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FOR WHAT TRULY COUNTS



M&A Facts Quarterly Q2 – 2023

Construction & Building Products





Construction & Building Products – M&A-Highlights and Market Insights

Data source: S&P Capital IQ. Analysis by Proventis Partners.

- ▶ **Trading and transaction multiples** – Trading multiples of the peer group have stabilized over the course of the last three quarters, with a median EV/EBITDA multiple of 7.8x in Q2. After a quiet Q4/2022, deal activity in sector is picking up again. Transaction multiples paid in Q2 are at 8.4x, slightly lower compared to previous quarter.
- ▶ **Review and outlook** – The market weakened on a year-on-year revenue growth-basis. Yet, on an EBIT margin- and Debt to EBITDA-basis the market has seen more tranquil environments throughout the latest period. Additionally, the value of transactions has started to recover, and the number of counted deals is back on Q2/2022 level. Sustainable products technologies for alleviated energy efficiency remain in the focus of players and will be influencing factors for the pursuit of M&A.
- ▶ **Notable transaction** – As in the previous quarter, Holcim Ltd. continues to pursue a strong strategy of expanding its Solution and Product Business. To this end, they acquired Minerales y Agregados and Protección Anticorrosiva de Cuautitlán. In order to further expand their Aggregates and Ready-Mix spate, they acquire Stones Business Development SRL. With these acquisitions, the company is pursuing its new core strategy of accelerating green growth and further expanding its positioning from roofing and insulation to repairs and refurbishments. The largest deal of the quarter was the acquisition of Uponer Oyj by Georg Fischer AG with a transaction value of 2.2 EURbn. Through this purchase, Georg Fischer AG aims to become a global market leader in sustainable piping systems for wastewater.

Construction & Building Products Peer Group

Note: TEV = Total Enterprise Value. LTM = Last Twelve Months. Data source: S&P Capital IQ. In €m.

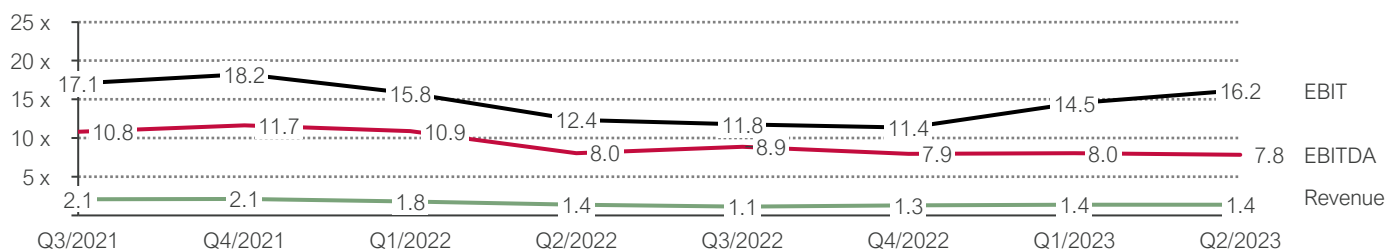
Company Name	Country	Market Cap	TEV	Total Revenue LTM	EBITDA LTM ¹⁾	TEV/EBITDA LTM Q1 2023 ²⁾	TEV/EBITDA LTM Q2 2023 ²⁾	Q2 vs. Q1 Trend
Johnson Controls International plc	Ireland	42'824	52'930	24'016	3'058	13.3x	14.1x	▲
Trane Technologies plc	Ireland	39'953	43'760	15'004	2'514	16.1x	16.3x	▲
Holcim Ltd	Switzerland	35'687	43'098	29'537	5'351	7.0x	7.1x	▲
CRH plc	Ireland	36'676	42'268	30'619	5'285	7.5x	7.7x	▲
Compagnie de Saint-Gobain S.A.	France	28'498	37'173	51'197	6'494	4.9x	5.1x	▲
ASSA ABLOY AB (publ)	Sweden	24'427	26'794	11'252	1'939	13.3x	13.6x	▲
Geberit AG	Switzerland	15'929	16'772	3'332	888	20.0x	18.3x	▼
Kingspan Group plc	Ireland	11'079	12'891	8'341	959	13.2x	12.8x	▼
James Hardie Industries plc	Ireland	10'685	11'619	3'476	875	10.4x	13.1x	▲
Rockwool A/S	Denmark	5'096	4'760	3'849	614	7.7x	7.4x	▼
Wienerberger AG	Austria	2'971	4'281	4'873	902	4.0x	4.4x	▲
dormakaba Holding AG	Switzerland	1'719	2'479	2'861	313	7.7x	7.8x	▲
Arbonia AG	Switzerland	708	897	1'225	104	8.3x	7.8x	▼
Tarkett S.A.	France	723	1'379	3'359	171	7.3x	6.9x	▼
Median						8.0x	7.8x	▼

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

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

Construction & Building Products Peer Group Trading Multiples

Data source: S&P Capital IQ.



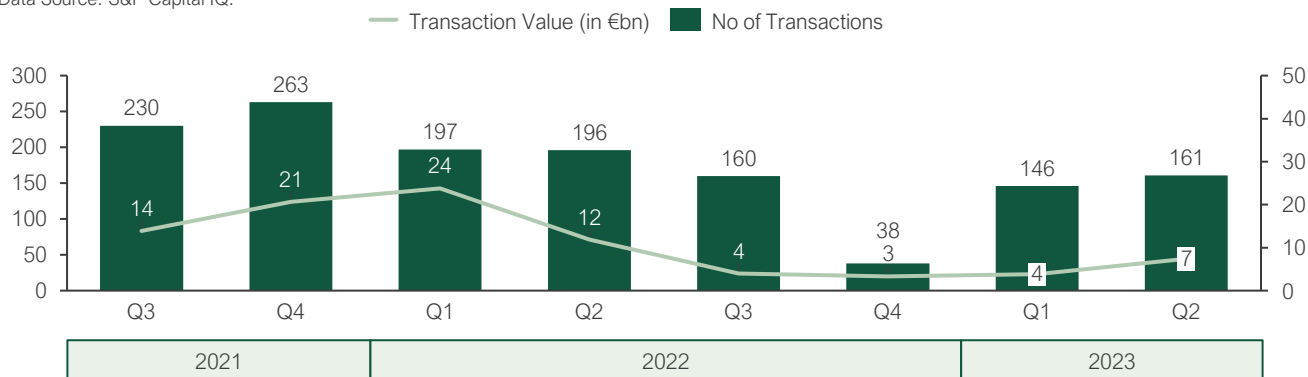
Recent Construction & Building Products M&A Transactions

Note: EV = Total Enterprise Value. Total Transaction Value in €m. Data source: S&P Capital IQ. Selection of transactions by Proventis Partners.

Announced Date	Target	Target Country	Acquirer	Acquirer Country	Acquired Stake %	Total Transaction Value	Implied EV/ EBITDA
26/06/2023	United Paints & Chemicals, S.A.E.	EG	Compagnie de Saint-Gobain S.A.	FR	100	n/a	n/a
20/06/2023	Ukrainian business and ready-mix concrete assets in Slovakia		CRH plc	IE	100	100	n/a
15/06/2023	Minerales y Agregados		Holcim Ltd	CH	100	n/a	n/a
12/06/2023	Uponor Oyj	FI	Georg Fischer AG	CH	100	2'290	11.44
12/06/2023	Building Products of Canada Corp.	CA	Compagnie de Saint-Gobain S.A.	FR	100	922	11.94
01/06/2023	Diquigiovanni Srl		Sciuker Frames S.p.A.	IT	100	13	n/a
26/05/2023	Ishebeck Formwork Panel System assets		Acrow Formwork and Construction Services Limited	AU	100	7	n/a
23/05/2023	Manufacturing division of Valencia Pipe Company		Aliaxis SA	BE	100	232	n/a
03/05/2023	Protección Anticorrosiva de Cuautitlán, S.A. de C.V.		Holcim Ltd	CH	100	n/a	n/a
24/04/2023	The SEFA Group, Inc.	US	Heidelberg Materials AG	DE	100	n/a	n/a
21/04/2023	Seven Refractories d.o.o./Seven Refractories Deutschland GmbH/RHI Magnesita Seven Refractories		RHI Magnesita N.V.	NL	-	93	n/a
17/04/2023	JELD-WEN Australia Pty Limited	AU	Platinum Equity, LLC	US	100	460	6.7
07/04/2023	Assets, Employees and Equipment related to Production & Marketing of Concrete of Betonexpres Srl		Holcim (Romania) SA	RO	100	n/a	n/a
03/04/2023	Stones Business Development SRL	RO	Holcim (Romania) SA	RO	100	n/a	n/a
01/04/2023	Madeli USA, LLC	US	Roca Sanitario, S.A.	ES	100	n/a	n/a

Construction & Building Products M&A Deal Count, Recorded Transaction Volume 2021-2023

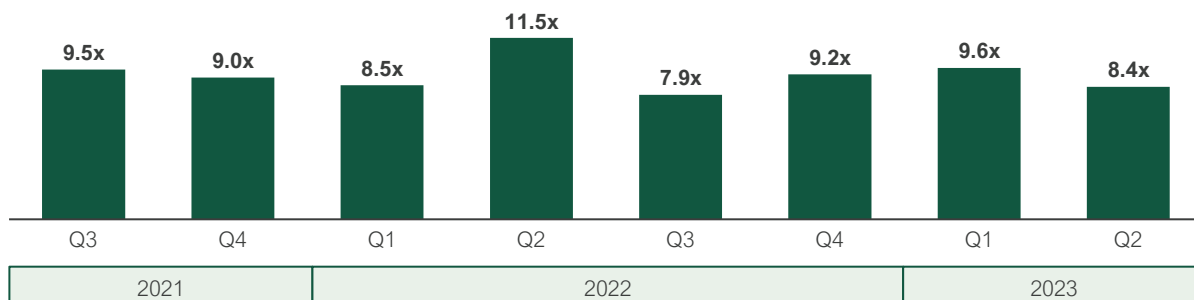
Data Source: S&P Capital IQ.



Construction & Building Products M&A Transaction Multiples 2021-2023

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

Data Source: S&P Capital IQ.



Construction & Building Products Operating Financial Metrics

Q1 23 data only. Q2 23 data not yet released. In €m or % where indicated. Data source: S&P Capital IQ

Company Size

Small Cap



- ▶ Market Cap in €m 1 to 250
- ▶ Average Market Cap in €m 60
- ▶ Number of companies 769

Mid Cap



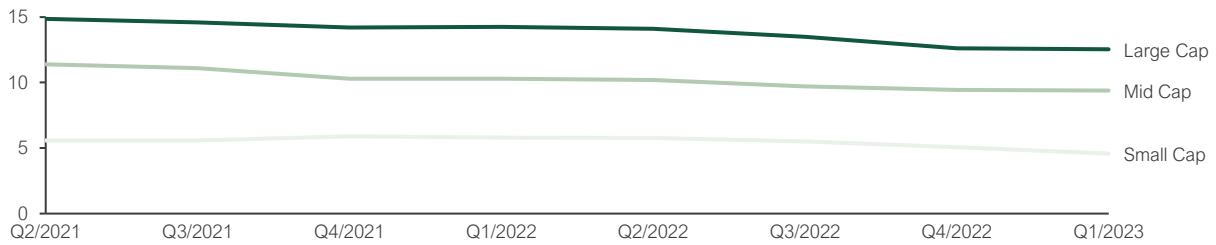
- ▶ Market Cap in €m 251 to 2,500
- ▶ Average Market Cap in €m 832
- ▶ Number of companies 377

Large Cap

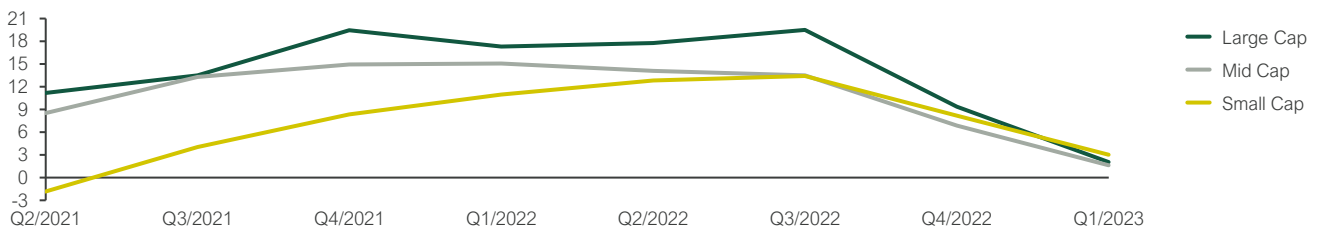


- ▶ Market Cap in €m >2,500
- ▶ Average Market Cap in €m 11'916
- ▶ Number of companies 109

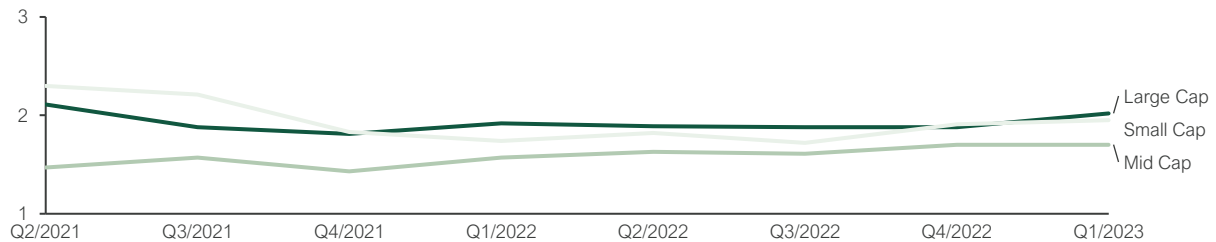
EBIT Margin (in %)



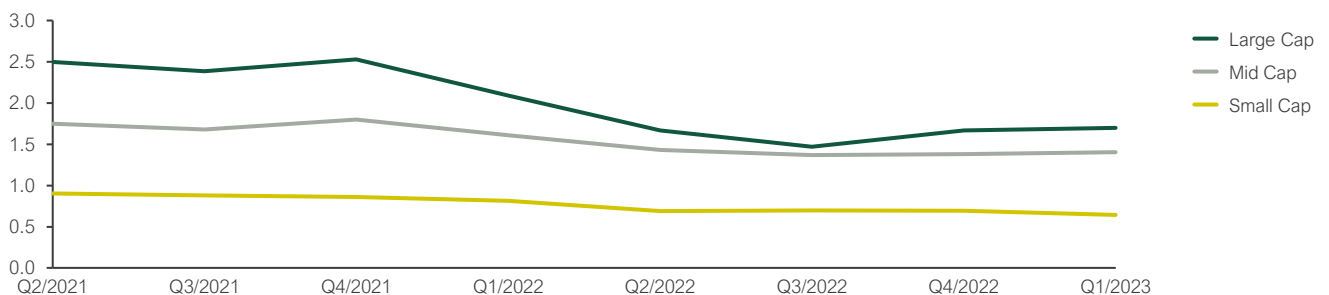
Year-on-Year Revenue Growth (in %)



Debt/EBITDA



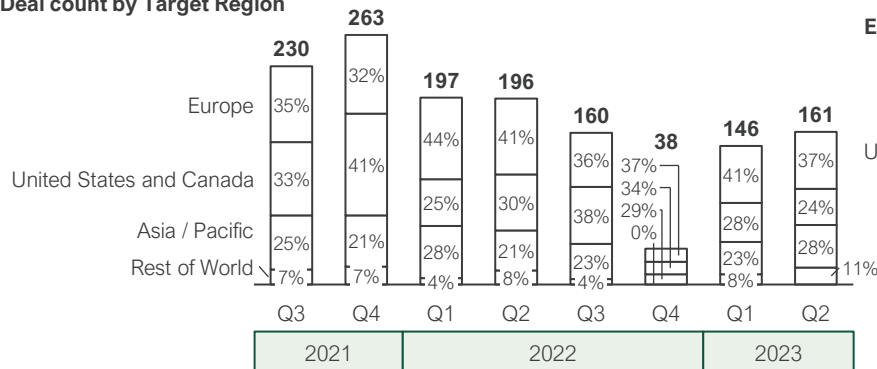
Market Capitalization/Revenue



Construction & Building Products M&A Deal Analysis

Announced transactions LTM: Implied M&A Enterprise Value / LTM EBITDA with disclosed multiple.
Data Source: S&P Capital IQ.

Deal count by Target Region

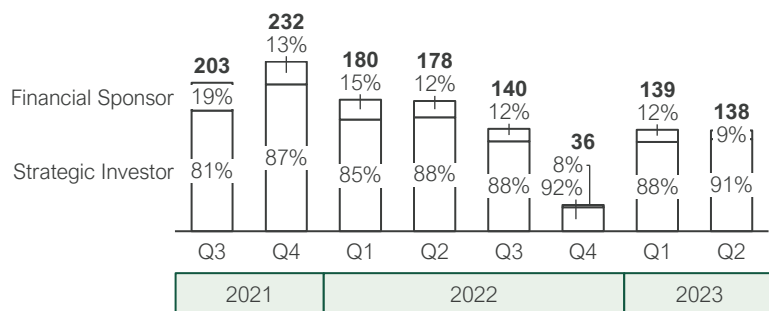


EBITDA Multiple (LTM) by Target Region



Deal count by Investor Type

Announced transaction with identified investors.

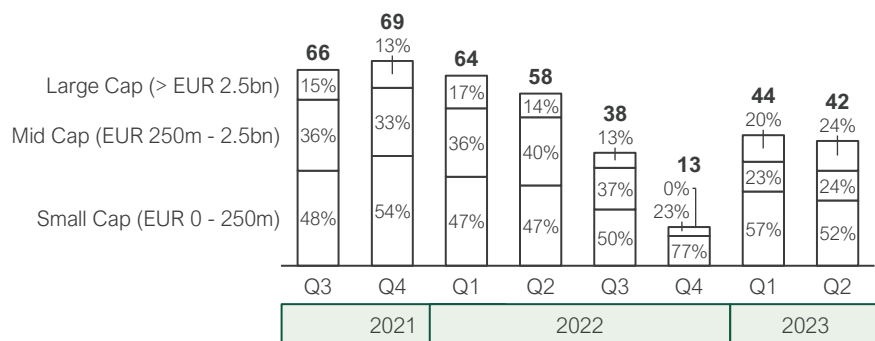


EBITDA Multiple (LTM) by Investor Type

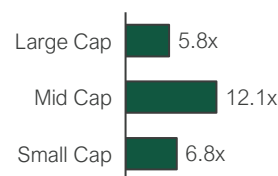


Deal count by Company Size

Announced transactions with disclosed annual pre-transaction revenues.



EBITDA Multiple (LTM) by Company Size



Notes

The analysis considers announced transactions only. Recent Transactions and Quarterly Multiples only include transactions with available Enterprise Values (EV). As Capital IQ constantly updates its database, the values might differ from previous M&A Facts.

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