

# News and events that affect our industry

August 2024



The ultimate "intelligence" provider in the global cement sector

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**Week ending: 04-08-2024**

## SUPPLY:

- **India:** The board of Shiva Cement has approved plans to build a 1Mt/yr cement grinding plant at Sambalpur in Odisha. The plant is reportedly expected to be completed by the end of September 2025, subject to the relevant approvals, and represents a total investment of US\$45.4m.
- **Nigeria:** The US\$1.5bn Mangal Cement plant in Iluagba, Kogi State has successfully produced its first bag of cement. The plant is capable of producing 6000t/day of cement (reported cost of construction at US\$600m).
- **Mexico:** Cooperativa Cruz Azul has announced the upcoming construction of a new cement plant in Seybaplaya, Campeche, with an investment exceeding US\$300m. Construction started on 1 August 2024, with completion of the first production line reportedly anticipated by the end of 2026. The plant will produce 3000t/day of cement.

## CARBON:

- **Turkey:** Akçansa Çimento plans a CCUS project, which will capture and use 0.07Mt/yr of CO<sub>2</sub> through green methanol production at the Çanakkale cement plant. No further details are currently available.

## DEMAND:

- **Tunisia:** Cement demand is forecast to grow by 1.8% in 2024 to 5.57Mt, according to the Global Cement Report, 15th Edition (GCR15).

#### M&A:

- **Tunisia:** Votorantim Cimentos has reportedly signed an agreement to sell its Tunisian assets to China-based Sinoma Cement for US\$130m. The deal's completion depends on regulatory approvals from China, Tunisia and the Common Market for Eastern and Southern Africa (Comesa). All of Votorantim Cimentos' plants and offices in Tunisia will continue to operate as usual during the regulatory review.
- **India:** UltraTech Cement has purchased a 33% stake in India Cements for US\$472m. UltraTech now controls a 55% stake and plans to make an open offer for a further 20% at US\$4.66 per share. The latter transaction is reportedly subject to regulatory approvals.
- **Ukraine:** The Antimonopoly Committee of Ukraine (AMCU) has stipulated that CRH must transfer 25-28% of shares in Dyckerhoff Cement Ukraine to an independent investor (expectedly the European Bank for Reconstruction and Development) as a condition for its purchase of two Buzzi cement plants.
- **Kenya:** Savannah Cement will reportedly sell assets including its Athi River grinding plant to compensate creditors. The closing date for expressions of interest will be 16 August 2024.

#### MACRO:

- **Tunisia:** Economic growth is estimated to expand by 1.9% in 2024, according to the IMF.

## Week ending: 11-08-2024

#### SUPPLY:

- **India:** Ambuja Cements will invest US\$190m to establish a 6Mt/yr grinding plant in Warisaliganj, Bihar. The project is scheduled in three phases, with the first phase of 2.4Mt/yr reportedly costing US\$131m. It is targeted for completion by December 2025.
- **Nigeria:** The Bauchi State government reportedly signed a Memorandum of Understanding (MoU) worth US\$1.5bn with Resident Cement Company to establish a cement plant in Gwana District, which is expected to produce 10Mt/yr of cement. The project includes a 100MW power plant, a dam and other amenities for the community.
- **Vietnam:** The Vietnam Dai Duong Cement 7200tpd clinker production line 2 has reportedly been successfully ignited and put into production.
- **Ghana:** Deha Tech will undertake the construction and mechanical assembly of the world's largest newly-built calcined clay facility with a production capacity of 1280tpd located in Tema, Ghana, for Cimpor Global Holding. The plant will become operational in 2025.

#### CARBON:

- **Italy:** Buzzi's carbon capture project at its cement facility in Monselice has reportedly entered its pilot phase.

#### M&A:

- **Namibia:** The Namibian Competition Commission (NaCC) has imposed a US\$269m fine on two companies for completing a merger without prior approval. The acquisition of Hong Xiang

Holdings' shares by Wang Zhongke from Fan Qingmei led to the companies being fined after an investigation found that the merger would create a monopoly in the cement market.

## Week ending: 18-08-2024

### SUPPLY:

- **Uganda:** West International Holding has reportedly commenced construction of a US\$200m cement factory in Buikwe District. The plant is located in Njeru municipality and construction is expected to complete by August 2025. It will produce 4000t/day of cement.
- **Uzbekistan:** JV Ohongron Sement reportedly plans to build a 3Mt/yr greenfield cement plant in Urgaz Village, Akhangaran District. The project will be completed over the next 30 months.
- **Austria:** Alpacem will invest €50m to modernise its Wietersdorf plant, including a new cement grinding plant. The plant is scheduled for completion and commissioning in 2027. No further details are currently available.
- **Nigeria:** Residence Cement's 10Mt/yr cement factory in the Gwana district of Alkaleri Local Government Area is planned to commence in 1Q25.

### CARBON:

- **USA:** Heidelberg Materials' Mitchell cement plant in Indiana will receive US\$300,000 from the US Department of Energy to begin the first phase of its 2Mt/yr decarbonisation project.

### M&A:

- **Egypt:** Cementir Holding's Aalborg Portland Holding has acquired an additional 25% stake in Sinai White Portland Cement (SWCC) from Sinai Cement Company for approximately €30m. This represents Sinai Cement Company's entire stake. Following this transaction, Cementir will indirectly hold 96.5% of SWCC's share capital.
- **Philippines:** Cemex has received approval from the Philippine Competition Commission (PCC) to sell 90% of Cemex Holdings Philippines's shares. The approval relates to a joint acquisition by DMCI Holdings, Semirara Mining and Power and Dacon of shares in Cemex Asian South East Corporation, which holds a major stake in Cemex Holdings Philippines. This clearance is a requirement for finalising the transaction, contingent on further compliance by the acquiring companies.
- **Ukraine:** CRH Ukraine has announced plans to purchase a 99.9775% stake in Dyckerhoff Cement Ukraine, which reportedly operates two cement plants in the Rivne and Mykolayiv regions.

## Week ending: 25-08-2024

### SUPPLY:

- **India:** JSW Cement plans to more than double its cement grinding capacity from 20.6Mt/yr to nearly 41Mt/yr. The expansion involves six new greenfield units in Rajasthan, Punjab, Madhya

Pradesh, Uttar Pradesh, Odisha and Maharashtra, and a brownfield unit in Vijayanagar; Karnataka, adding 20.25Mt/yr. The company also aims to increase its clinker production capacity from 6.44Mt/yr to 13.04Mt/yr. The new facilities in Rajasthan and Madhya Pradesh will each contribute 3.3Mt/yr to this expansion.

- **Mexico:** Cemento Cruz Azul will invest nearly US\$40m to build a new grinding mill at its Lagunas cement plant in Oaxaca to increase cement production capacity. Construction will be reportedly completed by Oct25.
- **UK:** Material Evolution will reportedly launch the UK's 'largest ultra-low carbon cement plant' in Wrexham in Oct24. The new facility will produce 150,000t/yr of cement.

#### M&A:

- **India:** Ambuja Cement has announced the completion of its acquisition of Penna Cement Industries Limited, acquiring a 100% stake in the company.
- **Thailand:** The Ratanarak Group, through its subsidiary Sunrise Equity, has increased its stake in Siam City Cement to 71.88% by acquiring a 25.54% share from Singapore-based Jardine Cycle & Carriage for US\$354m.
- **India:** Adani Group is planning to sell a 2.84% stake in Ambuja Cements through its entity Holderind Investments, aiming to raise US\$500m. This move is part of a strategy to divest part of its substantial 70.33% holding in the cement company.
- **Iraq:** Attock Cement has announced its sale of an additional stake in Saqr Al Keetan of Cement Production Co Ltd (SAKCPCL). Attock's stake will be sold to an undisclosed acquirer for US\$5.85m.

## Week ending: 01-09-2024

#### SUPPLY:

- **India:** JK Cement plans to invest US\$584m in its construction of a new cement plant in the Jaisalmer district of Rajasthan. The producer has reportedly already secured environmental clearance for the upcoming plant.
- **India:** Adani Ports has reportedly opened a 2Mt/yr grinding plant in Guna, Madhya Pradesh. Together with a neighbouring firearms plant, the Adani Group subsidiary invested US\$417m in the project.
- **Cameroon:** Cimpor has launched its new plant in Kribi, Cameroon.

#### M&A:

- **India:** Ambuja Cements' minority shareholder GQG Partners has increased its stake in the company from 1.4% to 2.4%. Other recent investors in the company include the Indian National Pension System Trust and SBI Life Insurance. Following the deals, majority shareholder Adani Group now holds a 67% stake in Ambuja Cements.
- **Kenya:** Savannah Clinker has offered to acquire Bamburi Cement outright for US\$197m, 8% higher than an existing bid for the company of US\$183m from Tanzania-based Amsons Industries. Savannah Clinker reportedly requires a minimum stake of 60% in order to finalise the deal. The company said that it could aim to complete the deal before March 2025.

- **Ireland:** Sabancı Holding subsidiary Çimsa Çimento has signed a share purchase agreement to acquire a 95% stake in Mannok. The total enterprise value of Mannok has been reported at €330m.