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Accelerating growth and circularity in the US: Heidelberg Materials acquires Giant Cement Holding Inc.

- **Heidelberg Materials North America has entered into a definitive purchase agreement to acquire Giant Cement Holding Inc., an established cement producer on the US East Coast with a focus on using waste-derived fuels**
- **The acquisition includes one cement plant with an annual capacity of 800,000 tonnes of cement, two deep-water import terminals, five distribution terminals, and an alternative fuel recycling business**
- **The aim of the acquisition is to further strengthen the company's cementitious footprint in the key Southeastern US and New England markets as well as to contribute to its circular offerings and decarbonisation efforts**

Heidelberg Materials North America announced that it has entered into a definitive purchase agreement to acquire Giant Cement Holding Inc. (GCHI) and its subsidiaries Giant Cement Company, Dragon Products Company, and Giant Resource Recovery from the Fortaleza, Uniland and Trituradora groups. Giant Cement Holding Inc. is an established cement producer on the US East Coast with a strong focus on using waste-derived fuels.

The transaction's assets in the Southeastern US consist of an integrated cement plant with an annual capacity of 800,000 tonnes of cement in Harleyville, South Carolina, a network of four cement distribution terminals in Georgia and South Carolina as well as a joint venture deep-water import terminal in Savannah, Georgia. Assets in the New England area comprise a cement and slag distribution terminal in Newington, New Hampshire, and a deep-water import terminal in Boston, Massachusetts. Also included in the transaction is Giant Resource Recovery, an alternative fuel recycling business with four strategically located facilities in the Eastern US.

"Our latest additions are yet another great strategic fit creating value in the near term through significant synergies with our existing assets on the East Coast. This move follows a series of key acquisitions this year that have already contributed to our consistently strong financial performance in North America," says Dr Dominik von Achten, Chairman of the Managing Board of Heidelberg Materials. "At the same time, we are excited about taking further steps in building a sustainable future and positioning Heidelberg Materials as the front runner on the path to net zero and a circular

economy in the key North American market.”

“The acquisition of the GCHI assets will further strengthen our cementitious footprint in the growing Southeastern US and New England markets,” says Chris Ward, President and CEO of Heidelberg Materials North America and member of the Managing Board of Heidelberg Materials. “We are excited to expand our supply network on the East Coast to better serve our broad customer base and we expect strong synergies with the Giant Resource Recovery fuel recycling business.”

The purchase price for the transaction is approximately US\$600 million subject to ordinary post-closing adjustments. The transaction is expected to be completed in the first quarter of 2025 and to contribute around US\$60 million in EBITDA in the first year of operation before significant additional synergies.

Sustainable growth in North America

The company’s latest addition follows three key US acquisitions in the third quarter of 2024. In August, the company acquired Highway Materials, Inc., one of the largest independent aggregates and asphalt producers in the Greater Philadelphia market. The acquisition of Carver Sand & Gravel, the largest aggregates producer in the Albany area, New York, also followed in August. Furthermore, Heidelberg Materials acquired Victory Rock, a producer of high-quality aggregates for concrete and asphalt as well as other related products.

About Heidelberg Materials

Heidelberg Materials is one of the world's largest integrated manufacturers of building materials and solutions with leading market positions in cement, aggregates, and ready-mixed concrete. We are represented in around 50 countries with around 51,000 employees at almost 3,000 locations. At the centre of our actions lies the responsibility for the environment. As the front runner on the path to carbon neutrality and circular economy in the building materials industry, we are working on sustainable building materials and solutions for the future. We enable new opportunities for our customers through digitalisation.

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