

A large, modern white house with a black roof and a covered porch, set against a backdrop of green trees. The house features multiple windows, a red door, and a brick chimney. The text "SAINT-GOBAIN TO ACQUIRE KAYCAN LTD" is overlaid in blue on the right side of the image.

SAINT-GOBAIN TO ACQUIRE KAYCAN LTD

MAY 31, 2022

KAYCAN IS A COMPELLING STRATEGIC ACQUISITION

Kaycan acquisition fully aligned with Saint-Gobain strategy on light and sustainable construction

Strengthening of Group presence in North America with a leading position in Canada

Expansion of regional scope and portfolio in profitable Exterior Façade Solution segment

Value-creating and growth-driven acquisition for Saint-Gobain's shareholders and customers

KAYCAN ACQUISITION WILL ACCELERATE EXECUTION OF SAINT-GOBAIN STRATEGY

WORLDWIDE LEADER
IN LIGHT & SUSTAINABLE
CONSTRUCTION



Sustainability



Performance

Combined, Saint-Gobain and Kaycan will have an expanded footprint in light construction in the high growth North American market

KAYCAN



Leading exterior siding position in Canada



Expanded building façade systems in aluminum & engineered wood covering the foundation to the roof

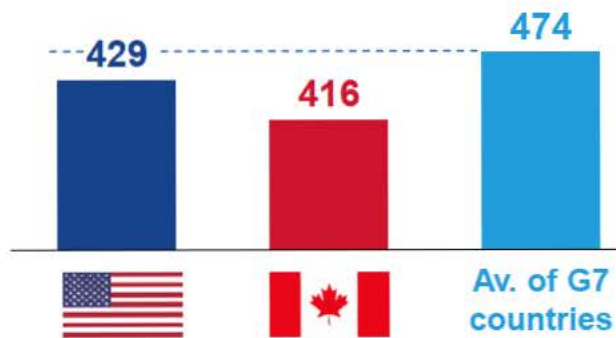
NORTH AMERICA: A KEY GROWTH MARKET FOR SAINT-GOBAIN

Strong market perspectives

3.8m¹ units housing supply deficit in the US due to robust demography, new building usage, low construction in past decade

Strong underlying demand

Dwellings per thousand inhabitants



Structural housing needs

Labor saving solutions

62%² of commercial contractors report high difficulties finding skilled workers

Lighter, intuitive, easy to install
Saves money and labor



Ease of installation & time saving

Light construction

~45%³ of all construction products spend in North America is in residential light construction

Large adoption of light construction



Products, systems and assemblies

Need for solutions for light and sustainable construction

1. Estimate for 2020 by Freddie Mac
2. Q4 2021 Commercial construction index by US Chamber of Commerce
3. Dodge Data & Analytics 2021 Mid-Year Outlook

KAYCAN ACQUISITION WILL FURTHER REINFORCE A STRONG TRACK RECORD OF GROWTH IN NORTH AMERICAN REGION

CertainTeed
SAINT-GOBAIN

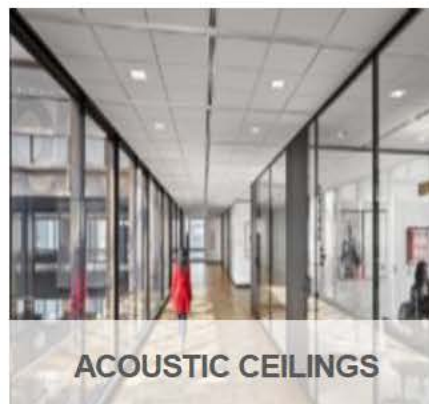
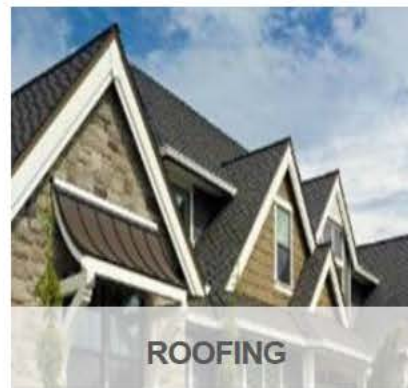
Only North American manufacturer offering a full breadth of building materials for light construction

Preferred brand of contractors & homeowners

US\$ 5.7bn
Sales 2021

19%
EBITDA margin 2021

+12%
Sales CAGR 18-21



Further strengthened by the successful integration of Continental Building Products

SIDING APPLICATIONS ARE WELL POSITIONED FOR GROWTH



SIDING A KEY COMPONENT TO RESIDENTIAL LIGHT CONSTRUCTION



Vinyl



Aluminum



Wood



Natural stone

CertainTeed SIDING SAINT-GOBAIN



~US\$ 600m in Net Sales and **#2 PLAYER** in North America vinyl siding



LEADING BRAND in vinyl siding, shakes, trim and millwork



BEST-IN-CLASS Net Promoter Score driven by reputation for quality, service and innovation



Leveraging our country organization on exterior solutions, **CERTAINTEED OUTPERFORMED THE MARKET** with a **14% sales CAGR between 2018-2021**



SAINT-GOBAIN IS THE LEADER IN LIGHT CONSTRUCTION IN CANADA WITH A STRONG TRACK RECORD OF GROWTH

Canada is a strong and profitable country for Saint-Gobain ...

CAD\$ ~750m
Sales 2021

17.6%
EBITDA margin 2021

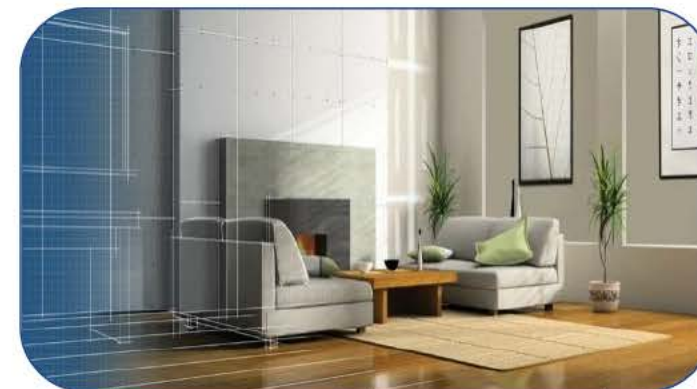


... With strong channel partnerships with leading retail, lumberyards and buying groups



CertainTeed has leading positions in wallboard and interior solutions in Canada

➤ Leading positions in interior solutions



Gypsum wallboard & finishing



Insulation



Specialty ceilings

➤ Small presence in exterior solutions

KAYCAN IS THE LEADING SIDING PLAYER IN CANADA



US\$ 472m
2021-2022E Revenue¹

US\$ 83m
2021-2022E
Adj. EBITDA¹

17.6%
2021-2022E
EBITDA margin¹

12
Manufacturing Plants

~1,300
Employees

A BROAD EXTERIOR SOLUTIONS PLATFORM, COMPLEMENTARY WITH CERTAINTEED'S PRODUCT PORTFOLIO, WITH:

✓ **LEADING** position in Canada (>50% of turnover) in siding & accessories²

✓ Extensive manufacturing and distribution footprint with **UNPARALLELED REACH ACROSS CANADA**

✓ Diversified offering in high growth **ENGINEERED WOOD & ALUMINUM** siding technologies

✓ Strong customer relationships with **CONTRACTORS & BUILDERS** and channel coverage in **BIG BOX RETAIL**

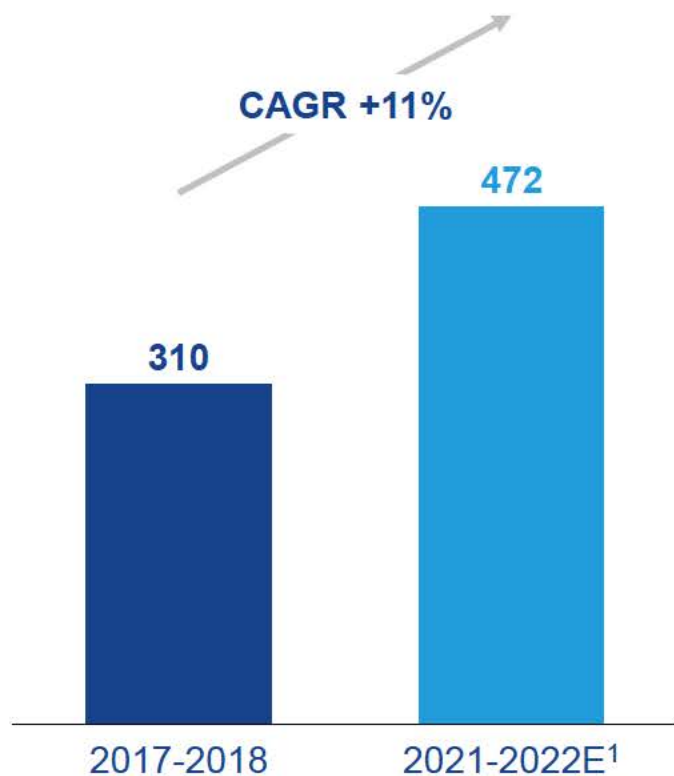
1. 2021-2022E = fiscal year starting August 1, 2021 and ending July 31, 2022

2. Freedonia Siding Industry Study December 2021

KAYCAN: TRACK RECORD OF OUTSTANDING PERFORMANCE

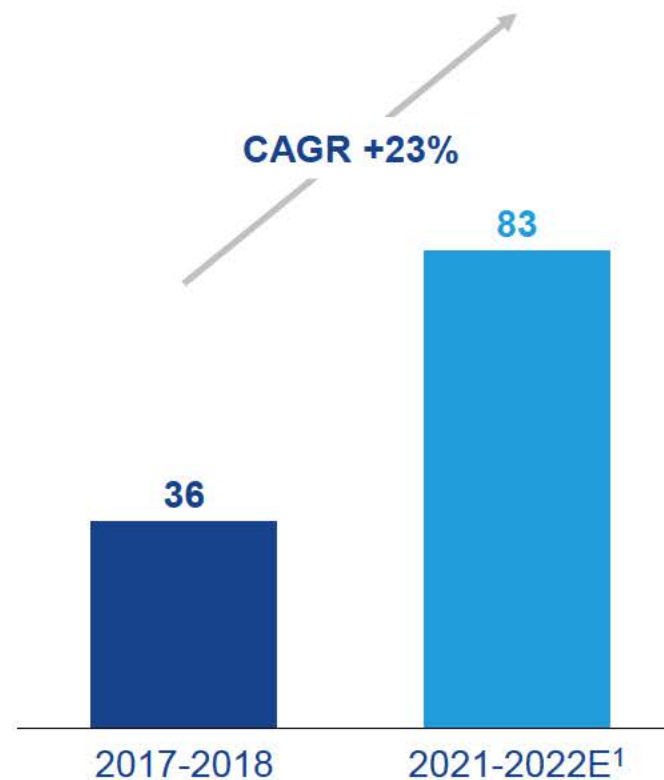
Strong revenue growth...

Net Revenue (US\$ m)



... coupled with increasing EBITDA margins

Adj. EBITDA (US\$ m)



1. 2021-2022E = fiscal year starting August 1, 2021 and ending July 31, 2022



ACQUISITION STRENGTHENS SAINT-GOBAIN POSITION IN CANADA

Kaycan brings leadership position in siding and an expanded portfolio of exterior solutions

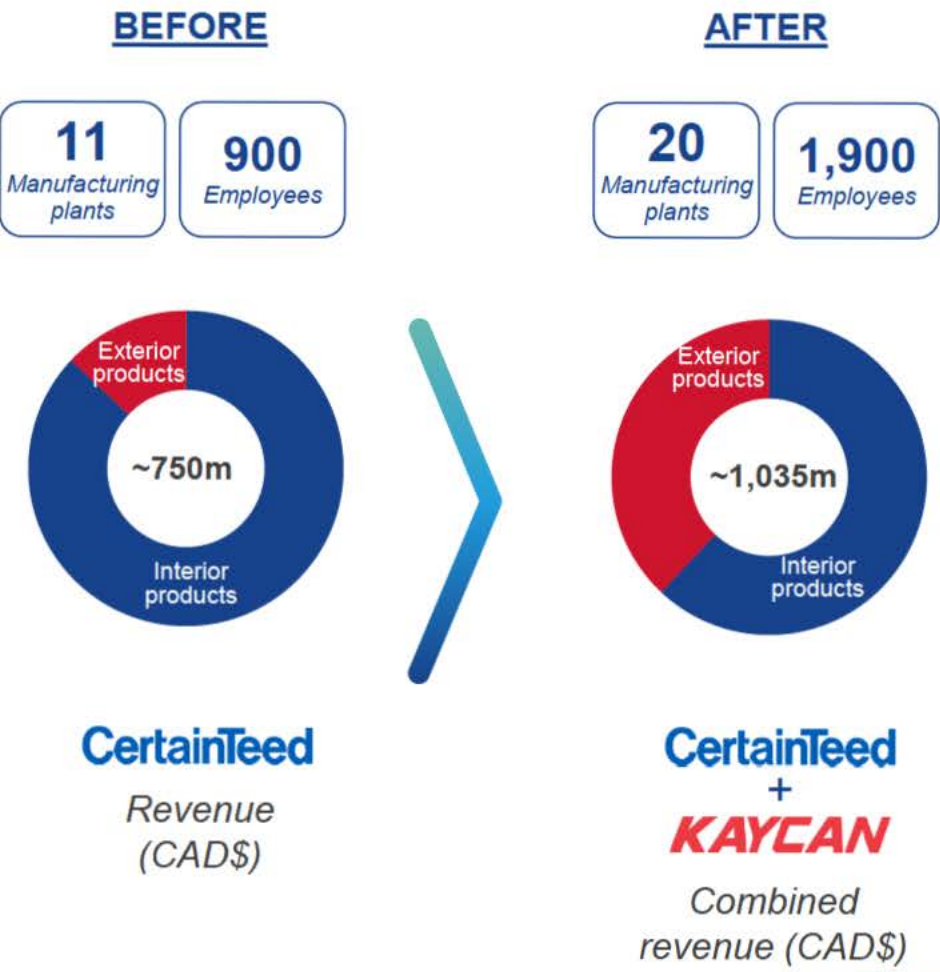


KAYCAN

offers **LEADING** position for siding & accessories in **CANADA**

+

- Engineered Wood
- Rainwear & Accessories
- Aluminum



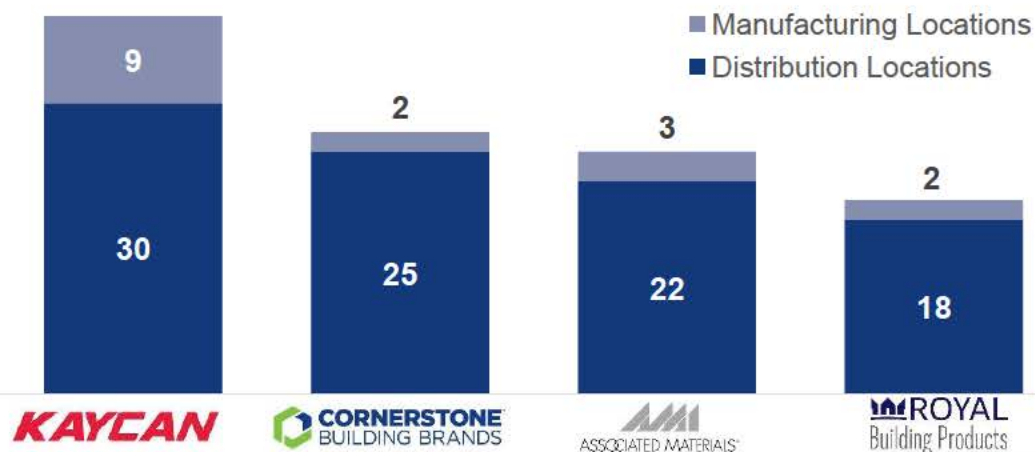
TAILORED GO-TO-MARKET APPROACH TO MAXIMIZE MARKET SHARE



Strong integrated distribution network in Canada

- Kaycan is the leader in Canadian siding with a strong manufacturing & distribution footprint
- Kaycan has direct relationships with contractors, builders and end users increasing market adoption and loyalty

Leading 4 players are vertically integrated with company-owned distribution



Strong external distributor partners in the US

- In the US, Kaycan primarily sells through 1-step specialty roofing & siding distribution and big box retail
- Kaycan US distribution is a small player in a market with many large national players
 - Net revenue¹: US\$ ~70m in stand-alone resell of Kaycan products to third parties
 - Adj. EBITDA¹: US\$ ~10m

Example of channel partners



Kaycan US Distribution is a separate business entity and will be divested in the near-term

1. 2021-2022E = fiscal year starting August 1, 2021 and ending July 31, 2022

CertainTeed



KAYCAN



ACQUISITION HELPS DRIVE THE CIRCULAR ECONOMY ECOSYSTEM

Established circular economy



Kaycan implemented an **established takeback program** for post-consumer waste across Canadian Distribution Network

Waste reduction



Waste generated from the production line for vinyl and aluminum products are re-inserted into the manufacturing process

Recycled content



Forest
Stewardship
Council®



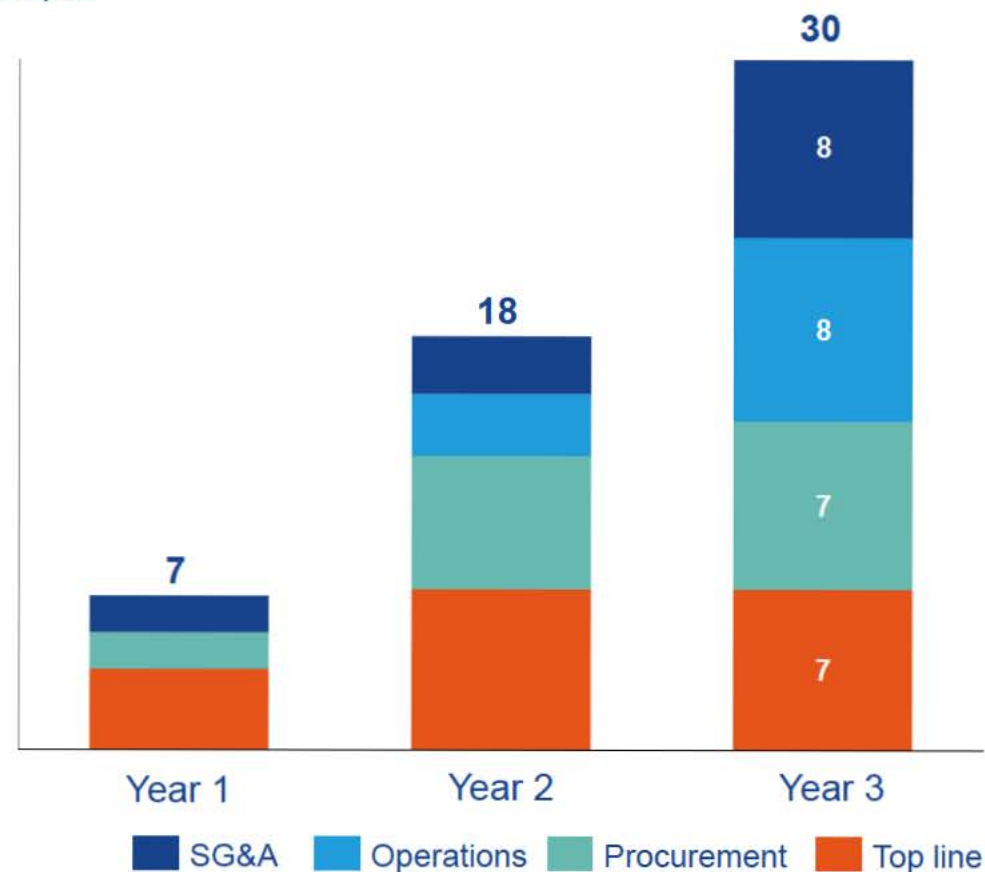
Kaycan engineered wood products are **FSC** certified and utilize **recycled wood** for production

STRONG VALUE CREATION IS SUPPORTED BY SIGNIFICANT SYNERGIES



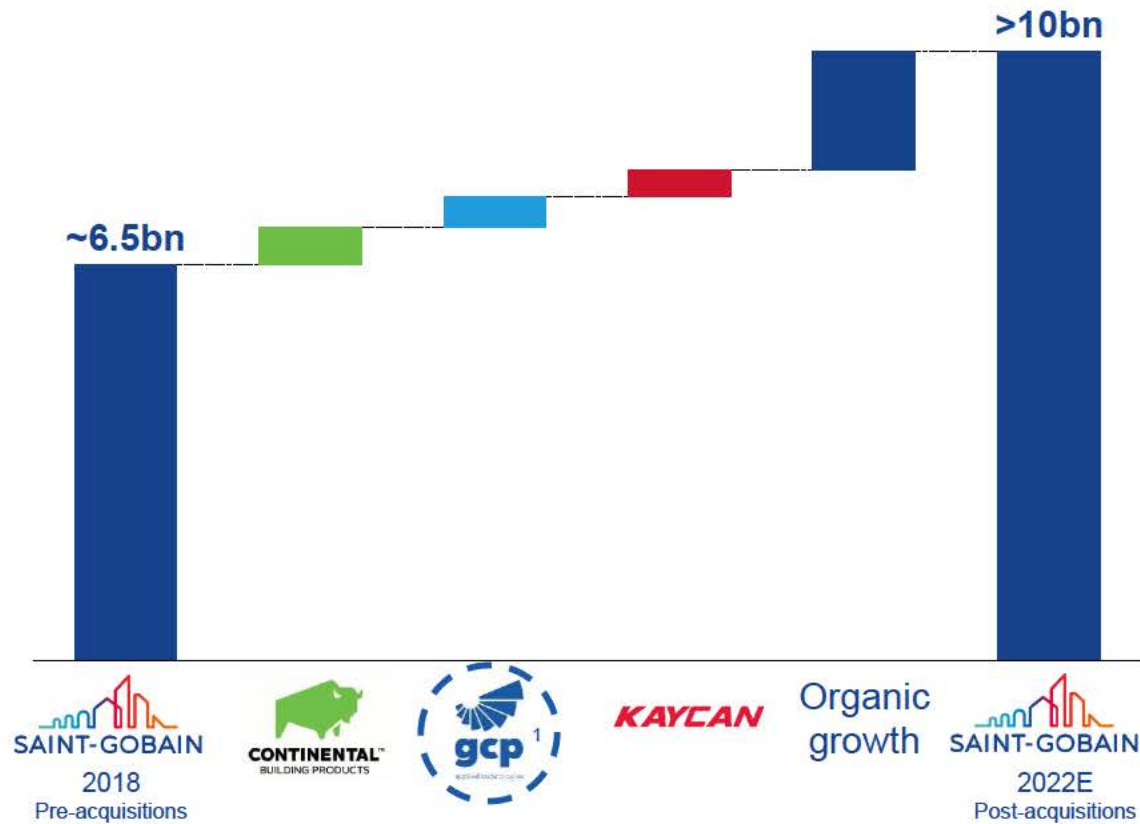
Total synergies (excl. Implementation costs) – EBITDA impact

US\$ m

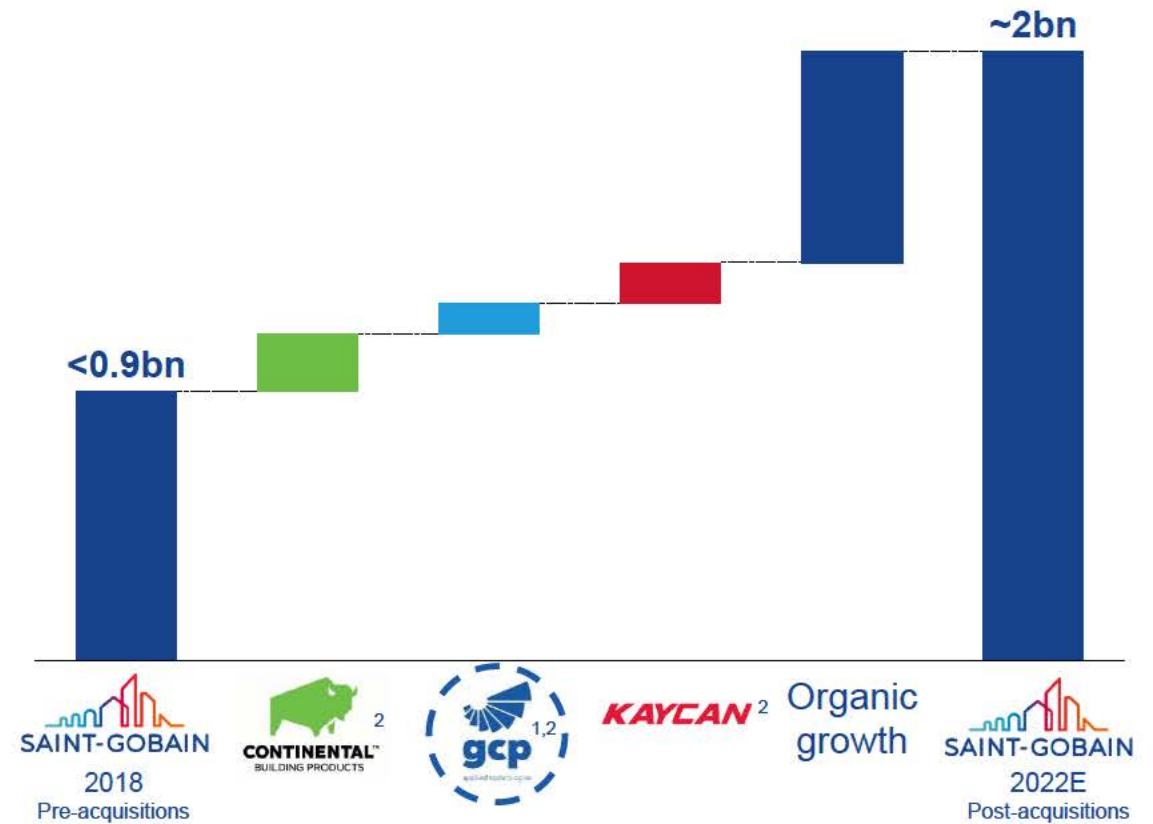


ANOTHER MAJOR STEP IN SAINT-GOBAIN'S HIGHLY SUCCESSFUL GROWTH AND PROFITABILITY JOURNEY IN NORTH AMERICA

Pro forma sales (US\$)



Pro forma EBITDA (US\$)



1. GCP North America - acquisition in progress 2. Including full synergies

FINANCIAL TERMS

- Total Enterprise Value of US\$ 928m representing a 11.2x FY 2021-2022E⁽¹⁾ EBITDA multiple
- **Net Enterprise Value of US\$ ~820m** post US distribution divestiture resulting in a **~8.0x FY 2022E⁽¹⁾ EBITDA multiple including full synergies (US\$ 30m)**
- Value creation by Year 3
- EPS accretive from Year 1

FINANCING

- Acquisition financed fully in cash
- **Limited impact on net debt to EBITDA ratio (+0.1x)**, with leverage staying within the target set at the 2021 Capital Markets Day (1.5 to 2.0x).

TRANSACTION PROCESS

- Cash merger agreement signed
- Family owner has approved transaction and will aid transition
- **Closing expected by year-end 2022**, subject to regulatory approvals in US and Canada

1. 2021-2022E = fiscal year starting August 1, 2021 and ending July 31, 2022

A DECISIVE STEP FOR SAINT-GOBAIN LEADERSHIP IN LIGHT & SUSTAINABLE CONSTRUCTION IN NORTH AMERICA



Enrich and reinforce Siding
and Exterior Solutions



Strengthen Group presence
in North America



Very solid team to deliver
strong value creation

**A value-creating and growth-driven acquisition
for Saint-Gobain's shareholders and customers**