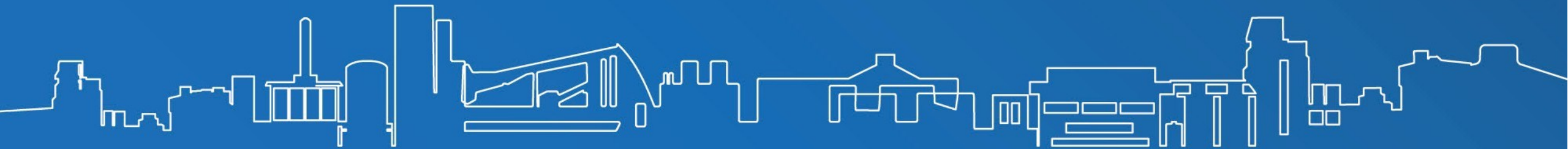


# Italian Investment Conference

## UniCredit – Kepler Cheuvreux

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Milan, 25 May 2023



# EXECUTIVE SUMMARY

- 
- 1. COMPANY OVERVIEW**
  - 2. KEY INVESTMENT HIGHLIGHTS**
  - 3. Q1 2023 OVERVIEW**
  - 4. OUR JOURNEY TO NET ZERO**

# 1. COMPANY OVERVIEW

# BUZZI 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

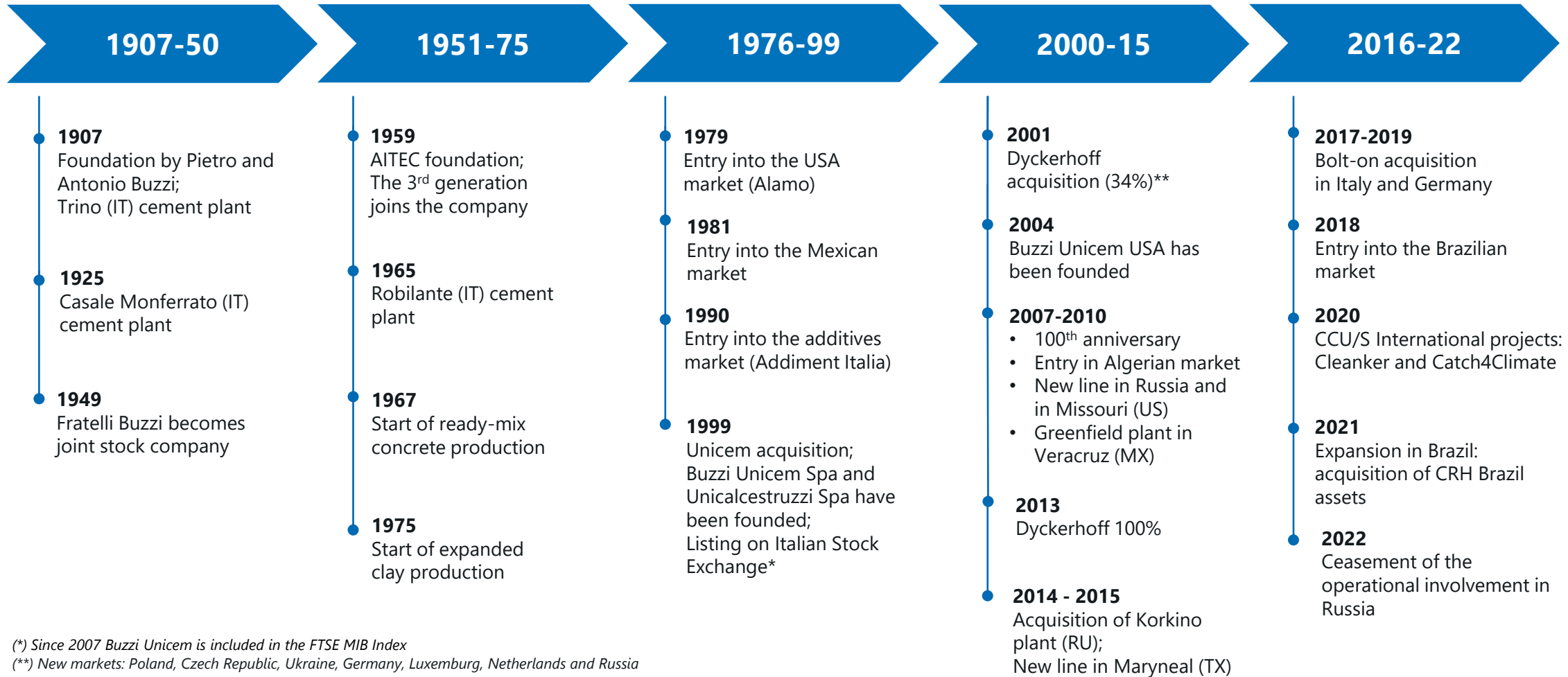


Proven ability to deliver strong financial performance and free cash flows



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

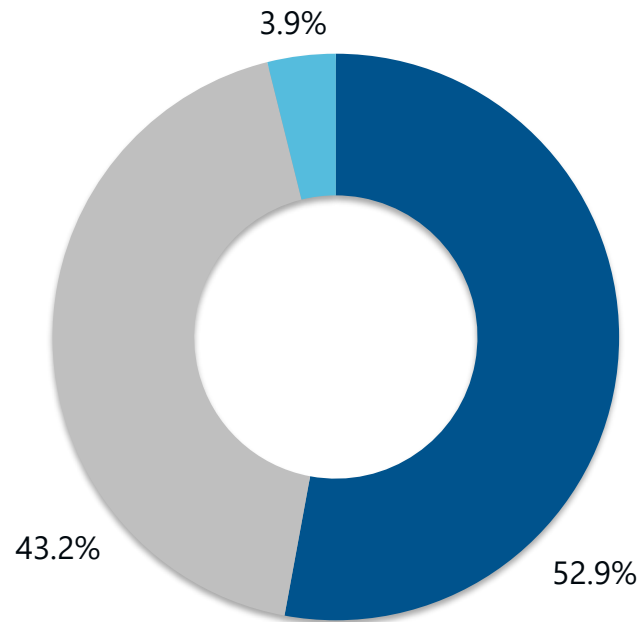
(\*\*) New markets: Poland, Czech Republic, Ukraine, Germany, Luxemburg, Netherlands and Russia

# SHAREHOLDERS STRUCTURE AND DIVIDENDS

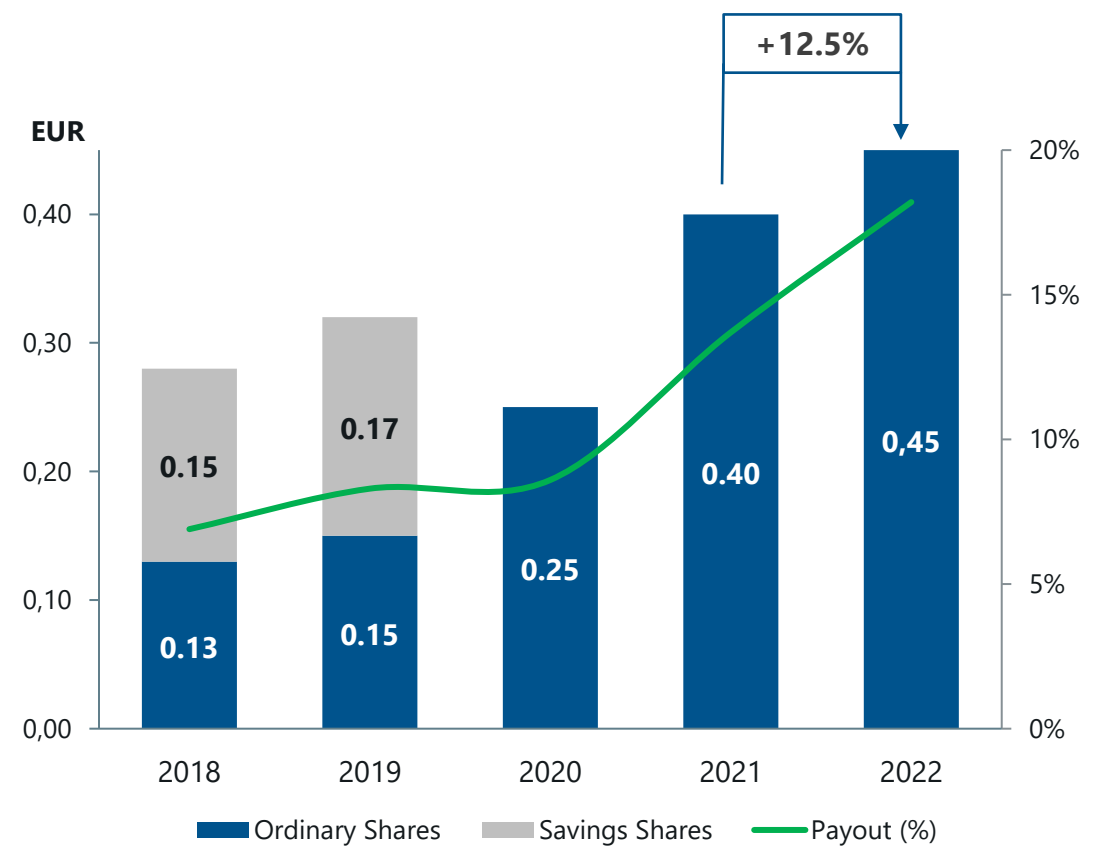
## Share Capital

Number of shares 192,626,154

■ Buzzi Family ■ Free Float ■ Treasury shares



## DPS and payout



# OUR PRESENCE

## MEXICO\*

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

## BRAZIL\*

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

## UNITED STATES

8 plants  
10.2 m/t cement production capacity  
67 ready-mix batch plants  
4 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  
125 ready-mix batch plants  
3 aggregate quarries  
2 deposits and terminals

## ITALY

11 plants  
10.8 m/t cement production capacity  
113 ready-mix batch plants  
6 aggregate quarries  
4 deposits and terminals

## POLAND

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

## CZECH REPUBLIC AND SLOVAKIA

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

## RUSSIA

2 plants  
4.9 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

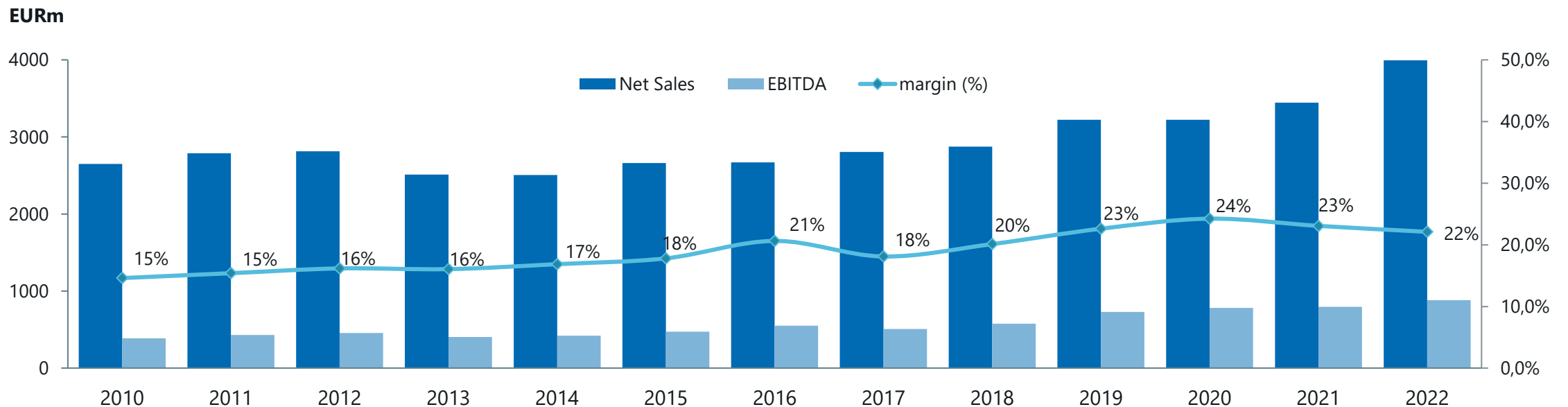
Solid growth fueled by sound demand, driven by residential, infrastructure needs and non-residential recovery.  
CAGR (2010-2022): +3.2%

## EBITDA

Over proportional growth to Net Sales  
More than 50% of group EBITDA generated in the USA  
CAGR (2010-2022): +6.6%

## EBITDA Margin %

Leading performance driven by cost efficiency and synergies  
+700 bps vs 2010.



# HISTORICAL EBITDA BY COUNTRY

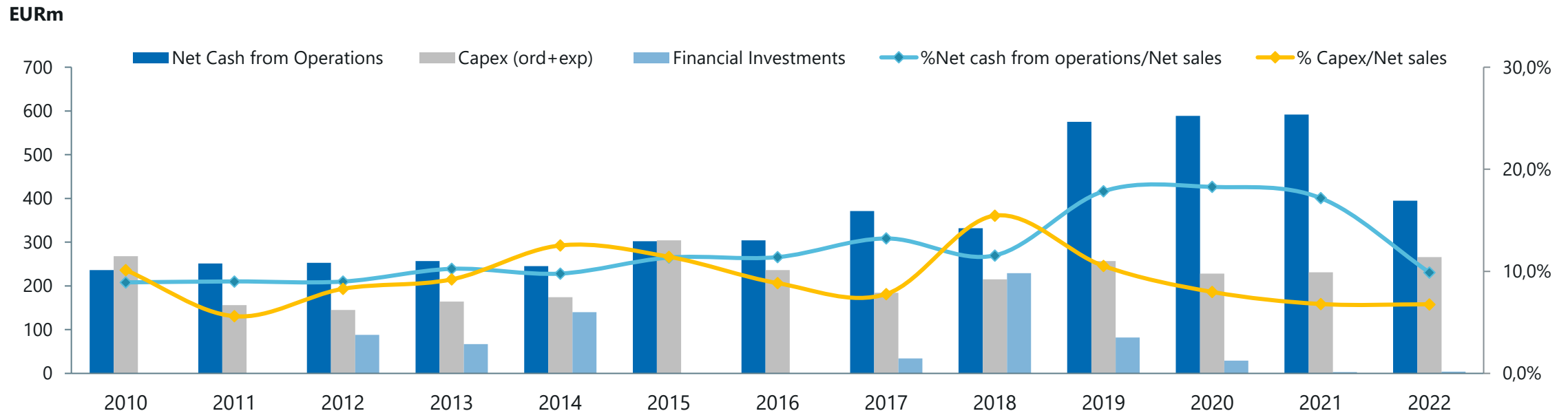
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Italy	EBITDA	(5.9)	(18.1)	(18.7)	(37.2)	(22.2)	(79.7)	(1.7)	43.4	33.8	40.8	82.0
	margin	-1.2%	-4.2%	-4.8%	-9.8%	-5.9%	-18.6%	-0.4%	8.6%	6.8%	6.8%	11.3%
Germany	EBITDA	72.2	108.1	88.6	72.1	76.8	78.1	82.5	102.3	123.8	127.5	120.5
	margin	12.0%	18.0%	14.7%	12.6%	13.4%	13.3%	13.0%	15.1%	17.3%	18.0%	15.1%
Benelux	EBITDA	8.3	11.5	15.9	19.7	25.8	17.6	23.1	22.7	21.7	16.5	7.0
	margin	4.3%	6.3%	9.7%	11.7%	14.7%	9.4%	11.7%	11.8%	11.3%	8.2%	3.1%
Czech Rep/ Slovakia	EBITDA	25.4	19.2	27.0	32.6	34.4	36.5	43.6	46.3	46.8	51.3	56.8
	margin	17.0%	14.6%	20.2%	24.0%	25.2%	24.7%	26.5%	27.5%	29.4%	28.9%	28.2%
Poland	EBITDA	21.8	27.1	18.2	22.7	23.4	24.1	31.9	32.1	35.3	31.3	27.2
	margin	20.0%	26.8%	20.4%	20.4%	24.6%	24.9%	28.6%	25.9%	29.9%	24.8%	19.2%
Ukraine	EBITDA	15.8	12.3	11.0	4.0	12.8	16.0	7.0	21.0	21.9	13.3	(6.8)
	margin	11.8%	10.0%	12.5%	5.7%	16.1%	16.9%	8.0%	15.9%	18.9%	10.5%	-11.4%
Russia	EBITDA	96.1	92.6	73.4	48.4	43.2	46.0	50.1	57.7	52.9	58.6	99.6
	margin	41.0%	37.2%	35.0%	29.0%	28.0%	24.9%	27.0%	26.9%	28.3%	28.3%	34.3%
USA	EBITDA	123.9	151.0	207.3	311.7	356.5	369.6	341.2	402.7	444.2	455.1	497.5
	margin	18.2%	20.7%	24.2%	28.1%	31.9%	33.0%	31.9%	32.4%	35.2%	34.2%	31.3%
Group (IFRS application)	EBITDA	<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>	<b>883.7</b>
	margin	<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>	<b>22.1%</b>
Mexico (50%)	EBITDA	97.5	77.5	93.9	128.1	146.7	164.6	144.5	126.1	132.5	141.3	152.9
	margin	36.2%	33.2%	36.0%	40.9%	48.2%	48.0%	46.3%	42.5%	46.2%	42.7%	39.8%
Brazil (50%)	EBITDA							15.9	11.7	24.0	40.5	59.4
	margin							23.9%	17.4%	34.5%	31.9%	29.7%
Group (proportional method)	EBITDA	<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>737.6</b>	<b>865.9</b>	<b>937.3</b>	<b>976.4</b>	<b>1,096.0</b>
	margin	<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>	<b>23.3%</b>

# SOUND CASH GENERATION AND VALUE CREATIVE CAPITAL ALLOCATION

~ 4.2 billion euros invested in our industrial asset (2010-2022) thereof ~ 710 million euros in special projects dedicated to installed capacity expansion

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)

~ 4.7 billion euros cash generated from operations over the period (CAGR ~4%)

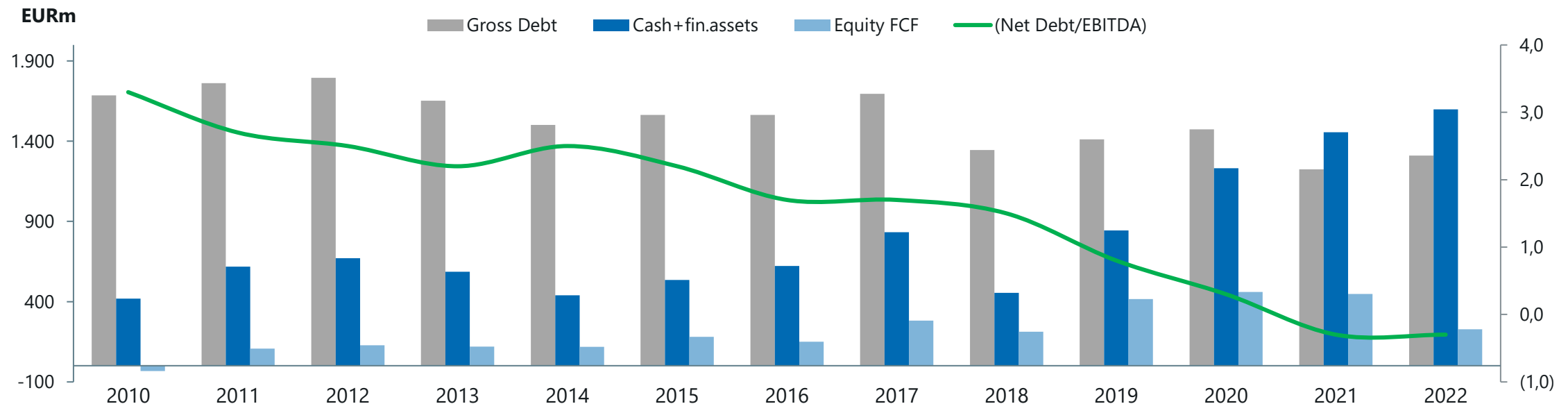


# STRONG BALANCE SHEET, PRESERVING INVESTMENT CAPACITY FOR GROWTH

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



# CASH RETURN TO SHAREHOLDERS

Strengthened Equity FCF, selective CAPEX, reducing interests through deleveraging

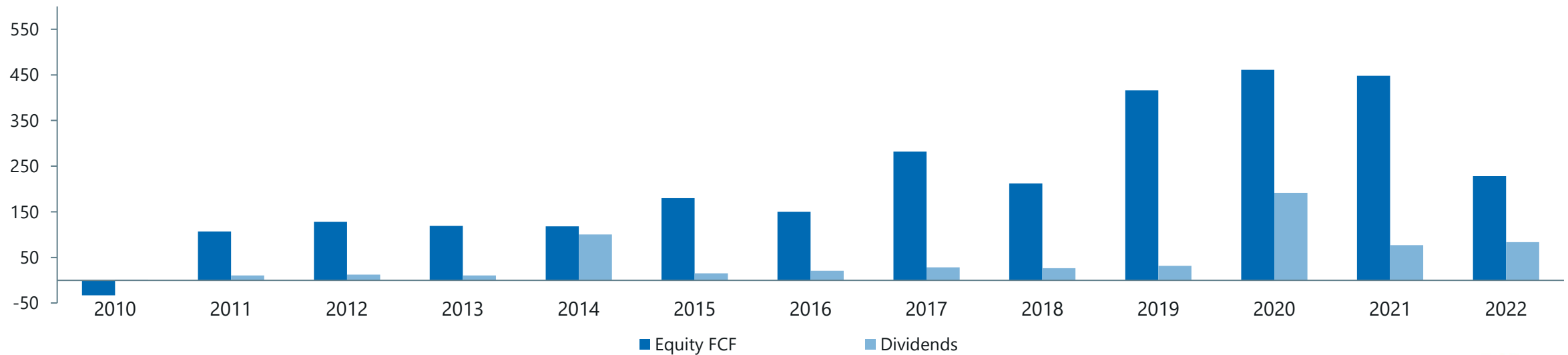
CAGR ~ 7%

From 2010, ~ 860 million euros returned to shareholders, thereof:

- 600+ million euros as dividends
- ~ 250 million euros as buybacks

~ 30% cash returned to shareholders

EURm



# 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.

# 4. Q1 2023 OVERVIEW

# Q1 2023 IN BRIEF



Still challenging operating context with negative development of volumes in Q1, in line with generalized slowdown of demand.

Q1 cement and rmx volumes contracted in European markets and US, while volumes increased in Mexico and Brazil.



Strengthening of selling prices continued in Q1, albeit with varying degrees of intensity.

Step up of selling prices in Central Europe, Poland and Czech. Further round up in USA. No significant changes in Italy



Net Sales at 956 €m (+19.5%, +16% lfl), driven by the positive price effect. Favorable fx fluctuations (dollar and ruble) contributed €m 28



Net cash position remained at 279 €m, stable compared to FY22.

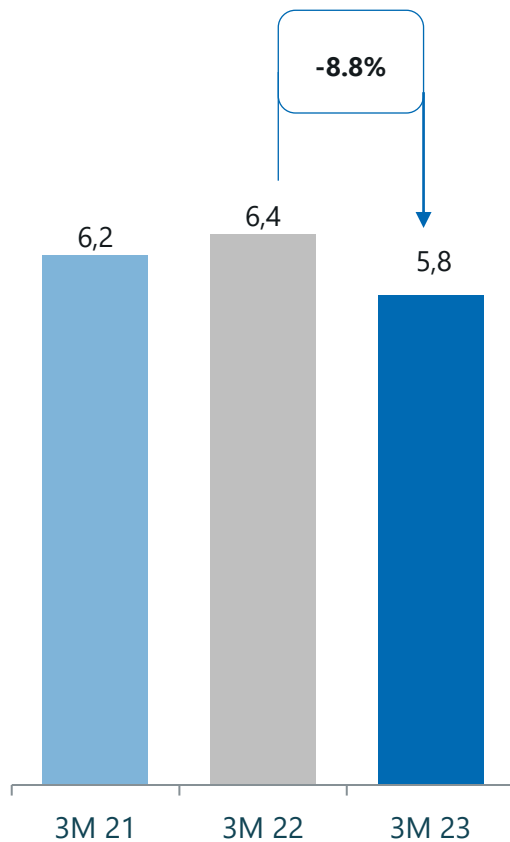


Guidance confirmed: 2023 EBITDA should easily match the level achieved in 2022.

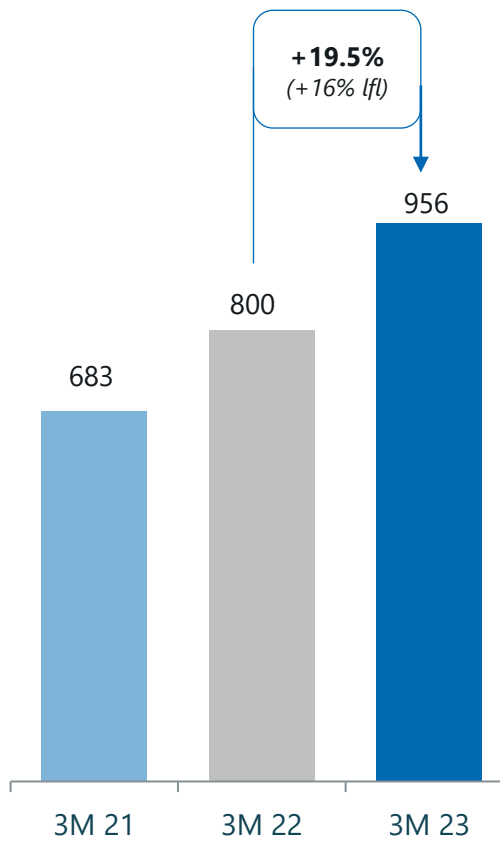


# Q1 2023 HIGHLIGHTS

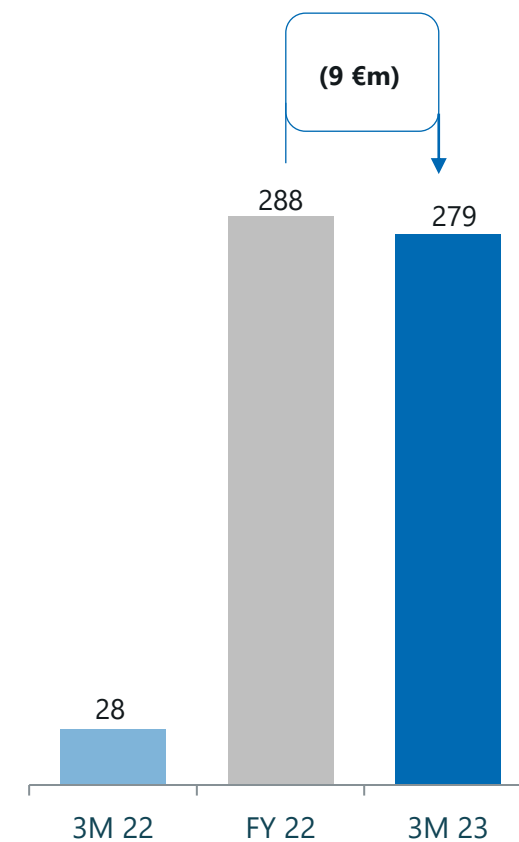
## Cement volumes (mton)



## Net Sales (€m)



## NFP (€m)



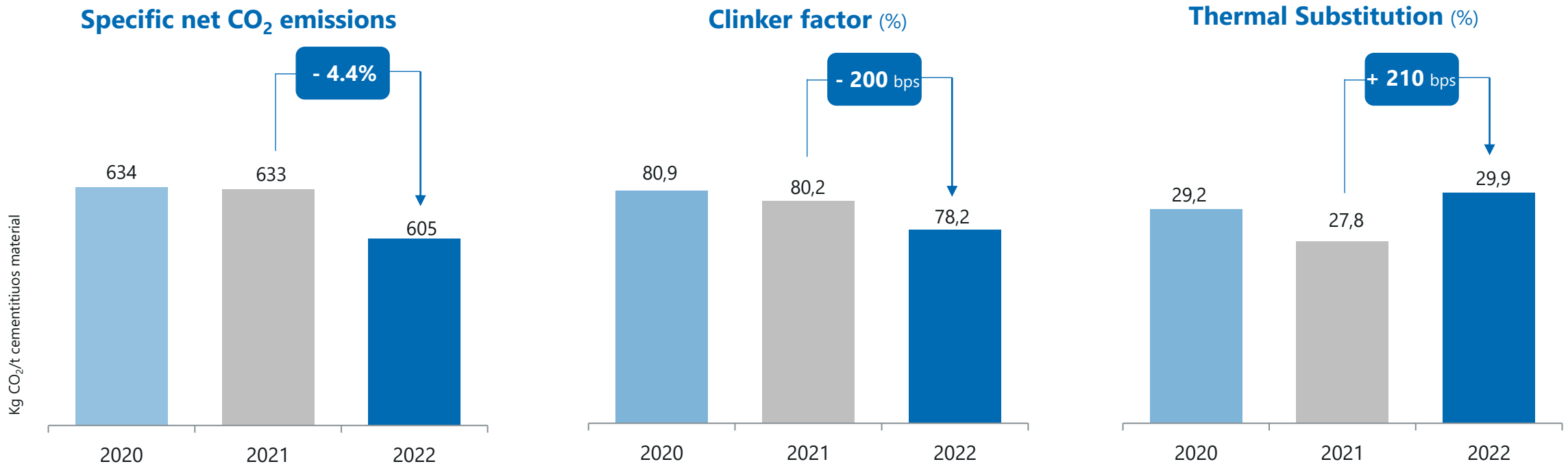
# NET SALES BY COUNTRY

EURm	Q1 23	Q1 22	Δ	Δ	Forex	Scope	Δ I-f-I
			abs	%	abs	abs	%
Italy	203.7	163.3	40.4	+24.8	-	-	+24.8
United States	375.0	301.9	73.1	+24.2	16.3	-	+18.8
Germany	195.1	175.4	19.7	+11.2	-	-	+11.2
Lux / Netherlands	53.9	52.0	1.9	+3.7	-	-	+3.7
Czech Rep / Slovakia	40.6	37.3	3.3	+9.0	1.3	-	+5.5
Poland	33.2	29.2	4.0	+13.8	(0.6)	-	+15.9
Ukraine	9.7	13.1	(3.4)	-26.1	(2.1)	-	-10.1
Russia	60.1	38.2	21.9	+57.3	12.7	-	+24.1
<i>Eliminations</i>	<i>(15.4)</i>	<i>(10.3)</i>	<i>(5.2)</i>				
<b>Total</b>	<b>955.9</b>	<b>800.1</b>	<b>155.8</b>	<b>+19.5</b>	<b>27.6</b>	<b>-</b>	<b>+16.0</b>
Mexico (100%)	242.0	166.6	75.3	+45.2	31.0	-	+26.6
Brazil (100%)	92.5	75.2	17.4	+23.1	4.6	-	+16.9

## 5. OUR JOURNEY TO NET ZERO

# REDUCTION OF CO<sub>2</sub> EMISSION

- ✓ Specific gross CO<sub>2</sub> emissions declined by 3.6% to 664 kg CO<sub>2</sub>/t cem.mat, reaching the target as planned (-5% vs 2017)
- ✓ Main factors which contributed to meet the target:
  - Significant reduction of clinker factor thanks to the changes in product mix applied by every country
  - Further increase in alternative fuels rate



# 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

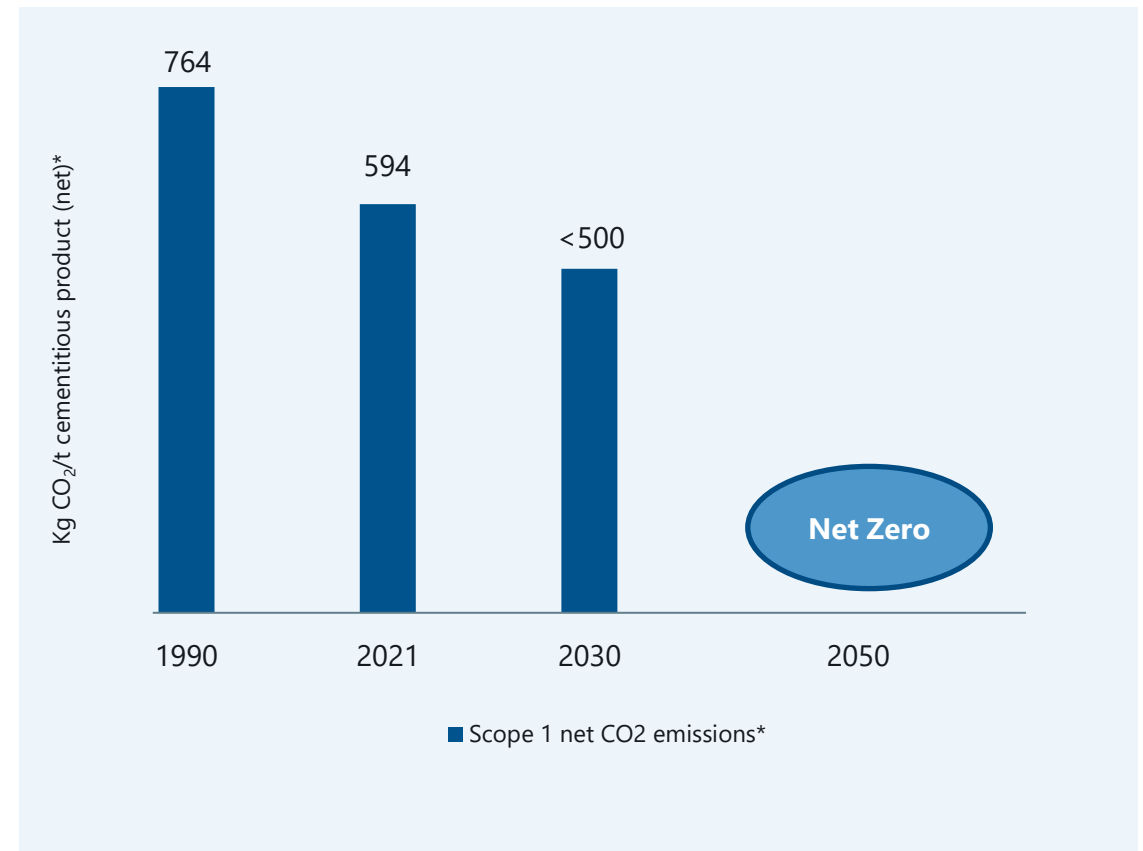
Targeting to achieve CO<sub>2</sub> emissions (scope 1 net) below 500 kg per ton of cementitious material by 2030, meaning another 20% reduction vs 2021 level\*.

TCFD alignment  
SBTi validation

## ROADMAP 2030 – 2050

Realistic path to turn ambition into reality

*\*scope including Brazil, excluding Russia*



# EXPECTED CAPEX BY 2030

## 750 €m

Expected capex requirements for 2030 target

## 20-30%

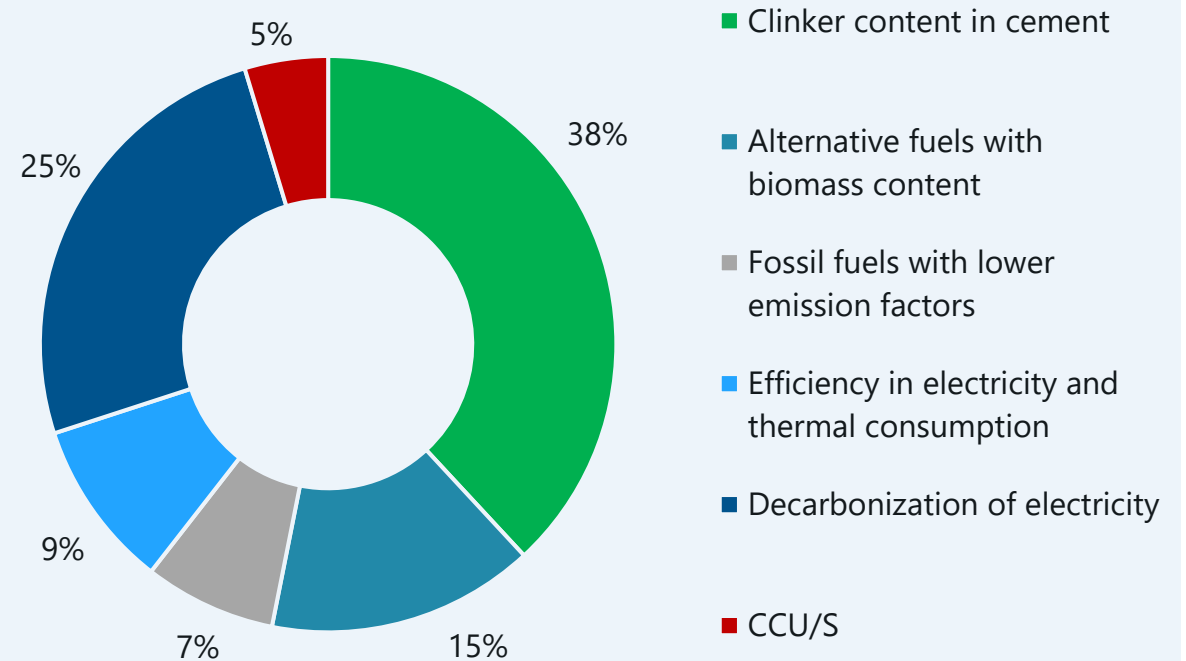
CO<sub>2</sub> specific capex on total annual spending

## ~ 8%


Capex to net sales ratio over the period


### CAPEX BREAKDOWN BY LEVERS

(scope 1+scope 2)



# 2030 CO<sub>2</sub> TARGETS VALIDATED BY SBTi

 In March 2023, the Science Based Targets initiative (SBTi) has formally validated the scope 1 and scope 2 decarbonization targets envisaged by the roadmap "**Our Journey to Net Zero**"

 Our targets are aligned with the objective of keeping climate warming "**well below 2°**", as defined by the 2015 Paris Climate Agreement.



SCIENCE  
BASED  
TARGETS

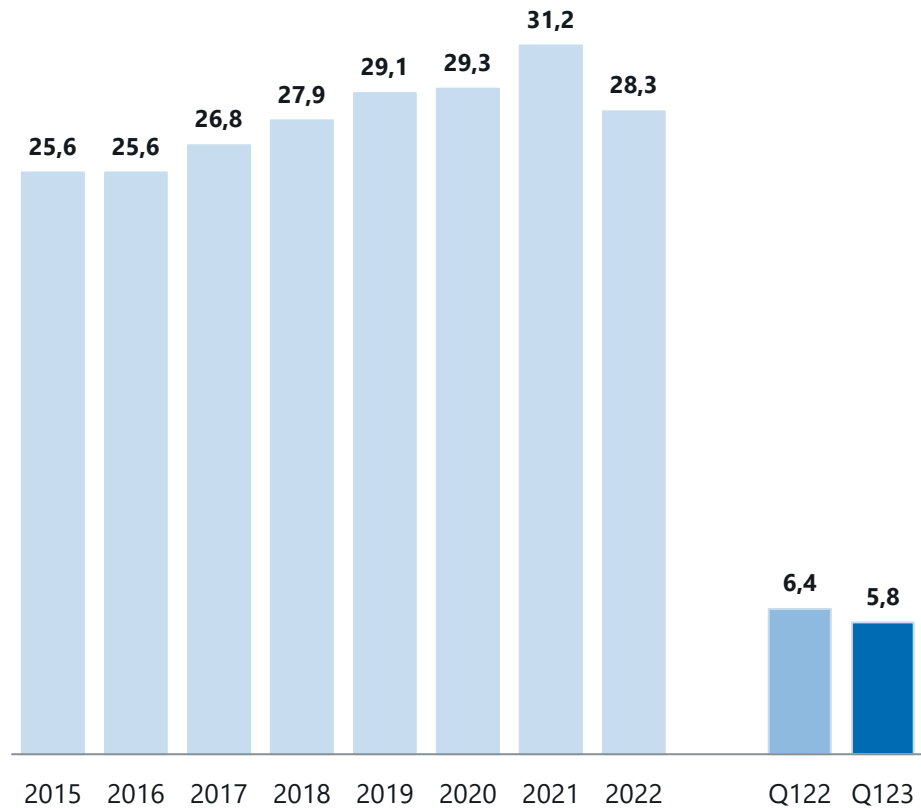
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# APPENDIX

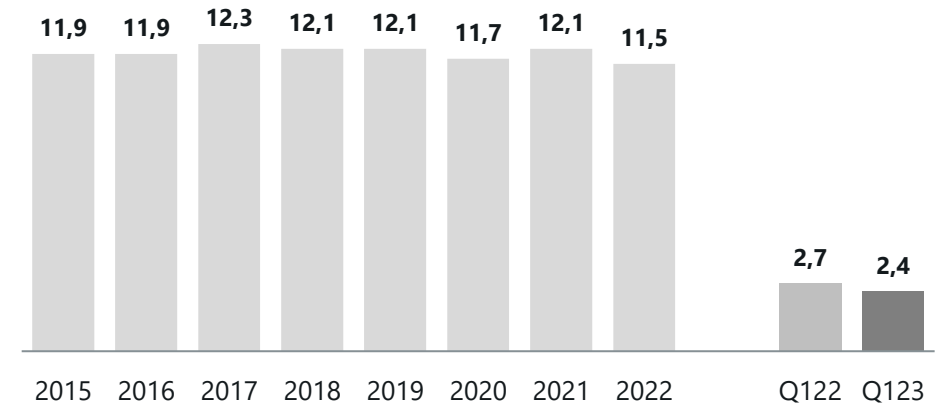


# VOLUMES

## Cement (mton)

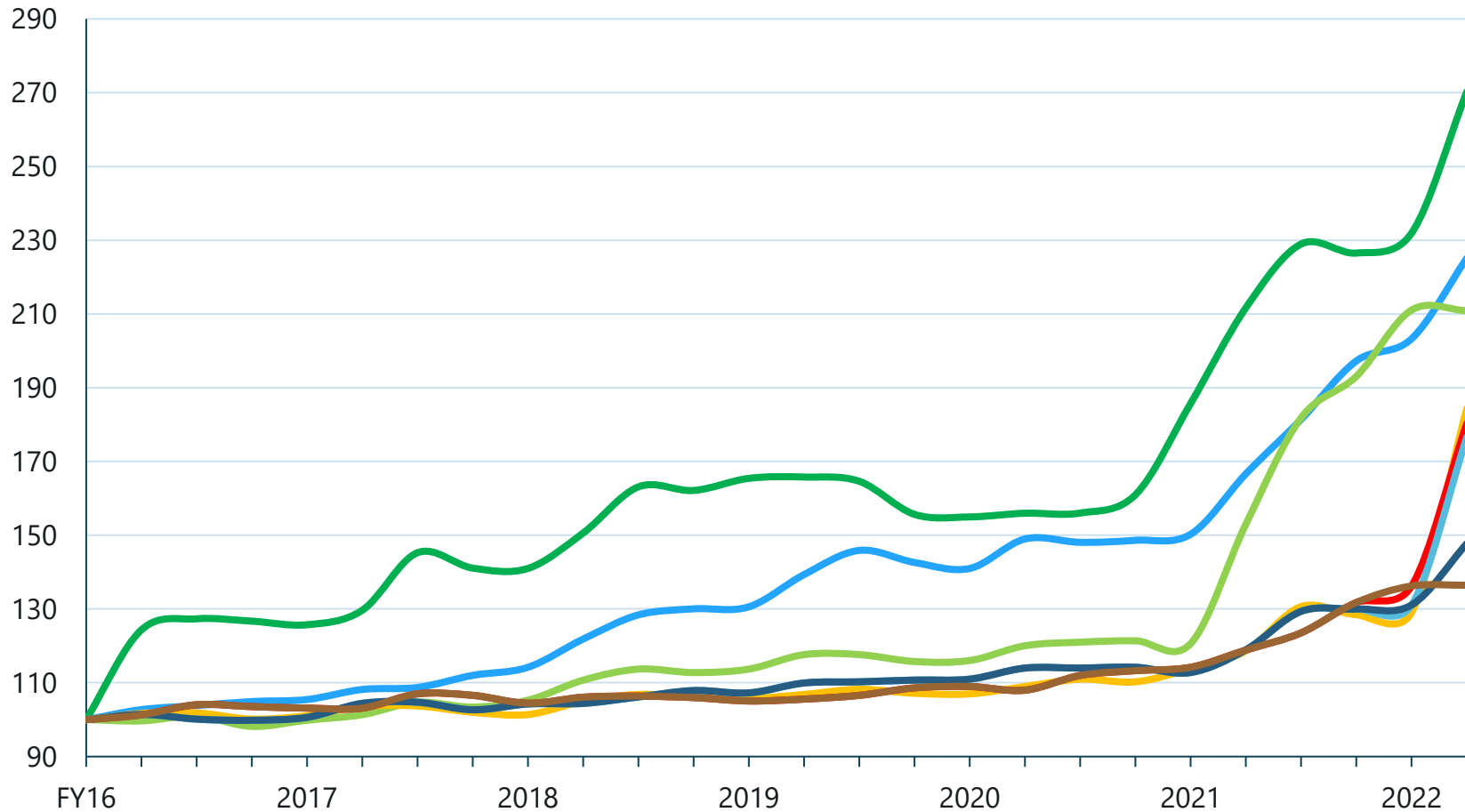


## Ready-mix concrete (mm<sup>3</sup>)



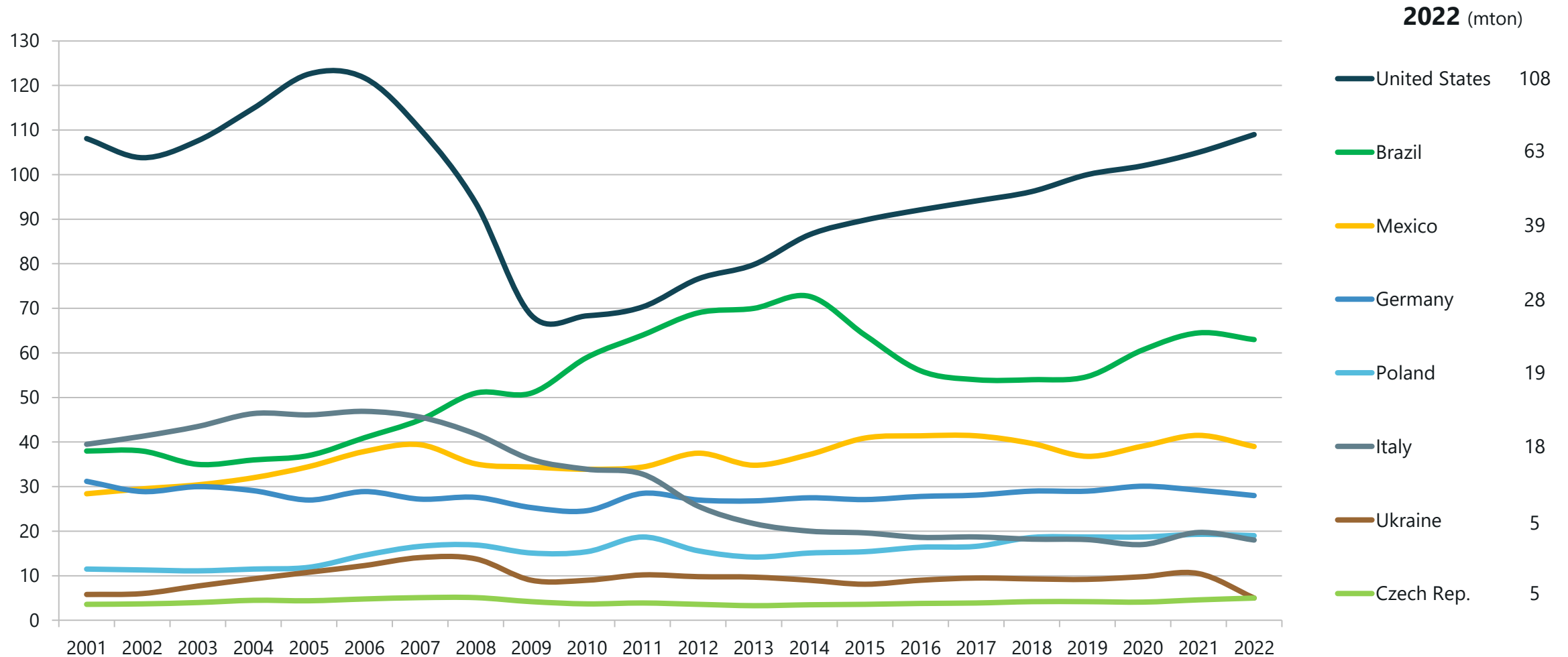
# PRICE INDEX BY COUNTRY

FY 2016=100



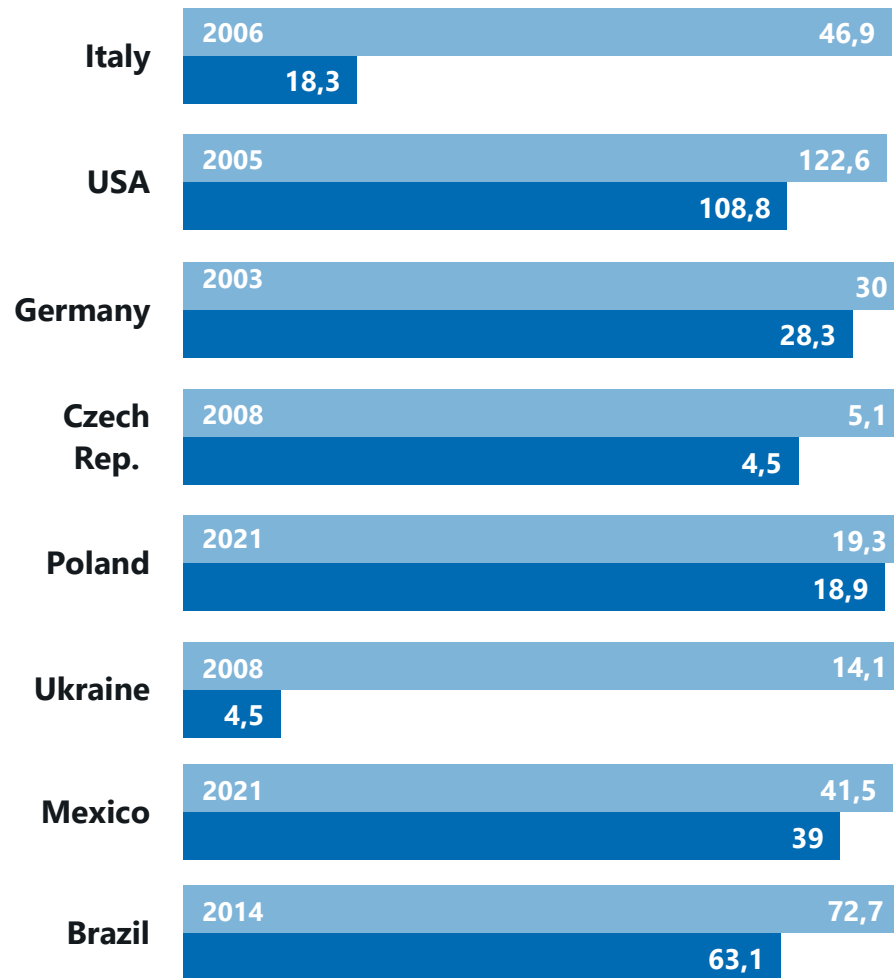
	Q1 23
Ukraine	270
Poland	225
Italy	211
Luxembourg	184
Czech Republic	180
Germany	177
Mexico	148
USA	136

# HISTORICAL CEMENT CONSUMPTION BY COUNTRY

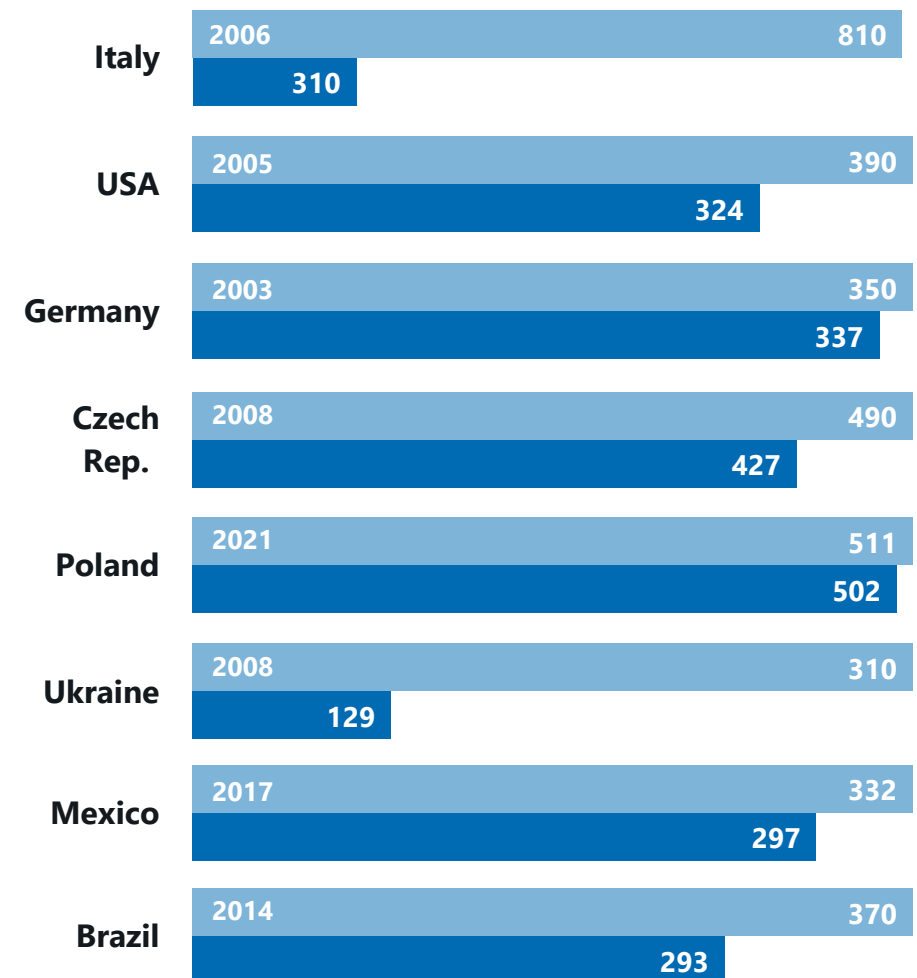


# 2022 CEMENT CONSUMPTION VS PEAK

**Total market** (m ton)



**Per capita consumption** (kg)



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.

# Italian Investment Conference

## UniCredit – Kepler Cheuvreux

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Milan, 25 May 2023

