

# Italian Investment Conference



18 May 2022





## Executive Summary

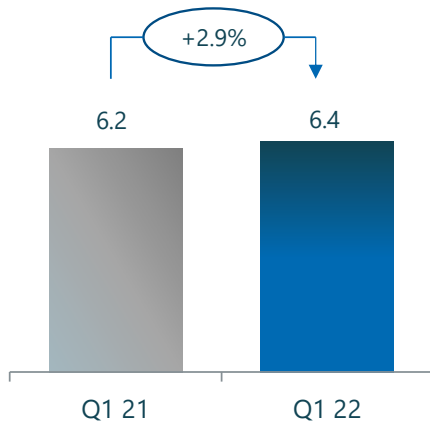
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1. Q1 2022 Highlights
  2. Trading by geographical area
  3. Decarbonization Roadmap
- Appendix



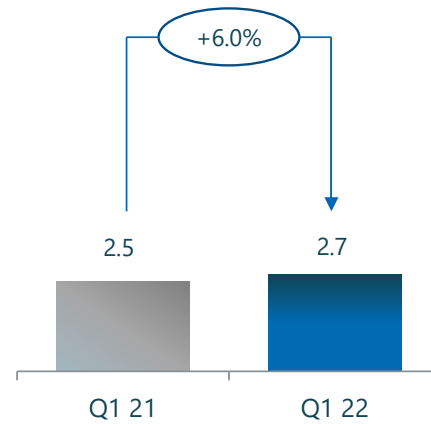
# 1. Q1 2022 Highlights

# Q1 22 Highlights

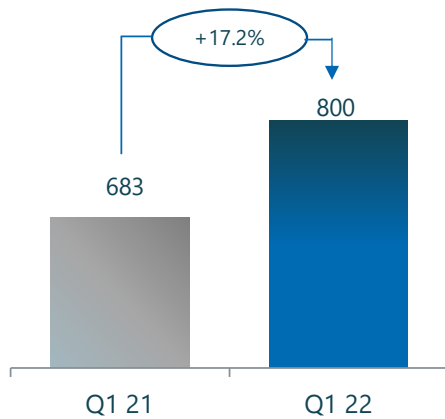
**Cement volumes (mton)**



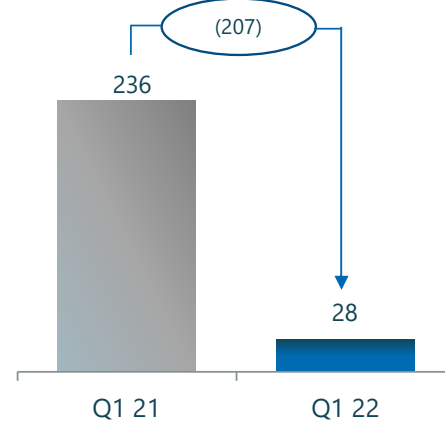
**Ready-mix volumes (mm<sup>3</sup>)**



**Net Sales (€m)**



**NFP (€m)**



## Q1 2022 in brief



Demand has been lively across the regions, despite some uncertainties linked to the surge in raw materials, mainly in Europe



Selling prices moved up, with Italy, Eastern Europe and USA leading the way



Strong net sales growth (+14.5% lfl) in all regions, driven by robust price development and overall solid level of activity

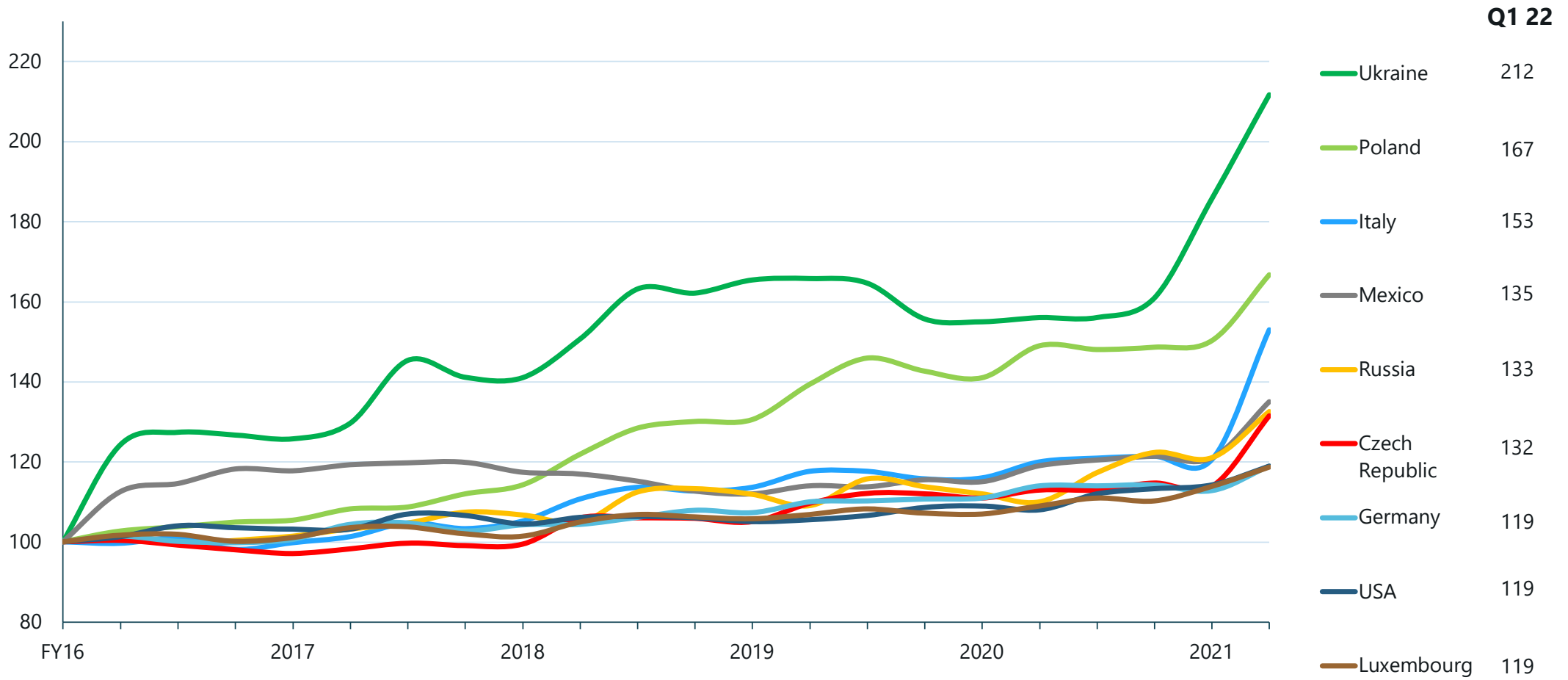


Net Financial Position remains positive but to a less extent vs 2021 due to the spike in working capital. Repurchased ~4% of share in Q1 (€m 122)



Guidance confirmed: recurring EBITDA to possibly decline 10% vs 2021.

## Price Index by country



In local currency; FY16=100

## FX changes

	Q1 22	Q1 21	Δ	2021	Current
<b>EUR 1 =</b>	avg	avg	%	avg	
USD	1.12	1.20	6.9	1.18	1.04
RUB	99.66	89.67	-11.1	87.15	68.74
UAH	32.25	33.68	4.2	32.26	30.48
CZK	24.65	26.07	5.4	25.64	24.71
PLN	4.62	4.55	-1.7	4.57	4.67
MXN	22.99	24.53	6.3	23.99	20.93
BRL	5.87	6.60	11.1	6.38	5.28

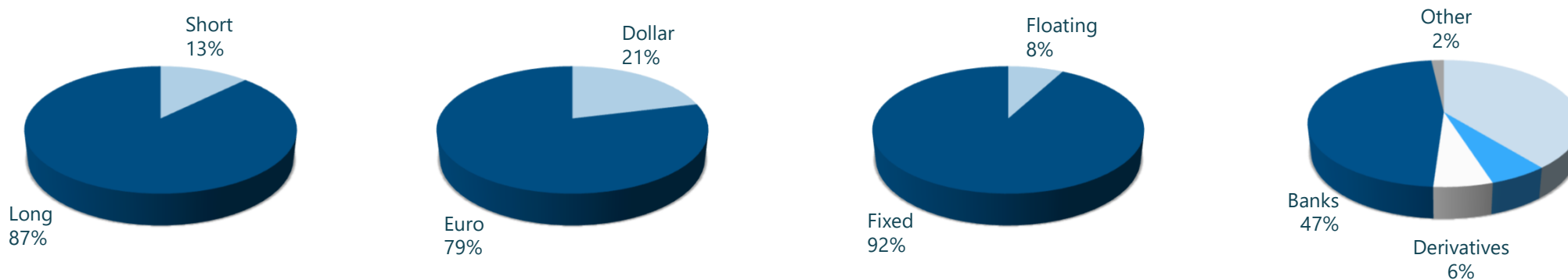
## Net Sales by country

	Q1 22	Q1 21	Δ	Δ	Forex	Scope	Δ  f-
EURm			abs	%	abs	abs	%
Italy	163.3	138.5	24.8	+17.9	-	-	+17.9
United States	301.9	261.3	40.6	+15.5	20.8	-	+7.6
Germany	175.4	147.2	28.3	+19.2	-	-	+19.2
Lux / Netherlands	52.0	43.7	8.2	+18.8	-	(0.2)	+19.5
Czech Rep / Slovakia	37.3	28.0	9.3	+33.4	1.9	-	+26.7
Poland	29.2	17.6	11.5	+65.2	(0.5)	-	+68.0
Ukraine	13.1	16.3	(3.2)	-19.8	0.6	-	-23.2
Russia	38.2	37.6	0.5	+1.4	(4.3)	-	+12.7
<i>Eliminations</i>	<i>(10.3)</i>	<i>(7.6)</i>	<i>(2.7)</i>				
<b>Total</b>	<b>800.1</b>	<b>682.6</b>	<b>117.4</b>	<b>+17.2</b>	<b>18.5</b>	<b>(0.2)</b>	<b>+14.5</b>
Mexico (100%)	166.6	160.7	5.9	+3.7	10.4	-	-2.8
Brazil (100%)	75.2	39.6	35.6	+89.9	8.3	(31.3)	-1.4

## Net Financial Position

EURm	Mar 22	Dec 21	Δ abs	Mar 21
Cash and other financial assets	966.9	1,207.5	(240.6)	1,065.5
Short-term debt	(127.4)	(155.1)	27.7	(50.9)
Short-term leasing	(24.3)	(22.5)	(1.9)	(21.5)
<b>Net short-term cash</b>	<b>815.2</b>	<b>1,029.9</b>	<b>(214.7)</b>	<b>993.1</b>
Long-term financial assets	266.4	252.3	14.1	11.4
Long-term debt	(995.0)	(990.9)	(4.2)	(1,167.7)
Long-term leasing	(58.1)	(55.8)	(2.3)	(67.5)
<b>Net financial position</b>	<b>28.4</b>	<b>235.5</b>	<b>(207.1)</b>	<b>(230.7)</b>

Gross debt breakdown ( 1.204,9 €m )







## 2. Trading by geographical area

## Italy and USA

### Italy

- Domestic demand was weaker, partly caused by uncertainties linked to the surge of raw materials
- Selling prices have significantly increased in order to compensate the higher production costs (energy)

### United States

- Lively demand, driven by residential and new infrastructure projects. Positive trend in cement, negative in concrete, impacted by shortage of labor
- Material improvement in selling prices (first round implemented in January)
- Higher production costs (energy, logistics and raw mat.)
- Switch to Type 1L cement effective already in Q1

EURm	Q1 22	Q1 21	Δ %	Δ% I-f-I
Net Sales	163.3	138.5	+17.9	+17.9

EURm	Q1 22	Q1 21	Δ %	Δ% I-f-I
Net Sales	301.9	261.3	+15.5	+7.6

## Central and Eastern Europe

### Central Europe

- Cement volumes moved up thanks to good level of activity in construction sector and easy comps.
- Selling prices have strengthened too.
- Energy costs inflation under control thanks to high fossil fuels substitution and hedging policy

EURm	Q1 22	Q1 21	Δ %	Δ% I-f-I
Net Sales	219.9	185.0	+18.9	+18.9

### Eastern Europe

- Solid trend in Poland and Czech Rep. thanks mainly to easy comps.
- In Russia, demand started stable and then weakened in March affected by the deterioration of the macroeconomic scenario
- In Ukraine, much more visible decline: the outbreak of the conflict imposed a production and commercial lockdown from the end of February
- Selling prices moved up significantly

EURm	Q1 22	Q1 21	Δ %	Δ% I-f-I
Net Sales	117.0	99.1	+18.1	+20.5

## Mexico and Brazil

### Mexico

- Domestic demand contraction, penalized by challenging comps and some delays in construction investments
- Prices gained traction from January on
- Higher production costs driven by fuels

### Brazil

- Construction sector was steady, thanks to public spending to support social housing and infrastructure
- Cement volumes increased benefitting from additional contribution of the former CRH cement plants acquired in April 2021. Flat volumes on a l-f-l basis, mainly due to tough comps.
- Significant rise in selling prices but production costs increased too

EURm	Q1 22	Q1 21	Δ %	Δ% l-f-l
Net Sales (100%)	166.6	160.7	+3.7	-2.8

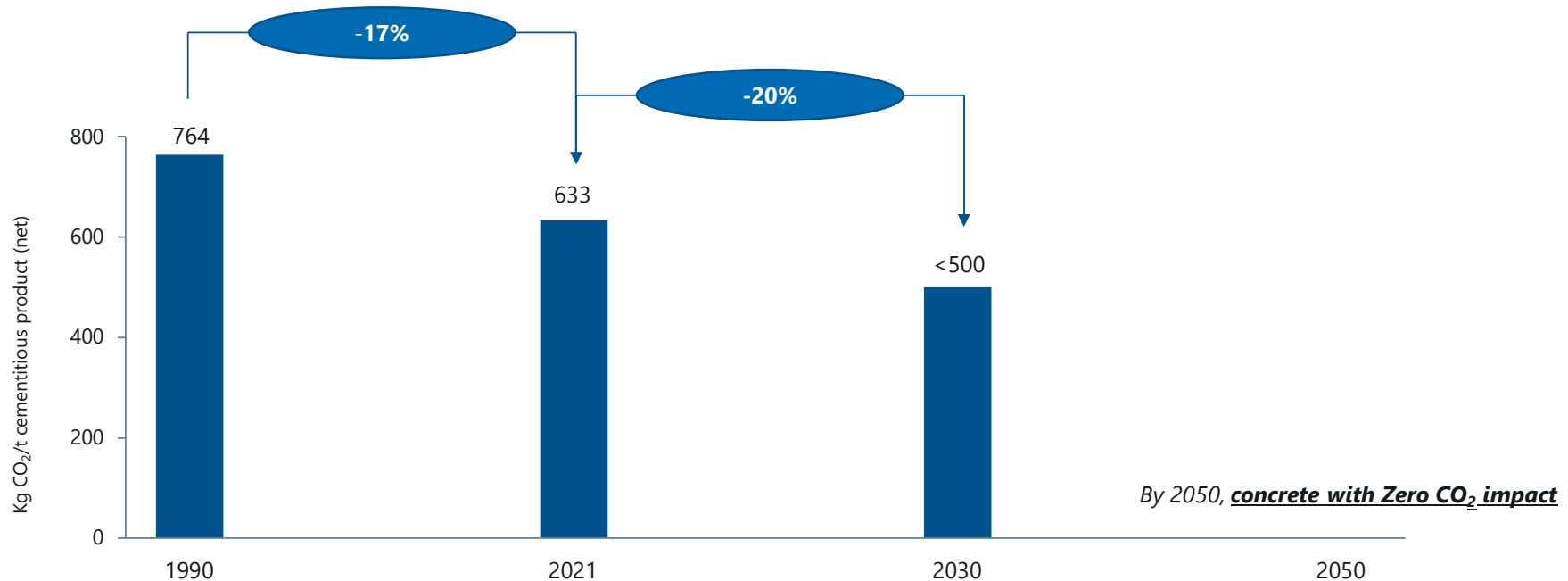
EURm	Q1 22	Q1 21	Δ %	Δ% l-f-l
Net Sales (100%)	75.2	39.6	+89.9	-1.4



# 3. Decarbonization Roadmap

## Decarbonization Roadmap: new CO<sub>2</sub> reduction targets for 2030 and 2050

- By 2021, we have reduced by ~17% the specific net CO<sub>2</sub> emissions compared to 1990 level.
- We expect to reduce CO<sub>2</sub> emissions (scope 1 net) **below 500 kg** per ton of cementitious material **by 2030**, equal to a **reduction of ~20%** vs 2021 level\*
- By 2050, concrete production with zero impact in terms of CO<sub>2</sub> emissions
- 2030 Targets will be subject to validation by SBTi



\*including Brazil



# Appendix

## Buzzi Unicem at a glance



International multi-regional, heavy-side group, focused on cement, ready-mix and aggregates.

Successful geographic diversification with leading positions in attractive markets

- United States (#4), Italy (#2), Germany (#2). Joint venture in Mexico and Brazil
- Significant position in Luxembourg, the Netherlands, Poland, Czech Republic, Slovakia, Russia and Ukraine
- Entry point in Algeria and Slovenia



Dedicated management with long-term vision, committed to sustainable growth



Highly efficient, low-cost producer with strong and stable cash flow generation  
Conservative financial profile and balanced growth strategy.



High quality and environmentally friendly assets  
Leading product and service offering



Clear commitment to sustainability and value creation for all stakeholders

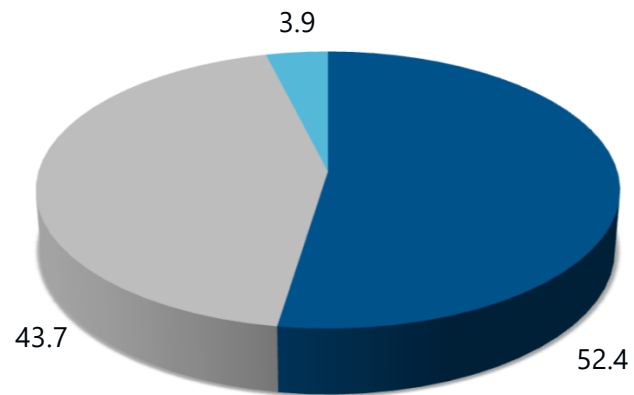


# Shares & Shareholders | Shareholder Return

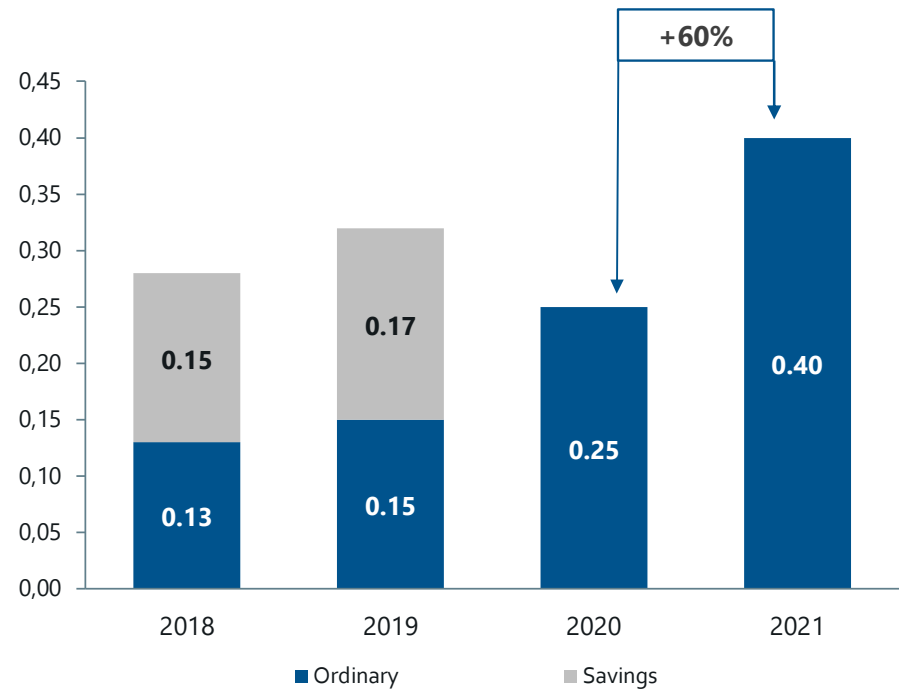
## Share Capital

Number of shares 192,626,154

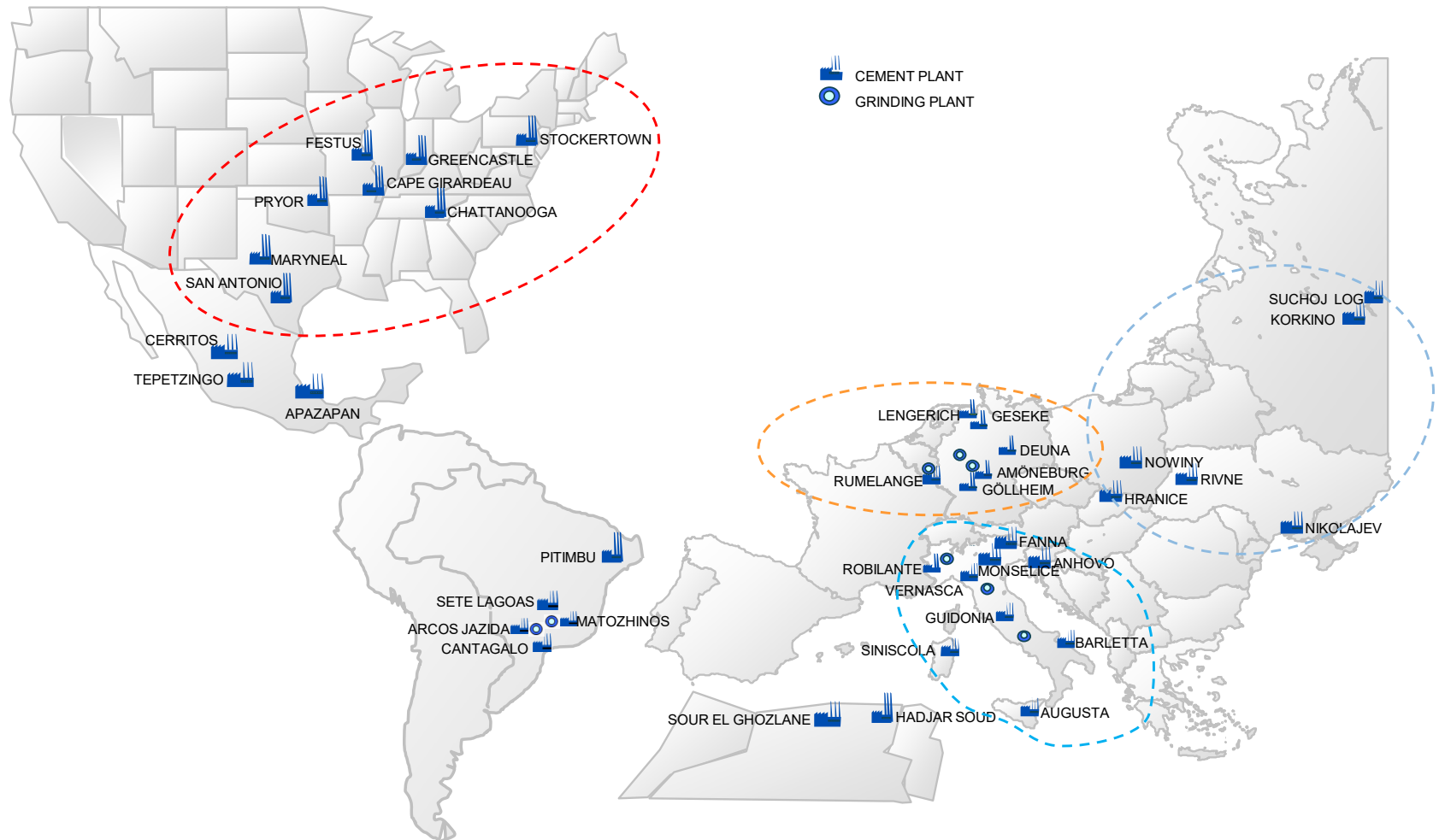
- Buzzi Family
- Free Float
- Treasury shares



## DPS (EUR)



# Cement plants location and capacity



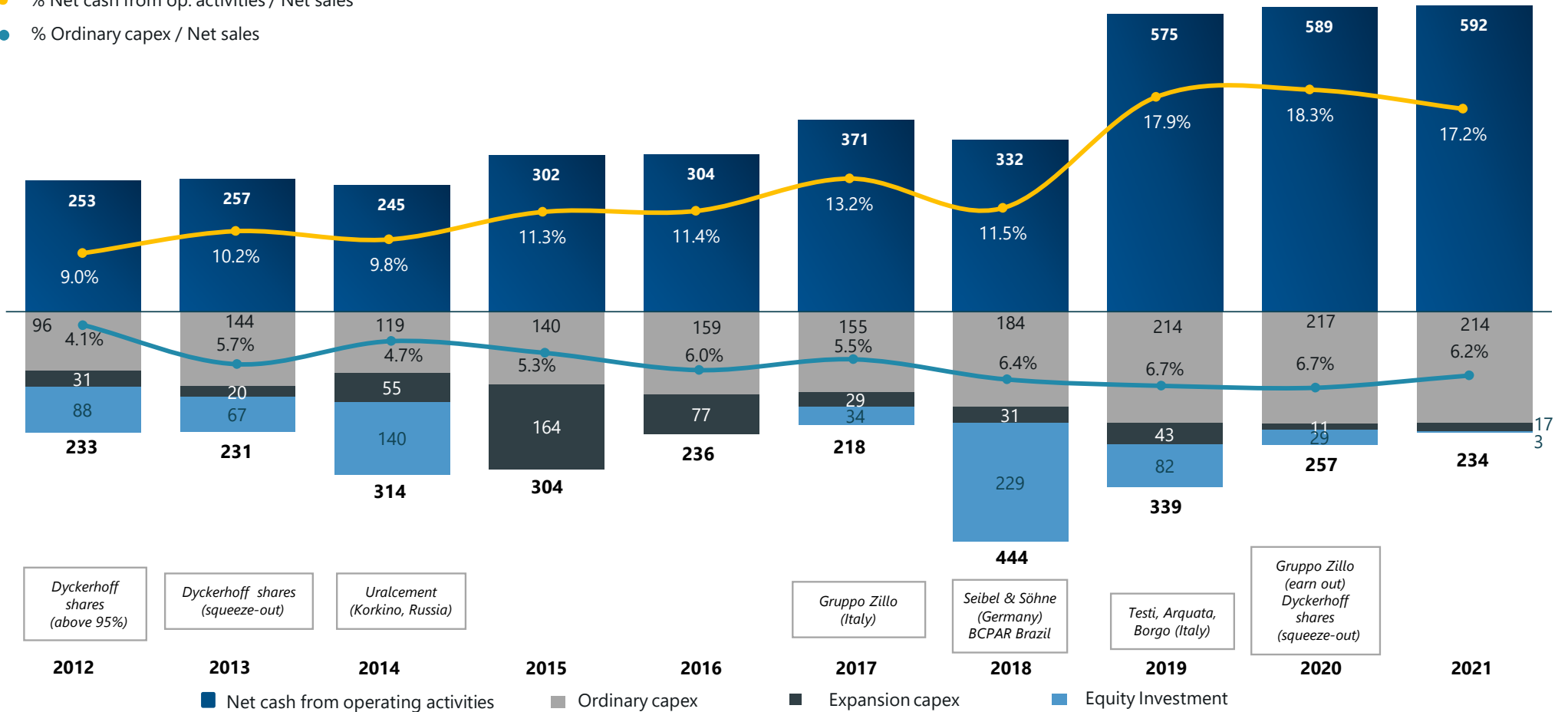
As at May 2022

## Historical EBITDA development 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	351.7	357.6	403.7	422.7	473.2	550.6	508.2	577.2	728.1	780.8	794.6
	margin	13.8%	14.1%	16.0%	16.9%	17.8%	20.6%	18.1%	20.1%	22.6%	24.2%	23.1%
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	434.3	455.1	481.2	516.6	601.3	697.3	672.8	721.7	865.9	937.3	976.4
	margin	14.4%	14.8%	17.5%	18.7%	20.2%	23.5%	21.4%	22.7%	24.2%	26.2%	25.0%

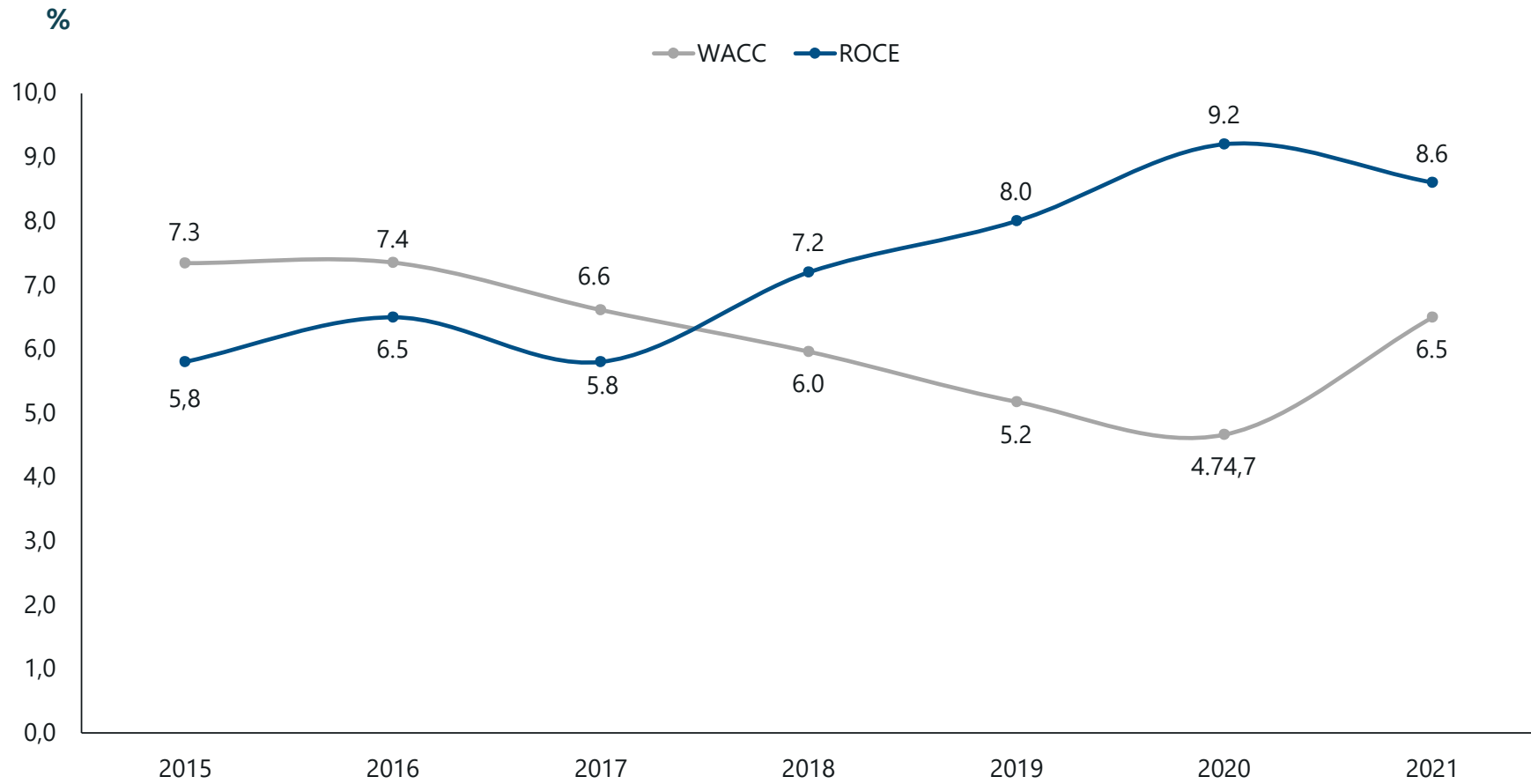
# Net Cash Flow from Operations ad Capex development | EURm

● % Net cash from op. activities / Net sales  
 ● % Ordinary capex / Net sales

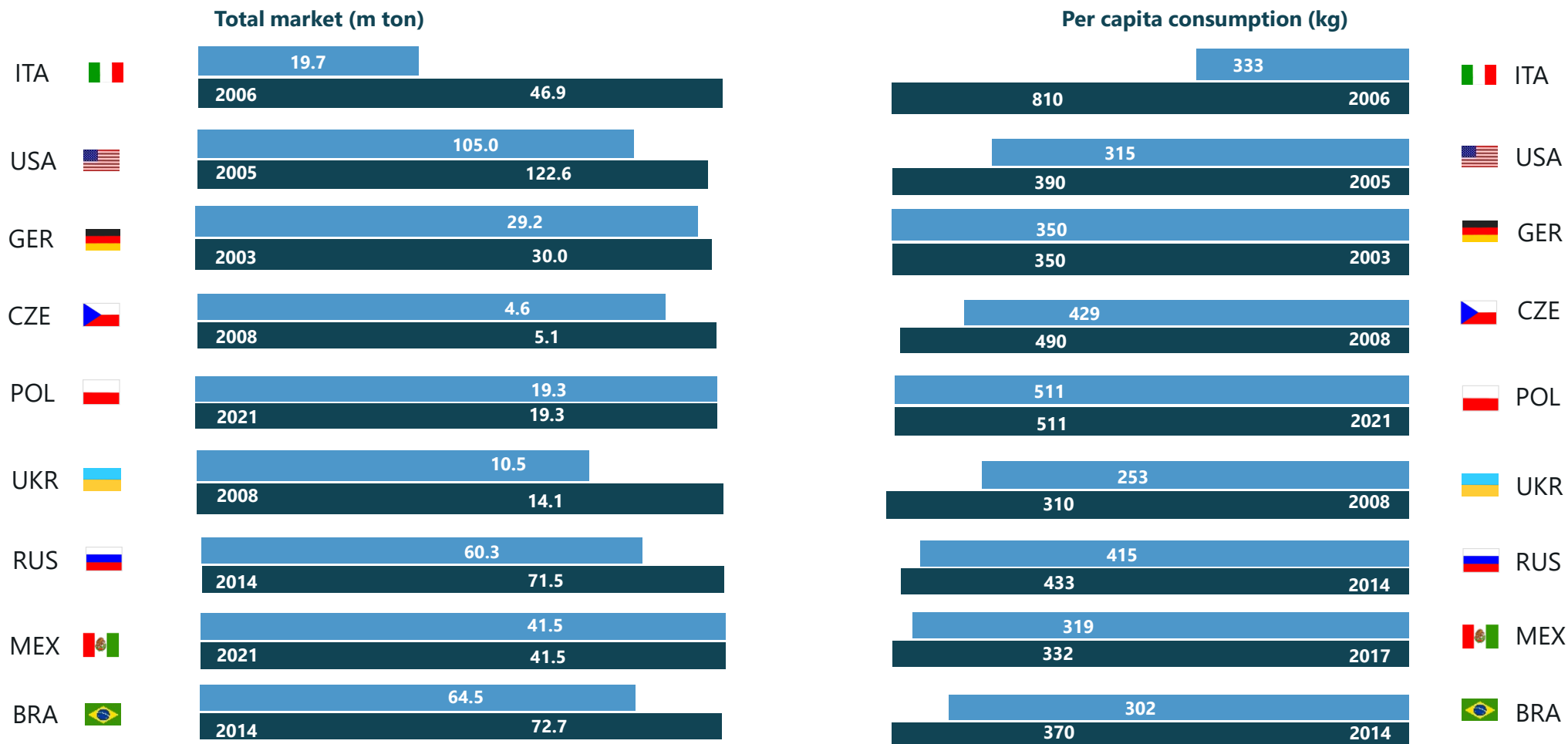


Dyckerhoff shares (above 95%)  
 Dyckerhoff shares (squeeze-out)  
 Uralcement (Korkino, Russia)  
 Gruppo Zillo (Italy)  
 Seibel & Söhne (Germany) BCPAR Brazil  
 Testi, Arquata, Borgo (Italy)  
 Gruppo Zillo (earn out) Dyckerhoff shares (squeeze-out)

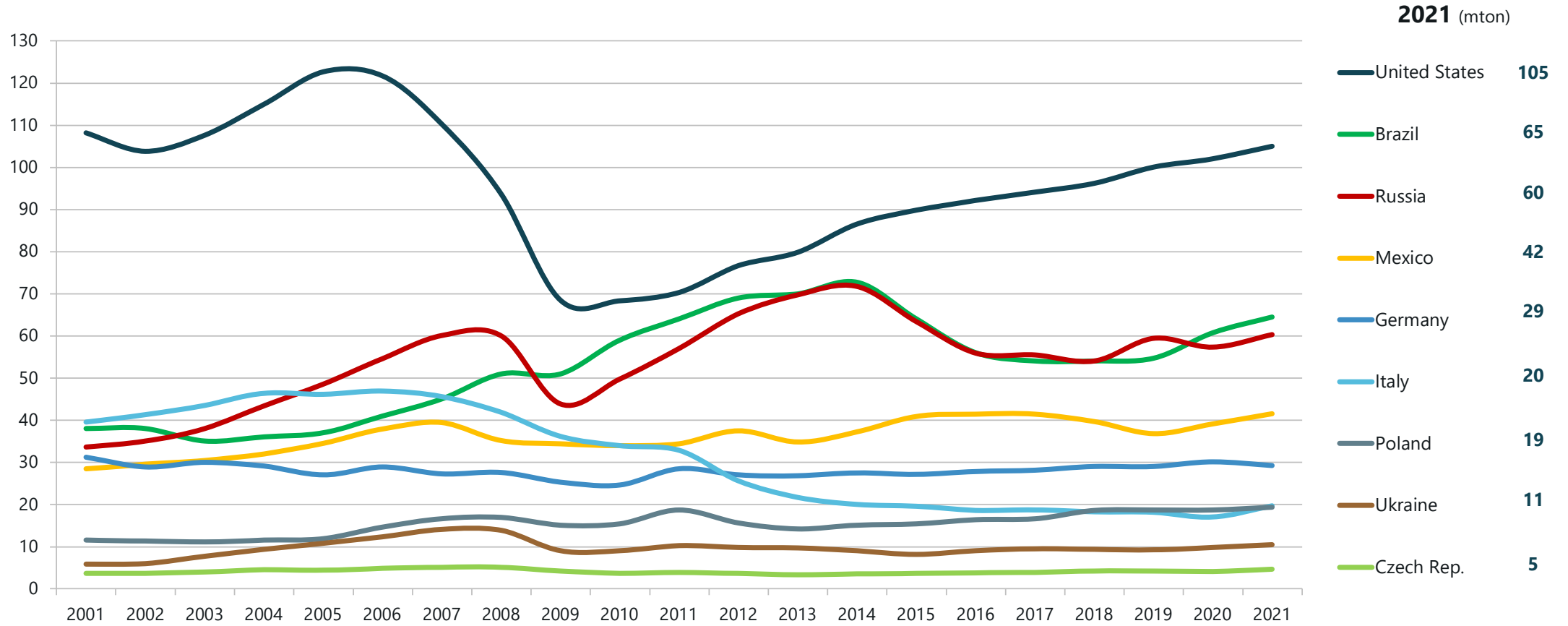
## Value generation: ROCE vs WACC



## 2021 cement consumption vs peak



## Historical series cement consumption by country



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