

April 3, 2024



SAINT-GOBAIN SIGNS A DEFINITIVE AGREEMENT TO ACQUIRE THE BAILEY GROUP COMPANIES TO COMPLEMENT ITS OFFER FOR LIGHT CONSTRUCTION IN CANADA

Saint-Gobain announces that it has **entered into a definitive agreement for the acquisition of The Bailey Group Companies** (“Bailey”) – consisting of Bailey-Hunt Limited and its subsidiaries – a privately owned manufacturer of **metal building solutions for light construction in Canada, for C\$880 million** (approximately €600 million) in cash.

Bailey is a leading player in metal framing in Canada with C\$532 million of sales in the country and 17.2% EBITDA margin in 2023. With a 75-year history, Bailey has 12 manufacturing plants across Canada and around 700 employees with a well-recognized brand thanks to its best-in-class customer service, expertise and technical capabilities. Bailey has been a **long-standing partner of Saint-Gobain for metal ceiling grids, frames and fasteners**.

In many countries, **metal framing is already an important part of Saint-Gobain’s solution offer for light construction**, since it is commonly used for interior solutions (hand-in-hand with plasterboard, insulation and ceilings) as well as for exterior solutions (with siding and roofing).

With this acquisition, Saint-Gobain will further **reinforce its offer in light and sustainable construction in the attractive Canadian market**, and will be well positioned to better serve Canadian customers, to whom it will bring a comprehensive range of solutions offering sustainability and performance, thanks to innovative installation systems improving productivity and ergonomics on construction sites. **Bailey will enrich Saint-Gobain’s full-range offer for both interior and exterior solutions** (following the acquisitions of Kaycan in siding in 2022 and Building Products of Canada in roofing in 2023).

The purchase price represents a multiple (before synergies) of approximately 9.6x Bailey’s **2023 EBITDA of C\$91.3 million** and a **multiple of approximately 7.5x when including run-rate synergies of approximately C\$26 million in year 3**.

The acquisition is a **further step in the Group’s “Grow & Impact” strategic plan** and meets its financial criteria:

- 1) **Strengthening Saint-Gobain’s offer in North America in light and sustainable construction with a long-standing partner** that provides confidence in a smooth integration thanks to a similar culture and shared values;
- 2) **Value creation by year 3** following the closing of the transaction and EPS (Earnings Per Share) accretive from year 1: **significant synergy opportunities** are estimated at **C\$26 million by year 3**, including cost synergies of C\$21 million (procurement, industrial performance improvement and SG&A cost optimization) and sales synergies of C\$5 million thanks to the completion of Saint-Gobain’s full-range offer for light construction in Canada;
- 3) Maintaining a **strong balance sheet** with net debt to EBITDA remaining below the target (1.5x to 2.0x) including the recently announced CSR Limited acquisition.

The acquisition will be fully financed in cash. Closing of the transaction is subject to customary conditions and expected in the second half of 2024.

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Analyst/Investor Conference Call on April 3, 2024 at 6:30 pm Paris time

Dial-in: +33 1 70 91 87 04 or +44 12 1281 8004 or +1 718 705 8796

Please dial in 5 to 10 minutes prior to the scheduled start time.

Replay: +39 02 802 0987 then press 700726# and 726# from 9:00 pm Paris time until May 3, 2024.

A presentation will be available before the conference call on Saint-Gobain's website at:
<https://www.saint-gobain.com/en/finance/financial-events>

About Saint-Gobain

Worldwide leader in light and sustainable construction, Saint-Gobain designs, manufactures and distributes materials and services for the construction and industrial markets. Its integrated solutions for the renovation of public and private buildings, light construction and the decarbonization of construction and industry are developed through a continuous innovation process and provide sustainability and performance. The Group's commitment is guided by its purpose, "MAKING THE WORLD A BETTER HOME".

€47.9 billion in sales in 2023

160,000 employees, locations in 76 countries

Committed to achieving net zero carbon emissions by 2050

For more information about Saint-Gobain, visit www.saint-gobain.com and follow us on X [@saintgobain](https://twitter.com/saintgobain)

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