

**GCC (Buy, PT \$230.00)**  
**Current Price: \$179.40**

## Flash: Concludes acquisition of aggregates operations in Texas

GCC reported the conclusion of the acquisition of three aggregates operations in Texas for ~US\$100 million, subject to possible post-closing adjustments. According to the release, the assets contribute over 4 million tons per year and over 50 years of reserves. It was also noted that this acquisition will strengthen GCC's presence in the Amarillo, Midland-Odessa, Dallas-Fort Worth and San Antonio, Texas markets.

**Neutral implication.** On a cumulative basis as of 3Q24, cement and concrete represent 66% of revenues, followed by ready-mix (21%), others with 10% and only 3% aggregates. It is also worth remembering that 76% of GCC's revenues come from the US and the remaining 24% from Mexico. The recent acquisition is a positive step to diversify product offerings and expand in a region with resilient infrastructure growth. Putting the acquisition amount into perspective, it represents 11.1% of GCC's cash (3.5% of market capitalization) and the ND/EBITDA ratio would go from -0.8x to -0.6x. Meanwhile, the FV/EBITDA multiple would be marginally more expensive to 5.3x from 5.1x at current prices. In our view, and subject to further details on the potential contribution, this acquisition appears to be of little significance to earnings for the time being.

January 7, 2025



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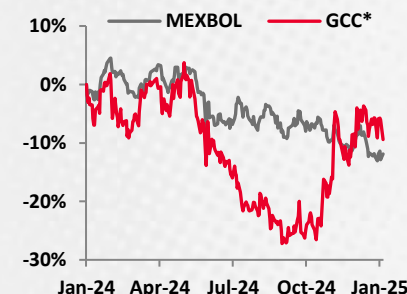
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Buy	
Current Price	\$179.40
<b>PT</b>	<b>\$230.00</b>
Upside potential	28.2%
Máx – Mín LTM (\$)	207.0 -140.8
Market Cap (US\$m)	2,978.9
Shares Outstanding (m)	327.7
Float	49%
Daily Turnover (\$m)	87.3
Valuation metrics LTM	
FV/EBITDA	5.1x
P/E	9.3x
<b>MSCI ESG Rating*</b>	<b>N.A.</b>

### Relative performance to Mexbol LTM



Source: Banorte



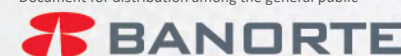
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Winners of the award as the best economic forecasters in Mexico by LSEG in 2023



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	Reference
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<b>HOLD</b>	When the share expected performance is similar to the MEXBOL estimated performance.
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## History of PT and ratings

Stock	Date	Rating	PT
GCC	01/30/2024	Buy	\$230.00
GCC	07/27/2021	Buy	\$183.00
GCC	04/27/2021	Buy	\$173.00
GCC	01/13/2021	Buy	\$150.00

## MSCI ESG Rating scale

CCC	B	BB	BBB	A	AA	AAA
Laggard	Average			Leader		

\*MSCI ESG Rating is an indicator that evaluates companies in Environment, Social and Governance (ESG) metrics.

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