. For this purpose, an actuarial valuation is obtained every year. The actuarial assumptions for the discount rate, salary increase rate, pension trend, life expectancy and cost increases for medical care used to calculate the defined benefit obligation are established on the basis of the respective economic circumstances. The plan assets measured at fair value are deducted from the present value of the defined benefit obligation (gross pension obligation). Plan assets are assets where the claim to said assets has, in principle, been assigned to the beneficiaries. This results in the net liability required to be recognized or the net asset required to be recognized.

The discount rate is determined by reference to market yields at the end of the reporting period on fixed-rate senior corporate bonds. The currency and term of the corporate bonds taken as a basis are consistent with the currency and estimated term of the post-employment benefit obligations.

Life expectancy is determined using the latest mortality tables. Pension costs are made up of three components:

Component	Constituents	Recognized in
Service cost	– Current service cost – Past service cost incl. gains and losses from plan curtailments – Gains and losses from plan settlements	Personnel expenses
Net interest expense	– Unwinding of discounting of defined pension obligation (DBO) – Interest income from plan assets	Interest expense
Remeasurements	– Actuarial gains and losses on DBO from experience adjustments and from changes in measurement inputs – Changes in value of plan assets not already contained in net interest expense	Other comprehensive income, net of tax

3.19 Pension cost components

As a result of the recognition of the remeasurement components in other comprehensive income, the balance sheet shows the full extent of the net obligation avoiding volatility in profit or loss that may result in particular from changes in the measurement inputs.

Multi-employer defined benefit plans are treated as defined contribution plans when insufficient information is available.

Trade payables, financial liabilities and other liabilities

Trade payables, financial liabilities (excluding derivative financial instruments and contingent purchase prices payable in business combinations) and other liabilities are classified as at amortized cost. They are initially recognized at their fair value net of transaction costs incurred and subsequently carried at amortized cost using the effective interest method.

Derivative financial instruments and contingent purchase prices payable in business combinations are initially recognized at fair value and subsequently measured at fair value through profit or loss.

Liabilities relating to acquisition of non-controlling interests

Liabilities relating to the acquisition of non-controlling interests include forwards and combined call/put options relating to the acquisition of non-controlling interests as well as liabilities arising from limited partners' rights to repayment of contributions.

On initial recognition, forwards, symmetric call/put options, written put options and liabilities arising from limited partners' rights to repayment of contributions are recognized outside profit or loss as a synthetic liability at the present value of the settlement amount. Until the forwards and options are exercised, non-controlling interests are presented in consolidated equity. These items are subsequently measured at amortized cost. Unwinding of discounting and changes in estimates are recognized in profit or loss. Liabilities arising from limited partners' rights to repayment of contributions are recognized in profit or loss at amortized cost, in the amount of the expected right to repayment of contributions.

Exchange rate effects are recognized in profit or loss or, in the case of net investment hedges, directly in equity.

Call options without a symmetric put option are initially recognized at fair value outside profit or loss and subsequently measured at fair value through profit or loss.

Deferred taxes and current income taxes

Current income taxes for current and prior periods are recognized at the amount expected to be paid to or recovered from the taxation authorities.

Deferred taxes are determined in accordance with IAS 12 (Income Taxes). They arise from temporary differences between the carrying amounts of assets and liabilities in the IFRS balance sheet and their tax base, from consolidation adjustments and from tax loss carryforwards that are expected to be utilized.

Deferred tax assets are recognized to the extent that there are sufficient taxable differences available for utilization and it is likely that future taxable profit will be available against which the temporary differences and unutilized loss carryforwards can be utilized.

No deferred taxes are recognized for the difference between the net assets and the tax base of subsidiaries (outside basis differences) provided Brenntag is able to control the timing of the reversal of the temporary difference and it is unlikely that the temporary difference will reverse in the foreseeable future.

Deferred taxes for domestic companies are calculated on the basis of the combined income tax rate of the German consolidated tax group of Brenntag SE of 32% (2023: 32%) for corporate income tax, solidarity surcharge and trade income tax, and for foreign companies, at local tax rates. These are tax rates which can be expected to apply on the basis of laws in the different countries that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are netted against each other if they relate to the same taxation authority, the company has a legally enforceable right to set them off against each other and they mature in the same period.

Brenntag falls within the scope of the OECD's Pillar Two model rules. As the Pillar Two legislation became applicable on January 1, 2024, the Group will be exposed to a higher tax liability under Pillar Two. The legislation requires the Group to pay a top-up tax per country in the amount of the difference between the GloBE effective tax rate and the minimum tax rate of 15%. The OECD model rules provide for simplifications (safe harbors) to enable compliance with Pillar Two. Brenntag has made use of the safe harbors where relevant.

Taking into account the safe harbors, Brenntag concludes that only a very small number of countries fall below the average effective tax rate of 15% based on the IFRS results. These countries include Switzerland, Mauritius and Ireland, for example.

Additional tax of EUR 2.7 million for the countries identified was included in the consolidated financial statements in the form of a provision. The Group has applied the temporary exception issued by the IASB in May 2023 to the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

The final tax liability under Pillar Two will not be fully known until the minimum tax report for 2024 is submitted. The minimum tax report for 2024 must be submitted to the Federal Central Tax Office by June 30, 2026.

Subscribed capital

The subscribed capital is carried at its nominal value.

Assumptions and estimates

Preparation of the consolidated financial statements requires the use of assumptions and estimates which may affect the amount and presentation of assets and liabilities and income and expenses. These assumptions and estimates mainly relate to the following:

- the calculation and discounting of cash flows when impairment tests are performed;
- probability of occurrence, interest rates and other measurement inputs used to measure provisions, particularly for environmental risks and defined benefit pension obligations;
- the amount of liabilities relating to the acquisition of non-controlling interests and the determination of interest rates;
- the assessment of whether purchase and extension options will be exercised when accounting for right-of-use assets in accordance with IFRS 16 (Leases);
- assumptions as to the realization of future tax benefits from tax loss carryforwards and to the useful lives of intangible assets and property, plant and equipment.

As in previous years, Brenntag's market environment was made difficult again by geopolitical conflicts such as the war in Ukraine and the Middle East conflict. These tensions affected business activities across various sectors. Brenntag's business performance and the assumptions about its future free cash flow performance therefore remain subject to uncertainties which may affect the recognition and amount of assets and liabilities stated in the balance sheet, particularly goodwill.

If the free cash flow taken as a basis for goodwill impairment testing, which is influenced mainly by gross profit performance, had been 10% lower, with all other conditions remaining the same, a goodwill impairment loss of EUR 28.0 million would have arisen in the group of CGUs Essentials Latin America. A 20% lower growth rate over the entire planning period would likewise have resulted in an impairment loss of EUR 8.6 million in the group of CGUs Essentials Latin America. An increase of 1.0 percentage points in the WACC (weighted average cost of capital after taxes) taken as a basis for goodwill impairment testing would have resulted in an impairment loss of EUR 26.8 million in the group of CGUs Essentials Latin America. No impairment loss would have arisen in the other groups of CGUs. In the previous year, a goodwill impairment loss of EUR 16.0 million and EUR 10.1 million, respectively, arose in the group of CGUs China Hong Kong (BES) during the aforementioned sensitivity analyses of the growth rate and the WACC.

If the discount rates used to determine the environmental provisions had been one percentage point higher or lower and all other conditions had remained the same, the provision would have decreased by EUR 5.8 million (Dec. 31, 2023: EUR 5.7 million) or increased by EUR 6.6 million (Dec. 31, 2023: EUR 6.3 million), respectively.

Sensitivity analyses of defined benefit pension obligations are described in the section "Provisions for pensions and other post-employment benefits".

Due to purchase prices being contingent on earnings, liabilities relating to the acquisition of non-controlling interests are subject to estimation uncertainty over the amount of the purchase prices payable.

In the case of right-of-use assets under IFRS 16 (Leases), purchase and extension options are recognized if they are reasonably certain to be exercised. In this respect, the assessment is subject to a high degree of judgment. If circumstances change, the assessment of whether an option is reasonably certain to be exercised must be made anew.

When measuring deferred tax assets for tax loss carryforwards, the future taxable profit available is based on a planning horizon of five years. The useful lives of items of property, plant and equipment and intangible assets are shown in the sections Property, plant and equipment and Intangible assets. The actual amounts may differ from the assumptions and estimates in individual cases. Adjustments are recognized when estimates are revised.

The global fight against climate change will lead not only to structural, regulatory and technological changes, but also to increased costs as a result of preventive technologies or government carbon taxes. Climate change mitigation plays a particularly important role within Brenntag's sustainability strategy, as the entire value chain is affected. Moreover, climate change mitigation is important to many of Brenntag's customers. In financial year 2024, Brenntag fully reviewed and adapted its climate change mitigation targets, which now cover Scope 1, Scope 2 and Scope 3 emissions. Both climate change and Brenntag's climate change mitigation actions could potentially impact on Brenntag's net assets, financial position and results of operations. In financial year 2024, there were neither any discernible specific indications of impairment losses on non-current assets or a material change in the remaining useful lives of assets, nor any discernable effects on existing or potentially new environmental or restoration obligations. Moreover, there were no effects on the estimates and assumptions made.

Cash flow statement

The cash flow statement classifies cash flows by operating, investing and financing activities. The cash provided by operating activities is determined using the indirect method on the basis of the profit / loss after tax. Interest payments made and received, tax payments and dividends received are presented as components of cash provided by operating activities. The effects of acquisitions of consolidated subsidiaries and other business units as defined by IFRS 3 (Business Combinations) are eliminated from the individual items of the cash flow statement and combined under cash flow from investing activities. Under IFRS 16 (Leases), lease payments made are included in cash used in financing activities as repayments of borrowings and in cash provided by operating activities as interest paid. Payments under short-term leases or leases of low-value assets are a component of cash flow from operating activities. Cash and cash equivalents in the cash flow statement correspond to the cash and cash equivalents in the balance sheet. The effect of exchange rate changes on cash and cash equivalents is shown separately.

Hyperinflation

As of June 30, 2022, Turkey has been required to be classified as a hyperinflationary economy in accordance with IAS 29 (Financial Reporting in Hyperinflationary Economies). This standard requires non-monetary assets and liabilities, the statement of comprehensive income and equity to be restated at the end of each reporting period by applying the price index applicable at the end of the reporting period. The balance of those adjustments is presented in profit or loss as a loss on the net monetary position. IAS 29 must be applied as if Turkey had always been hyperinflationary. Brenntag used the consumer price index published by the Turkish Statistical Institute (Dec. 31, 2023: 1,859 index points; Dec. 31, 2024: 2,685 index points). All items are translated at the closing rate due to hyperinflation. Inflation resulted in a loss on the net monetary position of EUR 4.2 million for 2024 (2023: EUR 16.0 million).

Segment reporting

The Brenntag Group is managed through two global divisions, Brenntag Specialties and Brenntag Essentials, which were previously each managed through geographically structured segments. In 2023, the Board of Management of Brenntag SE took the decision to cease managing the Brenntag Specialties division regionally and to instead manage it globally through the Life Science, Material Science and Specialties Other segments effective January 1, 2024. The Life Science segment focuses on selling ingredients and value-added services in the global focus industries Nutrition, Pharma and Beauty & Care. The Material Science segment mainly encompasses business activities in the CASE (Coatings, Adhesives, Sealants, Elastomers), Construction, Polymers and Rubber industries. To a small extent, the Brenntag Specialties portfolio is also augmented by other business activities outside Life Science and Material Science.

Brenntag Essentials markets a broad portfolio of process chemicals across a wide range of industries and applications. The global Brenntag Essentials division continues to include the reportable segments EMEA, North America, Latin America and APAC. In the new management structure, the international operations of BRENNTAG International Chemicals GmbH (BIC), which buys and sells chemicals in bulk on an international scale, are now managed in the Brenntag Essentials division. This results in a further reportable segment in this division, “Transregional” (previously shown under “All other Segments”).

“Group and Regional Services” mainly include the central functions for the entire Group, the regional service functions and the activities with regard to the digitalization of our business.

The following table shows the reconciliation of the global divisions to the Group:

Period from January 1 to December 31 in EUR m	Brenntag Specialties	Brenntag Essentials	Group and Regional Services	Group
External sales[1]				
2024	5,229.7	11,007.7	–	16,237.4
2023	5,453.7	11,361.4	–	16,815.1
fx. adj. change in %	–3.5	–3.1	–	–3.2
Cost of materials				
2024	–4,056.5	–8,155.5	–	–12,212.0
2023	–4,255.8	–8,517.5	–	–12,773.3
fx. adj. change in %	–4.2	–4.1	–	–4.2
Operating gross profit[1]				
2024	1,173.2	2,852.2	–	4,025.4
2023	1,197.9	2,843.9	–	4,041.8
fx. adj. change in %	–1.2	0.2	–	–0.2
Depreciation and impairment of property, plant and equipment and right-of-use assets[1]				
2024	33.6	310.8	10.5	354.9
2023	30.2	278.0	11.4	319.6
fx. adj. change in %	12.4	11.7	–7.9	11.0
Operating EBITA (segment result)[1]				
2024	446.9	780.7	–125.7	1,101.9
2023	514.4	906.9	–156.3	1,265.0
fx. adj. change in %	–11.9	–14.1	–19.6	–12.5

3.20 Reconciliation of the global divisions to the Group 2024/2023

[1] The prior-year figures were adjusted to reflect the current portfolio allocation.

The following table shows the segment information for the reportable segments of the global **Brenntag Specialties** division:

Period from January 1 to December 31 in EUR m	Life Science	Material Science	Specialties Other	Central activities[1]	Brenntag Specialties
External sales[2]					
2024	3,482.9	1,687.9	58.9	–	5,229.7
2023	3,709.9	1,666.1	77.7	–	5,453.7
fx. adj. change in %	–5.4	1.6	–21.5	–	–3.5
Cost of materials					
2024	–2,653.0	–1,362.5	–41.0	–	–4,056.5
2023	–2,866.6	–1,337.4	–51.8	–	–4,255.8
fx. adj. change in %	–6.8	2.2	–18.3	–	–4.1
Operating gross profit[2]					
2024	829.9	325.4	17.9	–	1,173.2
2023	843.3	328.7	25.9	–	1,197.9
fx. adj. change in %	–0.7	–0.6	–27.8	–	–1.2
Depreciation and impairment of property, plant and equipment and right-of-use assets[2][3]					
2024	4.6	4.2	24.8	–	33.6
2023	3.6	2.6	24.0	–	30.2
fx. adj. change in %	35.3	55.6	4.2	–	12.4
Operating EBITA (segment result)[2][4]					
2024	340.7	115.5	–1.8	–7.5	446.9
2023	379.5	126.9	9.5	–1.5	514.4
fx. adj. change in %	–9.0	–8.4	–121.4	400.0	–11.9

3.21 Segment reporting on the global Specialties division 2024/2023

[1] Central activities which are part of Brenntag Specialties but not directly attributable to any one segment.
[2] The prior-year figures were adjusted to reflect the current portfolio allocation.
[3] Certain items of property, plant and equipment and right-of-use assets are not separable and support both divisions jointly. They have been allocated to a division (depending on the region) and are depreciated there. They are charged to the other division on the basis of fixed and variable monthly amounts.
[4] Segment operating EBITA is calculated as segment EBITA adjusted for holding charges and special items.

The following table shows the segment information for the reportable segments of the global **Brenntag Essentials** division:

Period from January 1 to December 31 in EUR m	EMEA[1]	North America	Latin America	APAC[2]	Trans-regional	Central activities[3]	**Brenntag Essentials**
External sales[4]							
2024	3,741.2	5,162.6	763.4	1,005.5	335.0	–	11,007.7
2023	3,865.3	5,270.5	758.8	943.9	522.9	–	11,361.4
fx. adj. change in %	–3.9	–1.8	0.8	8.4	–35.9	–	–3.1
Cost of materials							
2024	–2,746.5	–3,625.8	–596.8	–863.9	–322.5	–	–8,155.5
2023	–2,878.9	–3,737.6	–596.3	–810.4	–494.3	–	–8,517.5
fx. adj. change in %	–5.3	–2.8	0.2	8.5	–34.8	–	–4.2
Operating gross profit[4]							
2024	994.7	1,536.8	166.6	141.6	12.5	–	2,852.2
2023	986.4	1,532.9	162.5	133.5	28.6	–	2,843.9
fx. adj. change in %	0.1	0.5	3.0	7.7	–56.3	–	0.2
Depreciation and impairment of property, plant and equipment and right-of-use assets[4][5]							
2024	123.7	154.3	19.1	10.5	3.2	–	310.8
2023	108.6	138.7	16.9	10.5	3.3	–	278.0
fx. adj. change in %	13.1	11.3	14.4	1.9	–3.0	–	11.7
Operating EBITA (segment result)[4][6]							
2024	276.5	469.3	14.1	17.3	6.4	–2.9	780.7
2023	313.2	522.7	29.6	20.0	21.5	–0.1	906.9
fx. adj. change in %	–12.6	–10.0	–53.0	–12.2	–70.2	2,800.0	–14.1

3.22 Segment reporting on the global Essentials division 2024/2023

[1] Europe, Middle East & Africa.
[2] In the new management structure in effect since January 1, 2024, the China and Hong Kong region is no longer managed separately; instead, it is managed together with the Asia Pacific region and they thus form a single operating segment. Previously, the China and Hong Kong segments were aggregated with the Asia Pacific segment in accordance with IFRS 8.12.
[3] Central activities which are part of Brenntag Essentials but not directly attributable to any one segment.
[4] The prior-year figures were adjusted to reflect the current portfolio allocation.
[5] Certain items of property, plant and equipment and right-of-use assets are not separable and support both divisions jointly. They have been allocated to a division (depending on the region) and are depreciated there. They are charged to the other division on the basis of fixed and variable monthly amounts.
[6] Segment operating EBITA is calculated as segment EBITA adjusted for holding charges and special items.

The following table shows the reconciliation to profit before tax:

in EUR m	2024	2023
Operating EBITA (segment result)[1]	**1,101.9**	**1,265.0**
Net expense from special items	–111.4	–78.3
(of which loss on the initiated sale of Raj Petro)	(–42.1)	(–)
(of which expenses for strategy projects)	(–49.7)	(–10.5)
(of which expenses for legal risks)	(–42.6)	(–31.4)
(of which reversal of provisions for excise duties)	(10.6)	(–1.2)
(of which major fires at warehouse sites in Canada and Turkey)	(15.4)	(–29.4)
(of which other special items)	(–3.0)	(–5.8)
EBITA	**990.5**	**1,186.7**
Amortization of intangible assets[2]	–63.8	–64.0
Impairment of intangible assets	–11.3	–
EBIT	**915.4**	**1,122.7**
Net finance costs	–172.8	–119.9
Profit before tax	**742.6**	**1,002.8**

3.23 Reconciliation of operating EBITA to profit before tax

[1] Operating EBITA of the reportable segments amounts to EUR 1,227.6 million (2023: EUR 1,421.3 million) and operating EBITA of the central activities of Brenntag Specialties and Brenntag Essentials as well as Group and Regional Services to EUR –125.7 million (2023: EUR –156.3 million).
[2] This figure includes amortization of customer relationships in the amount of EUR 37.8 million (2023: EUR 40.9 million).

Special items are income and expenses outside ordinary activities that have a special and material effect on the results of operations.

A loss of EUR 53.4 million was recognized due to the initiated sale of Raj Petro. Of this amount, an impairment loss on property, plant and equipment and net working capital accounts for EUR 42.1 million recognized within net expense from special items, and an impairment loss on intangible assets for EUR 11.3 million.

Expenses for strategy projects amounted to EUR 49.7 million in financial year 2024. They mainly include severance and advisory expenses which will help to achieve the cost-reduction targets and which relate to the selective planning for the legal and operational disentanglement of the two divisions, Brenntag Specialties and Brenntag Essentials.

In financial year 2024, expenses of EUR 42.6 million were recognized for legal risks arising from the sale of talc and similar products in North America due to the number of actions brought.

Tax returns were submitted in relation to provisions recognized in 2023 for excise duty risks in Sweden. These led to a lower-than-expected tax liability. The reversal of the relevant provisions resulted in other operating income of EUR 10.6 million in financial year 2024.

For expenses in connection with the major fires at warehouse sites in Canada and Turkey in financial year 2023, income of EUR 15.4 million arose in financial year 2024 due predominantly to insurance payouts.

The other special items relate to expenses in connection with social security charges paid in previous years in Brazil.

Geographical information

Non-current assets comprise property, plant and equipment, right-of-use assets and intangible assets. Non-current assets are allocated to the different countries as follows:

	Property, plant and equipment		Right-of-use assets		Intangible assets[1]	
in EUR m	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Germany	105.5	99.4	50.8	53.9	31.9	26.1
USA	632.3	457.0	214.4	162.1	80.9	32.9
France	101.1	95.2	9.0	8.5	0.3	0.3
Canada	97.9	87.7	18.4	13.3	0.5	0.9
United Kingdom	86.7	67.8	42.8	40.0	102.4	8.2
Singapore	80.1	82.2	19.4	18.1	13.3	15.4
China	78.7	80.7	6.8	5.0	29.7	41.0
Italy	73.0	58.9	28.0	29.5	0.1	0.1
Spain	51.7	49.5	9.5	8.9	0.3	0.1
Poland	47.3	43.4	8.9	10.0	0.1	0.1
Others	340.8	383.4	188.2	88.9	101.8	30.0
Total	**1,695.1**	**1,505.2**	**596.2**	**438.2**	**361.3**	**155.1**

3.24 Non-current assets by country

[1] Intangible assets excluding goodwill and “Brenntag” trademark.

The allocation of external sales to the different countries is shown in the following table:

	External sales	
in EUR m	2024	2023
Germany	1,198.3	1,460.1
USA	5,793.8	6,038.4
United Kingdom	825.6	760.8
China	736.8	640.2
Canada	633.8	662.3
Italy	593.8	616.7
Poland	550.6	606.7
France	522.8	549.1
Others	5,381.9	5,480.8
Total	**16,237.4**	**16,815.1**

3.25 External sales by country

Consolidated income statement disclosures

1.) Sales

Sales of EUR 16,237.4 million (2023: EUR 16,815.1 million) are almost entirely attributable to contracts with customers as defined by IFRS 15. Sales of EUR 1.8 million (2023: EUR 1.5 million) were generated with related parties.

Sales of EUR 16,158.4 million (2023: EUR 16,739.9 million) relate to the sale of goods and sales of EUR 79.2 million (2023: EUR 75.5 million) to the provision of services.

Of the sales revenues from the sale of goods, EUR 16,076.5 million (2023: EUR 16,643.3 million) are attributable to warehousing or direct business. Of the other revenues from the sale of goods in the amount of EUR 81.9 million (2023: EUR 96.6 million), EUR 81.0 million (2023: EUR 95.4 million) relate to consignment business.

For a breakdown of sales by operating segment, please refer to the “Segment reporting” section of these notes to the consolidated financial statements.

Trade receivables reported in the amount of EUR 2,282.5 million (Dec. 31, 2023: EUR 2,263.1 million) are entirely attributable to contracts with customers. No contract assets are currently recognized in the Brenntag Group.

Liabilities from contracts with customers break down as follows:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Contract liabilities under credit notes	12.3	12.7
Refund liabilities	24.8	24.6
Prepayments received	7.0	14.6
Total	**44.1**	**51.9**

3.26 Current contract liabilities from contracts with customers

2.) Cost of materials

Cost of materials amounts to EUR 12,210.9 million (2023: EUR 12,795.0 million) and comprises the cost of purchased goods and services. It includes expenses in the amount of EUR 0.6 million (2023: EUR 16.9 million) from valuation allowances on inventories.

3.) Other operating income

in EUR m	2024	2023
Income from the disposal of property, plant and equipment	21.2	17.8
Income from the reversal of liabilities and provisions no longer required	29.1	43.0
Income from compensation	15.0	19.7
Income from divestments	5.3	9.6
Income from other taxes	0.2	8.8
Miscellaneous operating income	32.1	34.3
Total	**102.9**	**133.2**

3.27 Other operating income

4.) Personnel expenses

Personnel expenses amount to EUR 1,446.4 million in total (2023: EUR 1,391.9 million). This line item includes wages and salaries totaling EUR 1,142.9 million (2023: EUR 1,117.2 million), social security costs of EUR 176.2 million (2023: EUR 149.9 million) and pension costs of EUR 127.3 million (2023: EUR 124.8 million). Net interest expense from defined benefit plans is not included in personnel expenses but presented within net finance costs under interest expense.

The average number of employees breaks down as follows:

	2024	2023[1]
Brenntag Specialties	3,539	3,586
Brenntag Essentials	12,072	11,955
Group and Regional Services	2,319	2,225
Total	**17,930**	**17,766**

3.28 Employees by division

[1] The prior-year figures were adjusted to reflect the current portfolio allocation.

As at December 31, 2024, the Brenntag Group had a workforce of 18,122 (Dec. 31, 2023: 17,709). Of this figure, 1,685 (Dec. 31, 2023: 1,692) were employed in Germany.

5.) Other operating expenses

in EUR m	2024	2023
Carriage outwards	-329.8	-295.5
Property-related and other taxes	-39.5	-51.3
Maintenance and energy costs	-220.8	-248.3
Expenses for advisory, auditing and other services (including IT)	-239.4	-214.0
Lease expenses	-98.3	-78.1
Insurance expenses	-50.4	-41.9
Legal risks arising from the sale of talc	-42.6	-34.7
Miscellaneous operating expenses	-301.1	-283.7
Total	**-1,321.9**	**-1,247.5**

3.29 Other operating expenses

6.) Interest expense

in EUR m	2024	2023
Interest expense on liabilities to third parties	-112.7	-90.2
Expense from the fair value measurement of the cross-currency interest rate swap	-7.3	-7.5
Net interest expense on defined benefit pension plans	-4.1	-4.1
Interest expense on other provisions	-4.0	-3.2
Interest expense on leases	-24.6	-17.8
Total	**-152.7**	**-122.8**

3.30 Interest expense

7.) Change in liabilities relating to acquisition of non-controlling interests recognized in profit or loss

in EUR m	2024	2023
Change in call option and liabilities relating to acquisition of non-controlling interests recognized in profit or loss	-12.0	28.9
Change in liabilities recognized in profit or loss arising from limited partners' rights to repayment of contributions	-2.0	-2.5
Total	**-14.0**	**26.4**

3.31 Change in liabilities relating to acquisition of non-controlling interests recognized in profit or loss

For further information, please refer to Note 27).

8.) Loss on the net monetary position

The inflation effect on non-monetary items, the statement of comprehensive income and equity resulted in a loss on the net monetary position of EUR 4.2 million for financial year 2024 (2023: EUR 16.0 million).

9.) Other net finance costs

in EUR m	2024	2023
Exchange rate loss on foreign currency receivables and liabilities	-26.0	-37.1
Exchange rate gain on foreign currency derivatives	10.5	9.2
Miscellaneous other net finance costs	-5.3	0.6
Total	**-20.8**	**-27.3**

3.32 Other net finance costs

10.) Income tax expense

in EUR m	2024	2023
Current income taxes	–220.7	–259.0
(of which BEPS Pillar II)	–2.7	–
Deferred taxes	21.8	–22.7
(of which for temporary differences)	(–21.9)	(–17.4)
(of which for tax loss carryforwards)	(43.7)	(–5.3)
Total	**–198.9**	**–281.7**

3.33 Income tax expense

The effective tax expense of EUR 198.9 million (2023: EUR 281.7 million) differs by EUR –38.8 million (2023: EUR – 39.2 million) from the expected tax expense of EUR 237.7 million (2023: EUR 320.9 million). The expected tax expense results from applying Brenntag SE's tax rate of 32% (Dec. 31, 2023: 32%) to profit before tax.

The reasons for the difference between the expected and the effective tax expense are as follows:

in EUR m	2024	2023
Profit before tax	742.6	1,002.8
Expected income tax expense (32%, 2023: 32%)	–237.7	–320.9
Difference due to tax base (trade tax adjustments in Germany)	–4.4	–2.7
Effect of different tax rates arising on the inclusion of foreign and domestic subsidiaries	62.7	84.7
Changes in valuation allowances on deferred tax assets / losses for which deferred taxes are not recognized / utilization of loss carryforwards	37.0	–21.8
Changes in the tax rate and tax laws	0.3	0.2
Expenses not deductible for tax purposes	–28.7	–31.1
Loss on the initiated sale of Raj Petro	–13.3	–
Tax-free income	1.5	2.7
Share of profit or loss of equity-accounted investments	–0.6	0.2
Prior-period tax expense	1.8	3.1
Deferred taxes for temporary differences from investments in subsidiaries	–6.6	–
Change in liabilities relating to acquisition of non-controlling interests recognized in profit or loss	–3.5	6.7
Effects of BEPS Pillar II	–2.7	–
Other effects	–4.7	–2.8
Effective tax expense	**–198.9**	**–281.7**

3.34 Tax expense reconciliation

Deferred taxes result from the individual balance sheet items and other items as follows:

in EUR m	Dec. 31, 2024 Deferred tax assets	Dec. 31, 2024 Deferred tax liabilities	Dec. 31, 2023 Deferred tax assets	Dec. 31, 2023 Deferred tax liabilities
Current assets				
Financial assets	18.4	12.4	18.2	9.2
Inventories	23.8	1.0	25.5	0.6
Non-current assets				
Property, plant and equipment and right-of-use assets	7.8	262.6	5.9	180.1
Intangible assets	18.9	273.6	20.2	210.6
Financial assets	11.2	20.6	14.1	14.1
Current liabilities				
Other provisions	16.6	1.1	17.8	0.8
Liabilities	89.3	6.4	81.7	11.6
Non-current liabilities				
Provisions for pensions	16.9	7.2	18.3	8.1
Other provisions	14.7	2.4	16.2	2.1
Liabilities	127.0	5.9	63.4	12.3
Local tax reserves	–	5.7	–	4.2
Loss carryforwards	58.6	–	15.5	–
Valuation allowances on balance sheet items	–	–	–	–
Outside basis differences	–	13.9	–	7.4
Offsetting	–254.0	–254.0	–162.7	–162.7
Deferred taxes	**149.2**	**358.8**	**134.1**	**298.4**
Deferred tax liabilities (net)	**–**	**209.6**	**–**	**164.3**

3.35 Deferred tax assets and liabilities

Deferred tax assets and liabilities break down by maturity as follows:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Deferred tax assets to be recovered after more than 12 months	14.2	6.5
Deferred tax assets to be recovered within 12 months	135.0	127.6
Deferred tax assets	**149.2**	**134.1**
Deferred tax liabilities to be recovered after more than 12 months	354.7	294.0
Deferred tax liabilities to be recovered within 12 months	4.1	4.4
Deferred tax liabilities	**358.8**	**298.4**
Deferred tax liabilities (net)	**209.6**	**164.3**

3.36 Deferred tax by maturity

Deferred tax liabilities (net) changed as follows:

in EUR m	2024	2023
Deferred tax liabilities (net) at Jan. 1	**164.3**	**133.3**
Exchange rate differences	7.6	–1.5
Income / expense in profit or loss	–21.8	22.7
Income taxes recognized in other comprehensive income	4.4	–2.7
Business combinations	55.2	12.5
Reclassification of deferred tax liabilities into non-current assets held for sale	–0.1	–
Deferred tax liabilities (net) at Dec. 31	**209.6**	**164.3**

3.37 Change in deferred tax liabilities (net)

The existing tax loss carryforwards can be utilized as follows:

in EUR m	**Dec. 31, 2024** Loss carryforwards	**Dec. 31, 2024** of which loss carryforwards for which deferred taxes are not recognized	Dec. 31, 2023 Loss carryforwards	Dec. 31, 2023 of which loss carryforwards for which deferred taxes are not recognized
Within one year	8.3	(7.1)	8.0	(7.5)
2 to 5 years	61.1	(48.0)	24.9	(23.5)
6 to 9 years[1)]	14.3	(11.4)	5.4	(–)
More than 9 years	274.3	(232.0)	273.9	(204.5)
Unlimited	514.6	(241.8)	500.9	(474.0)
Total	**872.6**	**540.3**	**813.1**	**709.5**

3.38 Tax loss carryforwards

[1)] This includes loss carryforwards of EUR 6.5 million which cannot be utilized and are attributable to equity investments classified as assets held for sale.

When measuring deferred tax on loss carryforwards, deferred tax assets are recognized to the extent that sufficient taxable differences are available for utilization and it is probable that future taxable profit will be available against which the temporary differences and unused tax loss carryforwards can be utilized. The expected taxable income is derived from the current mid-term planning, allowing for restrictions on loss carryforwards and their utilization (minimum taxation).

Deferred taxes of EUR 58.6 million (Dec. 31, 2023: EUR 15.5 million) were recognized for loss carryforwards of EUR 332.3 million (Dec. 31, 2023: EUR 103.6 million) which are likely to be utilized. They include deferred taxes of EUR 8.2 million (Dec. 31, 2023: EUR 3.7 million) from current-period tax losses. Loss carryforwards which are likely to be utilized also include German corporate income tax and trade tax loss carryforwards totaling EUR 243.5 million (Dec. 31, 2023: EUR 0.0 million) and US subsidiaries' loss carryforwards for state taxes totaling EUR 36.3 million (tax rate between 6% and 8%) (Dec. 31, 2023: EUR 56.8 million) and for federal taxes (tax rate 21%) totaling EUR 5.3 million (Dec. 31, 2023: EUR 12.6 million).

No deferred taxes were recognized for loss carryforwards of EUR 540.3 million (Dec. 31, 2023: EUR 709.5 million) which are not likely to be utilized. This figure includes domestic corporation tax and trade tax loss carryforwards totaling EUR 181.8 million (Dec. 31, 2023: EUR 448.4 million) as well as US subsidiaries' loss carryforwards for state taxes totaling EUR 229.5 million (tax rate between 6% and 8%) (Dec. 31, 2023: EUR 203.9 million).

No deferred taxes were recognized for interest carryforwards of EUR 42.8 million (Dec. 31, 2023: EUR 14.5 million) which are not likely to be utilized.

Temporary differences in connection with investments in subsidiaries for which no deferred tax liabilities were recognized amount to EUR 613.5 million (Dec. 31, 2023: EUR 609.8 million).

11.) Earnings per share

Basic earnings per share in the amount of EUR 3.71 (2023: EUR 4.73) are determined by dividing the share of profit after tax of EUR 536.2 million (2023: EUR 714.9 million) attributable to the shareholders of Brenntag SE by the number of shares outstanding (2024: 144.7 million; 2023: 151.1 million shares).

As part of the second tranche of the share buyback program launched in January 2024, Brenntag acquired around 3.1 million Brenntag SE shares on the stock market in the first quarter of 2024 and canceled those shares upon completion of the program in March 2024. The average weighted number of outstanding shares was 144.7 million in financial year 2024 (2023: 151.1 million).

Diluted earnings per share are the same as basic earnings per share.

in EUR m	**2024**	**2023**
Share of profit after tax attributable to Brenntag SE shareholders	536.2	714.9
Number of Brenntag SE shares	144.7	151.1
Basic earnings per share	**3.71**	**4.73**
Diluted earnings per share	**3.71**	**4.73**

3.39 Diluted earnings per share

Consolidated balance sheet disclosures

12.) Cash and cash equivalents

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Bank deposits	721.1	556.2
Cheques and cash on hand	42.2	20.7
Total	**763.3**	**576.9**

3.40 Cash and cash equivalents

13.) Trade receivables

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Trade receivables from third parties	2,282.5	2,263.1
Trade receivables from related parties	–	–
Total	**2,282.5**	**2,263.1**

3.41 Trade receivables

Trade receivables at the reporting date were past due and impaired within the following time bands:

in EUR m	not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	more than 180 days	Dec. 31, 2024
Loss given default (%)	0.4	1.1	6.7	11.5	11.7	84.3	
Gross amount of trade receivables	2,023.7	210.8	36.0	11.3	10.3	37.5	**2,329.6**
Valuation allowance	8.2	2.4	2.4	1.3	1.2	31.6	**47.1**

3.42 Loss given default on trade receivables / Dec. 31, 2024

in EUR m	not past due	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	more than 180 days	Dec. 31, 2023
Loss given default (%)	0.3	1.3	9.7	17.2	9.2	80.6	
Gross amount of trade receivables	1,996.8	213.9	31.8	14.5	14.1	42.2	**2,313.3**
Valuation allowance	6.6	2.7	3.1	2.5	1.3	34.0	**50.2**

3.43 Loss given default on trade receivables / Dec. 31, 2023

Of the trade receivables, EUR 725.5 million (Dec. 31, 2023: EUR 688.4 million) are secured by trade credit insurance.

In EMEA and Latin America, most of the trade receivables are secured by trade credit insurance. In Asia Pacific, there is trade credit insurance for most of the receivables in certain countries. In North America as well as in some countries in EMEA, Latin America and Asia Pacific, either there is no trade credit insurance or only a relatively small proportion of the trade receivables are secured by trade credit insurance.

Impairment losses on trade receivables changed as follows:

	Accumulated impairment losses on trade receivables	
in EUR m	**2024**	**2023**
Jan. 1	**50.2**	**56.1**
Exchange rate differences / other	–0.8	–0.2
Added	7.9	7.8
Reversed	–5.3	–6.0
Utilized	–4.9	–7.5
Dec. 31	**47.1**	**50.2**

3.44 Change in impairment losses on trade receivables

14.) Other receivables

	Dec. 31, 2024		Dec. 31, 2023	
in EUR m		of which current		of which current
Other receivables in scope of IFRS 7:				
Receivables from packaging	8.0	(8.0)	8.7	(8.7)
Reimbursement claims – environment	7.9	(–)	6.7	(–)
Suppliers with debit balances	10.6	(10.6)	10.2	(10.2)
Receivables from insurance claims	4.9	(4.9)	12.2	(12.2)
Deposits	7.2	(7.2)	8.4	(8.4)
Receivables from commissions and rebates	13.1	(13.1)	24.0	(24.0)
Miscellaneous other receivables	50.1	(27.4)	43.3	(33.3)
Other receivables in scope of IFRS 7 total	**101.8**	**(71.2)**	**113.5**	**(96.8)**
Other receivables out of scope of IFRS 7:				
Prepayments	25.5	(25.5)	20.6	(20.6)
Value-added tax receivables	93.3	(66.8)	104.6	(80.1)
Receivables from other taxes	8.1	(8.0)	6.6	(6.6)
Non-current income tax receivables	3.1	(–)	3.4	(–)
Plan assets not netted with provisions for pensions	5.4	(–)	6.4	(–)
Prepaid expenses	53.2	(51.4)	72.3	(71.3)
Other receivables out of scope of IFRS 7 total	**188.6**	**(151.7)**	**213.9**	**(178.6)**
Total other receivables	**290.4**	**(222.9)**	**327.4**	**(275.4)**

3.45 Other receivables

15.) Other financial assets

	Remaining term		
in EUR m	1 year or less	more than 1 year	**Dec. 31, 2024**
Financial receivables from third parties	15.2	5.6	20.8
Derivative financial instruments at fair value through profit or loss	5.5	14.3	19.8
Debt instruments at fair value through profit or loss	–	1.4	1.4
Total	**20.7**	**21.3**	**42.0**

3.46 Other financial assets / Dec. 31, 2024

	Remaining term		
in EUR m	1 year or less	more than 1 year	**Dec. 31, 2023**
Financial receivables from third parties	11.3	8.0	19.3
Derivative financial instruments at fair value through profit or loss	2.6	7.3	9.9
Debt instruments at fair value through profit or loss	–	1.4	1.4
Total	**13.9**	**16.7**	**30.6**

3.47 Other financial assets / Dec. 31, 2023

Financial receivables from third parties of EUR 20.8 million (Dec. 31, 2023: EUR 19.3 million) consist mainly of funds deposited in trustee accounts in connection with business combinations.

16.) Inventories

Inventories break down as follows:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Merchandise	1,418.5	1,302.9
Finished goods	60.1	24.1
Work in progress	0.2	1.6
Raw materials and supplies	39.6	47.8
Total	**1,518.4**	**1,376.4**

3.48 Inventories

17.) Assets held for sale and liabilities associated with those assets

In a further step to focus the Essentials division's portfolio on its core activities in chemical distribution, Brenntag initiated the sale of Indian company Raj Petro Specialties Pvt. Ltd. and its subsidiary Raj Petro Specialties DMCC based in Dubai (Raj) and accordingly classified the assets and liabilities of these entities as a disposal group. The sale is expected to take place within twelve months.

On the basis of the estimated sales price, goodwill of EUR 11.1 million in the group of CGUs Essentials APAC and property, plant and equipment and other intangible assets of Raj totaling EUR 13.1 million were written down for impairment and reclassified into assets held for sale. Measurement of the disposal group at the lower of carrying amount and fair value (sale price) less costs to sell in accordance with IFRS 5 results in an expense of EUR 29.2 million.

In addition, assets held for sale include property, plant and equipment held for sale totaling EUR 1.5 million (Dec. 31, 2023: EUR 2.5 million).

The assets and liabilities break down as follows:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Cash and cash equivalents	5.0	–
Trade receivables and other receivables	81.4	–
Current tax assets and deferred taxes	2.2	–
Inventories	46.3	–
Property, plant and equipment and intangible assets	14.5	2.5
Impairment	–42.3	–
Assets held for sale	**107.1**	**2.5**
Trade payables, other liabilities and provisions	82.6	–
Current tax assets and deferred taxes	1.7	–
Liabilities associated with assets held for sale	**84.3**	**–**

3.49 Assets held for sale and liabilities associated with those assets

18.) Property, plant and equipment

in EUR m	Land, land rights and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Cost					
Dec. 31, 2022	**1,169.2**	**932.0**	**435.4**	**129.0**	**2,665.6**
Exchange rate differences	–11.2	–15.9	–3.1	–1.1	–31.3
Business combinations	21.5	3.9	3.3	–	28.7
Other additions	20.0	38.2	77.4	168.8	304.4
Reclassification into non-current assets held for sale	–1.5	–0.5	0.3	–	–1.7
Disposals	–8.7	–16.1	–37.5	–3.0	–65.3
Transfers	42.7	75.0	44.0	–140.0	21.7
Dec. 31, 2023	**1,232.0**	**1,016.6**	**519.8**	**153.7**	**2,922.1**
Exchange rate differences	27.4	34.9	13.8	2.3	78.4
Business combinations	22.6	20.3	3.7	–	46.6
Other additions	16.5	46.6	75.5	184.6	323.2
Reclassification into non-current assets held for sale	–6.6	–10.8	–1.1	–0.7	–19.2
Disposals	–8.5	–23.8	–33.6	–2.5	–68.4
Transfers	59.5	109.8	20.7	–181.7	8.3
Dec. 31, 2024	**1,342.9**	**1,193.6**	**598.8**	**155.7**	**3,291.0**
Accumulated depreciation and impairment					
Dec. 31, 2022	**397.3**	**605.1**	**305.1**	**–**	**1,307.5**
Exchange rate differences	–1.7	–9.8	–1.6	–	–13.1
Depreciation	38.0	75.6	60.8	–	174.4
Impairment	2.3	1.3	–	0.5	4.1
Reclassification into non-current assets held for sale	–0.9	–0.5	0.3	–	–1.1
Disposals	–7.3	–14.4	–34.8	–0.5	–57.0
Transfers	–0.2	0.8	1.5	–	2.1
Dec. 31, 2023	**427.5**	**658.1**	**331.3**	**–**	**1,416.9**
Exchange rate differences	9.7	22.7	8.4	–	40.8
Depreciation	41.1	91.6	65.1	–	197.8
Impairment	6.5	4.8	0.4	0.2	11.9
Reclassification into non-current assets held for sale	–6.6	–10.8	–1.1	–0.2	–18.7
Disposals	–7.1	–19.5	–29.3	–	–55.9
Transfers	–0.3	3.7	–0.3	–	3.1
Dec. 31, 2024	**470.8**	**750.6**	**374.5**	**–**	**1,595.9**
Carrying amounts at Dec. 31, 2023	804.5	358.5	188.5	153.7	1,505.2
Carrying amounts at Dec. 31, 2024	**872.1**	**443.0**	**224.3**	**155.7**	**1,695.1**

3.50 Property, plant and equipment

Impairment losses of EUR 10.8 million relate to the property, plant and equipment of Raj Petro Specialties Pvt. Ltd., an Indian entity held for sale in the BES APAC segment. In the previous year, impairment losses of EUR 3.6 million related to the major fire at a warehouse site in Canada in the BSP Americas segment.

Assets under construction total EUR 151.2 million (Dec. 31, 2023: EUR 146.6 million). They increased mainly as a result of investments of EUR 179.9 million made during the financial year (Dec. 31, 2023: EUR 161.8 million) and decreased due to transfers of EUR 175.5 million (Dec. 31, 2023: EUR 134.5 million).

19.) Intangible assets

in EUR m	Goodwill	Trademarks	Customer relationships and similar rights	Software, licenses and similar rights	**Total**
Cost					
Dec. 31, 2022	**3,149.6**	**237.6**	**203.7**	**221.1**	**3,812.0**
Exchange rate differences	–71.7	–1.6	–4.6	–2.7	–80.6
Business combinations	175.7	6.5	59.4	1.7	243.3
Other additions	–	–	–	15.5	15.5
Disposals	–3.2	–0.9	–88.6	–2.0	–94.7
Dec. 31, 2023	**3,250.4**	**241.6**	**169.9**	**233.6**	**3,895.5**
Exchange rate differences	114.9	2.2	9.5	3.9	130.5
Business combinations	130.2	36.3	234.6	1.5	402.6
Other additions	–	–	2.8	18.8	21.6
Reclassification into non-current assets held for sale	–	–4.1	–	–0.8	–4.9
Disposals	–2.4	–	–39.5	–1.2	–43.1
Dec. 31, 2024	**3,493.1**	**276.0**	**377.3**	**255.8**	**4,402.2**
Accumulated amortization and impairment					
Dec. 31, 2022	**38.1**	**29.3**	**120.4**	**164.9**	**352.7**
Exchange rate differences	1.5	–1.2	–2.3	–1.7	–3.7
Amortization	–	7.3	40.9	15.8	64.0
Disposals	–	–0.9	–88.4	–1.2	–90.5
Dec. 31, 2023	**39.6**	**34.5**	**70.6**	**177.8**	**322.5**
Exchange rate differences	–3.6	1.6	3.3	3.1	4.4
Amortization	–	6.5	37.8	19.5	63.8
Impairment	11.1	–	–	0.2	11.3
Reclassification into non-current assets held for sale	–	–4.1	–	–0.8	–4.9
Disposals	–	–	–39.5	–0.2	–39.7
Dec. 31, 2024	**47.1**	**38.5**	**72.2**	**199.6**	**357.4**
Carrying amounts at Dec. 31, 2023	3,210.8	207.1	99.3	55.8	3,573.0
Carrying amounts at Dec. 31, 2024	**3,446.0**	**237.5**	**305.1**	**56.2**	**4,044.8**

3.51 Intangible assets

The goodwill and the “Brenntag” trademark are assets with an indefinite useful life. They are tested regularly, at least annually, for impairment after completion of the annual budget process. The carrying amount of the “Brenntag” trademark is EUR 196.9 million as in the previous year.

The Brenntag Group is managed through two global divisions, Brenntag Specialties (BSP) and Brenntag Essentials (BES). In 2023, the Board of Management of Brenntag SE took the decision to cease managing the Brenntag Specialties division regionally and to instead manage it globally through the Life Science, Material Science and Specialties Other segments effective January 1, 2024. In this context, Nutrition, Pharma, Beauty & Care, Material Science and Specialties Other were identified as groups of CGUs for the goodwill impairment test. Goodwill was reallocated to the groups of CGUs as at January 1, 2024.

in EUR m	Dec. 31, 2024
Essentials EMEA	454.5
Essentials North America	1,071.2
Essentials Latin America	77.4
Essentials APAC	59.1
Essentials Transregional	26.7
Specialties Nutrition	733.0
Specialties Pharma	254.0
Specialties Beauty & Care	308.9
Specialties Material Science	445.4
Specialties Other	15.8
Group	**3,446.0**

3.52 Goodwill by group of CGUs / 2024

in EUR m	Dec. 31, 2023
EMEA (BSP)	588.6
Americas (BSP)	768.5
APAC (BSP)	322.8
EMEA (BES)	454.1
North America (BES)	955.6
Latin America (BES)	0.2
APAC excluding China and Hong Kong (BES)	53.6
China and Hong Kong (BES)	41.6
All other Segments	25.8
Group	**3,210.8**

3.53 Goodwill by group of CGUs / 2023

The carrying amounts of the groups of CGUs include right-of-use assets recognized under IFRS 16 (Leases). Fair value less costs of disposal is taken as the recoverable amount. This amount is determined on the basis of a recognized company valuation model. The company valuation model is based on cash flow plans, which are in turn based on the five-year plan approved by the Board of Management and applicable at the date of the performance of the impairment test, taking into account IFRS 16 (Leases). The five-year plan consists of a mid-term plan for the first four years prepared by management in collaboration with the subsidiaries and an extrapolation for one further year performed by management. The fair value thus determined is required to be classified into Level 3 of the IFRS 13 measurement hierarchy.

The cash flow forecasts for the impairment test of the financial year ended December 31, 2024 were derived from the budget for 2025 and the plan years 2026 to 2029. The growth rates are based on management's past experience, Brenntag-specific changes in quantities and sales prices, the resulting gross profit and the trend in costs based on external macroeconomic data. These forecasts are in each case based on country-specific assumptions about the trend in key macroeconomic variables, such as gross domestic product, consumer prices, interest rate levels and nominal wages, and are derived on the basis of economic and financial studies.

In the detailed planning period from 2025 to 2029, the average gross profit growth rates (CAGR) of the cash-generating units of Brenntag Specialties and Brenntag Essentials are between 2.1% and 11.0% (Dec. 31, 2023: between 2.9% and 10.0%).

After the, in some cases, much higher growth rates in the years 2025 to 2029 (detailed planning period), the planned growth rates for the period from 2030 (2023: from 2029) onwards are as follows:

Growth rates in %	2024
Essentials EMEA	1.25
Essentials North America	1.25
Essentials Latin America	1.75
Essentials APAC	1.75
Essentials Transregional	1.25
Specialties Nutrition	1.25
Specialties Pharma	1.25
Specialties Beauty & Care	1.25
Specialties Material Science	1.25
Specialties Other	1.25

3.54 Growth rates by group of CGUs / 2024

Growth rates in %	2023
EMEA (BSP)	1.00
Americas (BSP)	1.25
APAC (BSP)	2.00
EMEA (BES)	1.00
North America (BES)	1.25
Latin America (BES)	2.25
APAC excluding China and Hong Kong (BES)	2.00
China and Hong Kong (BES)	2.00

3.55 Growth rates by group of CGUs / 2023

The WACC of the groups of CGUs used to discount the cash flows thus determined is based on a risk-free interest rate of 2.60% (2023: 2.75%) and a market risk premium of 6.75% (2023: 6.50%). The estimates of daily yield curves published by the German central bank, the Bundesbank, are taken as a basis for determining the risk-free interest rate. The beta factor used and the capital structure are derived from a peer group. Furthermore, region-specific tax rates and country risk premiums are used.

WACC in %	**2024**
Essentials EMEA	8.1
Essentials North America	8.0
Essentials Latin America	10.2
Essentials APAC	8.2
Essentials Transregional	7.9
Specialties Nutrition	8.3
Specialties Pharma	8.1
Specialties Beauty & Care	8.3
Specialties Material Science	8.3
Specialties Other	8.2
Group	**8.1**

3.56 WACC by group of CGUs / 2024

WACC in %	**2023**
EMEA (BSP)	8.7
Americas (BSP)	8.4
APAC (BSP)	8.7
EMEA (BES)	8.4
North America (BES)	8.4
Latin America (BES)	10.5
APAC excluding China and Hong Kong (BES)	8.5
China and Hong Kong (BES)	8.4
All other Segments	8.4
Group	**8.5**

3.57 WACC by group of CGUs / 2023

Sensitivity analyses for cash flow forecasts, growth rates and the WACC taken as a basis are outlined in the section Assumptions and estimates.

20.) Leases

Right-of-use assets arising from leases changed as follows:

in EUR m	Rights to use land and buildings	Rights to use vehicles	Other right-of-use assets	**Total**
Cost				
Dec. 31, 2022	**445.6**	**260.2**	**62.9**	**768.7**
Exchange rate differences	–8.7	–6.3	0.3	–14.7
Business combinations	5.3	–	16.6	21.9
Other additions	84.0	78.2	14.9	177.1
Reclassification into non-current assets held for sale	0.1	–	–	0.1
Disposals	–48.6	–46.7	–6.6	–101.9
Transfers	0.1	–21.7	–0.1	–21.7
Dec. 31, 2023	**477.8**	**263.7**	**88.0**	**829.5**
Exchange rate differences	17.6	13.2	1.1	31.9
Business combinations	42.2	1.0	61.4	104.6
Other additions	91.3	111.8	18.5	221.6
Reclassification into non-current assets held for sale	–2.2	–	–2.5	–4.7
Disposals	–38.3	–69.1	–9.6	–117.0
Transfers	13.0	0.3	–21.6	–8.3
Dec. 31, 2024	**601.4**	**320.9**	**135.3**	**1,057.6**
Accumulated depreciation and impairment				
Dec. 31, 2022	**177.9**	**134.2**	**30.3**	**342.4**
Exchange rate differences	–4.4	–2.9	0.5	–6.8
Depreciation	68.6	59.3	16.8	144.7
Impairment	0.8	–	–	0.8
Disposals	–37.6	–44.7	–5.4	–87.7
Transfers	–	–2.1	–	–2.1
Dec. 31, 2023	**205.3**	**143.8**	**42.2**	**391.3**
Exchange rate differences	8.9	6.0	0.4	15.3
Depreciation	73.7	62.5	21.0	157.2
Impairment	0.2	–	1.8	2.0
Reclassification into non-current assets held for sale	–2.2	–	–2.5	–4.7
Disposals	–27.9	–60.0	–8.7	–96.6
Transfers	2.3	–2.5	–2.9	–3.1
Dec. 31, 2024	**260.3**	**149.8**	**51.3**	**461.4**
Carrying amounts at Dec. 31, 2023	272.5	119.9	45.8	438.2
Carrying amounts at Dec. 31, 2024	**341.1**	**171.1**	**84.0**	**596.2**

3.58 Right-of-use assets

Extension options in the amount of EUR 83.9 million (Dec. 31, 2023: EUR 88.5 million) and purchase options in the amount of EUR 1.3 million (Dec. 31, 2023: EUR 3.9 million) were not included in the measurement of the right-of-use assets and lease liabilities, as it is not reasonably certain at the present time that they will be exercised. The extension options relate mainly to rights to use land and buildings, and the purchase options mainly to rights to use vehicles.

The following lease expenses were recognized in profit or loss:

in EUR m	2024	2023
Lease expense relating to short-term leases	-38.7	-32.7
Lease expense relating to variable lease payments	-13.4	-11.3
Lease expense relating to leases of low-value assets	-1.4	-1.0
Lease expense - not within the scope of IFRS 16	-15.7	-13.3
Lease expense - intangible assets	-29.1	-19.8
Total	**-98.3**	**-78.1**

3.59 Lease expenses

As at December 31, 2024, future lease commitments for short-term leases amounted to EUR 18.0 million (Dec. 31, 2023: EUR 13.7 million), for variable lease payments to EUR 13.9 million (Dec. 31, 2023: EUR 9.8 million) and for leases entered into but not yet commenced to EUR 3.7 million (Dec. 31, 2023: EUR 3.6 million).

Interest expense on lease liabilities amounts to EUR 24.6 million (Dec. 31, 2023: EUR 17.8 million). Total payments for leases amounted to EUR 229.6 million in 2024 (Dec. 31, 2023: EUR 205.7 million). Further information on lease liabilities is provided in the sections Financial liabilities and Reporting of financial instruments.

Impairment losses of EUR 2.0 million relate to the property, plant and equipment of Raj Petro Specialties Pvt. Ltd., an Indian entity held for sale in the BES APAC segment. In the previous year, impairment losses of EUR 0.8 million related to the major fire at a warehouse of an external provider in Turkey in the BSP EMEA segment.

21.) Equity-accounted investments

Equity-accounted investments changed as follows:

in EUR m	Investments in associates
Dec. 31, 2022	**5.4**
Exchange rate differences	-0.1
Net income from equity-accounted investments	0.9
Total comprehensive income	**0.8**
Dividends received	-0.2
Dec. 31, 2023	**6.0**
Exchange rate differences	0.1
Net income from equity-accounted investments	-0.1
Total comprehensive income	**-**
Dividends received	-1.0
Dec. 31, 2024	**5.0**

3.60 Change in equity-accounted investments

The financial year of the investments accounted for using the equity method is the calendar year.

22.) Trade payables

Trade payables of EUR 1,661.6 million (Dec. 31, 2023: EUR 1,633.7 million) include accruals of EUR 255.4 million (Dec. 31, 2023: EUR 265.7 million) for outstanding invoices.

23.) Financial liabilities

in EUR m	Remaining term: 1 year or less	Remaining term: more than 1 year	Dec. 31, 2024
Other liabilities to banks	91.1	41.7	132.8
Promissory notes (Schuldschein)	5.4	502.7	508.1
Bond 2025	601.1	–	601.1
Bond 2028	12.9	497.5	510.4
Bond 2029	0.6	497.8	498.4
Bond 2032	13.3	494.5	507.8
Derivative financial instruments	3.1	41.3	44.4
Other financial liabilities	85.0	51.0	136.0
Total	**812.5**	**2,126.5**	**2,939.0**
Lease liabilities	136.9	480.4	617.3
Cash and cash equivalents			763.3
Net financial liabilities			**2,793.0**

3.61 Financial liabilities / Dec. 31, 2024

in EUR m	Remaining term: 1 year or less	Remaining term: more than 1 year	Dec. 31, 2023
Liabilities under syndicated loan	0.1	45.5	45.6
Other liabilities to banks	145.9	36.2	182.1
Promissory notes (Schuldschein)	7.2	615.3	622.5
Bond 2025	1.8	598.3	600.1
Bond 2029	0.6	497.4	498.0
Derivative financial instruments	4.4	24.6	29.0
Liabilities relating to acquisition of treasury shares	250.0	0.0	250.0
Other financial liabilities	29.9	56.7	86.6
Total	**439.9**	**1,874.0**	**2,313.9**
Lease liabilities	122.8	327.0	449.8
Cash and cash equivalents			576.9
Net financial liabilities			**2,186.8**

3.62 Financial liabilities / Dec. 31, 2023

The most important component in Brenntag's financing structure is the Group-wide syndicated loan agreement. As at December 31, 2024, this totaled the equivalent of EUR 1.5 billion. The syndicated loan originally had a term running until February 2028, which at the beginning of 2024 was initially extended until February 2029 and at the end of 2024 was extended until February 2030 through two extension options.

It is based on variable interest rates with margins depending on the credit rating, and is divided into two revolving credit facilities – one credit facility in the amount of EUR 1 billion and a USD credit facility in the amount of USD 525.0 million, which equated to EUR 505.3 million as at December 31, 2024 (equivalent in euros as at Dec. 31, 2023: EUR 475.1 million). The margin is also linked to the achievement of certain Brenntag Group sustainability targets.

As at December 31, 2024, Brenntag had no outstanding liabilities under the syndicated loan. A very small amount of the EUR 1 billion credit facility had been drawn down for bank guarantees. The USD credit facility was entirely unutilized as at December 31, 2024. Both credit facilities are available for further drawdowns at any time. As at December 31, 2024, other liabilities to banks included accrued transaction costs on the syndicated loan amounting to EUR 3.9 million

While some subsidiaries are direct borrowers under the loan, others obtain their financing from intra-Group loans. The syndicated loan is guaranteed by Brenntag SE.

At the end of August 2022, Brenntag SE placed promissory notes with a nominal value of around EUR 640.0 million. These were issued at the nominal amount.

Alongside five euro-denominated tranches with a total nominal value of EUR 390.0 million, the company also issued two US dollar-denominated tranches with a total nominal value of around EUR 250.0 million. The seven tranches have original tenors of three, five and seven years and are due for repayment on August 29 and 30 of the respective year.

The two floating-rate tranches in the amount of EUR 60.0 million and USD 70.0 million (equivalent in euros at the repayment date: EUR 64.5 million) maturing in 2025 were repaid ahead of schedule in 2024.

Three tranches carry floating interest rates, while two (euro) tranches have a fixed interest rate over the respective term. Interest payments are made quarterly for the floating-rate tranches in US dollars, semi-annually for the floating-rate euro-denominated tranches, and annually for the fixed-rate euro-denominated tranches.

The liabilities under the promissory notes break down as follows:

in EUR m	Remaining term	Interest rate p.a. above EURIBOR / SOFR or fixed rate	**Dec. 31, 2024**
Currency			
EUR	Aug. 30, 2027	+1.00 pc points	175.0
	Aug. 30, 2027	2.648%	75.0
	Aug. 30, 2029	+1.15 pc points	50.0
	Aug. 30, 2029	2.889%	30.0
Total			**330.0**
USD	Aug. 30, 2027	+1.50 pc points	173.2
Total			**173.2**
Accrued interest			5.4
Transaction costs			–0.5
Liabilities under promissory notes			**508.1**

3.63 Liabilities under promissory notes / Dec. 31, 2024

in EUR m	Remaining term	Interest rate p.a. above EURIBOR / SOFR or fixed rate	**Dec. 31, 2023**
Currency			
EUR	Aug. 29, 2025	+0.75 pc points	60.0
	Aug. 30, 2027	+1.00 pc points	175.0
	Aug. 30, 2027	2.648%	75.0
	Aug. 30, 2029	+1.15 pc points	50.0
	Aug. 30, 2029	2.889%	30.0
Total			**390.0**
USD	Aug. 29, 2025	+1.25 pc points	63.3
	Aug. 30, 2027	+1.50 pc points	162.9
Total			**226.2**
Accrued interest			7.2
Transaction costs			–0.9
Liabilities under promissory notes			**622.5**

3.64 Liabilities under promissory notes / Dec. 31, 2023

The Bond 2025 issued in September 2017 in the amount of EUR 600.0 million matures in 2025 and carries an annual coupon of 1.125%.

The Bond 2028 issued in April 2024 in the amount of EUR 500.0 million matures in 2028 and carries an annual coupon of 3.750%.

The Bond 2029 issued in October 2021 in the amount of EUR 500.0 million matures in 2029 and carries an annual coupon of 0.50%.

The Bond 2032 also issued in April 2024 in the amount of EUR 500.0 million matures in 2032 and carries an annual coupon of 3.875%.

All bonds were issued by the Group company Brenntag Finance B.V., Amsterdam, Netherlands.

The Bonds 2028, 2029 and 2032 were issued under the debt issuance program established in 2021.

Other financial liabilities of EUR 136.0 million (Dec. 31, 2023: EUR 86.6 million) consist mainly of liabilities in connection with business combinations.

24.) Other liabilities

	Dec. 31, 2024		Dec. 31, 2023	
in EUR m		of which current		of which current
Other liabilities in scope of IFRS 7:				
Liabilities from packaging	65.4	(65.4)	64.7	(64.7)
Customers with credit balances	32.3	(32.3)	31.3	(31.3)
Liabilities to insurance companies	3.3	(3.3)	3.6	(3.6)
Liabilities from sales deductions, rebates	24.8	(24.8)	24.6	(24.6)
Liabilities from the acquisition of assets	14.9	(14.9)	21.5	(21.5)
Miscellaneous other liabilities	113.4	(111.1)	99.3	(97.0)
Other liabilities in scope of IFRS 7 total	**254.1**	**(251.8)**	**245.0**	**(242.7)**
Other liabilities out of scope of IFRS 7:				
Liabilities to employees	170.6	(170.6)	195.7	(195.7)
Liabilities from value-added tax	85.7	(85.7)	74.2	(74.2)
Liabilities from other taxes	35.2	(35.2)	34.5	(34.5)
Deferred income	3.9	(3.9)	2.4	(2.4)
Liabilities from social insurance contributions	17.5	(17.5)	15.7	(15.7)
Miscellaneous other liabilities	2.7	(2.7)	2.1	(2.1)
Other liabilities out of scope of IFRS 7 total	**315.6**	**(315.6)**	**324.6**	**(324.6)**
Total other liabilities	**569.7**	**(567.4)**	**569.6**	**(567.3)**

3.65 Other liabilities

Other liabilities include accruals of EUR 74.1 million (Dec. 31, 2023: EUR 75.8 million).

25.) Other provisions

Other provisions changed as follows in financial year 2024:

in EUR m	Environmental provisions	Provisions for personnel expenses	Miscellaneous provisions	Total
Jan. 1, 2024	**107.5**	**71.7**	**188.3**	**367.5**
Exchange rate differences	2.6	0.7	5.8	9.1
Additions from business combinations	3.8	0.4	0.3	4.5
Unwinding of discounting	3.7	0.1	0.2	4.0
Utilized	–7.6	–38.2	–30.4	–76.2
Reversed	–2.3	–10.1	–18.5	–30.9
Added	6.6	17.7	52.9	77.2
Transferred	–0.1	–0.2	0.1	–0.2
Dec. 31, 2024	**114.2**	**42.1**	**198.7**	**355.0**

3.66 Change in other provisions

Other provisions have the following maturities:

in EUR m	Environ-mental provisions	Provisions for personnel expenses	Miscella-neous provisions	Dec. 31, 2024	Environ-mental provisions	Provisions for personnel expenses	Miscella-neous provisions	Dec. 31, 2023
1 year or less	13.5	27.5	53.8	94.8	12.8	38.9	51.4	103.1
1 to 5 years	41.7	8.2	116.7	166.6	39.5	28.7	91.8	160.0
more than 5 years	59.0	6.4	28.2	93.6	55.2	4.1	45.1	104.4
Total	**114.2**	**42.1**	**198.7**	**355.0**	**107.5**	**71.7**	**188.3**	**367.5**

3.67 Maturity of other provisions

Environmental provisions

The recognition and measurement of environmental provisions are coordinated centrally by external independent experts. The provision amounts are determined on the basis of individual cost estimates for each case. Allowance is made not only for the nature and severity of pollution but also for the conditions at the respective sites and the sovereign territories in which these sites are located.

Environmental provisions are stated at their present values. They are discounted at maturity-dependent, risk-free interest rates for the respective functional currencies. Increases in the future expenditure due to inflation are allowed for. The discount rates for environmental provisions range from 0.2% to 14.1%, depending on the currency (Dec. 31, 2023: from 1.3% to 11.1%).

As at December 31, 2024, environmental provisions total EUR 114.2 million (Dec. 31, 2023: EUR 107.5 million). They mainly relate to the rehabilitation of soil and ground water for current and former, owned and leased sites but also cover costs for further and accompanying measures such as necessary environmental inspections and observations. The provisions include EUR 22.2 million (Dec. 31, 2023: EUR 19.4 million) for contingencies for which a cash outflow is not likely but nevertheless possible. In line with the requirements of IFRS 3, these contingencies have entered the balance sheet largely through the purchase price allocation in connection with the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International at the end of the third quarter of 2006.

Due to the nature and the large number of parameters which have to be considered when determining environmental provisions, there are uncertainties in their measurement. This applies both to the amount and the timing of future expenditure. However, based on the information available at the time of preparation of the financial statements, it can be assumed that the environmental provisions are reasonable and any additional amounts incurred would not have any material effect on the net assets, financial position and results of operations of the Group.

In some cases, special agreements have been reached which ensure that the cost of any future environmental work necessary will be borne by third parties. If receipt of payment from the third party is virtually certain provided Brenntag meets its obligations, these claims to reimbursement are recognized. They are generally measured in the same way as the corresponding provisions. The amount recognized does not exceed the amount of the provision. The claims to reimbursement recognized at December 31, 2024 amount to EUR 7.9 million (Dec. 31, 2023: EUR 6.7 million).

Provisions for personnel expenses

Provisions for personnel expenses primarily contain obligations arising from future variable and individual one-time payments, payments in connection with employee long-service anniversary bonuses, early retirement regulations and pre-retirement part-time work compensation. Provisions for virtual share-based remuneration programs are also presented under this item. These programs are long-term bonus systems for members of the Board of Management of Brenntag SE, on the one hand, and for executives and senior managers of the Brenntag Group, on the other.

Long-term virtual share-based remuneration programs for the members of the Board of Management and Long-Term Incentive Plans for Executives and Senior Managers (LTI Plans)

Details of the long-term, variable remuneration for the members of the Board of Management are provided in the section “Related parties”.

For the period from 2013 to 2020, an LTI Plan was offered to a group of managers which is to be redefined every year by the Board of Management of Brenntag SE. The term of the program is divided into a one-year performance period and a general vesting period of three years. The total bonus pool amount available for one annual tranche of the LTI Plan basically depends on the change in operating EBITDA in the performance period; further amounts can be assigned to the bonus pool at the discretion of the Board of Management. Restrictions exist to the extent that the bonus pool may not exceed 0.675% of the actual operating EBITDA. On the basis of this bonus pool, the number of virtual shares is determined for each plan participant pro rata based on the average price of the Brenntag shares and the annual salary of the participant in relation to the total annual salaries of all participants. After expiry of the vesting period, the plan participants receive remuneration resulting from the virtual shares allocated multiplied by the average Brenntag share price, adjusted for dividends, capital transactions and stock splits. Payment per virtual share must not exceed 250% of the average share price, on the basis of which the number of virtual shares was determined.

In 2021, a further LTI Plan was set up for selected members of the Brenntag Group’s Global Leadership Team (GLT). This special long-term incentive program is aimed at retaining GLT members and motivating them to ensure and share in the long-term success of “Project Brenntag” and therefore the Brenntag Group. These selected GLT members are conditionally entitled to bonus payments based on two components. The first component is dependent on the respective LTI target bonus and the achievement of a defined EBITDA target for financial year 2023. 50% of this is paid out in cash. The other 50% flows into the second component in the form of virtual shares in Brenntag SE. After a holding period of one year and depending on Brenntag SE’s average share price performance in financial year 2024, a further cash payment will be made. Both components are recognized uniformly as a provision for share-based remuneration, even though the first component is to be regarded as other long-term employee benefits (IAS 19).

In 2024, a new LTI Plan was set up for selected executives and senior managers of the Brenntag Group. This comprises long-term variable remuneration in the form of virtual shares (performance share units). The number of virtual shares may increase or decrease, depending on Brenntag’s long-term performance measured over a three-year performance period. The performance share plan is structured as follows:

The number of virtual shares initially awarded is calculated by dividing the individual and contractually agreed target amount by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months before the start of the performance period. If the service agreement begins or ends during a financial year, the target amount for that financial year is calculated on a pro rata temporis basis.

The number of virtual shares finally awarded to the plan member is linked to three financial performance criteria and, via an ESG multiplier, to ESG targets. The three financial performance criteria are Brenntag’s total shareholder return (TSR) compared with a global peer group (weighting: 50%), return on capital employed (ROCE) (weighting: 25%) and organic operating EBITA (25%). The sum total of the weighted share awards for each performance criterion is multiplied by the achievement figure of specific ESG targets using an ESG multiplier that may be between 0.8 and 1.2. The resulting total share award is then multiplied by the number of virtual shares initially awarded, giving the number of virtual shares finally awarded to the plan member at the end of the three-year performance period. The number of virtual shares finally awarded is capped at 200%. The payout amount depends on Brenntag’s absolute share price performance in the three-year performance period and is calculated by multiplying the number of virtual shares finally awarded by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months before the end of the performance period, plus dividend payments during the performance period. The payout amount is capped at a maximum of 250% of the individual and contractually agreed target amount (Cap).

Income of EUR 0.9 million was recognized within personnel expenses for the virtual share-based remuneration programs (2023: personnel expenses of EUR 19.5 million).

Provisions for share-based remuneration total EUR 21.1 million as at December 31, 2024 (Dec. 31, 2023: EUR 52.6 million) and disaggregate into the following maturities:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
1 year or less	18.7	30.5
1 to 5 years	2.4	22.1
Total	**21.1**	**52.6**

3.68 Provisions for share-based remuneration

Miscellaneous provisions

Miscellaneous provisions primarily include provisions for compensation payable and for legal proceedings and disputes in the amount of EUR 162.4 million (Dec. 31, 2023: EUR 139.1 million).

Provisions for current and likely litigation are established in those cases where reasonable estimates are possible. These provisions contain all estimated legal costs as well as the possible settlement costs. The amounts are based on information and cost estimates provided by lawyers (for details, please see the section “Legal proceedings and disputes”).

26.) Provisions for pensions and other post-employment benefits

There are both defined contribution and defined benefit pension plans for the employees of the Brenntag Group. The pension obligations vary depending on the legal, tax and economic circumstances in the respective country and the employee’s years of service with the company and pay grade.

Defined contribution plans

A large number of the employees of the Brenntag Group will receive benefits from the statutory social insurance fund, into which the contributions are paid as part of their salary. In addition, various other pension fund commitments exist at the companies of the Brenntag Group. As the company has no further obligations after payment of the retirement pension contributions to the state social insurance fund and private insurance companies, these plans are treated as defined contribution plans. Current pension contribution payments are recognized as expense for the relevant period. In financial year 2024, pension expenses in the Brenntag Group for employer contributions to the statutory pension insurance fund and for non-statutory defined contribution plans amounted to a total of EUR 116.6 million (2023: EUR 115.7 million).

In the USA, subsidiaries of the Brenntag Group pay into defined benefit plans maintained by more than one employer (termed multi-employer plans). These multi-employer defined benefit plans are accounted for in the consolidated financial statements as defined contribution plans because the information required to use defined benefit accounting is not available in a timely manner and in sufficient detail. Furthermore, there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual participating employers, which is necessary for accounting for defined benefit plans in accordance with IAS 19.

If other participating employers do not meet their payment obligations, Brenntag may be liable for the obligations of those employers. Any potential withdrawal from the plans by an entity may lead to that entity having to offset the potential shortfall relating to its share of the plan. The funding level of the individual plans ranged from about 15% to 100% as at December 31, 2024 (about 14% to 99% as at December 31, 2023). Brenntag Group subsidiaries account for approximately 0.05% to 2.39% of the total contributions (2023: approximately 0.06% to 1.4%), depending on the plan. Withdrawal from all plans at the present time would lead to an estimated one-time expense of approximately EUR 49 million or approximately USD 53 million (2023: approximately EUR 49 million or approximately USD 53 million). It is not intended to withdraw from any of these plans at this time.

In financial year 2024, contributions of EUR 2.9 million or USD 3.1 million (2023: EUR 2.8 million or USD 3.0 million) were paid. The contributions are included in the above-mentioned contributions for non-statutory defined contribution plans. In 2025, the contributions are expected to amount to approximately EUR 2.9 million.

Defined benefit plans

The defined benefit plans of the Brenntag Group are funded by provisions and largely covered by assets. The principal obligations (over 90% of the total volume) are in Switzerland, Germany, Canada and the Netherlands. The remaining obligations are spread over another eleven countries in the EMEA, Latin America and Asia Pacific segments.

Switzerland

In Switzerland, every employer is obliged by national law to set up a company retirement pension scheme. When determining the pension benefits, the minimum requirements of the Federal Law on Occupational Retirement, Surviving Dependents' and Disability Pensions (Bundesgesetz über die beruflichen Alters-, Hinterlassenen- und Invalidenvorsorge (BVG)) and the corresponding regulations are required to be observed.

The Swiss group company maintains a funded pension plan for its employees. The assets of this plan are held in two autonomous foundations. The foundation board is made up of equal numbers of employer and employee representatives. It is responsible for setting the investment strategy, for changes in the plan rules and in particular also for determining the financing of the pension benefits.

The pension benefits are based on the retirement assets accrued. The annual retirement credits and interest are credited to these retirement assets. On retirement, the insured person is obliged to take 30% of the accrued retirement assets in the form of a lump-sum payment and may choose whether to take the remaining 70% of the accrued retirement assets in the form of a life-long pension or another lump-sum payment. In addition to the retirement benefits, the pension benefits also include disability and surviving dependents' pensions. The insured person may also dispose of parts of their accrued retirement assets prematurely if this serves to improve their pension situation (for owner-occupied residential property). If there is a change of employer, the retirement assets are transferred to the pension scheme of the new employer.

The employee and employer contributions are set by the foundation board. According to the BVG, the employer pays at least 50% of the necessary contributions. In the case of Brenntag Schweizerhall AG, the employer pays some 70% of the contributions in accordance with the rules of the plan.

As the contributions to the pension plan that the employees in Switzerland pay are based on formal rules, the risk distribution between employee and employer is taken into account when measuring the obligation. In the case of Brenntag Schweizerhall AG, this leads to an only minor reduction in the present value of the benefit obligation.

Germany

The German group companies have retirement pension plans which are based on contractual provisions or works agreements.

The Employee Pension Plan 2000/2012 (Mitarbeiter Vorsorgeplan 2000/2012) is a pension plan funded by the employer. The employer awards an annual pension contribution of between EUR 250 and EUR 500 depending on length of service, which is converted into pension modules. The amount of the benefits depends on the pension modules accrued before retirement.

The Pension Scheme 2000/2012 for Executives (Leistungsordnung 2000/2012 für Führungskräfte) of the German Brenntag companies is a pension plan for executives funded by the employer in the form of individual commitments. The annual pension contribution depends on the pensionable remuneration (basis of assessment). The annual basis of assessment is the sum total of the fixed remuneration, Christmas and vacation allowances and bonuses but no more than three times the contribution assessment limit for the statutory pension system. The pension contribution is a maximum of 4% of the basis of assessment up to the contribution assessment limit plus a maximum of 10% for parts exceeding the contribution assessment limit. The annual pension contributions are converted into pension modules. The amount of the benefits depends on the pension modules accrued before retirement.

All employees have the option to convert pay components into an entitlement to pension benefits within the meaning of the German Company Pension Act (Betriebsrentengesetz (BetrAVG)) by participating in the Pension Plan Through Employee-funded Pension Commitments (Vorsorgeplan über mitarbeiterfinanzierte Versorgungszusagen). The annual pension contribution for participating employees is between at least EUR 250 and a maximum of 4% of the contribution assessment limit for the statutory pension system (Section 1a

BetrAVG). The company also pays an additional pension allowance of 15% to the converted amount provided that the pension contribution comes from remuneration subject to statutory pension insurance contributions. Furthermore, through the Deferred Compensation Plan (DCP), employees have the option to convert pay components into an entitlement to pension benefits. The converted employee contributions are protected by pension liability insurance pledged to the employee who is entitled to the pension. With both employee-funded plans, the employees must decide every year on the pension contribution they wish to make.

In addition to the retirement benefits, the pension benefits also include surviving dependents' pensions and – except in the case of the Deferred Compensation Plan (DCP) – disability benefits.

The Pension Scheme 2000/2012 for Executives (Leistungsordnung 2000/2012 für Führungskräfte) is a pure retirement pension plan with a monthly life-long pension. With the other pension plans, the pension benefit is paid out as a lump sum or as an annual capital instalment spread over a maximum of five years or as a life-long pension.

Furthermore, in Germany, Brenntag still has isolated retirement and disability pension commitments under pension plans set up in the past. These commitments depend on the years of service and the pay grades of the respective employees. They are mainly commitments involving monthly pension payments.

Canada

In Canada, Brenntag maintains an employer-funded pension plan with a life-long monthly pension for employees who joined the company before December 31, 2011. The basis of assessment for calculating the annual pension is 1% of the average salary of the three highest annual salaries of the beneficiary multiplied by the number of years of service. In addition to the retirement benefits, the pension benefits include disability and surviving dependents' pensions.

The plan participants in the employer-funded pension plan who are under 50 or who have less than 15 years of service or less than 55 points (sum of age and years of service) must pay into a defined contribution plan newly set up in 2014 in order to continue to build up their retirement pension. Employer and employee pay equal portions of the contributions. The entitlements accrued up to the date of transition remain in place.

For employees in Canada who joined the company up to and including May 31, 2013, there is an employer-funded supplementary medical cost plan in retirement as well as a life insurance payout of CAD 5,000 on retirement. As this plan has the characteristics of a pension, it is classified under pensions and other post-employment benefits.

Netherlands

Company pension systems play a prominent role in the Netherlands as the pay-as-you-go statutory pension scheme only provides a basic pension.

The companies maintain a funded retirement plan for their employees. When there is a change of employer, the credit balance from the plan assets can be transferred to the pension scheme of the new employer or remains in the previous company's pension scheme. About 20% of the retirement pension plan is funded by the employee and about 80% by the employer. Depending on the employer's commitment, the basis of assessment for calculating the annual pension is the last salary before the employee reaches retirement age or the average salary over the employee's active career before reaching retirement age. The amount calculated from the basis of assessment is multiplied by the years of service. The retirement pension plan is a pure pension plan with a life-long monthly pension. In addition to the retirement benefits, the pension benefits include disability and surviving dependents' pensions.

Risks arising from defined benefit pension plans

Brenntag is exposed to risks arising from the plans. An increase in life expectancy, an increase in salaries and the adjustment of pensions in line with inflation as required by law in Germany, or an increase in medical costs in Canada, would lead to higher cash outflows and, in combination with falling discount rates, in each case to higher present values of the defined benefit obligation. There is investment risk in Switzerland primarily with regard to the proportion of the plan assets invested in shares. There is no investment risk in Germany or the Netherlands as the plan assets consist solely of insurance policies. In Canada, the plan assets consisting of external fund shares are in principle exposed to investment risk. In order to minimize this risk, the plan assets in Canada are subject by law to an audit every three years to establish whether the assets invested are sufficient to fund the pension obligations.

Actuarial parameters applied
The plan assets are measured at fair value. The calculation of the present value of the benefit obligations is based on the following main actuarial parameters. When several countries are grouped together, the values are average values weighted by the present value of the respective benefit obligation:

in %		Switzerland	Germany	Canada	Netherlands	Other countries	**Weighted**
Discount rate	**2024**	**0.95**	**3.40**	**4.70**	**3.40**	**4.11**	**2.85**
	2023	1.50	3.20	4.70	3.20	4.35	2.98
Expected salary trend	**2024**	**1.35**	**2.50**	**3.25**	**2.00**	**3.93**	**2.27**
	2023	1.50	2.50	3.25	2.00	3.91	2.33
Expected pension trend	**2024**	**0.35**	**2.00**	**2.00**	**2.00**	**2.61**	**1.51**
	2023	0.50	2.00	2.00	2.00	2.52	1.57
Medical cost trend	**2024**			**5.21**			**5.21**
	2023			5.27			5.27

3.69 Actuarial parameters applied

As inflation has actually been much higher since the last pension adjustment dates, for pensioners in Germany for whom adjustments are made in line with the changes in the consumer price index, an additional valuation premium of 2.32% (Dec. 31, 2023: 5.43%) is included for the above-average pension adjustments for the coming years that have accrued but not yet been made. The effects of applying the premium to reflect the pension adjustment status amounted to EUR 0.2 million as at December 31, 2024 (Dec. 31, 2023: EUR 0.9 million).

With respect to life expectancy, the Heubeck 2018 G mortality tables (generational tables) are taken as a basis in Germany. The BVG 2020 generational mortality tables are used in Switzerland. We use the “Prognosetafel AG2024” (2023: “Prognosetafel AG2022”) table in the Netherlands and the “CPM-2014Priv generational mortality table” in Canada.

Provisions for pensions and other post-employment benefits by country

in EUR m	Switzerland	Germany	Canada	Netherlands	Other countries	**Dec. 31, 2024**
Present value of the defined benefit obligation	124.7	124.4	57.5	53.2	26.6	386.4
Fair value of plan assets	–134.7	–26.4	–52.2	–47.9	–5.5	–266.7
Effect of the asset ceiling	10.0	–	–	–	–	10.0
Provisions for pensions and other post-employment benefits – net	**–**	**98.0**	**5.3**	**5.3**	**21.1**	**129.7**
of which assets recognized	–	–	5.4	–	–	5.4
Provisions for pensions and other post-employment benefits recognized in the balance sheet	**–**	**98.0**	**10.7**	**5.3**	**21.1**	**135.1**

3.70 Provisions for pensions and other post-employment benefits by country / Dec. 31, 2024

in EUR m	Switzerland	Germany	Canada	Netherlands	Other countries	**Dec. 31, 2023**
Present value of the defined benefit obligation	117.6	124.7	57.6	53.8	26.1	379.8
Fair value of plan assets	–132.3	–26.7	–53.5	–48.5	–5.9	–266.9
Effect of asset ceiling	14.7	–	–	–	–	14.7
Provisions for pensions and other post-employment benefits – net	**–**	**98.0**	**4.1**	**5.3**	**20.2**	**127.6**
of which assets recognized	–	–	6.4	–	–	6.4
Provisions for pensions and other post-employment benefits recognized in the balance sheet	**–**	**98.0**	**10.5**	**5.3**	**20.2**	**134.0**

3.71 Provisions for pensions and other post-employment benefits by country / Dec. 31, 2023

Pension obligations, plan assets and provisions for pensions and other post-employment benefits recognized in the balance sheet changed as follows:

Change in the present value of the defined benefit obligations

in EUR m	2024	2023
Present value of pension obligations at the beginning of the period	379.8	344.2
Exchange rate differences	–2.4	5.6
Business combinations	1.8	2.3
Transfers	–1.1	–
Utilized	–15.4	–14.4
Service cost		
Current service cost	10.3	9.0
Past service cost	–0.1	–0.3
Employee contributions	1.7	1.7
Interest expense on the present value of the obligation	10.8	12.0
Settlements	–0.1	–
Remeasurement components		
Change in economic assumptions	2.5	25.8
Change in demographic assumptions	–	–0.8
Experience adjustments	–1.4	–5.3
Present value of pension obligations at the end of the period	**386.4**	**379.8**

3.72 Change in the present value of the defined benefit obligations

The present value of pension obligations totaling EUR 386.4 million (Dec. 31, 2023: EUR 379.8 million) includes pension obligations for members of the Board of Management amounting to EUR 0.0 million (Dec. 31, 2023: EUR 1.8 million) and for former members of the Board of Management amounting to EUR 8.0 million (Dec. 31, 2023: EUR 8.5 million).

The increase in pension obligations attributable to the change in economic assumptions of EUR 2.5 million is due mainly to the discount rates being slightly lower than at December 31, 2023 in all currency areas, whilst a slightly higher discount rate in the euro zone has an opposite effect. The rates can be found in the table “Actuarial parameters applied”.

Change in the fair value of plan assets

in EUR m	2024	2023
Fair value of plan assets at the beginning of the period	266.9	248.7
Exchange rate differences	–3.0	6.8
Transfers	–0.8	–
Utilized	–10.1	–10.4
Employer contributions	6.0	7.0
Administrative costs for plan assets	–0.4	–0.6
Employee contributions	1.7	1.7
Interest income on plan assets	6.7	7.9
Settlements	–0.2	–
Remeasurement components	–0.1	5.8
Fair value of plan assets at the end of the period	**266.7**	**266.9**

3.73 Change in the fair value of plan assets

Change in the effect of the asset ceiling

in EUR m	2024	2023
Asset ceiling at the beginning of the period	14.7	18.3
Exchange rate differences	–0.2	0.9
Remeasurement components	–4.5	–4.5
Asset ceiling at the end of the period	**10.0**	**14.7**

3.74 Change in the effect of the asset ceiling

The asset ceiling is the result of a surplus in the plans in Switzerland, which does not give rise to any economic benefits in the form of refunds or reductions in future contributions.

Change in provisions for pensions and other post-employment benefits recognized in the balance sheet

in EUR m	2024	2023
Provisions for pensions and other post-employment benefits at the beginning of the period	127.6	113.8
Exchange rate differences	0.4	–0.4
Business combinations	1.8	2.3
Transfers	–0.3	–
Utilized	–5.3	–4.0
Employer contributions	–6.0	–7.0
Current service cost	10.3	9.0
Past service cost	–0.1	–0.3
Administrative costs for plan assets	0.4	0.6
Net interest expense	4.1	4.1
Settlements	0.1	–
Remeasurement components	–3.3	9.5
Provisions for pensions and other post-employment benefits at the end of the period – net	**129.7**	**127.6**
of which assets recognized	5.4	6.4
Provisions for pensions and other post-employment benefits recognized in the balance sheet at the end of the period	**135.1**	**134.0**

3.75 Change in provisions for pensions and other post-employment benefits recognized in the balance sheet

Recognized provisions for pensions include EUR 10.7 million (Dec. 31, 2023: EUR 10.6 million) for the supplemental medical cost plan in Canada. Pension costs recognized in the income statement for obligations under defined benefit plans total EUR 14.7 million (2023: EUR 13.4 million). Net interest expense is presented within net finance costs. Current service cost and administrative costs for plan assets are presented within personnel expenses, where the amounts of past service cost and the amounts from settlements are also recognized.

The present values of the defined benefit obligations break down as follows into active members, former employees with vested rights and pensioners, split according to the payout method, resulting in the following weighted average duration of the defined benefit obligations:

in EUR m	2024	2023
Present value of the pension obligations funded by plan assets, of which:	**277.8**	**273.0**
Active members with lump-sum payment	15.5	15.9
Active members with monthly pension	97.8	96.3
Active members with option to choose	10.3	15.2
Former employees with vested rights to lump-sum payment	9.7	9.8
Former employees with vested rights to monthly pension	3.2	3.1
Former employees with vested rights with option to choose	14.9	15.9
Pensioners with monthly pension	126.4	116.8
Present value of the pension obligations not funded by plan assets, of which:	**97.9**	**96.2**
Active members with lump-sum payment	29.5	27.7
Active members with monthly pension	15.5	19.2
Former employees with vested rights to lump-sum payment	8.5	8.1
Former employees with vested rights to monthly pension	10.8	9.8
Pensioners with monthly pension	33.6	31.4
Medical cost plan	**10.7**	**10.6**
Present value of the pension obligations at the end of the period	**386.4**	**379.8**
Weighted average duration of the pension obligations in years	**14**	**14**

3.76 Breakdown of the present values of defined benefit obligations by members

The pension payments to be made by the company directly amount to EUR 5.3 million in 2024 (2023: EUR 4.0 million). From a present perspective, the cash outflow resulting from pension payments made by the company directly will remain at a level of EUR 5 to 6 million over the long term. The pension payments expected to be made by the company directly in 2025 total EUR 5.9 million.

The fair value of the plan assets disaggregates into the following asset classes:

in EUR m	Switzerland	Germany	Canada	Netherlands	Other countries	Dec. 31, 2024
Shares	22.0	–	8.0	–	4.5	34.5
Fixed-interest securities	14.2	–	43.8	–	0.7	58.7
Insurance policies	98.6	26.4	–	47.9	0.2	173.1
Cash and cash equivalents	–	–	0.4	–	–	0.4
Fair value of plan assets	**134.8**	**26.4**	**52.2**	**47.9**	**5.4**	**266.7**

3.77 Fair value of the plan assets by asset class / Dec. 31, 2024

in EUR m	Switzerland	Germany	Canada	Netherlands	Other countries	Dec. 31, 2023
Shares	20.8	–	8.1	–	4.3	33.2
Fixed-interest securities	13.6	–	44.8	–	0.7	59.1
Insurance policies	97.9	26.7	–	48.5	0.9	174.0
Cash and cash equivalents	–	–	0.6	–	–	0.6
Fair value of plan assets	**132.3**	**26.7**	**53.5**	**48.5**	**5.9**	**266.9**

3.78 Fair value of the plan assets by asset class / Dec. 31, 2023

The plan assets are solely for fulfilling the defined benefit obligations and constitute protection for pension entitlements, which is a legal requirement in some countries and is voluntary in other countries.

The structure of the plan assets is reviewed at regular intervals. All assets, which, in Brenntag's case, mainly consist of insurance policies, are tailored long-term to the amount and maturity of the pension commitments, taking investment risks and statutory regulations governing the investment of retirement assets into account.

Owing to the composition of the plan assets, investment risk at Brenntag is limited to securities traded in active markets (shares and fixed-interest securities). This part (2024: 34.9% of plan assets; 2023: 34.6% of plan assets) is subject to market fluctuations. All other assets are not traded in an active market.

The annual payments made into the plan assets, which, according to the plan rules, consist almost exclusively of obligatory payments, amount to EUR 6.0 million (2023: EUR 7.0 million). From a present perspective, the cash outflow resulting from contributions made by the company will remain at a level of EUR 6 million to EUR 7 million over the long term. Payments into plan assets for financial year 2025 are expected to total EUR 7.4 million.

The sensitivity analysis of the present value of the defined benefit obligation takes into account in each case the change in an assumption and the resulting effects on the defined benefit obligations, the other assumptions remaining the same as in the original calculation.

in EUR m	2024	2023
Discount rate		
Increase by 0.5 percentage points	–27.2	–22.5
Decrease by 0.5 percentage points	29.7	25.2
Expected salary trend		
Increase by 0.5 percentage points	4.5	1.8
Decrease by 0.5 percentage points	–4.3	–1.7
Expected pension trend		
Increase by 0.5 percentage points	11.3	10.9
Decrease by 0.5 percentage points	–10.7	–10.4
Medical cost trend		
Increase by 0.5 percentage points	0.7	0.7
Decrease by 0.5 percentage points	–0.7	–0.7

3.79 Sensitivity analysis of the present value of the defined benefit obligation

A 10% decrease in the mortality rates leads to an increase in life expectancy, depending on the individual age of each beneficiary. That means, for example, that the life expectancy of a 63-year-old employee as at December 31, 2024 increases by about one year. In order to determine the sensitivity of longevity, the mortality rates for the beneficiaries were reduced by 10%. If the mortality rates decreased by 10%, the present value of the defined benefit obligation would increase by EUR 9.8 million (2023: EUR 9.5 million).

27.) Liabilities relating to acquisition of non-controlling interests

Liabilities relating to the acquisition of non-controlling interests break down as follows:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Liabilities relating to acquisition of non-controlling interests	62.4	115.0
Liabilities arising from limited partners' rights to repayment of contributions	2.1	2.4
Total	**64.5**	**117.4**

3.80 Liabilities relating to acquisition of non-controlling interests

Liabilities relating to the acquisition of non-controlling interests consist mainly of liabilities of EUR 24.7 million (Dec. 31, 2023: EUR 36.2 million) relating to the acquisition of the remaining 30% of the shares in Shanghai Saifu Chemical Development Co., Ltd., which was acquired in financial year 2023. The remaining 33% of the shares in Zhongbai Xingye Food Technology (Beijing) Co., Ltd were acquired in the financial year.

EUR 24.7 million (Dec. 31, 2023: EUR 93.6 million) of liabilities relating to the acquisition of non-controlling interests have been included in net investment hedge accounting. Exchange rate-related changes in the liabilities included in net investment hedge accounting are recognized within equity in the net investment hedge reserve. Of the liabilities relating to the acquisition of non-controlling interests, EUR 0.0 million (Dec. 31, 2023: EUR 57.4 million) are current.

The effects of the change in liabilities relating to the acquisition of non-controlling interests recognized in profit or loss are presented in Note 7.).

28.) Equity

Capital management

The aim of capital management at Brenntag is to optimally deploy the resources used to ensure the company's continued existence and, at the same time, to generate a reasonable return on capital – measured by ROCE – for the shareholders in line with market conditions.

In 2024, the Group generated ROCE of 15.6% (2023: 18.9%).

in EUR m	2024	2023
Operating EBITA	1,101.9	1,265.0
Average carrying amount of equity	4,499.1	4,499.5
Average carrying amount of financial liabilities and lease liabilities	3,211.1	2,921.8
Average carrying amount of cash and cash equivalents	–648.4	–727.7
ROCE[1]	**15.6%**	**18.9%**
ROCE[1] after special items	**14.0%**	**17.7%**

3.81 Determination of ROCE

[1] ROCE stands for return on capital employed and is defined as EBITA / (the average carrying amount of equity plus the average carrying amount of financial liabilities less the average carrying amount of cash and cash equivalents). The average carrying amounts in the denominator are defined for a particular year as the arithmetic average of the amounts at each of the following five dates: the beginning of the year, the end of each of the first, second and third quarters, and the end of the year.

Brenntag monitors the appropriateness of borrowings inter alia through the ratio of net financial liabilities to operating EBITDA (leverage). Brenntag generally considers leverage of approximately 2x to be appropriate. At 1.9x as at December 31, 2024, the ratio was slightly below the target level. The increase compared with the prior-year ratio (1.4x) is due mainly to the EUR 303.2 million dividend payment in financial year 2024 as well as to payments for acquisitions.

in EUR m	2024	2023
Non-current financial liabilities and lease liabilities	2,606.9	2,201.0
Current financial liabilities and lease liabilities	949.4	562.7
Cash and cash equivalents	–763.3	–576.9
Net financial liabilities	2,793.0	2,186.8
Operating EBITDA	1,456.8	1,584.6
Net financial liabilities / operating EBITDA	**1.9x**	**1.4x**

3.82 Net financial liabilities/operating EBITDA

Share buyback program

In March 2023, Brenntag launched a share buyback program of up to EUR 750 million. The first tranche of the share buyback program, in the amount of EUR 500 million, was completed in October 2023, the share capital was reduced by a nominal amount of around EUR 7 million by canceling the shares and the excess amount was eliminated against additional paid-in capital. The company's share capital therefore amounted to around EUR 147.5 million as at December 31, 2023. In the course of the second tranche in the first quarter of 2024, a further 3.1 million Brenntag SE shares were acquired on the stock market for a total purchase price of around EUR 250 million. As set out in Article 4, para. 2 lit. (b) of Commission Delegated Regulation (EU) 2016/1052, the buyback program was lead-managed by a credit institution engaged by Brenntag SE which made its trading decisions concerning the timing of the purchases of the shares independently of Brenntag. The share capital was reduced by a nominal amount of EUR 3.1 million by canceling the shares and the excess amount was eliminated against additional paid-in capital. The company's share capital therefore amounted to around EUR 144.4 million as at December 31, 2024.

Subscribed capital

As at December 31, 2024, the subscribed capital of Brenntag SE totaled EUR 144,385,372. The share capital is divided into 144,385,372 no-par value registered shares, each with a notional value of EUR 1.00.

According to article 7, para. 3 of the Articles of Association of Brenntag SE, any right of shareholders to certification of their shares is excluded to the extent permitted by law and that certification is not required under the rules of any stock exchange on which the share is admitted to trading. The company is entitled to issue share certificates embodying several shares (consolidated certificates). Pursuant to Section 67, para. 2 of the German Stock Corporation Act (AktG) in conjunction with Article 9, para. 1 (c) (ii) of Council Regulation (EC) No 2157/2001 on the Statute for a European company ("the SE Regulation"), only those persons recorded in the company's share register will be recognized as shareholders of Brenntag SE. For purposes of recording the shares in the company's share register, shareholders are required to submit to Brenntag SE the number of shares held by them, and, in the case of individuals, their name, address and date of birth, or in the case of legal entities, their company name, business address and registered offices. All shares confer the same rights and obligations. At the Annual General Meeting, each share has one vote and accounts for the shareholders' proportionate share in the net income of Brenntag SE. Excepted from this rule are any treasury shares held by Brenntag SE that do not entitle Brenntag SE to any membership rights. Brenntag SE does not currently have any treasury shares. The shareholders' rights and obligations are governed by the provisions of the German Stock Corporation Act (which apply to an SE as a European stock corporation by way of the reference to other relevant provisions contained in Article 9 of the SE Regulation), in particular by Sections 12, 53a ff., 118 ff. and 186 of the German Stock Corporation Act.

Additional paid-in capital

The additional paid-in capital amounted to EUR 1,002.2 million as at December 31, 2024 (Dec. 31, 2023: EUR 1,491.4 million).

Retained earnings

Retained earnings include cumulative profit after tax and the remeasurement component of the defined benefit pension plans including deferred taxes. Transactions with owners are also recognized here. The latter are effects of share purchases and sales which have no influence on existing control and are recognized in retained earnings.

As proposed by the Board of Management and the Supervisory Board, the Annual General Meeting of Brenntag SE on May 23, 2024 passed a resolution to pay a dividend of EUR 303,209,281.20 (2023: EUR 304,700,000.00). Based on 144.4 million shares, that is a dividend of EUR 2.10 (2023: EUR 2.00) per no-par value share entitled to a dividend.

At the Annual General Meeting on May 22, 2025, the Board of Management and the Supervisory Board will propose that the distributable profit of Brenntag SE amounting to EUR 303,209,281.20 be used to pay a dividend of EUR 2.10 per no-par value share entitled to a dividend.

Other components of equity / Non-controlling interests

Exchange rate differences include the inflation effect on equity of EUR 9.1 million in financial year 2024 (2023: EUR 18.3 million) arising on the application of IAS 29 (hyperinflation) in Turkey.

Other components of equity comprise the cumulative gain/loss from exchange rate differences, the net investment hedge reserve and the cash flow hedge reserve.

The cumulative gain/loss from exchange rate differences contains the differences from the translation of the financial statements of foreign companies into the Group currency (euro), which are recognized in other comprehensive income. The foreign exchange gains of EUR 161.5 million recognized here in financial year 2024 (2023: foreign exchange losses of EUR 98.5 million) resulted primarily from the appreciation of the US dollar against the euro.

Exchange rate differences from liabilities included in net investment hedge accounting are recognized within equity in the net investment hedge reserve.

The cash flow hedge reserve contains the effective portion of the cumulative fair value changes in derivative financial instruments included in cash flow hedge accounting.

Non-controlling interests comprise the shares of non-Group shareholders in the equity of consolidated entities. Non-controlling interests changed as follows:

in EUR m	Subscribed capital, retained earnings and additional paid-in capital	Exchange rate differences	Non-controlling interests
Dec. 31, 2022	**50.8**	**–0.6**	**50.2**
Dividends	–2.0	–	–2.0
Business combinations	16.2	–	16.2
Transactions with owners	–17.4	3.0	–14.4
Profit after tax	6.2	–	6.2
Other comprehensive income, net of tax	–	–4.2	–4.2
Total comprehensive income for the period	**6.2**	**–4.2**	**2.0**
Dec. 31, 2023	**53.8**	**–1.8**	**52.0**
Dividends	–1.8	–	–1.8
Business combinations	–2.4	–	–2.4
Transactions with owners	–21.8	1.3	–20.5
Profit after tax	7.5	–	7.5
Other comprehensive income, net of tax	–	0.5	0.5
Total comprehensive income for the period	**7.5**	**0.5**	**8.0**
Dec. 31, 2024	**35.3**	**–**	**35.3**

3.83 Change in non-controlling interests

Non-controlling interests consist mainly of non-controlling interests in Shanghai Saifu Chemical Development Co., Ltd (30%). Non-controlling interests decreased by EUR 20.5 million due to the acquisition of the remaining shares in Zhongbai Xingye (33%) at the end of financial year 2024.

The assets, liabilities, sales and profit after tax (100%) are shown below:

in EUR m	Saifu
Assets	
Current assets	34.7
Non-current assets	60.3
Liabilities	
Current liabilities	7.4
Non-current liabilities	8.6
Net assets	**79.0**
Income statement	
Sales	63.4
Profit after tax	2.3

3.84 Subsidiaries with non-controlling interests / 2024

in EUR m	Zhongbai Xingye	Saifu
Assets		
Current assets	124.7	28.8
Non-current assets	5.1	40.6
Liabilities		
Current liabilities	81.1	6.4
Non-current liabilities	3.3	10.1
Net assets	**45.4**	**52.9**
Income statement		
Sales	219.5	17.9
Profit after tax	6.9	–0.7

3.85 Subsidiaries with non-controlling interests / 2023

Powers of the Board of Management to issue or repurchase shares

Authorization to create authorized capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized, with the approval of the Supervisory Board, to increase the share capital of Brenntag SE on one or more occasions in the period to June 8, 2027 by a total of up to EUR 35,000,000 by issuing up to 35,000,000 new registered ordinary shares in return for cash contributions or contributions in kind. The shareholders shall generally be granted a subscription right. However, in certain cases the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the shareholders' statutory subscription rights for one or more capital increases under the authorized capital. This shall apply, for example, if the capital increase is effected against cash contributions and the issue price of the new shares is not significantly lower than the stock market price of the shares of the same class and carrying the same rights already traded on the stock market at the time of final determination of the issue price within the meaning of Section 203, para. 1 and para. 2 and Section 186, para. 3, sentence 4 of the German Stock Corporation Act and the total pro rata amount of registered share capital represented by the new shares issued in accordance with this paragraph with exclusion of subscription rights pursuant to Section 186, para. 3, sentence 4 of the German Stock Corporation Act is not less than 10% of the registered share capital (simplified exclusion of subscription rights). The 10% threshold will be determined based on the share capital at the time the authorization becomes effective. If the share capital is lower at the time this authorization is exercised, that lower amount will apply.

The Board of Management shall decide on the further content of the share rights and the conditions of the issuance of shares with the approval of the Supervisory Board.

Authorization to acquire and use treasury shares in accordance with Section 71, para. 1, no. 8 of the German Stock Corporation Act

By resolution of the Annual General Meeting on May 23, 2024, the Board of Management was authorized, with the approval of the Supervisory Board, to acquire treasury shares up to a total of 10% of the share capital. The shares acquired on the basis of this authorization, together with other shares in the company which Brenntag SE has already acquired and still holds, may at no time account for more than 10% of the respective registered share capital. The authorization may be exercised in whole or in part, once or several times. It took effect at the close of the Annual General Meeting on May 23, 2024 and shall be valid until May 22, 2029. If the shares are purchased on the stock exchange or through a multilateral trading facility within the meaning of Section 2, para. 6 of the German Stock Exchange Act (MTF), the purchase price (excluding incidental costs) may not be more than 10% higher or lower than the arithmetic mean of the share prices (closing auction prices of Brenntag SE shares in Xetra trading or a comparable successor system) on the Frankfurt Stock Exchange on the last five trading days prior to the purchase or the entering into an obligation to purchase. In the case of acquisition by means of a public purchase offer, Brenntag SE may either publish a formal offer or issue a public invitation to submit offers for sale. The purchase price offered (excluding incidental costs) or the limits of the purchase price range per share determined by Brenntag SE (excluding incidental costs) may not exceed or fall below the arithmetic mean of the share prices on the Frankfurt Stock Exchange on the last five trading days prior to the publication of the purchase offer or the invitation to submit offers by more than 10%. The authorization may be exercised for any purpose permitted by law. The Board of Management was authorized, with the approval of the Supervisory Board, to cancel the treasury shares acquired on the basis of the authorization pursuant to Section 71, para. 1, no. 8 of the German Stock Corporation Act without any further resolution by the Annual General Meeting. The cancelation may be limited to a portion of the shares acquired. The authorization to cancel shares may be exercised more than once. The cancelation of shares generally leads to a reduction in registered share capital. In derogation of this, the Board of Management may determine that the registered share capital shall remain unchanged and that instead the cancelation shall increase the proportion of the registered share capital represented by the remaining shares in accordance with Section 8, para. 3 of the German Stock Corporation Act. In this case, the Board of Management is authorized to adjust the indication of the corresponding number in the Articles of Association. Treasury shares may, under certain circumstances, also be used subject to exclusion of the shareholders' subscription rights existing in principle and in particular by way of simplified exclusion of subscription rights as specified above.

On March 7, 2023, the Board of Management of Brenntag SE resolved on a share buyback program of up to EUR 750 million with the approval of the Supervisory Board and exercising the authorization granted at the Annual General Meeting held on June 9, 2022. In the course of the second tranche in the period to March 6, 2024, Brenntag SE acquired 3,068,465 no-par value shares, each with a notional value of EUR 1.00 (EUR 249,999,944.46 in total). The shares were acquired on the electronic trading platform of the Frankfurt Stock Exchange (Xetra). Exercising the above-mentioned authorization to cancel treasury shares acquired pursuant to Section 71, para. 1, no. 8 of the German Stock Corporation Act, the company's share capital was reduced from EUR 147,453,837.00 – by EUR 3,068,465 – by canceling 3,068,465 no-par value registered shares, each with a notional value of EUR 1.00, which the company acquired in the period to March 6, 2024. The 3,068,465 no-par value shares held by the company and acquired under the share buyback program were canceled.

Authorization to issue bonds and to create conditional capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized ("Authorization 2022"), with the approval of the Supervisory Board, to issue holder or registered convertible bonds or bonds with warrants as well as profit participation rights or profit participating bonds with option or conversion rights on one or more occasions up to June 8, 2027 for a total nominal amount of up to EUR 2,000,000,000 with or without limited term ("Bonds") and to grant the holders or creditors of the Bonds option or conversion rights to up to 15,450,000 new Brenntag SE shares with a pro rata total amount of the registered share capital of up to EUR 15,450,000 in accordance with the respective option or convertible bond conditions or profit participation right or participating bond conditions ("Conditions") to be determined by the Board of Management. In order to grant shares to the holders or creditors of Bonds, the registered share capital was conditionally increased at the Annual General Meeting on June 9, 2022 by up to 15,450,000 no-par value registered shares conferring profit-sharing rights from the beginning of the financial year in which they were issued ("Conditional Capital 2022"); this equates to an increase in the registered share capital of up to EUR 15,450,000. The Bonds may, in addition to euros, also be issued in a foreign legal currency, subject to a limit of the corresponding equivalent value in euros, and by companies dependent on Brenntag SE or in which it holds a majority interest; in this case, the Board of Management was authorized, with the approval of the Supervisory Board, to assume the guarantee for the Bonds on behalf of Brenntag SE and to grant the holders of such Bonds option or conversion rights to Brenntag SE shares and to make other declarations and take other actions necessary for a successful issue. The issues of Bonds may be divided into partial Bonds each having equal rights. Bonds may only be issued against contribution in kind, provided that the value of the contribution in kind corresponds to the issue price and that this price is not significantly lower than the theoretical market value of the Bonds determined in accordance with recognized methods of financial mathematics. The Board of Management is authorized, under certain circumstances and with the approval of the Supervisory Board, to exclude shareholders' subscription rights to the Bonds. However, with regard to the exclusion of subscription rights against cash payment, this authorization shall apply only provided that the shares issued to fulfil the option or conversion rights and/or in the case of fulfilment of the conversion obligation represent no more than 10% of the registered share capital (simplified exclusion of subscription rights). The 10% threshold will be determined based on the share capital at the time the authorization becomes effective. If the share capital is lower at the time this authorization is exercised, that lower amount will apply.

When convertible bonds, profit participation rights or profit participating bonds with conversion rights are issued, the holders are granted the right to exchange their Bonds for new Brenntag SE shares in accordance with the more detailed Conditions.

When bonds with warrants, profit participation rights or profit participating bonds with option rights are issued, one or more warrants shall be attached to each partial bond or each profit participation right or each participating bond, entitling the holder to subscribe for Brenntag SE shares in accordance with the more detailed Conditions.

New shares are issued at the option or conversion price to be set in accordance with the aforementioned resolution granting authorization.

29.) Consolidated cash flow statement disclosures

Net cash provided by operating activities of EUR 906.6 million (2023: EUR 1,663.9 million) was influenced by the increase in working capital of EUR 45.8 million (2023: decrease of EUR 608.7 million).

Of the net cash of EUR 749.0 million used in investing activities (2023: EUR 558.3 million), EUR 342.2 million comprised payments to acquire intangible assets and property, plant and equipment. Payments to acquire consolidated subsidiaries and other business units, in the amount of EUR 436.1 million, consisted mainly of payments to acquire all shares in the Solventis Group based in Belgium and the UK, Química Delta S.A. de C.V based in Teoloyucan, Mexico, Lawrence Industries Ltd. headquartered in Tamworth, UK, Monarch Chemicals with two sites in the southeast of England and Scotland, and the site and business operations of Industrial Chemicals Corporation (ICC) in Denver, Colorado, USA.

The net cash outflow in 2024 resulting from business combinations has been determined as follows:

in EUR m	
Purchase price	**581.5**
Less cash and cash equivalents acquired	79.4
Plus purchase price payments reclaimed	1.2
Less purchase prices payable	64.1
Plus purchase price payments related to prior-year acquisitions	–0.7
Payments to acquire consolidated subsidiaries and other business units	**436.1**

3.86 Reconciliation of acquisition costs to payments to acquire consolidated subsidiaries and other business units

The main driver of the net cash of EUR 23.0 million provided by financing activities (2023: net cash of EUR 1,553.8 million used in financing activities) was the total cash inflows of EUR 1.0 billion from the bonds issued. In addition to bank loans taken out and repaid as well as lease liabilities repaid, EUR 250.1 million were used to acquire treasury shares and a further EUR 303.2 million for the dividend payment to Brenntag shareholders.

Financial liabilities changed as follows:

in EUR m	**Dec. 31, 2023**	Net cash provided by financing activities	Recog-nized in equity	Non-cash changes in lease liabilities	Business combina-tions in accor-dance with IFRS 3	Exchange rate differ-ences	Other	**Dec. 31, 2024**
Liabilities under syndicated loan	45.6	–50.0	–	–	–	–	4.4	–
Other liabilities to banks	182.1	0.1	–	–	–	–3.5	–45.9	132.8
Liabilities under promissory notes	622.5	–124.5	–	–	–	11.5	–1.4	508.1
Bond 2025	600.1	–	–	–	–	–	1.0	601.1
Bond 2028	–	498.9	–	–	–	–	11.5	510.4
Bond 2029	498.0	–	–	–	–	–	0.4	498.4
Bond 2032	–	496.0	–	–	–	–	11.8	507.8
Liabilities relating to acquisition of treasury shares	250.0	–250.1	0.1	–	–	–	–	–
Derivative financial instruments	29.0	–	–	–	–	–	15.4	44.4
Other financial liabilities	86.6	–11.2	–	–	60.1	–3.5	4.0	136.0
Financial liabilities	**2,313.9**	**559.2**	**0.1**	**–**	**60.1**	**4.5**	**1.2**	**2,939.0**
Lease liabilities	449.8	–152.8	–	201.3	107.1	13.0	–1.1	617.3
Total	**2,763.7**	**406.4**	**0.1**	**201.3**	**167.2**	**17.5**	**0.1**	**3,556.3**
Dividends paid to Brenntag shareholders		–303.2						
Profits distributed to non-controlling interests		–4.1						
Payments to acquire non-controlling interests		–76.1						
Net cash provided by financing activities		**23.0**						

3.87 Change in financial liabilities in 2024

in EUR m	**Dec. 31, 2022**	Net cash used in financing activities	Recognized in equity	Non-cash changes in lease liabilities	Business combina-tions in accordance with IFRS 3	Exchange rate differences	Other	**Dec. 31, 2023**
Liabilities under syndicated loan	551.9	–495.5	–	–	–	–7.3	–3.5	45.6
Other liabilities to banks	217.9	–47.4	–	–	6.7	–12.5	17.4	182.1
Liabilities under promissory notes	627.1	–	–	–	–	–8.1	3.5	622.5
Bond 2025	599.2	–	–	–	–	–	0.9	600.1
Bond 2029	497.5	–	–	–	–	–	0.5	498.0
Liabilities relating to acquisi-tion of treasury shares	–	–	250.0	–	–	–	–	250.0
Derivative financial instru-ments	56.9	–	–	–	–	–0.1	–27.8	29.0
Other financial liabilities	111.0	–52.0	–	–	9.0	–2.0	20.6	86.6
Financial liabilities	**2,661.5**	**–594.9**	**250.0**	**–**	**15.7**	**–30.0**	**11.6**	**2,313.9**
Lease liabilities	434.3	–143.2	–	144.3	21.7	–7.3	–	449.8
Total	**3,095.8**	**–738.1**	**250.0**	**144.3**	**37.4**	**–37.3**	**11.6**	**2,763.7**
Dividends paid to Brenntag shareholders		–304.7						
Profits distributed to non-controlling interests		–4.5						
Payments to acquire non-controlling interests		–12.0						
Proceeds from non-con-trolling interests		1.7						
Payments to acquire treasury shares		–496.2						
Net cash used in financing activities		**–1,553.8**						

3.88 Change in financial liabilities in 2023

30.) Other financial obligations and contingent liabilities

As at December 31, 2024, purchase commitments in respect of property, plant and equipment amounted to EUR 3.1 million (Dec. 31, 2023: EUR 0.4 million) and, as in the previous year, had a remaining term of one year or less. Information on lease obligations as at December 31, 2024 can be found in the sections “Leases” and “Reporting of financial instruments”.

In connection with the elimination of environmental damage, as at December 31, 2024, there were contingent liabilities with a fair value of EUR 6.4 million (Dec. 31, 2023: EUR 5.0 million).

31.) Legal proceedings and disputes

Brenntag SE and individual subsidiaries have been named as defendants in various legal actions and proceedings arising in connection with their activities as a global group. Sometimes, Brenntag is also the subject of investigations by the authorities. Brenntag cooperates with the relevant authorities and, where appropriate, conducts internal investigations regarding alleged wrongdoings with the assistance of in-house and external counsel.

The decision issued by the French Competition Authority in 2013 in relation to the allocation of customers and coordination of prices was set aside by a court of appeal due to procedural errors at the request of our French subsidiary BRENNTAG SA in February 2017. In December 2020, the court imposed a fine of EUR 47 million, which was payable immediately. BRENNTAG SA lodged an appeal against the decision, whereupon the paid fine was reimbursed in November 2023 and the proceedings referred back by the Cour de cassation (Court of cassation) for a further decision. With further steps expected to be taken by the French authorities responsible, a provision was recognized in the amount of the EUR 47 million reimbursement. Regarding the investigation also ongoing at the French Competition Authority concerning whether BRENNTAG SA has illegally made use of its market position, a decision by the Authority is still pending. Based on current knowledge, Brenntag assumes that claims for civil liability arising from the above-mentioned proceedings are not sufficiently substantiated.

Given the number of legal disputes and other proceedings that Brenntag is involved in, it is possible that a ruling may be made against Brenntag in some of these proceedings. The company contests actions and proceedings where it considers it appropriate. Provisions are established for ongoing legal disputes on the basis of the estimated risk and, if necessary, with the help of external consultants. It is very difficult to predict the outcome of such matters, particularly in cases in which claimants seek indeterminate compensation. Any adverse decisions rendered in such cases may have material effects on Brenntag’s net assets, financial position and results of operations for a reporting period. However, Brenntag currently does not expect its net assets, financial position and results of operations to be materially affected.

In connection with the sale of talc and similar products, actions have been brought against our North American subsidiaries, against which the Brenntag Group is actively defending itself. The number of actions brought increased significantly compared with the previous year, although the pace slowed over the course of 2024. Taking into account legal advisory costs, the expense amounted to approximately EUR 43 million. In addition, Brenntag has taken measures to mitigate any risks and is asserting claims for compensation from third parties. Nevertheless, the possibility that these legal disputes will result in significant adverse effects on the results of operations cannot be ruled out.

In the course of the central review, the estimate of the effect was changed from “medium” to “high” bearing in mind experience over the course of the year, as a result of which the overall risk increased from “medium” to “high”.

As a global company, Brenntag has to comply with the country-specific tax laws and regulations in each jurisdiction. Tax exposures could result in particular from current and future tax audits of German and foreign subsidiaries. We counter the risks by continuously improving the tax compliance management system bearing in mind auditing standard IDW PS 980 and gradually rolling out this system to other Group companies in Germany and abroad. These risks are generally reflected in the balance sheet by recognizing provisions. We currently see nothing to indicate that we should expect significant new findings from the tax authorities or customs authorities that could lead to additional tax expenses.

32.) Reporting of financial instruments

Carrying amounts and fair values by measurement category

The financial assets recognized in the balance sheet were allocated to the IFRS 9 measurement categories as follows:

in EUR m	Dec. 31, 2024			
Classes of financial assets:	At amortized cost	FVTPL[1]	Total carrying amount	Fair value
Cash and cash equivalents	763.3	–	763.3	763.3
Trade receivables	2,282.5	–	2,282.5	2,282.5
Other receivables	101.0	–	101.0	101.0
Other financial assets	20.8	21.2	42.0	42.0
Total	**3,167.6**	**21.2**	**3,188.8**	**3,188.8**

3.89 Classification of financial assets by measurement category / Dec. 31, 2024

[1] Financial assets at fair value through profit or loss.

in EUR m	Dec. 31, 2023			
Classes of financial assets:	At amortized cost	FVTPL[1]	Total carrying amount	Fair value
Cash and cash equivalents	576.9	–	576.9	576.9
Trade receivables	2,263.1	–	2,263.1	2,263.1
Other receivables	113.5	–	113.5	113.5
Other financial assets	19.2	11.4	30.6	30.6
Total	**2,972.7**	**11.4**	**2,984.1**	**2,984.1**

3.90 Classification of financial assets by measurement category / Dec. 31, 2023

[1] Financial assets at fair value through profit or loss.

The majority of the financial assets measured at amortized cost have remaining terms of one year or less. Their carrying amounts at the reporting date approximate their fair values.

Of the other receivables recognized in the balance sheet, EUR 188.7 million (Dec. 31, 2023: EUR 213.9 million) are excluded from the scope of IFRS 7. They are mainly receivables from value-added tax and other taxes, prepaid expenses and prepayments.

The classification and measurement of the financial liabilities recognized in the balance sheet are shown in the table below:

in EUR m	Dec. 31, 2024			
Classes of financial liabilities:	At amortized cost	FVTPL[1]	Total carrying amount	Fair value
Trade payables	1,661.6	–	1,661.6	1,661.6
Other liabilities	254.0	–	254.0	254.0
Liabilities relating to acquisition of non-controlling interests	64.5	–	64.5	70.3
Financial liabilities	2,893.1	45.9	2,939.0	2,874.7
Total	**4,873.2**	**45.9**	**4,919.1**	**4,860.6**

3.91 Classification of financial liabilities by measurement category / Dec. 31, 2024

[1] Financial liabilities at fair value through profit or loss.

in EUR m	Dec. 31, 2023			
Classes of financial liabilities:	At amortized cost	FVTPL[1]	Total carrying amount	Fair value
Trade payables	1,633.7	–	1,633.7	1,633.7
Other liabilities	245.0	–	245.0	245.0
Liabilities relating to acquisition of non-controlling interests	117.4	–	117.4	116.9
Financial liabilities	2,279.5	34.4	2,313.9	2,218.5
Total	**4,275.6**	**34.4**	**4,310.0**	**4,214.1**

3.92 Classification of financial liabilities by measurement category / Dec. 31, 2023

[1] Financial liabilities at fair value through profit or loss.

The majority of the trade payables and other liabilities measured at amortized cost have remaining terms of less than one year. Their carrying amounts at the reporting date therefore approximate their fair values. The fair values of the bonds measured at amortized cost under financial liabilities were determined using quoted or market prices in an active market (Level 1 of the fair value hierarchy). The fair values of the other financial liabilities measured at amortized cost were determined using the discounted cash flow method on the basis of inputs observable on the market (Level 2 of the fair value hierarchy). The fair values of the synthetic liabilities relating to the acquisition of non-controlling interests carried at amortized cost were determined on the basis of recognized company valuation models. The company valuation models are based on cash flow plans (Level 3 of the fair value hierarchy). The fair values of foreign exchange forwards and foreign exchange swaps are determined by comparing forward rates and discounted to present value (Level 2 of the fair value hierarchy).

The fair value of the cross-currency interest rate swaps is determined in two steps. First, the expected future cash flows are discounted using maturity-matched market interest rates according to the currency. In the second step, the cash flows discounted in foreign currency (US dollar) are then translated into the reporting currency (EUR) at market exchange rates (Level 2 of the fair value hierarchy).

The fair value of a call option to acquire non-controlling interests is calculated from the intrinsic value and the time value of the option. The intrinsic value of the call option is calculated as the difference between the enterprise value and the strike price. The time value reflects the optionality of movements in the future strike price and the future enterprise value of the non-controlling interests. This is illustrated by way of a Monte Carlo simulation and the fair value of the option then determined (Level 3 of the fair value hierarchy).

Of the other liabilities recognized in the balance sheet, EUR 315.7 million (Dec. 31, 2023: EUR 324.6 million) are excluded from the scope of IFRS 7. They are mainly liabilities to employees, liabilities from value-added tax and other taxes, as well as deferred income.

The allocation of the financial assets and liabilities recognized in the balance sheet at fair value to the levels of the IFRS 13 fair value hierarchy is shown in the table below:

in EUR m Hierarchy level	Level 1	Level 2	Level 3	Dec. 31, 2024
Financial assets at fair value through profit or loss	1.4	5.5	14.3	21.2
Financial liabilities at fair value through profit or loss	–	44.5	1.4	45.9

3.93 Financial instruments according to fair value hierarchy / Dec. 31, 2024

in EUR m Hierarchy level	Level 1	Level 2	Level 3	Dec. 31, 2023
Financial assets at fair value through profit or loss	1.4	2.7	7.3	11.4
Financial liabilities at fair value through profit or loss	–	29.0	5.4	34.4

3.94 Financial instruments according to fair value hierarchy / Dec. 31, 2023

Liabilities resulting from contingent consideration arrangements of EUR 1.4 million (Dec. 31, 2023: EUR 5.4 million) relate to liabilities for contingent purchase prices payable in business combinations. The amount of the contingent purchase price component required to be recognized at fair value is contingent on the earnings achieved by the acquired business and is limited in both the lower (EUR 0.0 million) and the upper (EUR 83.6 million) range.

Liabilities resulting from contingent consideration arrangements changed as follows:

in EUR m	2024	2023
Jan. 1	**5.4**	**29.3**
Exchange rate differences	–0.1	–0.4
Reversed	–	–1.8
Business combinations	1.4	–
Purchase price payments	–5.3	–21.7
Dec. 31	**1.4**	**5.4**

3.95 Change in liabilities resulting from contingent consideration arrangements

The call option to acquire non-controlling interests was recognized in the amount of EUR 14.3 million (Dec. 31, 2023: EUR 7.3 million) on the basis of the mean of the Monte Carlo simulations. The minimum is EUR 0.0 million (Dec. 31, 2023: EUR 0.0 million) and the maximum EUR 51.8 million (Dec. 31, 2023: EUR 23.5 million).

The net gains/losses from financial assets and liabilities broken down into measurement categories are as follows:

in EUR m	2024								
	Interest			At fair value		Currency translation			
Measurement category:	Income	Expense	Change in liabilities relating to acquisition of non-controlling interests and call option recognized in profit or loss	Gains	Losses	Gains	Losses	Impair-ments, net	**Net gain/ loss**
Financial assets measured at amortized cost	19.0	–	–	–	–	125.2	–108.2	–1.6	34.4
Financial liabilities measured at amortized cost	–	–110.8	–21.0	–	–	64.0	–107.1	–	–174.9
FVTPL[1]	–	–7.3	7.0	51.5	–41.1	–	–	–	10.1
Total	**19.0**	**–118.1**	**–14.0**	**51.5**	**–41.1**	**189.2**	**–215.3**	**–1.6**	**–130.4**

3.96 Net gains/losses from financial assets and liabilities / 2024

[1] Financial assets and liabilities at fair value through profit or loss.

in EUR m	2023								
	Interest			At fair value		Currency translation			
Measurement category:	Income	Expense	Change in liabilities relating to acquisition of non-controlling interests and call option recognized in profit or loss	Gains	Losses	Gains	Losses	Impair-ments, net	**Net gain/ loss**
Financial assets measured at amortized cost	18.9	–	–	–	–	106.1	–132.9	–3.2	–11.1
Financial liabilities measured at amortized cost	–	–88.3	28.3	–	–	72.9	–83.3	–	–70.4
FVTPL[1]	–	–7.5	–1.9	76.1	–66.8	–	–	–	–0.1
Total	**18.9**	**–95.8**	**26.4**	**76.1**	**–66.8**	**179.0**	**–216.2**	**–3.2**	**–81.6**

3.97 Net gains/losses from financial assets and liabilities / 2023

[1] Financial assets and liabilities at fair value through profit or loss.

Of the interest expense on liabilities to third parties contained in interest expense, EUR 1.9 million (2023: EUR 2.0 million) is interest expense which is not part of the effective interest on financial liabilities measured at amortized cost.

With the exception of valuation allowances on trade receivables and other receivables, net gains and losses on subsequent measurement are presented within net finance costs.

Offsetting of financial assets and liabilities

The gross amounts of financial assets and liabilities are offset on the basis of netting arrangements in the balance sheet as follows or they are subject to enforceable master netting arrangements or similar agreements that do not meet the requirements for offsetting in the balance sheet:

in EUR m	Gross amounts of financial assets and liabilities	Offsetting	Carrying amounts in the balance sheet	Enforceable master netting arrangements and similar arrangements	**Dec. 31, 2024 Net amount**
Trade receivables	2,290.8	–8.3	2,282.5	–3.3	2,279.2
Other financial assets	42.2	–0.2	42.0	–0.8	41.2
Trade payables	1,665.8	–4.2	1,661.6	–3.3	1,658.3
Other liabilities	574.0	–4.3	569.7	–	569.7
Financial liabilities	2,939.0	–	2,939.0	–0.8	2,938.2

3.98 Offsetting of financial assets and liabilities / Dec. 31, 2024

in EUR m	Gross amounts of financial assets and liabilities	Offsetting	Carrying amounts in the balance sheet	Enforceable master netting arrangements and similar arrangements	**Dec. 31, 2023 Net amount**
Trade receivables	2,287.2	–24.1	2,263.1	–5.9	2,257.2
Other financial assets	30.8	–0.2	30.6	–0.4	30.2
Trade payables	1,639.1	–5.4	1,633.7	–5.9	1,627.8
Other liabilities	588.5	–18.9	569.6	–	569.6
Financial liabilities	2,313.9	–	2,313.9	–0.4	2,313.5

3.99 Offsetting of financial assets and liabilities / Dec. 31, 2023

Nature and extent of risks arising from financial instruments

According to IFRS 7, risks arising from financial instruments can typically be divided into currency risk, interest rate risk, credit risk and liquidity risk.

Currency risk

Currency risks arise particularly when monetary items or contracted future transactions are in a currency other than the functional currency of a company. Overall, this results in a surplus of (partly intra-Group) monetary assets over liabilities of EUR 431.5 million as at December 31, 2024 (Dec. 31, 2023: EUR 268.4 million). Foreign exchange forwards, foreign exchange swaps and cross-currency interest rate swaps are used as hedging instruments. The notional amount of the hedges used was EUR –350.5 million as at December 31, 2024 (Dec. 31, 2023: EUR –132.0 million). The foreign exchange forwards and foreign exchange swaps used have maturities of less than one year and are not included in hedge accounting.

If the euro had been worth 10% more or less against all currencies as at December 31, 2024, translation of monetary items in foreign currency into the Group currency, the euro, allowing for the foreign exchange forward transactions and foreign exchange swaps still open on December 31, 2024, would have resulted in the following changes in net finance costs:

	2024		2023	
in EUR m	+10%	–10%	+10%	–10%
USD	–5.1	6.3	–4.9	6.0
GBP	0.4	–0.5	–3.9	4.7
PLN	–1.5	1.8	–2.7	3.3
Other currencies	1.1	–1.4	4.5	–5.5
Total	**–5.1**	**6.2**	**–7.0**	**8.5**

3.100 Sensitivity analysis currency risk

The liability relating to the acquisition of non-controlling interests in Saifu is included in a net investment hedge in accordance with IFRS 9.6.5.2 (c). The hedged item is the share of the net assets of Saifu attributable to Brenntag. Exchange rate-related changes in the liabilities are recognized within equity in the net investment hedge reserve. An economic relationship exists in each case, as the hedging instrument and the hedged item have values that move in the opposite direction because of a change in the hedged currency risk. Any increase (decrease) in the Chinese yuan renminbi (CNY) against the euro leads to an increase (decrease) in the net assets and an increase (decrease) in the CNY-denominated liabilities. The effectiveness of the hedging relationships was determined at inception of the hedging relationships and is regularly determined on a retrospective basis to ensure that there is an economic relationship between the hedged item and the hedging instrument. There was no hedge ineffectiveness as at December 31, 2024. If the euro had been worth 10% more or less against the Chinese yuan renminbi (CNY) as at December 31, 2024, the net investment hedge reserve would have increased by EUR 2.5 million (Dec. 31, 2023: EUR 9.4 million) or decreased by EUR 2.5 million (Dec. 31, 2023: EUR 9.4 million).

Net investment hedges at Dec. 31, 2024	**Saifu**
Carrying amount of the portion of the liability relating to the acquisition of non-controlling interests included in the net investment hedge in EUR m	24.7
Carrying amount of the portion of the liability relating to the acquisition of non-controlling interests included in the net investment hedge in local currency (CNY m)	187.0
Hedge ratio	1:1
Hedge rate EUR/CNY	7.8509
Change in carrying amount (in net investment hedge reserve)	–0.9
Change in value of hedged item used to determine hedge effectiveness	0.9

3.101 Net investment hedges Dec. 31, 2024

Net investment hedges at Dec. 31, 2023	**Saifu**	**Zhongbai Xingye**
Carrying amount of the portion of the liability relating to the acquisition of non-controlling interests included in the net investment hedge in EUR m	36.2	57.4
Carrying amount of the portion of the liability relating to the acquisition of non-controlling interests included in the net investment hedge in local currency (CNY m)	284.2	450.4
Hedge ratio	1:1	1:1
Hedge rate EUR/CNY	7.6989	7.3582
Change in carrying amount (in net investment hedge reserve)	0.7	5.2
Change in value of hedged item used to determine hedge effectiveness	–0.7	–5.2

3.102 Net investment hedges Dec. 31, 2023

In October 2021, Brenntag Finance B.V., Amsterdam, Netherlands, issued a EUR 500 million bond (Bond 2029). Brenntag Finance B.V. swapped most of the proceeds from the Bond 2029 for US dollars by way of cross-currency interest rate swaps and passed them on to Brenntag North America, Inc., Reading, USA, as an intra-Group loan. The intra-Group loan and the cross-currency interest rate swaps were included in cash flow hedge accounting so as to limit currency and interest rate risk in the consolidated financial statements.

Critical terms matching is used to assess the effectiveness of the hedging relationship. The economic relationship between hedged items and hedging instruments results from closely aligned terms. The cross-currency basis is not part of the hedging relationship and is recognized in a separate component of equity as a reserve for costs of hedging. The ineffective portions of the hedging relationship are determined using the hypothetical derivative method. They result mainly from counterparty risk and, if necessary, are recognized in profit or loss within net interest expense. In financial year 2024, this did not give rise to any effects in profit or loss (2023: no effects in profit or loss).

The following table shows the changes in equity resulting from the hedging relationship:

in EUR m	Cash flow hedge reserve	Reserve for costs of hedging	Total	Deferred tax	**Total cash flow hedge reserve**
Dec. 31, 2022	**–17.7**	**7.7**	**–10.0**	**–**	**–10.0**
Changes in the fair value of hedging instruments and hedging costs	21.2	–2.6	18.6	–	18.6
Reclassification to profit or loss	–8.0	–0.8	–8.8	–	–8.8
Dec. 31, 2023	**–4.5**	**4.3**	**–0.2**	**–**	**–0.2**
Changes in the fair value of hedging instruments and hedging costs	–20.3	–3.6	–23.9	–	–23.9
Reclassification to profit or loss	36.9	–0.8	36.1	–	36.1
Deferred tax relating to those items	–	–	–	–3.1	–3.1
Dec. 31, 2024	**12.1**	**–0.1**	**12.0**	**–3.1**	**8.9**

3.103 Change in cash flow hedge reserve

One significant component in the fair value measurement of the cross-currency interest rate swaps is the exchange rate of the underlying currencies (EUR/USD). As the exchange rate component – moving in the opposite direction to the hedged item – is designated as part of the hedging relationship, ceteris paribus, an assumed change in the exchange rate leads only to a change in the cash flow hedge reserve. If the euro had been worth 10% more or less against the US dollar as at December 31, 2024, the cash flow hedge reserve would have decreased by EUR 3.6 million or EUR 0.9 million (Dec. 31, 2023: decreased by EUR 3.3 million or increased by EUR 4.1 million).

Interest rate risk

Interest rate risks can occur due to changes in market interest rates. The risks result from changes in the fair values of fixed-rate financial instruments or from changes in the cash flows of variable-rate financial instruments.

Due to the four fixed-rate bonds and the partly fixed-rate promissory notes, approximately 80% of the Brenntag Group's financial liabilities were hedged against the risk of interest rate increases as at December 31, 2024 (Dec. 31, 2023: 60%).

If the market interest rate as at December 31, 2024 had been 300 basis points (2023: 300 basis points) higher or lower (relative to the total amount of variable-rate financial liabilities as at December 31, 2024), the negative impact on net finance costs would have been EUR 16.0 million or the positive impact EUR 16.0 million (2023: negative impact of EUR 21.0 million or positive impact of EUR 21.0 million).

Interest rate-related fair value changes in the cross-currency interest rate swaps have no impact on net income for the financial year due to the agreed swap rates and hedge accounting. Conversely, the current difference between the euro market interest rate and the US dollar market interest rate has a significant impact on the amount of the cash flow hedge reserve; as at December 31, 2024, the USD market interest rate was above the euro market interest rate. If the euro market interest rate as at December 31, 2024 had been 25 basis points higher or lower with the US dollar market interest rate remaining unchanged, the cash flow hedge reserve would have decreased by EUR 4.7 million to EUR 7.4 million or increased by EUR 4.7 million to EUR 16.8 million (December 31, 2023: decreased by EUR 5.5 million to EUR –5.7 million or increased by EUR 5.5 million to EUR 5.3 million).

Credit risk

Credit risk on non-derivative financial instruments is the risk that the contracting parties concerned will fail to make contractually agreed payments. The maximum credit risk on non-derivative financial instruments is their carrying amount. The expected credit risk from individual receivables is allowed for by recognizing write-downs of the assets (see also Note 13.).

With the derivative financial instruments used, the maximum credit risk is the total of all positive fair values of these instruments as, in the event of non-performance by the contracting parties, losses on assets would be restricted to this amount.

Liquidity risk

Liquidity risk is the risk that the Brenntag Group may in future not be able to meet its contractual payment obligations. Due to the fact that the Brenntag Group's business is not subject to any pronounced seasonal fluctuations, there is relatively little fluctuation in liquidity during the financial year.

To ensure that the Brenntag Group can pay at all times, it not only has appropriate liquidity reserves in the form of cash and cash equivalents but also credit lines under the syndicated loan which can be utilized as needed.

In order to identify the liquidity risks, the Group has a multi-annual liquidity plan which is regularly reviewed and adjusted if necessary.

Of the other liabilities to banks, EUR 60.1 million (Dec. 31, 2023: EUR 44.9 million) are secured by non-current assets totaling EUR 59.4 million (Dec. 31, 2023: EUR 45.9 million).

As at December 31, 2024, reverse factoring arrangements of Raj Petro Specialties Private Limited, which in the previous year had been reported as other liabilities to banks, were included in liabilities associated with assets held for sale, as the entity has been classified as a disposal group.

In certain countries (e.g. China EUR 18.9 million (2023: EUR 30.2 million), Russia EUR 7.3 million (2023: EUR 7.6 million), South Africa EUR 3.3 million (2023: EUR 24.5 million) and India EUR 2.5 million (2023: EUR 8.2 million)), Brenntag has local cash and cash equivalents at its disposal for cross-border transfers only subject to the applicable restrictions on foreign exchange transactions.

The undiscounted cash flows resulting from financial liabilities are shown in the following table:

in EUR m	Carrying amount Dec. 31, 2024	Cash flows 2025–2030 ff. 2025	2026	2027	2028	2029	2030 ff.
Trade payables	1,661.6	1,661.6	–	–	–	–	–
Other liabilities	569.7	561.4	–	0.2	–	0.3	1.8
Liabilities relating to acquisition of non-controlling interests	64.5	–	26.3	–	35.4	–	12.0
Liabilities under syndicated loan	–	–	–	–	–	–	–
Other liabilities to banks	132.8	91.1	12.1	7.3	6.7	16.3	–
Promissory notes (Schuldschein)	508.1	22.5	21.4	407.3	2.8	77.2	–
Bond 2025	601.1	606.8	–	–	–	–	–
Bond 2028	510.4	18.8	18.8	18.8	518.8	–	–
Bond 2029	498.4	2.5	2.5	2.5	2.5	502.5	–
Bond 2032	507.8	19.4	19.4	19.4	19.4	19.4	558.1
Lease liabilities	617.3	161.8	125.6	96.4	70.8	58.9	233.9
Liabilities relating to acquisition of treasury shares	–	–	–	–	–	–	–
Derivative financial instruments	44.4						–
of which cash inflows		678.8	–	–	–	–	–
of which cash outflows		684.4	–	–	–	–	41.3
Other financial liabilities	136.0	85.1	26.9	16.0	5.1	1.1	1.9
Total	**5,852.1**	**3,236.6**	**253.0**	**567.9**	**661.5**	**675.7**	**849.0**

3.104 Future cash flows from financial liabilities / Dec. 31, 2024

in EUR m	Carrying amount Dec. 31, 2023	Cash flows 2024–2029 ff. 2024	2025	2026	2027	2028	2029 ff.
Trade payables	1,633.7	1,633.7	–	–	–	–	–
Other liabilities	569.6	567.3	–	–	0.3	2.0	–
Liabilities relating to acquisition of non-controlling interests	117.4	58.8	–	39.9	20.3	–	5.7
Liabilities under syndicated loan	45.6	0.1	–	–	–	45.5	–
Other liabilities to banks	182.1	145.9	0.5	0.2	35.5	–	–
Promissory notes (Schuldschein)	622.5	32.0	155.6	25.3	438.2	3.4	83.4
Bond 2025	600.1	6.8	606.8	–	–	–	–
Bond 2029	498.0	2.5	2.5	2.5	2.5	2.5	502.5
Lease liabilities	449.8	139.3	95.5	66.5	48.8	34.8	144.3
Liabilities relating to acquisition of treasury shares	250.0	250.0	–	–	–	–	–
Derivative financial instruments	29.0						–
of which cash inflows		453.5	2.1	2.1	2.1	2.1	431.8
of which cash outflows		466.3	9.3	9.3	9.3	9.3	461.8
Other financial liabilities	86.6	25.5	19.9	35.4	–	5.8	–
Total	**5,084.4**	**2,874.7**	**880.8**	**169.8**	**545.6**	**94.0**	**735.9**

3.105 Future cash flows from financial liabilities / Dec. 31, 2023

Derivative financial instruments

The notional amount and fair values of derivative financial instruments are shown in the table below:

in EUR m	Dec. 31, 2024 Notional amount	Dec. 31, 2024 Positive fair value	Dec. 31, 2024 Negative fair value	Dec. 31, 2023 Notional amount	Dec. 31, 2023 Positive fair value	Dec. 31, 2023 Negative fair value
Foreign exchange forward transactions and foreign exchange swaps not included in hedge accounting	1,204.6	5.5	3.2	770.9	2.7	4.4
Cross-currency interest rate swaps included in hedge accounting	429.7	–	41.3	429.7	–	24.6
Call option	43.5	14.3	–	28.3	7.3	–

3.106 Derivative financial instruments

33.) Related parties

In the course of its normal business activities, Brenntag SE also obtains services from and provides services for related entities. These related entities are the subsidiaries included in the consolidated financial statements as well as associates accounted for using the equity method and their subsidiaries. Transactions with related entities are performed on arm's length terms. The transactions of Brenntag SE with subsidiaries included in the consolidated financial statements as well as between included subsidiaries have been eliminated.

Transactions with associates and their subsidiaries were as follows:

in EUR m	2024	2023
Sales from transactions with associates	1.8	1.5
Goods delivered and services rendered by associates	0.6	1.1

3.107 Transactions with related parties

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Trade receivables from associates	0.2	0.2
Trade payables to associates	–	0.5

3.108 Receivables from and payables to related parties

Related persons are the members of the Board of Management and the Supervisory Board of Brenntag SE and members of their families.

Remuneration of the Board of Management

The total remuneration of the Board of Management consists of three components: a fixed annual base salary, short-term, capped variable cash remuneration (annual bonus) and long-term, capped variable remuneration (long-term incentive bonus). In addition to the above-mentioned remuneration components, the members of the Board of Management receive pension benefits, contractually agreed benefits in kind and other benefits.

The annual base salary is payable in twelve equal monthly instalments. If the service agreement begins or ends during a financial year, the annual base salary for that financial year is payable on a pro rata temporis basis.

The annual bonus depends on Brenntag's business success in the past financial year. It is calculated based on achievement of the targets set for specific key performance indicators for the financial year. Under the Remuneration System 2023, the key performance indicators are organic EBITA (60%), working capital turnover (20%) and earnings per share (20%). An individual performance multiplier is also used to assess the performance of the Board of Management members. The individual performance multiplier for the Remuneration System 2023 is set by the Supervisory Board after each financial year within a range from 0.8 to 1.2. In doing so, the Supervisory Board takes into account the individual financial and non-financial performance. The individual performance aspects may be based on three dimensions: growth, people and risk management. They may include not only strategic and operational, but also non-financial aspects. The final payout amount is capped at a maximum of 200% of the individual and contractually agreed target amount (Cap).

The Board of Management members also receive long-term variable remuneration. Different remuneration systems apply, depending on the year of award and individual contractual arrangements.

Since 2023, the new remuneration system has applied to serving Board of Management members Dr. Christian Kohlpaintner (CEO), Dr. Kristin Neumann, Michael Friede and Ewout van Jarwaarde. Among other components, this includes long-term variable remuneration in the form of virtual shares (Performance Share Units). The number of virtual shares may increase or decrease, depending on Brenntag's long-term performance measured over a four-year performance period. The performance share plan is structured as follows.

The number of virtual shares initially awarded is calculated by dividing the individual and contractually agreed target amount by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months before the start of the performance period. If the service agreement begins or ends during a financial year, the target amount for that financial year is calculated on a pro rata temporis basis.

The number of virtual shares finally awarded to the Board of Management member is linked to two financial performance criteria and, via an ESG multiplier, to ESG targets. The two financial performance criteria are Brenntag's total shareholder return (TSR) compared with a global peer group (weighting: 70%) and return on capital employed (ROCE) (weighting: 30%). The sum total of the weighted share awards for each performance criterion is multiplied by the achievement figure of specific ESG targets using an ESG multiplier that may be between 0.8 and 1.2. The resulting total share award is then multiplied by the number of virtual shares initially awarded, giving the number of virtual shares finally awarded to the Board of Management member at the end of the four-year performance period. The number of virtual shares finally awarded is capped at 200%.

The payout amount depends on Brenntag's absolute share price performance over the four-year performance period and is calculated by multiplying the number of virtual shares finally awarded by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months before the end of the performance period, plus dividend payments during the performance period. The payout amount is capped at a maximum of 250% of the individual and contractually agreed target amount (Cap).

The Remuneration System 2020 still applies to Henri Nejade and Steven Terwindt, who stepped down as Board of Management members in 2023. It is also applied to the tranches that were awarded to the serving Board of Management members in previous years and for which the performance period has not yet ended.

The amount of the payout for long-term variable remuneration under the Remuneration System 2020 depends on the relative performance of the Brenntag share compared with two peer groups and the absolute change in the Brenntag share price over a four-year performance period. The virtual shares are awarded in annual tranches. Payout is made following completion of the performance period.

The annual virtual shares are awarded on January 1 of each financial year. The number of shares to be awarded initially is calculated by dividing the individual and contractually agreed grant amount by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months before the start of the performance period. If the service agreement begins or ends during a financial year, the grant amount for that financial year shall be calculated on a pro rata temporis basis.

The number of virtual shares finally awarded at the end of the four-year performance period depends on two performance criteria that are each weighted at 50%: the outperformance of the total shareholder return (TSR) of the Brenntag share compared with the performance of the MDAX, or since the 2022 tranche compared with the performance of the DAX, and the average TSR of a selectively compiled peer group of global competitors.

Target achievement of each performance criterion is calculated by subtracting the performance of the MDAX/DAX or the average TSR of the selected peer group from the TSR of the Brenntag share. If the performance of the MDAX/DAX or the average TSR of the selected peer group equals the TSR of the Brenntag share, target achievement is 100%. If the TSR of the Brenntag share outperforms the MDAX/DAX or the average TSR of the selected peer group by 25% or more percentage points, target achievement is 150%. If the TSR of the Brenntag share underperforms the MDAX/DAX or the average TSR of the selected peer group by 25% or more percentage points, target achievement is 0%. Values in-between are determined by linear interpolation. Overall target achievement is calculated by multiplying the target achievement figures of the two performance criteria by their respective weightings and then adding together these two weighted target achievement figures.

The number of virtual shares finally awarded at the end of the four-year performance period is calculated by multiplying the number of virtual shares initially awarded by the overall target achievement.

The payout amount is determined by multiplying the number of virtual shares finally awarded by the arithmetic mean of the Brenntag share closing prices in the Xetra trading system during the last three months prior to the end of the performance period, plus dividend payments during the performance period. The payout amount is capped at a maximum of 200% of the individual and contractually set target grant amount (Cap).

In addition, a different remuneration system was in effect for the last time in financial year 2023 for former Board of Management members Henri Nejade and Georg Müller. Among other components, this likewise included a long-term share-based remuneration program (Long-Term Incentive Plan). In this case, the long-term variable remuneration was awarded every year and was partly based on the performance of the Brenntag share. On the basis of a contractually set Annual Target Amount, this remuneration component was subject to a vesting period of in each case three years. 50% of the Target Amount was contingent on the change in the value of the company's shares during these three years (External LTI Portion) and 50% was contingent on the long-term development of specific Group-wide KPIs (Internal LTI Portion).

50% of the External LTI Portion was measured by the absolute change in the total shareholder return for the company's shares during the vesting period (Absolute External LTI Portion), while the other 50% of the External LTI Portion was measured using the relative change in the total shareholder return for the company's shares in comparison to the performance of the MDAX or, since the 2021 tranche, the DAX during the vesting period (Relative External LTI Portion). For every percentage point by which the average share price on the last trade day of the vesting period exceeded or fell short of the average share price on the last trade day before the vesting period, the Absolute External LTI Portion was increased or decreased by 2%. For every percentage point by which the MDAX was over- or underperformed in the vesting period, the Relative External LTI Portion was increased or decreased by 3%. The overall External LTI Portion at the end of the relevant vesting period equaled the sum of the Absolute External LTI Portion and Relative External LTI Portion. The Absolute External LTI Portion and Relative External LTI Portion could not be less than EUR 0. The External LTI Portion was capped overall at 200% of the contractually set Target Amount for the External LTI Portion.

The Internal LTI Portion is measured by the following KPI targets, which are agreed at the end of each financial year for the following vesting period in an LTI Bonus Plan: EBITDA, ROCE and earnings per share. At the end of each financial year during a vesting period, the achievement of the KPI targets in the particular financial year is calculated for a share of 1/3 of the Internal LTI Portion. For every percentage point by which the targets of a given KPI are over- or underperformed in the particular financial year, the Annual Internal LTI Portion is increased or decreased by 3%. This may also lead to a negative Annual Internal LTI Portion. The overall Internal LTI Portion at the end of the relevant vesting period equals the sum of the Annual Internal LTI Portions. The Internal LTI Portion is also capped at 200% of the contractually set Target Amount for the Internal LTI Portion. The overall Internal LTI Portion for a vesting period may not be less than EUR 0. The Long-Term Incentive Bonus for each financial year equals the sum of the External and Internal LTI Portions.

The Long-Term Incentive Bonus for each financial year was also capped at 200% of the Target Amount (LTI Cap).

The serving members of the Board of Management receive a fixed annual amount for the purpose of building up pension entitlements. For this purpose, one member of the Board of Management receives an annual amount of EUR 300,000 and may decide at their own discretion how to use this money. The annual amount made available is paid in twelve equal monthly instalments, in each case at the end of the month. If the service agreement begins or ends during a financial year, the annual amount for that financial year will be granted on a pro rata temporis basis. For the purpose of building up pension entitlements, the other members of the Board of Management receive an annual amount of 13.5% of their annual base salary and the short-term variable remuneration (on 100% target achievement, i.e. irrespective of the actual targets achieved), rounded up to the next EUR 1,000. They may decide at their own discretion how to use the corresponding amount for the purpose of building up pension entitlements. In financial year 2023, one member of the Board of Management had the option either to use this amount in whole or in part for contributions to his French social insurance or to also pay it annually into the Deferred Compensation Contingency Plan of Brenntag SE.

The members of the Board of Management also receive benefits in kind and other benefits, such as a flat-rate mobility allowance and benefits for health care and long-term care insurance.

The following table shows the recognition of the Board of Management remuneration for the Board of Management members serving in each financial year:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Short-term benefits	0.6	0.5
Post-employment benefits	–	0.8
Share-based remuneration	4.3	10.2
Total	**4.9**	**11.5**

3.109 Liabilities recognized for Board of Management remuneration in accordance with IFRSs

There are no defined benefit obligations for the Board of Management members serving in financial year 2024. In the previous year, the present value of defined benefit obligations was EUR 1.8 million and the fair value of plan assets EUR 1.0 million. In this context, the capitalized surrender value of pension liability insurance was EUR 1.0 million as at December 31, 2023.

The service agreements of the Board of Management members end automatically on specified dates without any notice of termination being required. The employment of Board of Management members may only be terminated prematurely for good cause or by mutual agreement. If employment is terminated prematurely, the service agreement limits any severance pay to the value of twice the total annual remuneration, but no more than the amount of remuneration that would be paid until the end of the term of the service agreement. As at December 31, 2024, the maximum amount of severance payable would have been EUR 19.4 million (Dec. 31, 2023: EUR 32.6 million). A post-contractual non-compete clause has been agreed with the Board of Management members who are incentivized under the Remuneration System 2023. The post-contractual non-compete clause generally applies for a period of 24 months after the termination of the service agreement. During this period, these Board of Management members receive a continuous payment amounting to 75% of their annual base salary. Any earnings pursuant to Section 74c of the German Commercial Code (HGB) are deducted from this payment. There are no separate change-of-control arrangements.

For former members of the Board of Management, the present value of defined benefit obligations is EUR 14.2 million (Dec. 31, 2023: EUR 12.9 million) and the fair value of plan assets EUR 10.7 million (Dec. 31, 2023: EUR 9.7 million). In this context, the capitalized surrender value of pension liability insurance is EUR 10.7 million (Dec. 31, 2023: EUR 9.7 million). In financial year 2024, expenses recognized for pension commitments (defined benefit plans) to former members of the Board of Management amounted to EUR 0.0 million (2023: EUR 0.0 million).

In accordance with the German Commercial Code (HGB), the total remuneration of the Board of Management members serving in financial year 2024 amounts to EUR 7.1 million (2023: EUR 10.0 million).

Of the total remuneration, an amount of EUR 2.9 million (2023: EUR 4.9 million, in each case the fair value at the grant date) is attributable to share-based remuneration programs. The number of virtual shares in this context is 37,262.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board comprises purely fixed remuneration.

The members of the Supervisory Board each receive annual fixed remuneration in the amount of EUR 130.0k (Dec. 31, 2023: EUR 130.0k) in addition to reimbursement of their expenses. The Chair of the Supervisory Board receives base remuneration of EUR 325.0k (Dec. 31, 2023: EUR 325.0k) and the Deputy Chair EUR 162.5k (Dec. 31, 2023: EUR 162.5k) per year. The Chair of each of the committees established receives an additional EUR 125.0k per year and every other member an additional EUR 50.0k per year.

The total remuneration of the members of the Supervisory Board due in the short term amounts to EUR 1.7 million for financial year 2024 (2023: EUR 1.7 million).

The Supervisory Board remuneration system and the remuneration of each member of the Supervisory Board are detailed in the remuneration report.

The following table contains the remuneration of the Board of Management and Supervisory Board members serving in financial year 2024:

in EUR m	2024	2023
Short-term benefits	5.8	7.0
Post-employment benefits (excluding interest expense)	–	–
Share-based remuneration	–0.4	7.1
Total	**5.4**	**14.1**

3.110 Board of Management and Supervisory Board remuneration expense in accordance with IFRSs

Apart from the aforementioned, there were no significant transactions with related persons.

34.) Fees for the auditors of the consolidated financial statements

The following fees for the services of the auditors of the consolidated financial statements, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, and companies in Deloitte's global network were recognized as expenses:

in EUR m	2024	2023
Financial statement audit services	9.4	7.6
(of which in Germany)	(2.3)	(1.9)
Other assurance services	0.6	0.3
(of which in Germany)	(0.6)	(0.3)
Tax advisory services	–	–
(of which in Germany)	(–)	(–)
Other services	–	–
(of which in Germany)	(–)	(–)
Total	**10.0**	**7.9**
(of which in Germany)	(2.9)	(2.2)

3.111 Fees for the auditors of the consolidated financial statements

Fees for financial statement audit services for financial year 2024 consist mainly of payments for the statutory audit of the consolidated financial statements, the review of the quarterly reporting and the statutory audit of the annual financial statements of Brenntag SE and its domestic and foreign subsidiaries.

Fees for other assurance services in financial year 2024 relate in particular to the engagement to provide assurance on the Group sustainability statement, assurance services related to Brenntag SE's Board of Management remuneration and the comfort letter related to the extension of the debt issuance program (DIP).

35.) Exemptions pursuant to Section 264, para. 3 / Section 264b of the German Commercial Code

For financial year 2024, the following subsidiaries of Brenntag SE are making use of the exemptions pursuant to Section 264, para. 3 and Section 264b of the German Commercial Code:

- Brenntag Holding GmbH, Essen
- Brenntag Germany Holding GmbH, Essen
- Brenntag Foreign Holding GmbH, Essen
- Brenntag Beteiligungs GmbH, Essen
- BRENNTAG GmbH, Duisburg
- BRENNTAG International Chemicals GmbH, Essen
- Brenntag Real Estate GmbH, Essen
- BCD Chemie GmbH, Hamburg
- CLG Lagerhaus GmbH & Co. KG, Essen
- Brenntag European Services GmbH & Co. KG, Zossen (merged on June 30, 2024)
- CM Komplementär 03-018 GmbH & Co. KG, Essen
- CM Komplementär 03-019 GmbH & Co. KG, Essen
- CM Komplementär 03-020 GmbH & Co. KG, Essen
- ACU PHARMA und CHEMIE GmbH, Apolda
- Brenntag Global Services GmbH, Zossen

36.) Declaration of conformity with the German Corporate Governance Code

On December 17, 2024, the Board of Management and Supervisory Board issued the declaration of conformity with the recommendations of the Government Commission "German Corporate Governance Code" for financial year 2024 as required by Section 161 of the German Stock Corporation Act. The declaration of conformity can be found in in the corporate governance statement of the combined management report in Brenntag SE's annual report and can also be viewed at any time on the Brenntag SE website:

https://corporate.brenntag.com/en/about/corporate-governance/corporate-governance-code/

Essen, March 6, 2025

Brenntag SE
BOARD OF MANAGEMENT

Dr. Christian Kohlpaintner	Michael Friede
Dr. Kristin Neumann	Ewout van Jarwaarde

Annex

List of shareholdings in accordance with Section 313, para. 2 of the German Commercial Code as at December 31, 2024

No.	Company	Domicile	Held directly % 1)	Held indirectly % 1)	Effective net holding % 1)	Via no.
1	Brenntag SE	Essen				

Consolidated subsidiaries

No.	Company	Domicile	Held directly % 1)	Held indirectly % 1)	Effective net holding % 1)	Via no.
Algeria						
2	Alliance Chimie Algerie SPA	Algiers	0.00	100.00	99.94	77
3	SARL ALLIANCE INGREDIENTS	Rouiba (Algiers)	0.00	100.00	99.94	2
4	SARL ALLIANCE PHYTOSANITAIRE	Rouiba (Algiers)	0.00	100.00	99.94	2
Argentina						
5	Brenntag Argentina S.A.	Buenos Aires	0.00	90.00	100.00	126
				10.00		134
Australia						
6	Brenntag Australia Pty. Ltd.	Mulgrave	0.00	100.00	100.00	162
7	RAVENSWOOD INGREDIENTS PTY. LTD.	Mulgrave	0.00	100.00	100.00	6
Bangladesh						
8	BRENNTAG BANGLADESH FORMULATION LTD.	Dhaka	0.00	100.00	100.00	126
9	BRENNTAG BANGLADESH LTD.	Dhaka	0.00	100.00	100.00	126
10	BRENNTAG BANGLADESH SERVICES LTD.	Dhaka	0.00	100.00	100.00	9
Belgium						
11	Antwerp Distillation Company NV	Beveren	0.00	75.00	100.00 2)	12
				25.00		14
12	BRENNTAG NV	Deerlijk	0.00	99.99	100.00	76
				0.01		53
13	European Polymers and Chemicals Distribution BVBA	Deerlijk	0.00	100.00	100.00	141
14	Industrial Investment Company BV	Zoersel	0.00	100.00	100.00 2)	12
15	Kilfrost Europe NV	Antwerp	0.00	100.00	100.00 2)	12
16	Solventis BV	Antwerp	0.00	100.00	100.00 2)	12
17	Solventis Europe NV	Antwerp	0.00	100.00	100.00 2)	12
Bolivia						
18	Brenntag Bolivia S.R.L.	Santa Cruz	0.00	90.00	100.00	126
				10.00		133
Brazil						
19	Brenntag Quimica Brasil Ltda.	Guarulhos, Estado de Sao Paulo	0.00	100.00	100.00	126
				0.00		133
20	PHARMASPECIAL ESPECIALIDADES QUIMICAS E FARMACEUTICAS LTDA.	Itapevi, State of Sao Paulo	0.00	100.00	100.00 2)	126
21	PIC PHARMA NUTRACÊUTICOS LTDA.	Itapevi, State of Sao Paulo	0.00	100.00	100.00 2)	126
22	PIC QUIMICA E FARMACEUTICA LTDA.	Itapevi, State of Sao Paulo	0.00	100.00	100.00 2)	126
23	Quimilog Transportes e Logística Ltda.	Brusque	0.00	100.00	100.00	19

Bulgaria						
24	BRENNTAG BULGARIA EOOD	Sofia	0.00	100.00	100.00	126
Chile						
25	Brenntag Chile Comercial e Industrial Limitada	Santiago	0.00	95.00	100.00	126
				5.00		133
China						
26	Brenntag (Shanghai) Enterprise Management Co., Ltd.	Shanghai	0.00	100.00	100.00	126
27	Brenntag (Zhangjiagang) Chemical Co., Ltd	Zhangjiagang	0.00	100.00	100.00	89
28	Brenntag Cangzhou Chemical Co., Ltd	Cangzhou	0.00	79.40	100.00	37
				20.60		89
29	Guangzhou Fan Ya Jia Rong Trading Co., Ltd.	Guangzhou	0.00	60.00	100.00	32
				40.00		36
30	Guangzhou Saifu Chemical Co., Ltd.	Guangzhou	0.00	100.00	70.00	33
31	Guangzhou Wellstar Trading Co., Ltd.	Guangzhou	0.00	100.00	100.00	88
32	Shanghai Jia Rong Trading Co., Ltd.	Shanghai	0.00	100.00	100.00	37
33	Shanghai Saifu Chemical Development Co., Ltd.	Shanghai	0.00	70.00	70.00	126
34	Shanghai Wellstar Trading Co., Ltd.	Shanghai	0.00	100.00	100.00	88
35	Shenzhen Wellstar Trading Co., Ltd.	Shenzhen	0.00	100.00	100.00	88
36	Tianjin Tai Rong Chemical Trading Co., Ltd.	Tianjin	0.00	100.00	100.00	32
37	Tianjin Zhong Yung Chemical Warehousing Co., Ltd.	Tianjin	0.00	100.00	100.00	89
38	ZhongYung (GuangDong) Chemical Distribution Service Co., Ltd	Dongguan	0.00	100.00	100.00	87
39	Zhongbai Food Technology (Shanghai) Co., Ltd	Shanghai	0.00	100.00	100.00	40
40	Zhongbai Xingye Food Technology (Beijing) Co., Ltd	Beijing	0.00	100.00	100.00	126
Costa Rica						
41	Brenntag Business Services Sociedad de Responsabili-dad Limit	La Ribera, Belén, Heredia	0.00	100.00	100.00	126
42	Quimicos Holanda Costa Rica S.A.	San José	0.00	100.00	100.00	126
Denmark						
43	Aktieselskabet af 1. Januar 1987	Ballerup	0.00	100.00	100.00	44
44	Brenntag Nordic A/S	Ballerup	0.00	100.00	100.00	126
Germany						
45	ACU PHARMA und CHEMIE GmbH	Apolda	0.00	100.00	100.00	55
46	BBG - Berlin-Brandenburger Lager- und	Hoppegarten	0.00	50.00	100.00	55
	Distributionsgesellschaft Biesterfeld Brenntag mbH			50.00		47
47	BCD Chemie GmbH	Hamburg	0.00	100.00	100.00	55
48	BRENNTAG GmbH	Duisburg	0.00	100.00	100.00	55
49	BRENNTAG International Chemicals GmbH	Essen	0.00	100.00	100.00	55
50	Blitz 03-1161 GmbH	Mülheim an der Ruhr	0.00	100.00	100.00	54
51	Blitz 03-1162 GmbH	Mülheim an der Ruhr	0.00	100.00	100.00	61
52	Blitz 03-1163 GmbH	Mülheim an der Ruhr	0.00	100.00	100.00	62
53	Brenntag Beteiligungs GmbH	Essen	0.00	100.00	100.00	57
54	Brenntag Foreign Holding GmbH	Essen	0.00	100.00	100.00	53
55	Brenntag Germany Holding GmbH	Essen	0.00	100.00	100.00	53
56	Brenntag Global Services GmbH	Zossen	0.00	100.00	100.00	53
57	Brenntag Holding GmbH	Essen	100.00	0.00	100.00	1
58	Brenntag Real Estate GmbH	Essen	0.00	100.00	100.00	53
59	CLG Lagerhaus GmbH	Duisburg	0.00	100.00	100.00	55
60	CLG Lagerhaus GmbH & Co. KG	Essen	0.00	100.00	100.00	55
				0.00		59
61	CM Komplementär 03-018 GmbH & Co. KG	Essen	0.00	100.00	100.00	50
				0.00		54

62	CM Komplementär 03-019 GmbH & Co. KG	Essen	0.00	100.00	100.00	51
				0.00		61
63	CM Komplementär 03-020 GmbH & Co. KG	Essen	0.00	100.00	100.00	52
				0.00		62
64	CVB Albert Carl GmbH & Co. KG Berlin	Berlin	0.00	100.00	51.00	65
				0.00		68
65	CVH Chemie-Vertrieb GmbH & Co. Hannover KG	Hanover	0.00	51.00	51.00	55
				0.00		66
66	CVH Chemie-Vertrieb Verwaltungsgesellschaft mbH	Hanover	0.00	51.00	51.00	55
67	CVM Chemie-Vertrieb Magdeburg GmbH & Co. KG	Magdeburg	0.00	100.00	51.00	65
				0.00		68
68	CVP Chemie-Vertrieb Berlin GmbH	Berlin	0.00	100.00	51.00	65
69	ROSEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Hüttenheim KG	Düsseldorf	0.00	94.00	94.00[3)]	55
Dominican Republic						
70	BRENNTAG CARIBE S.R.L.	Santo Domingo	0.00	100.00	100.00	126
				0.00		134
Ecuador						
71	BRENNTAG ECUADOR S.A.	Guayaquil	0.00	100.00	100.00	126
				0.00		134
El Salvador						
72	BRENNTAG EL SALVADOR, S.A. DE C.V.	Soyapango	0.00	100.00	100.00	126
				0.00		133
Finland						
73	Brenntag Nordic OY	Vantaa	0.00	100.00	100.00	126
France						
74	BRACHEM FRANCE HOLDING SAS	Chassieu	0.00	100.00	100.00	57
75	BRENNTAG EXPORT SARL	Vitrolles	0.00	100.00	99.94	78
76	BRENNTAG FRANCE HOLDING SAS	Chassieu	0.00	100.00	100.00	74
77	BRENNTAG MAGHREB SAS	Vitrolles	0.00	100.00	99.94	75
78	BRENNTAG SA	Chassieu	0.00	99.94	99.94	76
79	Multisol France SAS	Villebon sur Yvette	0.00	100.00	100.00	76
80	Multisol International Services SAS	Sotteville Les Rouen	0.00	80.00	100.00	76
				20.00		79
Ghana						
81	Brenntag Ghana Limited	Tema	0.00	100.00	100.00	126
Greece						
82	Brenntag Hellas Chimika Monoprosopi EPE	Penteli	0.00	100.00	100.00	139
Guatemala						
83	BRENNTAG GUATEMALA S.A.	Guatemala City	0.00	100.00	100.00	126
				0.00		134
Guyana						
84	ALPHA CHEMICAL GUYANA INC.	Georgetown	0.00	100.00	100.00	126
Honduras						
85	BRENNTAG HONDURAS, S.A.	San Pedro Sula	0.00	98.51	100.00	126
				1.49		134
Hong Kong						
86	Brenntag Chemicals (HK) Pte Limited	Hong Kong	0.00	100.00	100.00	162
87	Hong Kong Dongguan Zhongrong Investment Co Limited	Hong Kong	0.00	100.00	100.00	89
88	WELLSTAR ENTERPRISES (HONG KONG) COMPANY LIMITED	Hong Kong	0.00	100.00	100.00	126
89	Zhong Yung (International) Chemical Co., Limited	Hong Kong	0.00	100.00	100.00	126

India						
90	Brenntag Ingredients (India) Private Limited	Mumbai	0.00	100.00	100.00	162
91	RAJ PETRO SPECIALITIES PRIVATE LIMITED	Mumbai	0.00	100.00	100.00	126
Indonesia						
92	PT Aik Moh Chemicals Indonesia	Batam	0.00	99.93	100.00	160
				0.07		161
93	PT Staris Chemicals	Tangerang Selatan	0.00	100.00	100.00	160
				0.00		161
94	PT. Brenntag	Jakarta Selatan	0.00	100.00	100.00	162
95	PT. Dharmala HCI i. L.	Jakarta	0.00	91.14	91.14	126
Ireland						
96	Brenntag Chemicals Distribution (Ireland) Limited	Dublin	0.00	100.00	100.00	221
97	Monarch Chemicals Ireland Limited	Dublin	0.00	100.00	100.00[2)]	231
Israel						
98	Biochem Trading 2011 Ltd.	Be'er Ya'akov	0.00	100.00	100.00	99
99	Brenntag Israel Ltd.	Be'er Ya'akov	0.00	100.00	100.00	126
Italy						
100	AQUADEPUR SRL	Cogliate	0.00	100.00	100.00	101
101	BRENNTAG S.P.A.	Assago	0.00	100.00	100.00	126
Japan						
102	Brenntag Japan Godo Kaisha	Tokyo	0.00	100.00	100.00	126
Canada						
103	BRENNTAG CANADA INC.	Toronto	0.00	100.00	100.00	136
Kenya						
104	Brenntag Kenya Limited	Nairobi	0.00	100.00	100.00	126
Colombia						
105	BRENNTAG COLOMBIA S.A.	Bogotá D.C.	0.00	94.87	100.00	126
				4.15		133
				0.41		136
				0.38		134
				0.19		132
106	BRENNTAG COLOMBIA ZONA FRANCA S.A.S.	Barranquilla	0.00	100.00	100.00	105
107	CONQUIMICA SAS	Itagui	0.00	100.00	100.00	105
Croatia						
108	BRENNTAG HRVATSKA d.o.o.	Zagreb	0.00	100.00	100.00	139
Latvia						
109	SIA BRENNTAG LATVIA	Riga	0.00	100.00	100.00	149
110	SIA DIPOL BALTIJA	Riga	0.00	100.00	100.00	209
Lithuania						
111	UAB BRENNTAG LIETUVA	Kaunas	0.00	100.00	100.00	149
Malaysia						
112	BRENNTAG BUSINESS SERVICES SDN. BHD.	Kuala Lumpur	0.00	100.00	100.00	126
113	BRENNTAG MALAYSIA SDN. BHD.	Kuala Lumpur	0.00	100.00	100.00	126
114	BRENNTAG SDN. BHD.	Kuala Lumpur	0.00	100.00	100.00	162
115	Brenntag Chemicals Malaysia Sdn. Bhd.	Kuala Lumpur	0.00	30.00	30.00	126
Morocco						
116	ALCOCHIM MAROC S.A.R.L.	Casablanca	0.00	100.00	99.94	77
117	BRENNTAG MAROC S.A.R.L associé unique	Casablanca	0.00	100.00	99.94	77
Mauritius						
118	Brenntag Chemicals Mauritius Limited	Moka	0.00	100.00	100.00	126
119	Multisol Mauritius Limited	Moka	0.00	100.00	100.00	233

Mexico						
120	AMCO INTERNACIONAL S.A. DE C.V.	Mexico City	0.00	100.00	100.00	121
				0.00		122
121	BRENNTAG MÉXICO, S.A. DE C.V.	Cuautitlan Izcalli	0.00	100.00	100.00	126
				0.00		133
122	BRENNTAG PACIFIC, S. DE R.L. DE C.V.	Tijuana	0.00	99.00	100.00	203
				1.00		201
123	Química Delta S.A. de C.V.	Teoloyucan	0.00	99.91	100.00[2]	121
				0.09		122
New Zealand						
124	BRENNTAG NEW ZEALAND LIMITED	Wellington	0.00	100.00	100.00	162
Nicaragua						
125	BRENNTAG NICARAGUA, S.A.	Managua	0.00	100.00	100.00	126
				0.00		134
Netherlands						
126	BRENNTAG (Holding) B.V.	Amsterdam	0.00	74.00	100.00	131
				26.00		54
127	BRENNTAG Coöperatief U.A.	Amsterdam	0.00	99.00	100.00	201
				1.00		199
128	BRENNTAG Dutch C.V.	Amsterdam	0.00	99.90	100.00	126
				0.10		133
129	Brenntag Amsterdam B.V.	Amsterdam	0.00	100.00	100.00	126
130	Brenntag Finance B.V.	Amsterdam	0.00	100.00	100.00	126
131	Brenntag HoldCo B.V.	Amsterdam	0.00	100.00	100.00	57
132	Brenntag Nederland B.V.	Dordrecht	0.00	100.00	100.00	126
133	H.C.I. Chemicals Nederland B.V.	Amsterdam	0.00	100.00	100.00	126
134	HCI Central Europe Holding B.V.	Amsterdam	0.00	100.00	100.00	126
135	HCI U.S.A. Holdings B.V.	Amsterdam	0.00	100.00	100.00	127
136	Holland Chemical International B.V.	Dordrecht	0.00	100.00	100.00	126
Nigeria						
137	Brenntag Chemicals Nigeria Limited	Matori-Lagos	0.00	90.00	100.00	126
				10.00		134
Norway						
138	BRENNTAG NORDIC AS	Grålum	0.00	100.00	100.00	158
Austria						
139	Brenntag Austria GmbH	Vienna	0.00	99.90	100.00	140
				0.10		53
140	Brenntag Austria Holding GmbH	Vienna	0.00	100.00	100.00	12
141	JLC-Chemie Handels GmbH	Wiener Neustadt	0.00	100.00	100.00	139
142	Provida GmbH	Vienna	0.00	100.00	100.00	139
Panama						
143	BRENNTAG PANAMA S.A.	Panama City	0.00	100.00	100.00	126
Peru						
144	BRENNTAG PERU S.A.C.	Lima	0.00	100.00	100.00	126
				0.00		134
Philippines						
145	A.P.C. Chemical Industries, Inc	Pasig City	0.00	100.00	100.00	160
146	BRENNTAG INGREDIENTS INC.	Muntinlupa City	0.00	100.00	100.00	126
Poland						
147	BCD POLYMERS Sp. z o.o.	Suchy Las	0.00	100.00	100.00	13
148	BCD Polska Sp. z o.o	Warsaw	0.00	100.00	100.00	13
149	BRENNTAG Polska sp. z o.o.	Kedzierzyn-Kozle	0.00	61.00	100.00	12
				39.00		139

150	Eurochem Service Polska sp. z o.o.	Warsaw	0.00	100.00	100.00	149
151	Fred Holmberg & Co Polska Sp.z o.o.	Warsaw	0.00	100.00	100.00	149
Portugal						
152	Brenntag Portugal - Produtos Quimicos, Lda.	Lordelo	0.00	73.95	100.00	54
				26.05		126
Puerto Rico						
153	Brenntag Puerto Rico, Inc.	Caguas	0.00	100.00	100.00	126
Republic of Serbia						
154	Brenntag d.o.o. Beograd-Savski Venac	Belgrade	0.00	100.00	100.00	126
Romania						
155	BRENNTAG S.R.L.	Chiajna	0.00	100.00	100.00	134
Russia						
156	OOO MULTISOL	Moscow	0.00	100.00	100.00	232
Saudi Arabia						
157	Brenntag Saudi Arabia Limited	Riad	0.00	75.00	38.25	217
Sweden						
158	Brenntag Nordic AB	Malmö	0.00	100.00	100.00	126
Switzerland						
159	Brenntag Schweizerhall AG	Basel	0.00	100.00	100.00	76
Singapore						
160	AIK MOH PAINTS & CHEMICALS PTE. LTD.	Singapore	0.00	100.00	100.00	126
161	BRENNTAG ASIA PACIFIC PTE. LTD.	Singapore	0.00	100.00	100.00	126
162	BRENNTAG PTE. LTD.	Singapore	0.00	100.00	100.00	161
163	TEE HAI CHEM PTE LTD	Singapore	0.00	100.00	100.00	126
Slovakia						
164	BRENNTAG SLOVAKIA s.r.o.	Pezinok	0.00	100.00	100.00	139
Slovenia						
165	BRENNTAG LJUBLJANA d.o.o.	Ljubljana	0.00	100.00	100.00	139
Spain						
166	BRENNTAG QUIMICA, S.A.U.	Dos Hermanas	0.00	100.00	100.00	76
167	Devon Chemicals S.A.	Barcelona	0.00	100.00	100.00	126
Sri Lanka						
168	BRENNTAG LANKA (PRIVATE) LIMITED	Rajagiriya	0.00	100.00	100.00	126
South Africa						
169	BRENNTAG SOUTH AFRICA (PTY) LTD	Midrand	0.00	100.00	100.00	126
170	Multisol South Africa (Proprietary) Limited	Cape Town	0.00	100.00	100.00	233
South Korea						
171	Brenntag Korea Co., Ltd.	Gwacheon-si	0.00	100.00	100.00	54
Taiwan						
172	Brenntag Taiwan Co., Ltd.	Taipeh	0.00	100.00	100.00	126
173	NEUTO CHEMICAL CORP.	Taipeh	0.00	100.00	100.00	126
Tanzania						
174	Brenntag Tanzania Limited	Dar es Salam	0.00	100.00	100.00	126
				0.00		134
Thailand						
175	Brenntag Enterprises (Thailand) Co., Ltd.	Bangkok	0.00	51.00	100.00	178
				49.00		126
176	Brenntag Ingredients (Thailand) Public Company Limited	Bangkok	0.00	51.00	100.00	175
				49.00		126
177	Brenntag Lubricants (Thailand) Co., Ltd.	Bangkok	0.00	98.00	100.00	126
				1.00		161
				1.00		162

178	Brenntag Service (Thailand) Co., Ltd.	Bangkok	0.00	51.01	100.00	175
				48.99		126
179	Thai-Dan Corporation Limited	Bangkok	0.00	99.90	100.00	176
				0.05		175
				0.05		178
Czech Republic						
180	Brenntag CR s.r.o.	Prague	0.00	100.00	100.00	139
Turkey						
181	BRENNTAG KIMYA TICARET LIMITED SIRKETI	Istanbul	0.00	100.00	100.00	139
Tunisia						
182	Brenntag Tunisie SARL	Fouchana	0.00	100.00	99.94	77
Uganda						
183	Brenntag Uganda Limited	Kampala	0.00	99.00	100.00	126
				1.00		134
Ukraine						
184	TOB BRENNTAG UKRAINE	Kyiv	0.00	100.00	100.00	209
185	TOB TRIDE	Kyiv	0.00	100.00	100.00	139
Hungary						
186	BCB Union Kft.	Budapest	0.00	96.67	100.00	126
				3.33		133
187	BRENNTAG Hungaria Kft.	Budapest	0.00	97.93	100.00	139
				2.07		134
Uruguay						
188	BRENNTAG SOURCING URUGUAY S.A.	Colonia del Sacramento	0.00	100.00	100.00	126
USA						
189	Alphamin Inc.	Austin/Texas	0.00	100.00	100.00	12
190	Altivia Louisiana, L.L.C.	St. Gabriel/Louisiana	0.00	100.00	100.00	205
191	BWEV, LLC	Wilmington/Delaware	0.00	100.00	100.00	197
192	Brenntag Global Marketing Logistics, LLC	Springfield/Illinois	0.00	100.00	100.00	194
193	Brenntag Global Marketing Specialty Chemicals, LLC	Springfield/Illinois	0.00	100.00	100.00	194
194	Brenntag Global Marketing, LLC	Wilmington/Delaware	0.00	100.00	100.00	201
195	Brenntag Great Lakes, LLC	Chicago/Illinois	0.00	100.00	100.00	135
196	Brenntag Latin America, Inc.	Wilmington/Delaware	0.00	100.00	100.00	201
197	Brenntag Lubricants, LLC	Wilmington/Delaware	0.00	100.00	100.00	201
198	Brenntag Mid-South, Inc.	Henderson/Kentucky	0.00	100.00	100.00	201
199	Brenntag North America Foreign Holding, LLC	Wilmington/Delaware	0.00	100.00	100.00	201
200	Brenntag North America LLC	Wilmington/Delaware	0.00	100.00	100.00	126
				0.00		133
201	Brenntag North America, Inc.	Wilmington/Delaware	0.00	100.00	100.00	126
202	Brenntag Northeast, LLC	Wilmington/Delaware	0.00	100.00	100.00	201
203	Brenntag Pacific, Inc.	Wilmington/Delaware	0.00	100.00	100.00	201
204	Brenntag Solutions and Services, LLC	Wilmington/Delaware	0.00	100.00	100.00	214
205	Brenntag Southwest, Inc.	Longview/Texas	0.00	100.00	100.00	201
206	Brenntag Specialties, LLC	Wilmington/Delaware	0.00	100.00	100.00	201
207	Coastal Chemical Co., L.L.C.	Baton Rouge/ Louisiana	0.00	100.00	100.00	135
208	Colony Gums LLC	Raleigh/ North Carolina	0.00	100.00	100.00	204
209	Dipol Chemical International, Inc.	New York/New York	0.00	100.00	100.00	139
210	Harvest Moon Holdings, LLC	Raleigh/ North Carolina	0.00	100.00	100.00	208

211	New Jersey Lube Oil, LLC	East Hartford/ Connecticut	0.00	100.00	100.00	197
212	Storm Chaser Holding Corporation	Wilmington/Delaware	0.00	100.00	100.00	206
213	Storm Chaser Intermediate Holding Corporation	Wilmington/Delaware	0.00	100.00	100.00	212
214	Storm Chaser Intermediate Holding II Corporation	Wilmington/Delaware	0.00	100.00	100.00	213
United Arab Emirates						
215	Al Shihab Al Thahabi Tech. TR. Co. LLC. SP	Sharjah	0.00	100.00	51.00	217
216	Raj Petro Specialties DMCC	Dubai	0.00	100.00	100.00	91
217	Trychem FZCO	Jebel Ali, Dubai	0.00	51.00	51.00	126
218	Trychem Trading L.L.C.	Port Saeed, Dubai	0.00	100.00	51.00	217
United Kingdom						
219	Brenntag Colours Limited	Leeds	0.00	100.00	100.00	221
220	Brenntag Inorganic Chemicals Limited	Leeds	0.00	100.00	100.00	221
221	Brenntag UK Holding Limited	Leeds	0.00	100.00	100.00	76
222	Brenntag UK Limited	Leeds	0.00	100.00	100.00	221
223	FCL Organisation Ltd	Leeds	0.00	100.00	100.00[2]	224
224	FCSL Holdco Ltd	Leeds	0.00	100.00	100.00[2]	238
225	Kilfrost Europe Ltd	Leeds	0.00	100.00	100.00[2]	238
226	Kluman and Balter Limited	Leeds	0.00	100.00	100.00	221
227	Lawrence Industries Holdings Limited	Tamworth	0.00	100.00	100.00[2]	221
228	Lawrence Industries Limited	Tamworth	0.00	100.00	100.00[2]	221
229	Monarch Chemicals (Holdings) Limited	Leeds	0.00	100.00	100.00[2]	231
230	Monarch Chemicals Limited	Leeds	0.00	100.00	100.00[2]	229
231	Monarch Group Limited	Leeds	0.00	100.00	100.00[2]	221
232	Multisol Europe Limited	Leeds	0.00	100.00	100.00	233
233	Multisol Group Limited	Leeds	0.00	100.00	100.00	234
234	Multisol Limited	Leeds	0.00	100.00	100.00	221
235	Murgatroyd's Salt & Chemical Company Limited	Leeds	0.00	100.00	100.00	220
236	Solvenox Ltd	Leeds	0.00	100.00	100.00[2]	238
237	Solventis Holdings Ltd	Leeds	0.00	100.00	100.00[2]	221
238	Solventis Ltd	Leeds	0.00	100.00	100.00[2]	221
239	Solventis Solutions Ltd	Leeds	0.00	100.00	100.00[2]	223
240	Solventis UK Ltd	Leeds	0.00	100.00	100.00[2]	237
Vietnam						
241	BRENNTAG VIETNAM COMPANY LIMITED	Ho Chi Minh City	0.00	100.00	100.00	162
242	NAM GIANG COMMERCIAL SERVICE CO., LTD	Ho Chi Minh City	0.00	0.00	0.00[3]	1

Associated subsidiaries

Denmark						
243	Borup Kemi I/S	Borup	0.00	33.33	33.33	43
Germany						
244	SOFT CHEM GmbH	Laatzen	0.00	33.40	17.03	66
Thailand						
245	Berli Asiatic Soda Co., Ltd.	Bangkok	0.00	50.00	50.00	176
United Kingdom						
246	PURE SODIUM HYPOCHLORITE BIOCIDAL PRODUCTS GROUP LTD.	London	0.00	25.00	25.00	222

[1] Share in the capital of the company
[2] Business combination in accordance with IFRS 3
[3] Structured entity