



Architectural Shingles in Black Oak

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

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HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

ACCELERATING GROWTH IN SOLUTIONS & PRODUCTS

Malarkey is a **proven growth engine** in the **highly profitable** and **growing** US residential roofing market

Highly regarded brand with leadership in **innovation** and **sustainability** in Holcim's biggest market

Complementary acquisition in roofing systems to achieve **USD 4 billion Net Sales by 2025**

Accelerates Holcim's growth in Solutions & Products to reach 30% of Group Net Sales by 2025

Synergies of **USD 40 million** by year 3, acquisition is **EPS accretive from year 1**

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

GROWTH AND INNOVATION PLATFORM WITH PROVEN TRACK RECORD



COMPLEMENTARY PLATFORM for growth in the highly profitable and growing residential roofing market with **INNOVATIVE SOLUTIONS** across the U.S.



Headquartered in **PORTLAND, OR** with excellent market positions in West and Central US served by three state-of-the-art production facilities. Further national footprint expansion underway.



Key Figures 2022E



NET SALES

USD ~600 MILLION



EBITDA

USD ~120 MILLION



EMPLOYEES

~600



LEADING IN INNOVATION & TECHNOLOGY offering premium, high-quality products. Industry only manufacturer with high durability, 100% polymer modified asphalt (PMA) shingles.



EXCELLING IN SUSTAINABLE PRODUCTS manufacturing lowest impact, longest lasting roofing solutions with high recycled content.

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

KEY TRANSACTION PARAMETERS

Strong growth to continue in Roofing reaching **USD 4 billion Net Sales by 2025**
with **EBIT margin above 15%**

Enterprise Value of **USD 1.35 billion, 8.4x** 2022 EBITDA post run rate synergies

Synergies of **USD 40 million** per year and fully realized in year 3

EPS accretive from **year 1**

Closing expected **Q1 2022, Management team** stays on board

Malarkey will be part of the **Global Business Unit Solutions & Products**

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

OFFERS COMPLETE SYSTEM SOLUTIONS FOR RESIDENTIAL ROOFING NEEDS



Malarkey provides **system solutions for residential roofing needs**, including:



Hip and ridge shingles

Ice and water barriers

Roofing Shingles

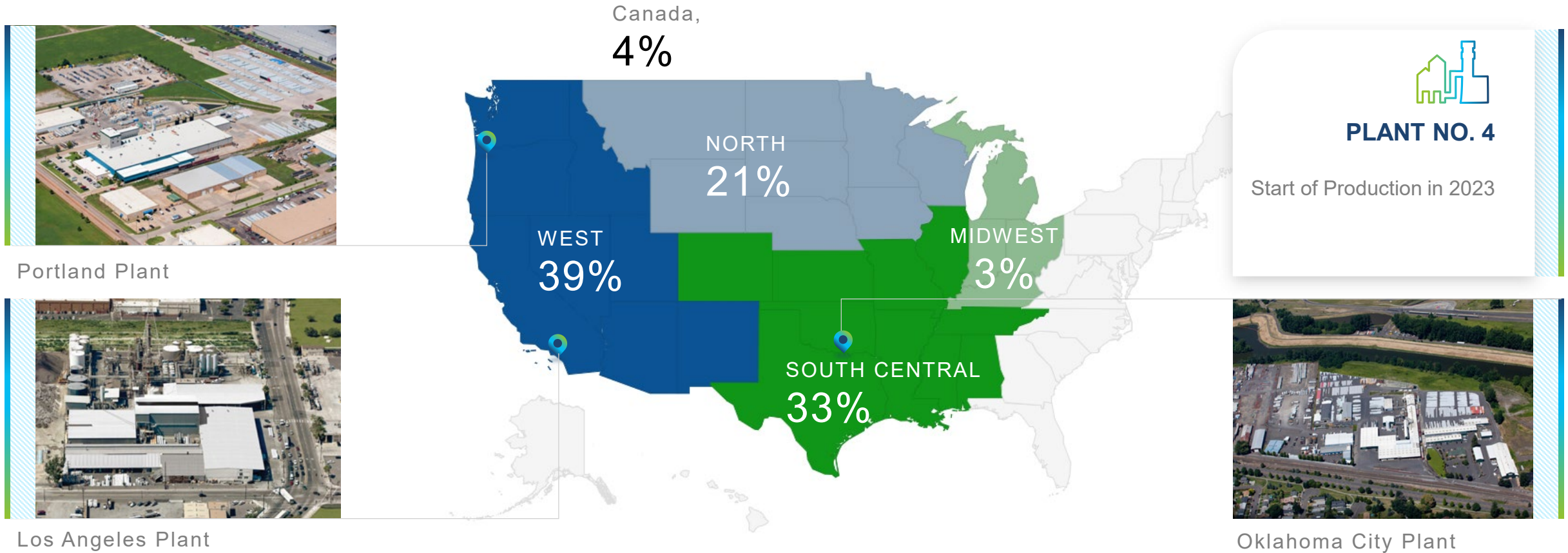
Underlayment

Starter shingles

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

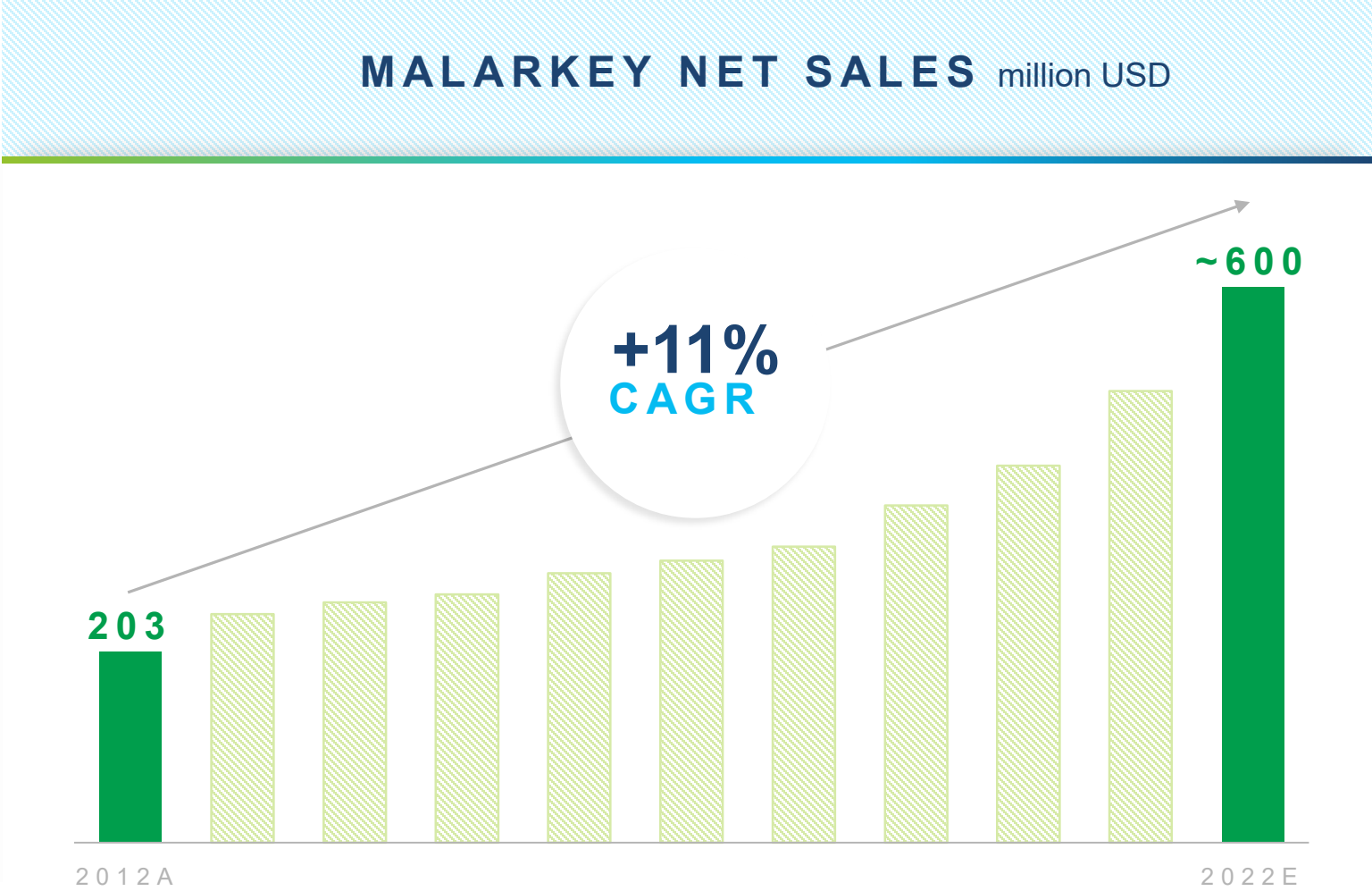
STATE OF THE ART MANUFACTURING FACILITIES WITH EXPANSION UNDERWAY

Net Sales BY REGION



HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

DOUBLE DIGIT GROWTH DRIVEN BY INNOVATION AND ORGANIC EXPANSION



HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

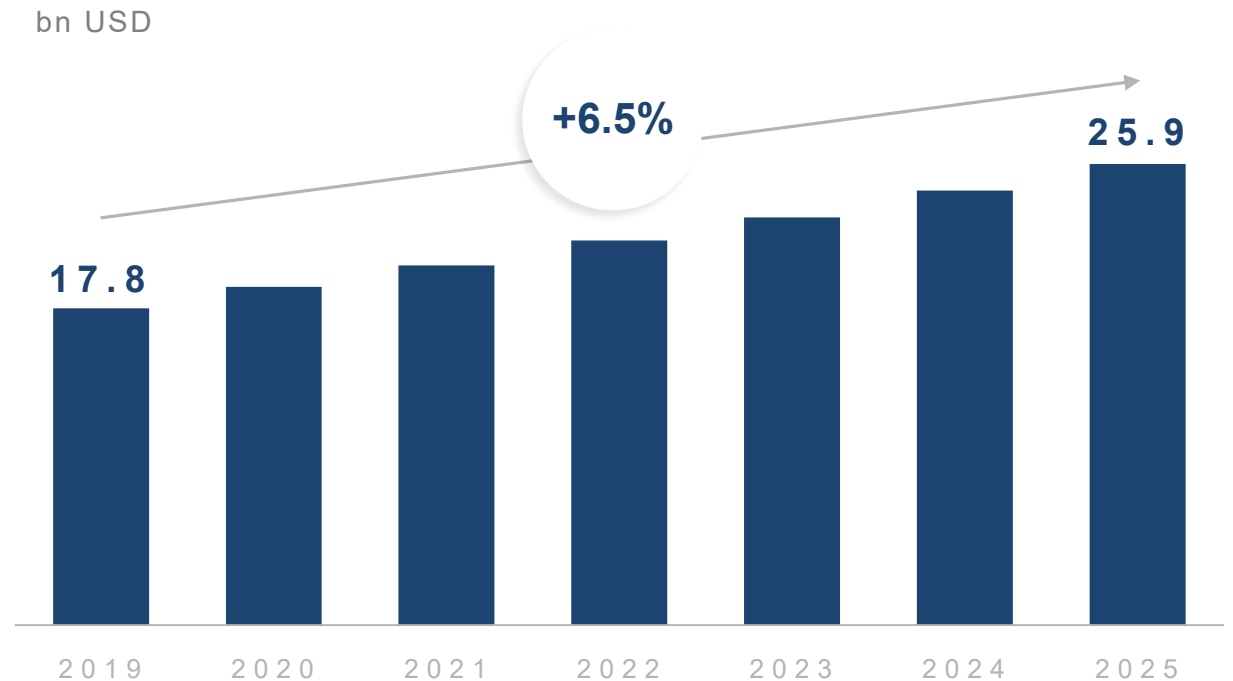
ATTRACTIVE GROWING MARKET DRIVEN BY RE-ROOFING NEEDS

DRIVERS OF US RESIDENTIAL ROOFING MARKET

Drivers

- 80% of sales driven by re-roofing which is **non-discretionary spend**
 - Aging home inventory
 - Severe weather events
 - New **regulations and fiscal stimulus** (energy efficiency)
- **New** residential **construction** will **increase** due to low interest rate, urbanization and underbuilt environment

RESIDENTIAL ROOFING WILL BENEFIT FROM STRONG MARKET GROWTH



Source: Freedonia Research and Allied Market Research: America Roofing Market

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

SYNERGIES OF USD 40 MILLION

REVENUE



- **CROSS LEVERAGE FOOTPRINT** to expand into new geographies
- **COMPLEMENTARY ACCESS** to distribution channels
- **UTILIZE PRODUCTION SITES** for expansion of roofing technologies

USD 40 MILLION
OF EBITDA
SYNERGIES

- **MATERIAL COST EFFICIENCIES** through globalized sourcing and economies of scale
- **OPERATIONAL OPTIMIZATION** in logistics and manufacturing
- **LEVERAGE AND COMBINE** existing administrative systems and infrastructure

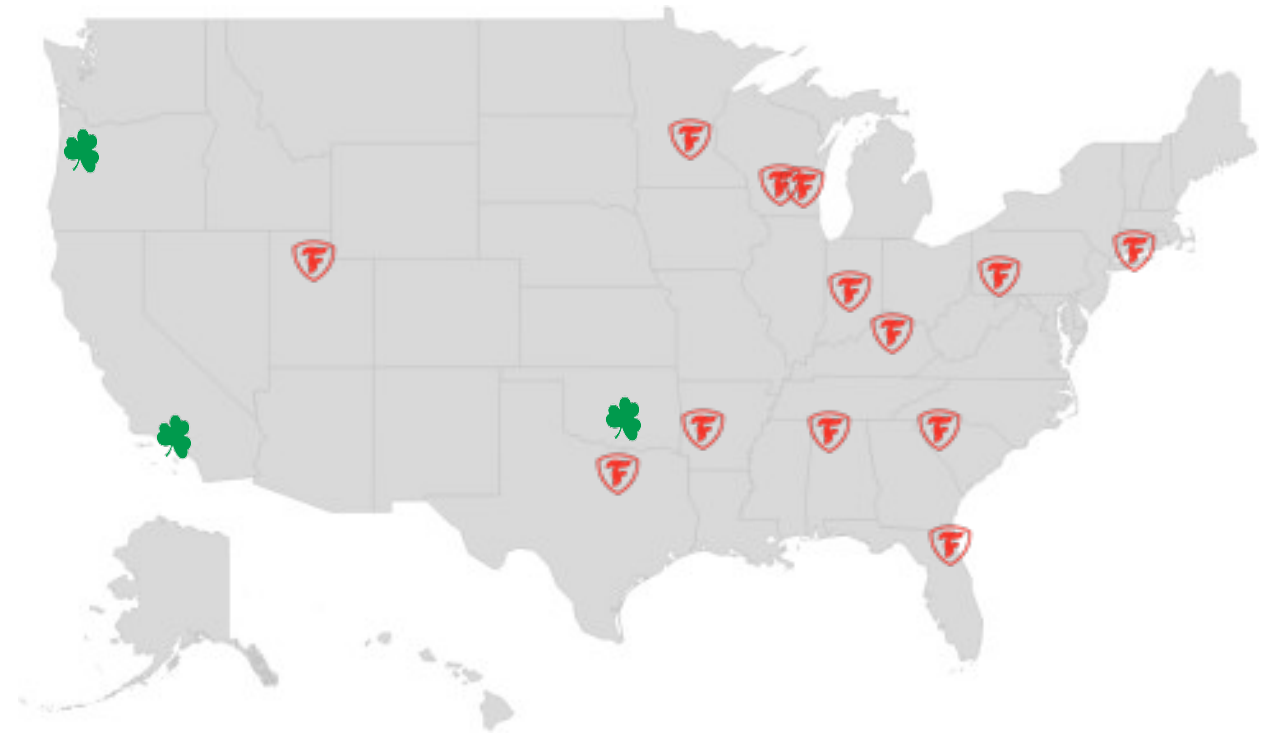


COST

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

COMPLEMENTARY ACQUISITION TO ACHIEVE USD 4 BILLION NET SALES BY 2025

- **Cross leverage footprint** to expand into **new geographies**
- **Utilize production sites** for **expansion** of roofing technologies
- **Complementary** access to **distribution channels**
- Complementary **R&D** and **Product Innovation** expertise driving growth



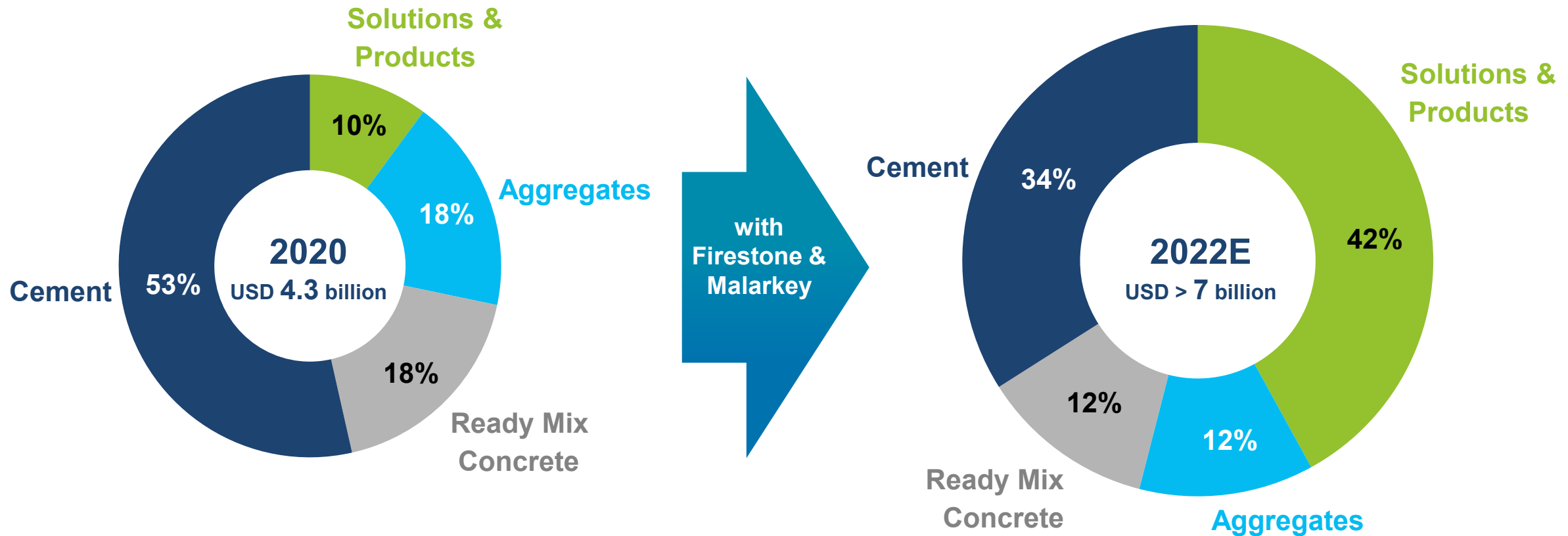
 Firestone Plant Locations

 Malarkey Plant Location

HOLCIM TO ACQUIRE MALARKEY ROOFING PRODUCTS

SOLUTIONS & PRODUCTS BECOMES THE BIGGEST BUSINESS SEGMENT IN THE US

NET SALES US - BY BUSINESS SEGMENTS



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