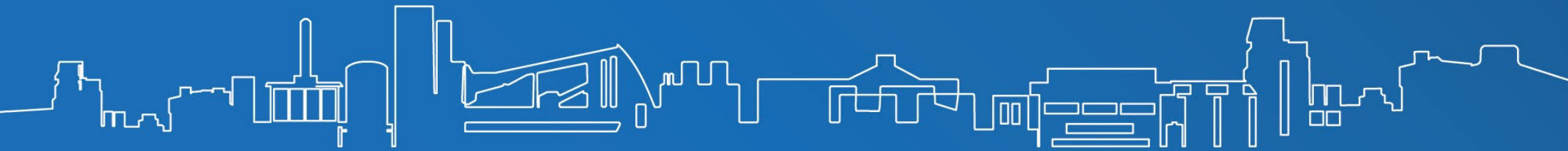


# Investor Roadshow

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Madrid, 21 February 2023



# EXECUTIVE SUMMARY

1. COMPANY OVERVIEW
2. KEY INVESTMENT HIGHLIGHTS
3. OUR JOURNEY TO NET ZERO
4. 2022 PRELIMINARY RESULTS

# 1. COMPANY OVERVIEW

# BUZZI UNICEM AT A GLANCE:

## WELL POSITIONED TO CATCH FUTURE OPPORTUNITIES



Well balanced portfolio with exposure to mature markets as well as emerging  
 Strong market position in USA and Eurozone, enabling us to capture the local opportunities  
 Relevant exposure to Mexico and Brazil, countries with attractive prospects in population growth and urbanization



Above 40 mt of cement capacity available and 400 concrete plants (incl. JVs)



Strategy focused on long term and sustainable growth

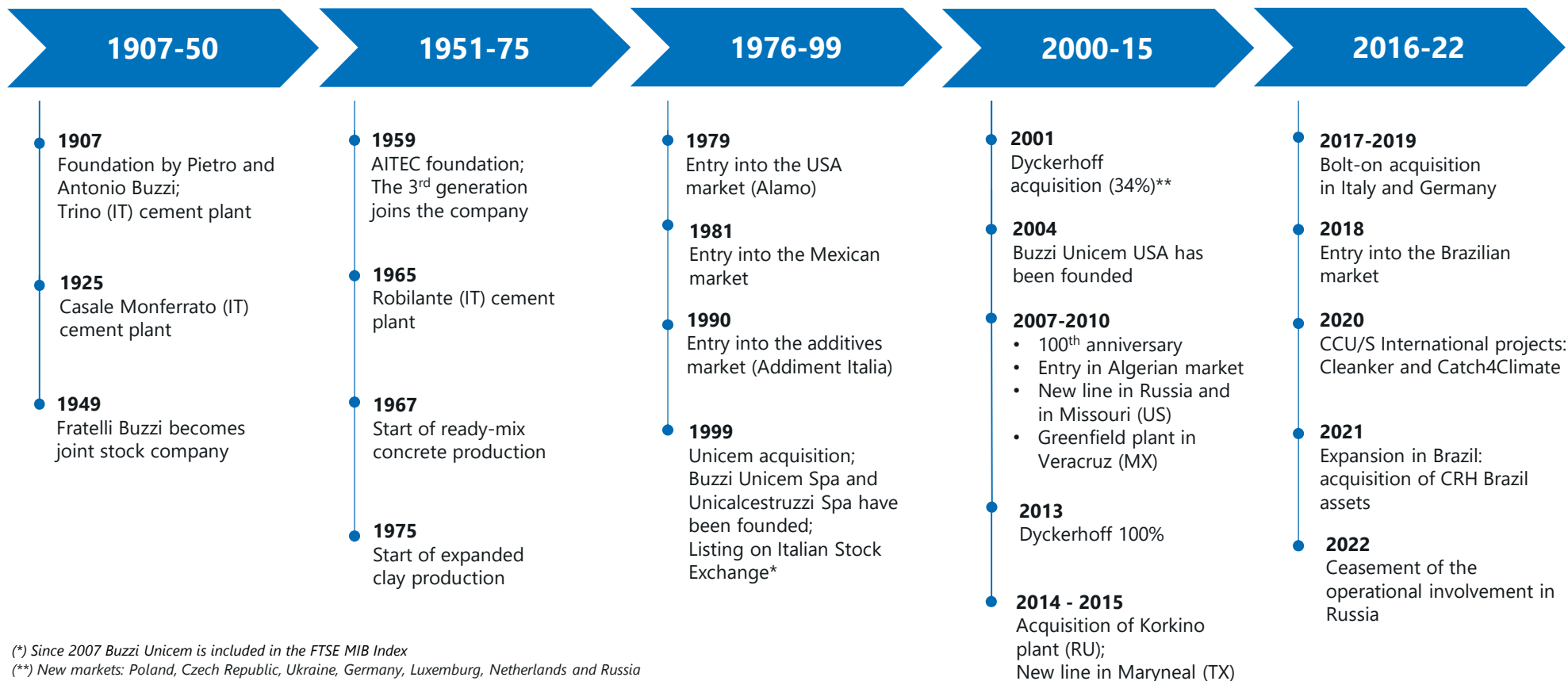


Proven ability to deliver strong financial performance and free cash flows



Clear commitment to sustainability and value creation for all stakeholders

# MORE THAN 110 YEARS OF HISTORY



(\*) Since 2007 Buzzi Unicem is included in the FTSE MIB Index

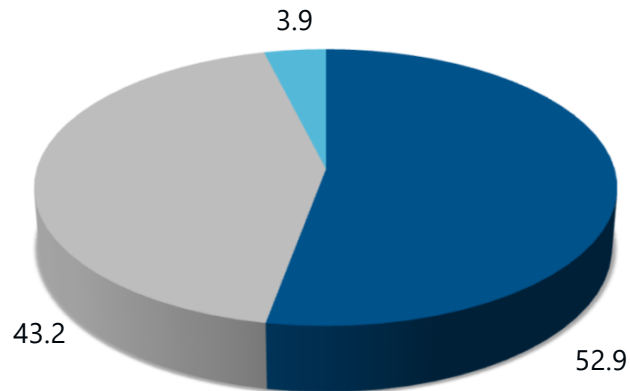
(\*\*) New markets: Poland, Czech Republic, Ukraine, Germany, Luxemburg, Netherlands and Russia

# SHAREHOLDERS STRUCTURE AND DIVIDENDS

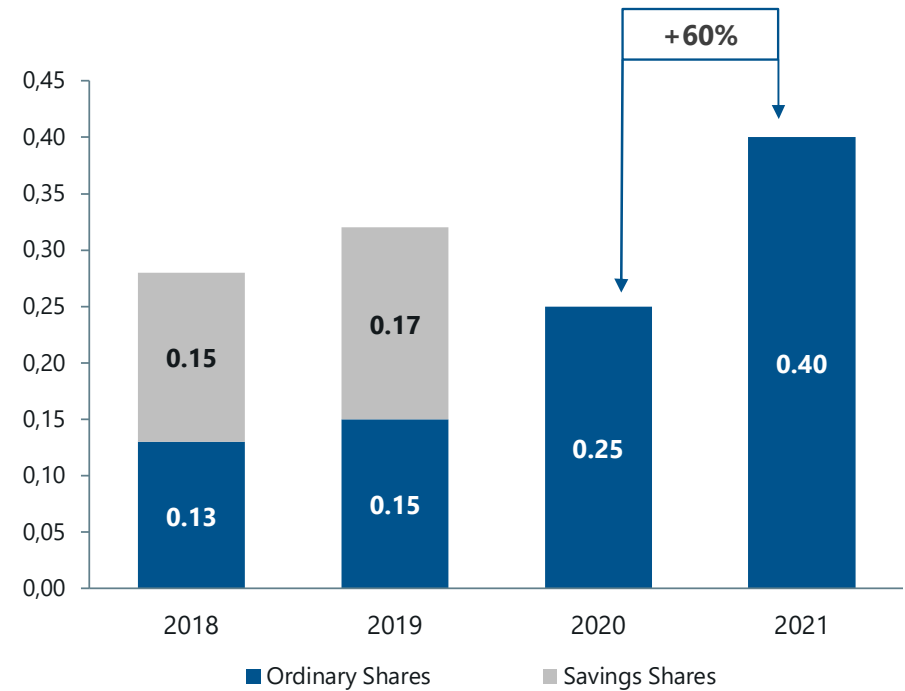
## Share Capital

Number of shares 192,626,154

- Buzzi Family
- Free Float
- Treasury shares



## DPS (EUR)



# OUR PRESENCE

## MEXICO\*

3 plants  
8.3 m/t cement production capacity  
28 ready-mix batch plants  
2 aggregate quarries

## BRAZIL\*

7 plants  
7.2 m/t cement production capacity  
4 deposits and terminals

## UNITED STATES

8 plants  
10.2 m/t cement production capacity  
67 ready-mix batch plants  
3 aggregate quarries  
36 deposits and terminals

## ALGERIA\*\*

2 plants  
2.0 m/t cement production capacity

## GERMANY, LUXEMBOURG AND NETHERLANDS

9 plants  
8.6 m/t cement production capacity  
126 ready-mix batch plants  
3 aggregate quarries  
2 deposits and terminals

## ITALY

13 plants  
10.8 m/t cement production capacity  
114 ready-mix batch plants  
6 aggregate quarries  
3 deposits and terminals

## POLAND

1 plant  
1.6 m/t cement production capacity  
18 ready-mix batch plants  
1 terminal

## CZECH REPUBLIC AND SLOVAKIA

1 plant  
1.1 m/t cement production capacity  
65 ready-mix batch plants  
6 aggregate quarries

## RUSSIA

2 plants  
4.3 m/t cement production capacity  
1 terminal

## UKRAINE

2 plants  
3.0 m/t cement production capacity  
5 ready-mix batch plants  
2 deposits and terminals

\* Joint ventures

\*\* 35% ownership

## 2. KEY INVESTMENTS HIGHLIGHTS



# INDUSTRY LEADING PERFORMANCE THROUGH THE CYCLE

## Net Sales

Solid growth fueled by sound demand, driven by residential, infrastructure needs and non-residential recovery.

CAGR (2010-2021): +2.2%

## EBITDA

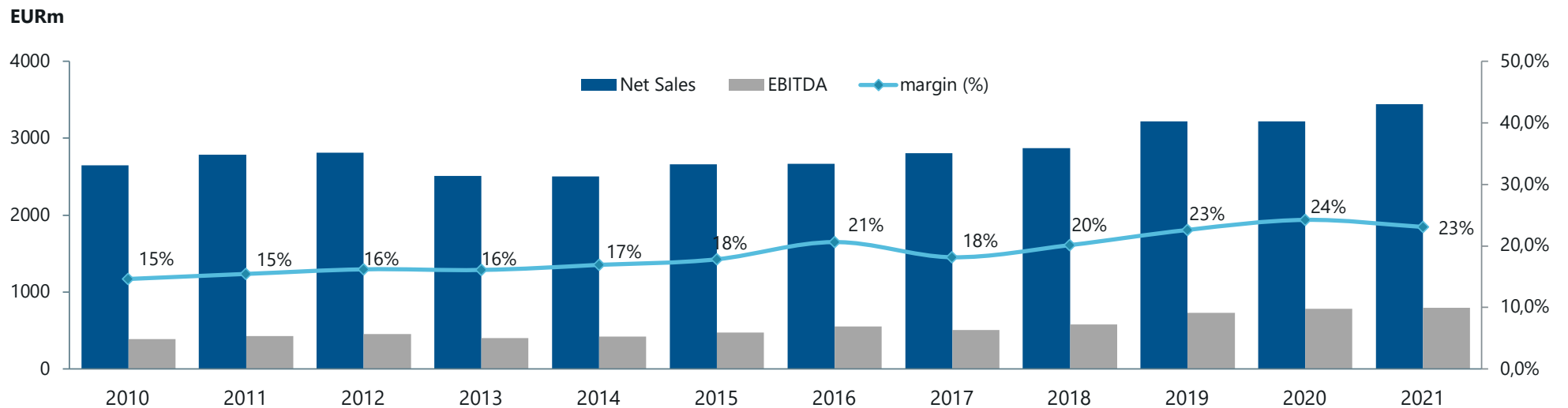
Over proportional growth to Net Sales  
More than 50% of group EBITDA generated in the USA

CAGR (2010-2021): +6.2%

## EBITDA Margin %

Leading performance driven by cost efficiency and synergies

+800 bps vs 2010.



# HISTORICAL EBITDA BY COUNTRY

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Italy	EBITDA	10.3	-5.9	-18.1	-18.7	-37.2	-22.2	-79.7	-1.7	43.4	33.8	40.8
	margin	1.8%	-1.2%	-4.2%	-4.8%	-9.8%	-5.9%	-18.6%	-0.4%	8.6%	6.8%	6.8%
Germany	EBITDA	90.3	72.2	108.1	88.6	72.1	76.8	78.1	82.5	102.3	123.8	127.5
	margin	14.2%	12.0%	18.0%	14.7%	12.6%	13.4%	13.3%	13.0%	15.1%	17.3%	18.0%
Benelux	EBITDA	35.0	8.3	11.5	15.9	19.7	25.8	17.6	23.1	22.7	21.7	16.5
	margin	15.7%	4.3%	6.3%	9.7%	11.7%	14.7%	9.4%	11.7%	11.8%	11.3%	8.2%
Czech Rep/ Slovakia	EBITDA	35.2	25.4	19.2	27.0	32.6	34.4	36.5	43.6	46.3	46.8	51.3
	margin	20.5%	17.0%	14.6%	20.2%	24.0%	25.2%	24.7%	26.5%	27.5%	29.4%	28.9%
Poland	EBITDA	36.9	21.8	27.1	18.2	22.7	23.4	24.1	31.9	32.1	35.3	31.3
	margin	26.6%	20.0%	26.8%	20.4%	20.4%	24.6%	24.9%	28.6%	25.9%	29.9%	24.8%
Ukraine	EBITDA	6.9	15.8	12.3	11.0	4.0	12.8	16.0	7.0	21.0	21.9	13.3
	margin	6.2%	11.8%	10.0%	12.5%	5.7%	16.1%	16.9%	8.0%	15.9%	18.9%	10.5%
Russia	EBITDA	65.7	96.1	92.6	73.4	48.4	43.2	46.0	50.1	57.7	52.9	58.6
	margin	37.4%	41.0%	37.2%	35.0%	29.0%	28.0%	24.9%	27.0%	26.9%	28.3%	28.3%
USA	EBITDA	71.4	123.9	151.0	207.3	311.7	356.5	369.6	341.2	402.7	444.2	455.1
	margin	12.8%	18.2%	20.7%	24.2%	28.1%	31.9%	33.0%	31.9%	32.4%	35.2%	34.2%
Group (IFRS application)	EBITDA	<b>351.7</b>	<b>357.6</b>	<b>403.7</b>	<b>422.7</b>	<b>473.2</b>	<b>550.6</b>	<b>508.2</b>	<b>577.2</b>	<b>728.1</b>	<b>780.8</b>	<b>794.6</b>
	margin	<b>13.8%</b>	<b>14.1%</b>	<b>16.0%</b>	<b>16.9%</b>	<b>17.8%</b>	<b>20.6%</b>	<b>18.1%</b>	<b>20.1%</b>	<b>22.6%</b>	<b>24.2%</b>	<b>23.1%</b>
Mexico (50%)	EBITDA	82.6	97.5	77.5	93.9	128.1	146.7	164.6	144.5	126.1	132.5	141.3
	margin	34.7%	36.2%	33.2%	36.0%	40.9%	48.2%	48.0%	46.3%	42.5%	46.2%	42.7%
Brazil (50%)	EBITDA								15.9	11.7	24.0	40.5
	margin								23.9%	17.4%	34.5%	31.9%
Group (proportional method)	EBITDA	<b>434.3</b>	<b>455.1</b>	<b>481.2</b>	<b>516.6</b>	<b>601.3</b>	<b>697.3</b>	<b>672.8</b>	<b>721.7</b>	<b>865.9</b>	<b>937.3</b>	<b>976.4</b>
	margin	<b>14.4%</b>	<b>14.8%</b>	<b>17.5%</b>	<b>18.7%</b>	<b>20.2%</b>	<b>23.5%</b>	<b>21.4%</b>	<b>22.7%</b>	<b>24.2%</b>	<b>26.2%</b>	<b>25.0%</b>

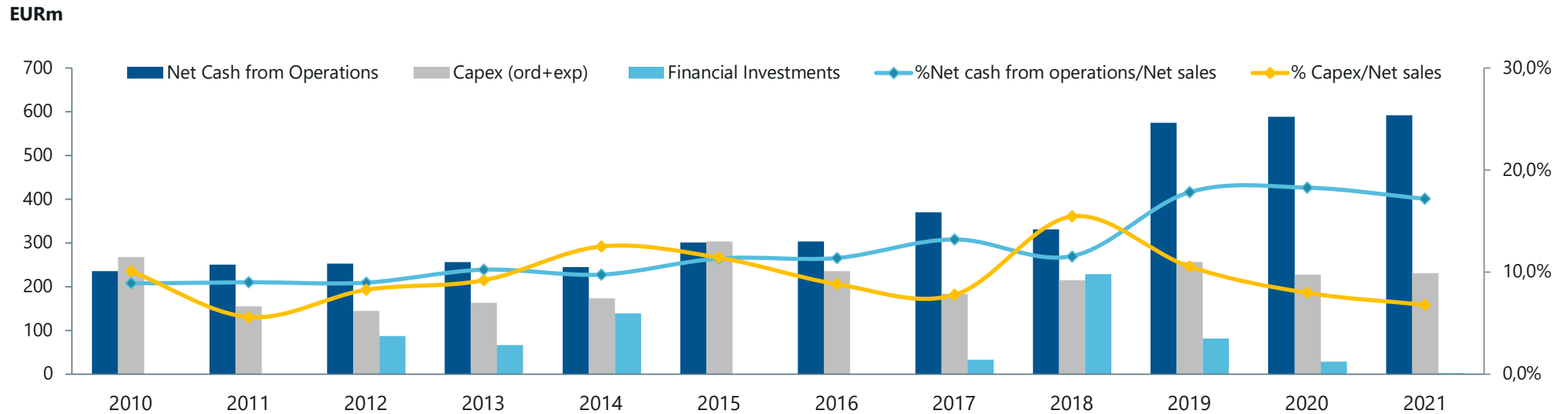
# SOUND CASH GENERATION AND VALUE CREATIVE CAPITAL ALLOCATION

~ 3.2 billion euros invested in our industrial asset (2010-2021) thereof

- ~ 700 million euros in special projects dedicated to installed capacity expansion
- ~ 700 million euros in equity investments

Invested ~ 700 million euros in equity investments, in order to enter in new countries (Brazil, 2018) and to strengthen our position in existing markets (Germany and Italy)

~ 4.3 billion euros cash generated from operations over the period (CAGR ~8%)



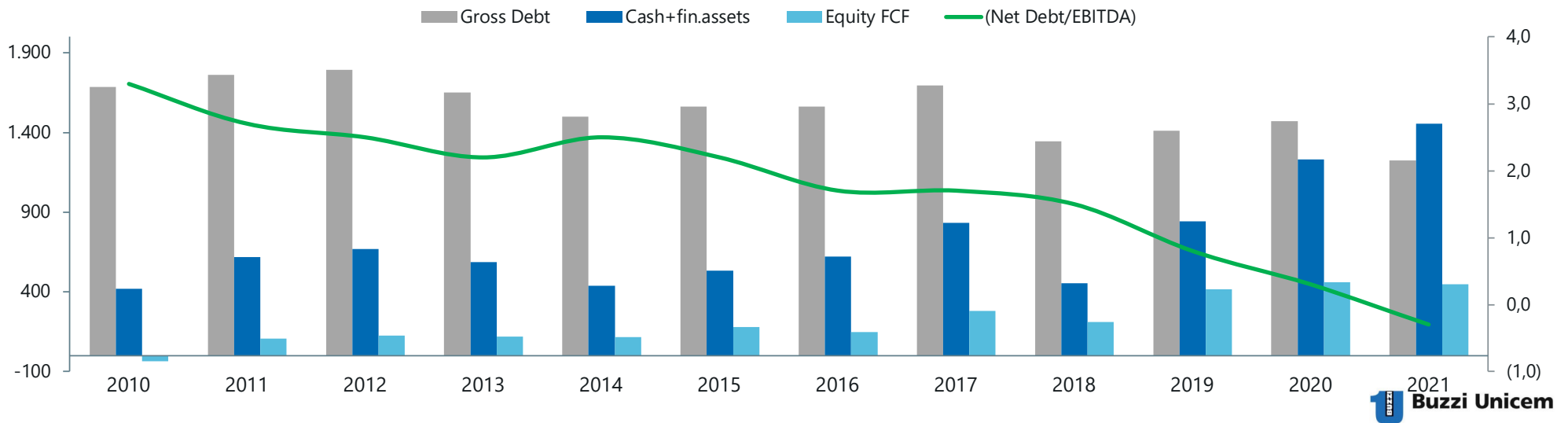
# STRONG BALANCE SHEET, PRESERVING INVESTMENT CAPACITY FOR GROWTH

Solid track record of consistent deleveraging over the last decade, while continuing to create value

Net cash position achieved at the end of 2021.  
Strongest balance sheet in the industry

Committed to Investment grade metrics, preserving our capacity to create value for the company and shareholders, while financing the Net Zero transition

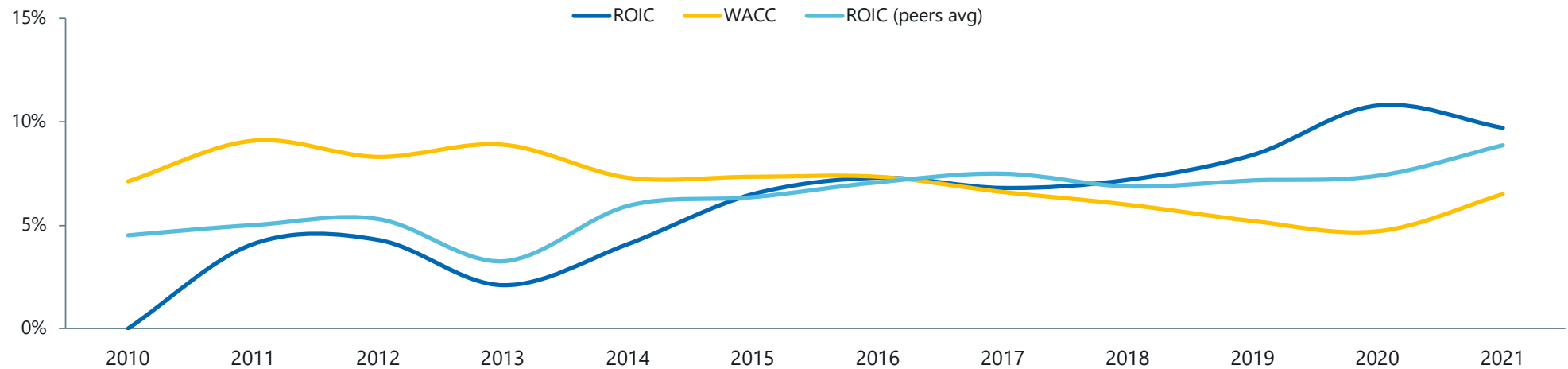
EURm



# VALUE CREATION THROUGH CAPITAL EFFICIENCY

ROIC improvement driven by growth in profitability, cost savings and efficient capital allocation

Since 2018, ROIC well above WACC and outperformed peers avg



# CASH RETURN TO SHAREHOLDERS

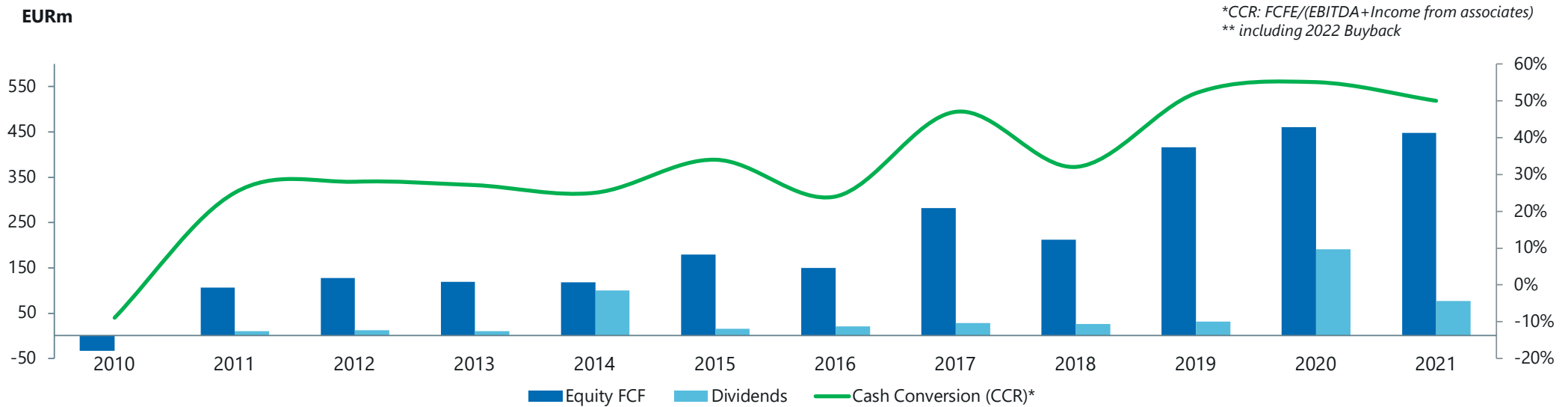
Strengthened Equity FCF, selective CAPEX, reducing interests through deleveraging

CAGR > 12%

From 2010, ~ 770 million euros returned to shareholders (dividends+buybacks\*\*)

~ 30% cash returned to shareholders

Leading Cash Conversion in the sector (avg ~50%) over the period



# DISCIPLINED AND BALANCED FINANCIAL APPROACH

## WITHIN THE COMPANY....

- Margins protection, through organic growth, adequate pricing and efficient cost management
- Selective decisions on Capex (~8% to Net Sales)
- Maintaining positive avg ROIC vs WACC spread
- Maintaining investment grade metrics (Net debt/EBITDA ratio of 1.5 x – 2.0 x)
- Focus on cash generation and allocating exceeding cash to M&A and shareholders

## ...AND EXTERNAL FUNDING

- Funding plan with access to fixed income markets and loan markets as well as private placements focusing on maturity profiles, flexibility and cost of funding.
- Proactively looking for public subsidies for developing new technologies
- ESG targets and metrics will be integrated in our financial documentations.

## 3. OUR JOURNEY TO NET ZERO



# OUR JOURNEY TO NET ZERO

## HOW TO GET THERE

Proven track record in CO<sub>2</sub> emissions reduction.  
Already reduced by ~20% CO<sub>2</sub> emissions in 2021 vs 1990.

## NEXT CHAPTER: NEW, SCIENCE BASED, REDUCTION TARGETS

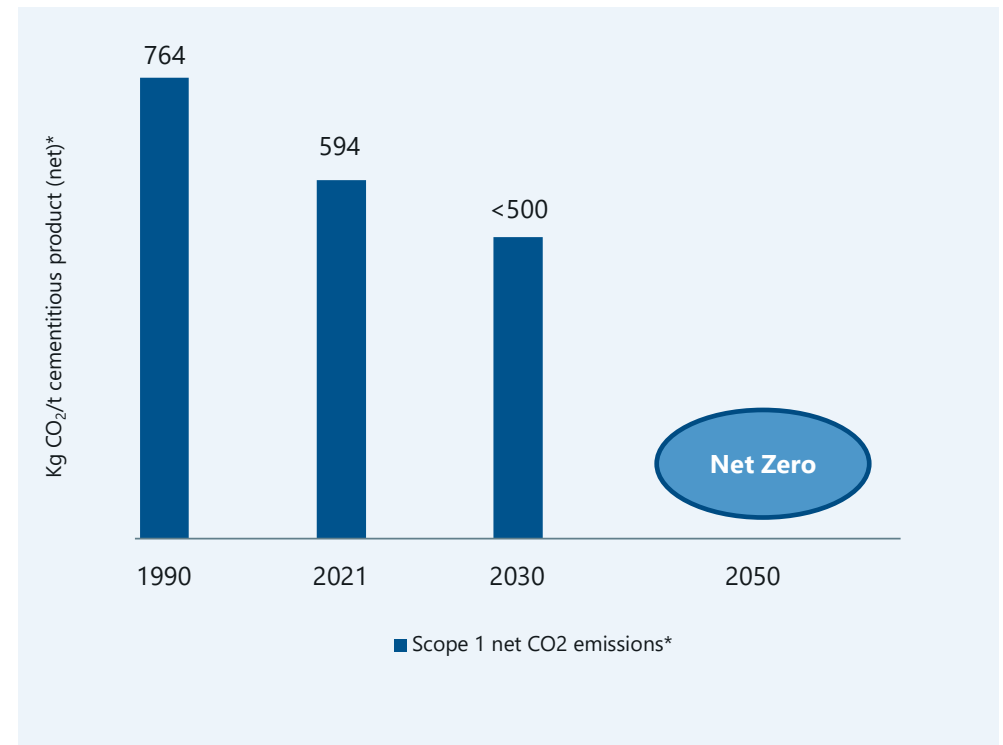
Targeting to achieve CO<sub>2</sub> emissions (scope 1 net) below 500 kg per ton of cementitious material by 2030, meaning another 20% reduction vs 2021 level\*.

TCFD alignment  
SBTi validation on-going

## ROADMAP 2030 – 2050

Realistic path to turn ambition into reality

*\*scope including Brazil, excluding Russia*



# CAPEX REQUIREMENTS BY 2030

**750 €m**

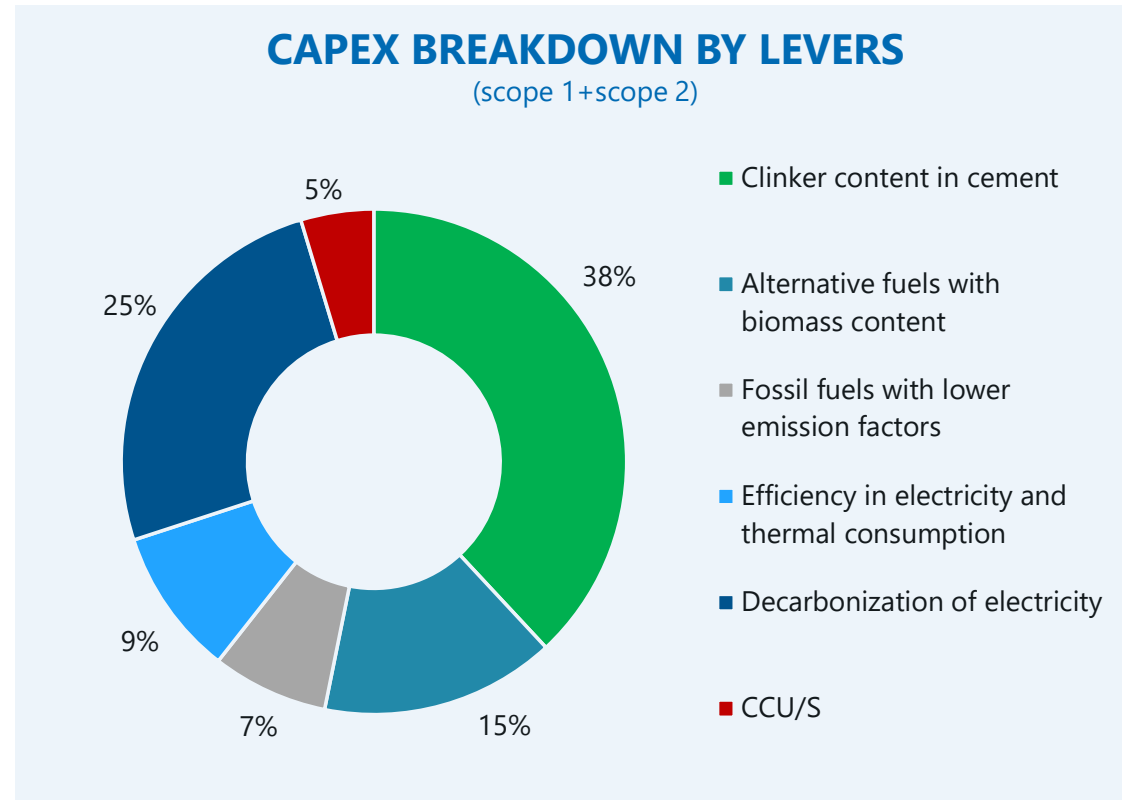
Expected capex requirements for 2030 target

**20-30%**

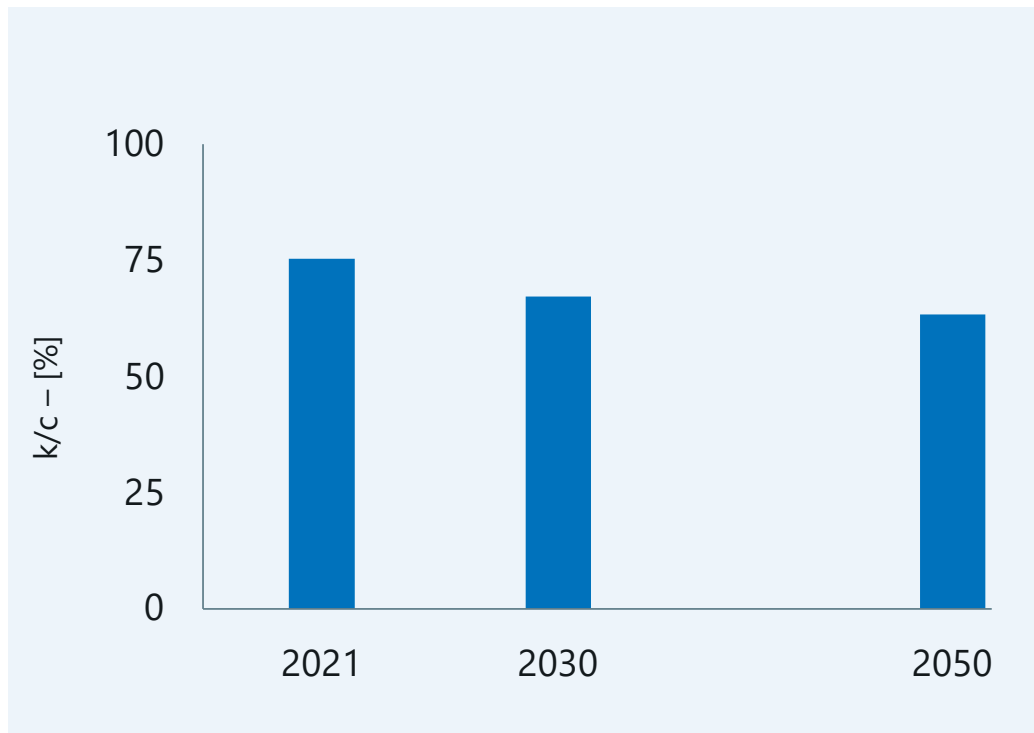
CO<sub>2</sub> specific capex on total annual spending

~ **8%**

Capex to net sales ratio over the period



# CLINKER CONTENT IN CEMENTS



**75.4%**

In 2021

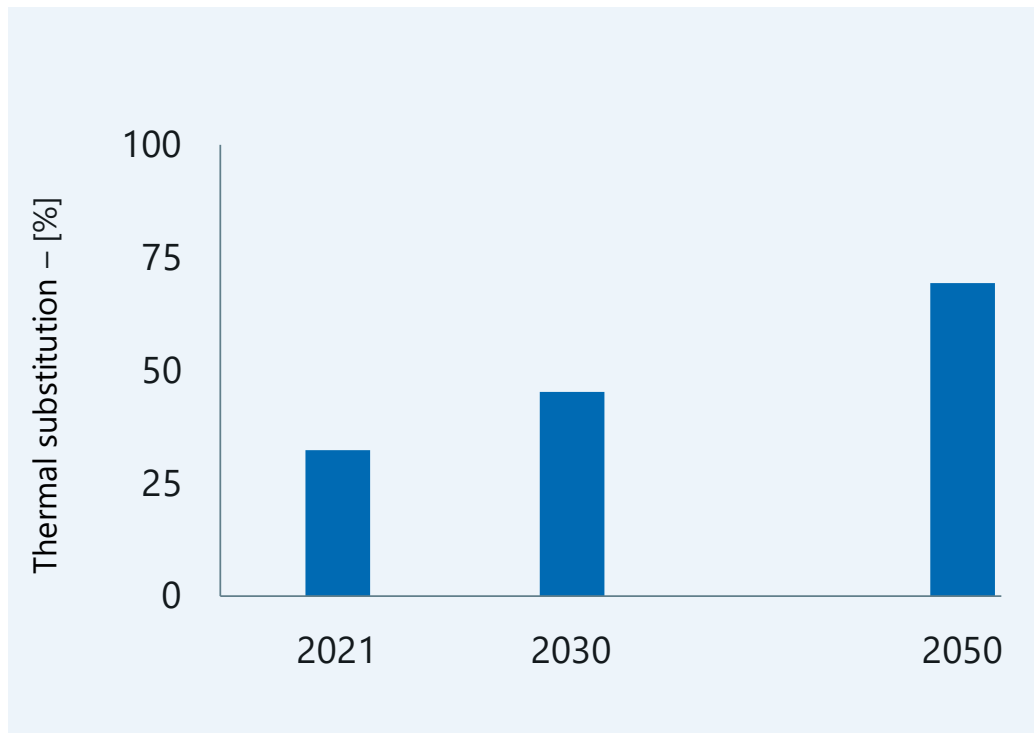
**67.3%**

In 2030

**63.4%**

In 2050

## ALTERNATIVE FUELS WITH BIOMASS CONTENT



**32.4%**

In 2021

**45.4%**

In 2030

**69.5%**

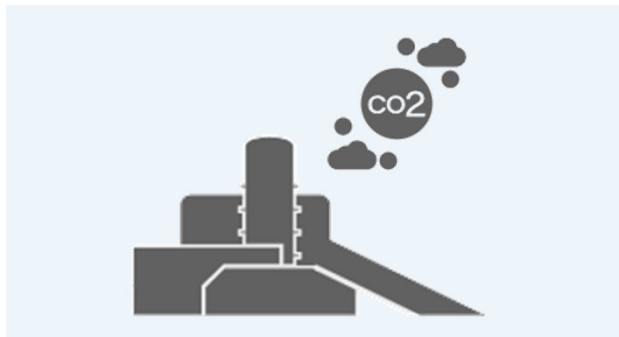
In 2050

# CCU/S: GREEN ENERGY COOPERATION WITH TES&OGE

DEUNA CEMENT PLANT (GERMANY) WILL PARTIALLY CAPTURE ITS CO<sub>2</sub> AND PARTICIPATE AT A CO<sub>2</sub> CIRCULAR ECONOMY INITIATIVE. **CAPEX: 35-50 €M**

## CARBON CAPTURE AT CEMENT PLANT IN DEUNA (THURINGIA)

CO<sub>2</sub> emissions will be captured and transferred into liquid CO<sub>2</sub> at Deuna cement plant. Initial start in 2027, scaled up for approx. 280,000 tons CO<sub>2</sub> capture by 2030.



## 1,000 KM CO<sub>2</sub> TRANSPORT NETWORK

The CO<sub>2</sub> will be transported\* to Wilhelmshaven. From there it will be exported by TES for a circular closed looped system or sequestration.

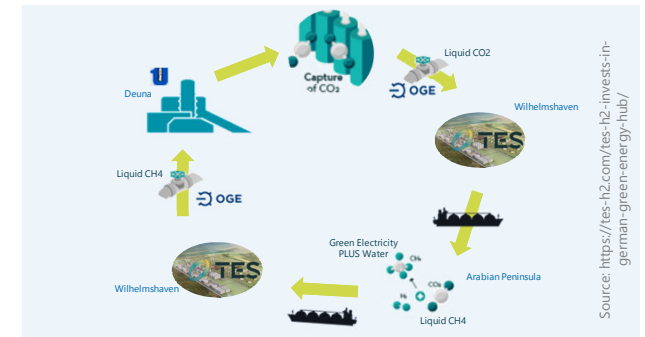


Source: OGE, Stefan Dinse via Shutterstock

\* either by train through a JV of Rhenus & TES or by pipeline through a JV of OGE & TES.

## GREEN ENERGY HUB WILHELMSHAVEN

TES will import green methane which can be used in turn in industrial processes.



Source: <https://tes-h2.com/tes-h2-invests-in-german-green-energy-hub/>

# CCU/S: CATCH FOR CLIMATE

CI4C – CEMENT INNOVATION FOR CLIMATE WAS FOUNDEND BY BUZZI UNICEM/DYCKERHOFF, HEIDELBERGCEMENT, SCHWENK ZEMENT AND VICAT.

## DEMONSTRATION PLANT ON INDUSTRIAL SCALE IN MERGELSTETTEN

CI4C will build and operate a demons-tration plant, where the oxyfuel (from oxygen and fuel) process will be applied. EPC contract with tkIS signed.



## CAPTURE OF CO<sub>2</sub> BY OXYFUEL PROCESS

Pure oxygen is introduced into the cement kiln instead of air: No other components gets into the burning process. Highly concentrated CO<sub>2</sub> is created. ~100% of CO<sub>2</sub> can be captured.



## REFUELS

The captured CO<sub>2</sub> is used to produce reFuels with the help of renewable electrical energy and turned into climate-neutral synthetic fuels such as kerosene for air traffic.



## 4. 2022 PRELIMINARY RESULTS

# 2022 HIGHLIGHTS

## IN BRIEF



Net sales growth (+9.6% lfl) in all regions, driven by solid pricing



Challenging operating context: high volatility of raw materials and higher interest rates have fueled uncertainties and slowed down demand



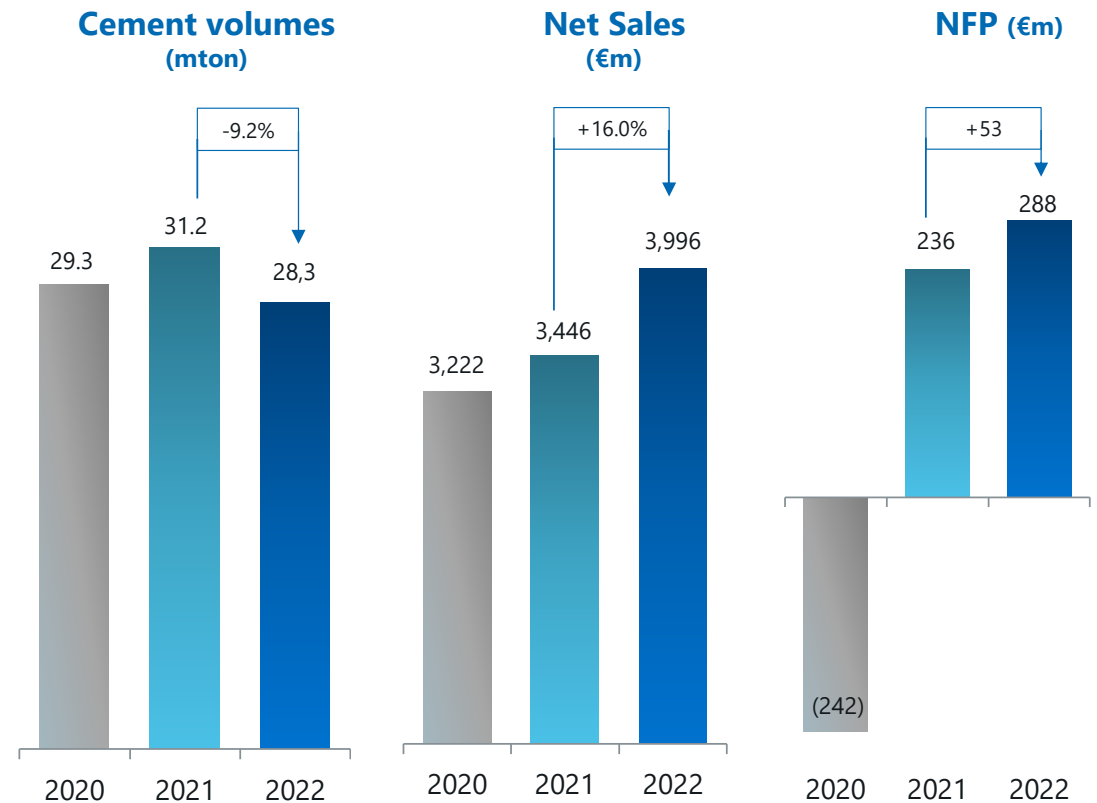
Sequential D-D prices increases in every country with Italy, Eastern Europe and USA leading the way



«Price-cost» gap started to catch up in Q3 and Q4



Net cash position at 288 €m, improved compared to 2021





# 2022 OUTLOOK



Recurring EBITDA for 2022 expected to increase by ~11% compared to 2021, reaching **880 €m**



Better than expected results In Italy and USA during Q4 led the over performance



Pricing effort allowing margins catch up in H2

THIS REPORT CONTAINS COMMITMENTS AND FORWARD-LOOKING STATEMENTS BASED ON ASSUMPTIONS AND ESTIMATES. EVEN IF THE COMPANY BELIEVES THAT THEY ARE REALISTIC AND FORMULATED WITH PRUDENTIAL CRITERIA, FACTORS EXTERNAL TO ITS WILL COULD LIMIT THEIR CONSISTENCY (OR PRECISION, OR EXTENT), CAUSING EVEN SIGNIFICANT DEVIATIONS FROM EXPECTATIONS. THE COMPANY WILL UPDATE ITS COMMITMENTS AND FORWARD-LOOKING STATEMENTS ACCORDING TO THE ACTUAL PERFORMANCE AND WILL GIVE AN ACCOUNT OF THE REASONS FOR ANY DEVIATIONS.