

Zug | 28 January 2024

Ad hoc announcement pursuant to Art. 53 LR

## Holcim intends to list its North American business in the US

- **Full capital market separation and US listing of its North American business**
- **Transaction intended to be executed as a spin-off, benefitting all shareholders**
- **Creating the leading pure-play North American building solutions company**
- **US listing of North American business expected to complete in H1 2025**
- **Holcim post US listing of North America to further strengthen its position as leader in innovative & sustainable building solutions**

Holcim announces its intent to list its North American business in the US with a full capital market separation. This process will create the leading pure-play building solutions company in the region. The newly-listed business will be committed to driving long-term growth in the rapidly expanding North American market and unlocking value for all its stakeholders. Holcim post US listing of North America is expected to remain included in the Swiss Market Index and the leader in innovative and sustainable building solutions. The Board has tasked Jan Jenisch to lead the planned US listing of Holcim's North America business.

Jan Jenisch, Chairman and CEO: "Holcim has reached a new level of financial performance and a superior earnings profile with industry-leading margins and a strong balance sheet. The success of our North American business makes it the leading pure-play building solutions company in the region. With a US listing, we will unleash its full potential to be the partner of choice for our customers in one of the world's most attractive construction markets. As we fully capitalize on the region's infrastructure and construction boom, we will accelerate growth and unlock value for our stakeholders.

"Holcim post US listing of North America will further advance its leadership in innovative and sustainable building solutions. With decarbonization and M&A as drivers of profitable growth, the company will continue to deliver leading margins and attractive shareholder returns.

"This next step of growth and value creation is possible thanks to the outstanding leadership of our empowered teams around the world delivering record results year after year."

## US listing of North America

The listed North American business will be the leading pure-play building solutions company in the region, with an estimated EBITDA<sup>1</sup> margin of more than 27% for 2023. This business has a proven track record of outstanding profitable growth with an average annual growth rate of over 20% and an over-proportional growth in EBIT of more than 26%, on average, over the past four years. It will execute an accelerated growth strategy to achieve more than USD 20 billion in net sales and more than USD 5 billion in EBIT with industry-leading margins by 2030. With over 850 state-of-the-art operations, this business is a leader in advanced roofing systems, the no. 1 player in cement, and strongly positioned in aggregates and ready-mix. Building on its leading footprint, the North American business is ideally positioned to capitalize on the strong construction spend and once-in-a-generation infrastructure investments across the region.

The listed company will pursue a US Dollar-based tailored capital structure and capital allocation priorities, creating a distinct and compelling investment profile. With its pure-play focus on North American customers and market opportunities, it will drive deeper strategic and operational priorities.

## Holcim post US listing of North America

Holcim post US listing of North America will advance its leadership position in innovative and sustainable building solutions, with an estimated EBITDA<sup>1</sup> margin of over 23% for 2023. The company will aim to grow net sales to around CHF 22 billion, EBIT to more than CHF 4 billion, and free cash flow to more than CHF 3 billion by 2030.

Building on its superior financial performance, the company will accelerate its leadership in decarbonization and circularity as drivers of profitable growth, advancing sustainable building solutions for its customers. It will continue its portfolio transformation with disciplined value-accretive transactions, including expanding into the attractive Solutions & Products segment, focusing on advanced mortars and insulation for repair and refurbishment.

Holcim post US listing will strengthen its ability to maximize value creation with its well balanced footprint and leading market positions across Europe, Latin America and Asia, Middle East & Africa. It will deliver industry-leading margins, cash generation and attractive shareholder returns through dividends and share buybacks, offering a compelling investment profile.

## Transaction Details

Holcim is preparing a full capital market separation and US listing of its North American business. The transaction is intended to be executed as a spin-off, with the final structure to be communicated in the second half of this year. Holcim plans to hold Capital Markets Days for both entities in the same timeframe.

The US listing is expected to be completed in the first half of 2025. It will be subject to shareholder approval at an Extraordinary General Meeting expected in the first quarter of 2025, as well as other customary approvals.

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<sup>1</sup> Before leases

Holcim post US listing of North America is expected to remain included in the Swiss Market Index. Both companies will pursue tailored strategies and capital structures to support growth and value creation. The transaction is intended to unlock value by creating two distinct and compelling investment profiles with attractive shareholder returns.

Goldman Sachs International and Perella Weinberg Partners are acting as financial advisors and Skadden, Arps, Slate, Meagher & Flom LLP and Bär & Karrer AG are serving as legal advisors.

## Webcasts

Holcim will host three webcasts on Monday, 29 January 2024:

- **Media conference:** 09:00 am CET / 3:00 am ET
- **Analyst and investor conference 1:** 10:00 am CET / 4:00 am ET
- **Analyst and investor conference 2:** 4:00 pm CET / 10:00 am ET

The company has posted an accompanying presentation to the investor relations website [here](#).

In order to participate in the analysts' conference, please register [here for the 10:00 am CET / 4:00 am ET session](#) and [here for the 4:00 pm CET / 10:00 am ET session](#).

## Media contacts

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## About Holcim

Holcim is a global leader in innovative and sustainable building solutions with net sales of CHF 29.2 billion in 2022. Driven by its purpose to build progress for people and the planet, its 60,000 employees are on a mission to decarbonize building, while improving living standards for all. The company empowers its customers across all regions to build better with less, with its broad range of low-carbon and circular solutions, from ECOPact to ECOPlanet. With its innovative systems, from Elevate roofing to PRB's insulation, Holcim makes buildings more sustainable in use, driving energy efficiency and green retrofitting. With sustainability at the core of its strategy, Holcim is becoming a net-zero company with 1.5°C targets validated by the Science Based Targets initiative (SBTi).

Learn more about Holcim on [www.holcim.com](http://www.holcim.com), and by following us on [LinkedIn](#).

Sign up for Holcim's Building Progress newsletter [here](#) and follow our journey to a net-zero future.

## Important disclaimer – forward-looking statements:

This press release contains forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions and services, their development and potential. Although Holcim believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions at the time of publishing this press release, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Holcim, including but not limited to risks associated with sustainability, climate change, energy prices and access to raw materials, as well as the other risks described in Holcim's annual report available on its website ([www.holcim.com](http://www.holcim.com)) and uncertainties related to market conditions, the implementation of our plans, to pursue the separation of the North American business and our ability to achieve any of the benefits

that we expect to achieve from the separation, as well as the risks described in the registration statement relating to the separation which is expected to be filed with the SEC. Accordingly, we caution you against relying on forward-looking statements. Holcim does not undertake to provide updates of these forward-looking statements.

Words such as “anticipate(s),” “expect(s),” “intend(s),” “plan(s),” “believe(s),” “plan(s),” “may,” “will,” “would,” “could,” “should,” “seek(s),” and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management’s current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained.

Risks and uncertainties relating to the proposed separation that could cause actual results to differ materially from our expectations include, but are not limited to: an unexpected failure to complete, or unexpected delays in completing, the necessary actions for the proposed separation, or to obtain the necessary approvals to complete these actions; that the potential strategic benefits, synergies or opportunities expected from the separation may not be realized or may take longer to realize than expected; costs of implementation of the separation and any changes to the configuration of businesses included in the separation if implemented; the potential inability to access or reduced access to the capital markets or increased cost of borrowings, including as a result of a credit rating downgrade; the potential adverse reactions to the proposed separation by customers, suppliers, strategic partners or key personnel and potential difficulties in maintaining relationships with such persons and risks associated with third party contracts containing consent and/or other provisions that may be triggered by the proposed separation; the risk that any newly formed entity to house the North American business would have no previously established credit rating and may not have access to the capital markets on acceptable terms; unforeseen tax liabilities or changes in tax law; requests or requirements of governmental authorities related to certain existing liabilities; and the ability to obtain or consummate financing or refinancing related to the transaction upon acceptable terms or at all.

These forward-looking statements reflect management’s judgment as of this date, and Holcim assumes no (and disclaims any) obligation to revise or update them to reflect future events or circumstances.

We make no representations or warranties as to the accuracy of any projections, statements or information contained in this document.

It is understood and agreed that any such projections, targets, statements and information are not to be viewed as facts and are subject to significant business, financial, economic, operating, competitive and other risks, uncertainties and contingencies many of which are beyond our control, that no assurance can be given that any particular financial projections ranges, or targets will be realized, that actual results may differ from projected results and that such differences may be material. While all financial projections, estimates and targets are necessarily speculative, we believe that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection, estimate or target extends from the date of preparation. The assumptions and estimates underlying the projected, expected or target results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the financial projections, estimates and targets. The inclusion of financial projections, estimates and targets in this press release should not be regarded as an indication that we or our representatives, considered or consider the financial projections, estimates and targets to be a reliable prediction of future events.

This press release does not constitute, or form part of, any offer or invitation to (i) sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of any legal entity of Holcim, or (ii) to enter into any contract, agreement or commitment whatsoever with any legal entity of Holcim.