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2020 Full Year Results

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- This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets.
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- In this presentation, and unless indicated otherwise, all changes are based on the full-year 2020 by comparison with the full-year of 2019, and at constant scope and exchange rates.
- Further information about Vicat is available from its website www.vicat.fr

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➢ Highlights

FY 2020 results

Analysis by geographical region

Balance sheet and cash-flow

Climate plan

2021 outlook

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Full-year 2020 highlights

Solid operating performance amid exceptional conditions

Sales at **€2,805 million (+5.5%)**

+10% increase *(lfl)* in EBITDA

+17.5% increase *(lfl)* in EBIT

Cash-flow of €461 million

+12.9% *(lfl)*

Decrease in net financial debt

Net debt at **€1,202 million**

-€88 million decrease in net financial debt

leverage at **2.16x**

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Income Statement

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Consolidated sales	**2,805**	2,740	+2.4%	**+5.5%**
EBITDA**	**557**	526	+5.9%	**+10.1%**
EBITDA margin (%)	***19.9%***	*19.2%*		
EBIT***	***298***	267	+11.7%	**+17.5%**
EBIT margin (%)	***10.6%***	*9.7%*		
Consolidated net income	***172***	160	+7.7%	**+16.3%**
Net margin (%)	***6.1%***	*5.8%*		
Net income, Group share	**156**	149	+4.8%	**+10.7%**

*EBITDA: sum of gross operating income and other income and expenses on ongoing business.
*EBIT: EBITDA less net depreciation, amortisation and provisions on ongoing business.
***Leverage ratio: net debt/consolidated EBITDA

- -3.2% decline in consolidated sales in H1, erased by a +13.8% rise In H2
- Unfavourable currency effect of -3.7%, negative impact of -€105 million due to euro appreciation
- Strong organic sales growth (+5.5%) across all regions, except for France

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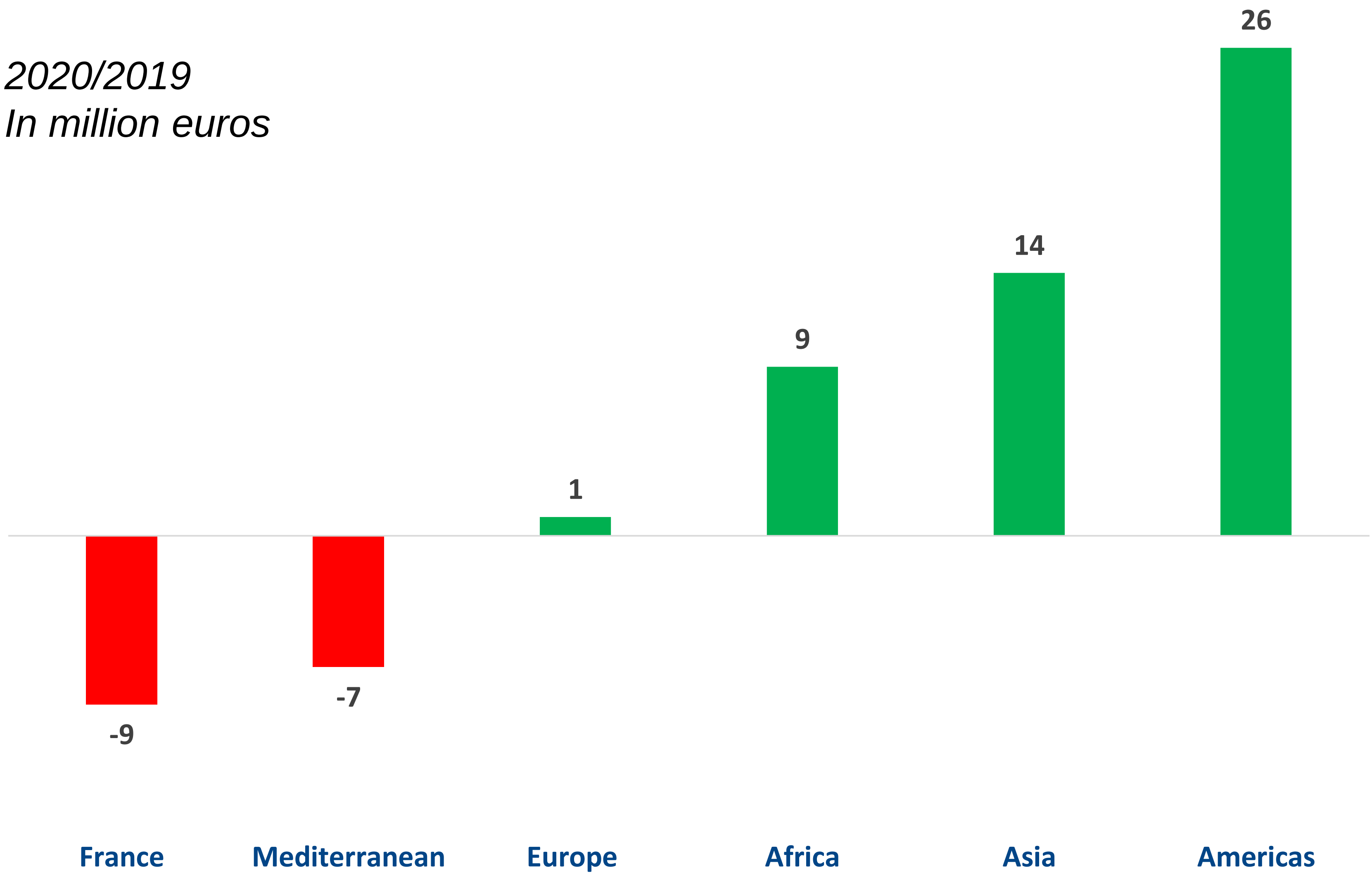
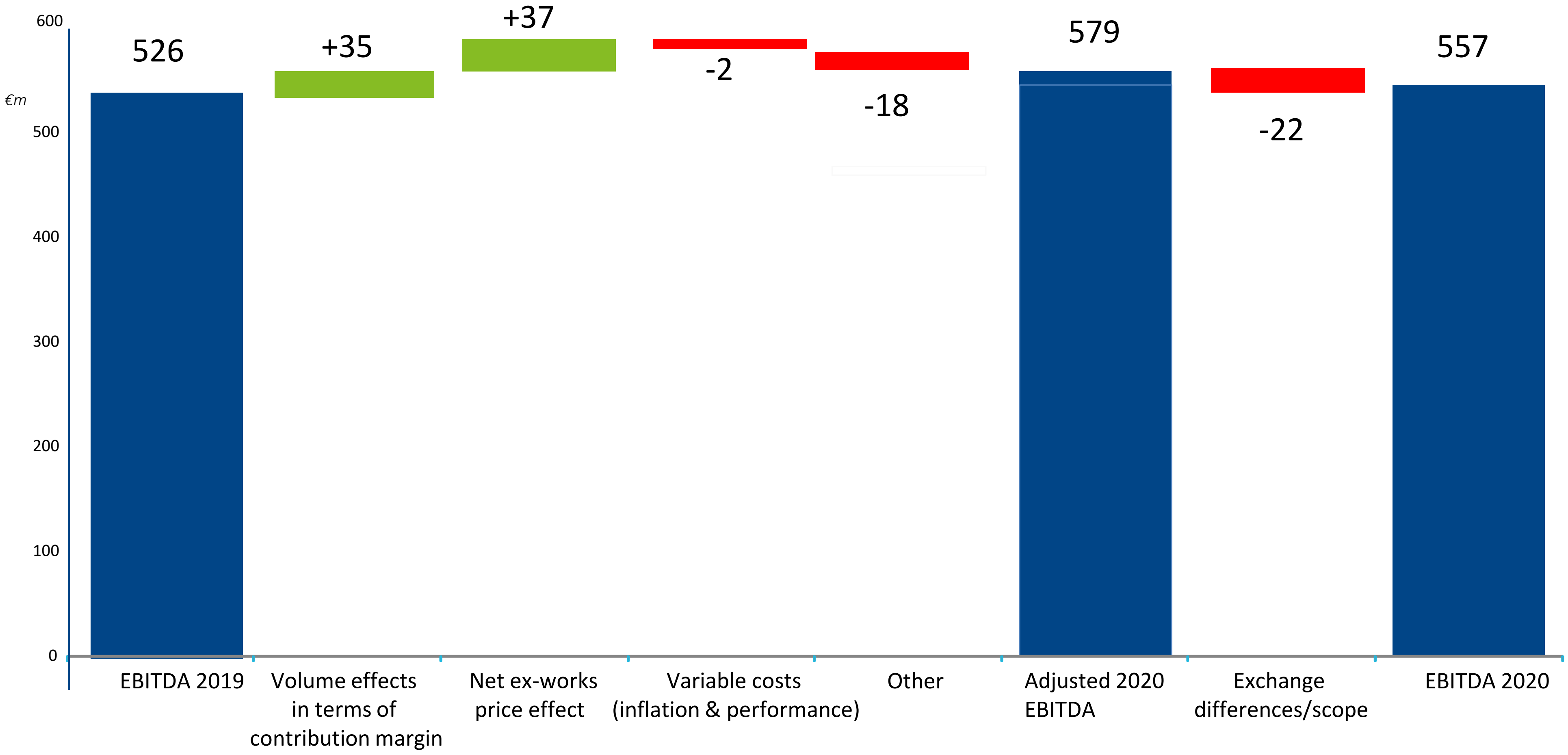
Change in EBITDA (by geographic zone)

2020/2019
In million euros



Change in EBITDA (by factor)



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- Highlights
- FY 2020 Results
- ➢ **Analysis by geographical region**
- Balance sheet and cash-flow
- Climate plan
- 2021 outlook

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France

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**963**	987	-2.4%	-3.5%
EBITDA	**171**	182	-6.5%	-7.3%
EBIT	**92**	102	-9.4%	-9.8%

Significant impact of pandemic

- Near total shutdown in mid-March
- Solid business growth in the second half

EBITDA decline

- Lower energy costs and cost-cutting plan failing to offset downturn in activity

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Europe (excluding France)

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**423**	401	+5.6%	+1.2%
EBITDA	**97**	96	+1.1%	-2.8%
EBIT	**55**	58	-5.5%	-9.1%

- Contrasting trends in Switzerland and Italy
  - Swiss market barely affected by the pandemic
  - Italy: challenging pandemic and macroeconomic situation
- EBITDA margin down 1.1 points to 23.0%
- **Switzerland** sales up +2%
  - EBITDA down -2%
- **Italy**, sales down -10.5%
  - EBITDA down -34.4%

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Americas

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**636**	589	+8.0%	+17.2%
EBITDA	**141**	115	+22.6%	+36.3%
EBIT	**86**	57	+52.7%	+73.5%

- In the Americas, activity levels continued to move in the right direction thanks to the economic measures implemented
- EBITDA margin grew to 22.3% from 19.6%
- In the **United-States**,
  - Infrastructure and residential markets continued to grow thanks to economic stimulus measures
  - Sales rose +8% and EBITDA rose +16%
- In **Brazil**, government economic incentives, low interest rates underpin the residential sector's development
  - Sales at €156 million, up +49% with very steep decline in the Brazilian real against the euro
  - EBITDA at €43 million, up from €29 million

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Asia

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**348**	375	-7.1%	+0.1%
EBITDA	**103**	89	+15.9%	+24.9%
EBIT	**68**	54	+26.4%	+36.4%

Significant deterioration in the macroeconomic and sector environment in H1, ahead of a clear rebound in activity levels in H2

- **India, severe impact of the pandemic**
  - Complete shutdown of the Group's manufacturing facilities for almost a month during H1
  - Lockdown measures also had very negative impact on the resumption of construction projects
  - Situation returned to normal in Q4
  - €286 million sales in 2020, (down -0.5%)
  - Cost reduction plan and lower energy costs led to EBITDA of €82 million, +35.2%

- In **Kazakhstan**,
  - Sharp increase in activity in Q1, supported by export markets
  - Operating environment deteriorated in Q2 and Q3 due to pandemic, before volume growth returned from September onwards
  - Consolidated sales up +3.1%, EBITDA down -4% at €20 million

Mediterranean

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**173**	171	+1.1%	+19.1%
EBITDA	**-11**	-4	n.s.	n.s.
EBIT	**-29**	-23	n.s.	n.s.

- Challenging macroeconomic and competitive conditions with selling prices coming under significant pressure

- **In Turkey**, sales at €124 million, up +19.4% EBITDA at €8 million, down -24.8%
  - Breakeven EBITDA performance in the first half,
  - Trends improved significantly in H2, and especially Q4

- In **Egypt**, sales at €49 million, up +18.2% EBITDA loss of -€19 million
  - Pandemic exacerbated effects of already an unfavourable situation.
    - Volumes up over the year, at fairly low level
    - Selling prices fall as a result of pressure created by the Egyptian Army's plant
  - -€19 million write down of Egyptian assets

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Africa

(€ million)	**2020**	2019	Change (reported)	Change (at constant scope and exchange rates)
Sales	**262**	217	+20.4%	+20.8%
EBITDA	**56**	47	+18.7%	+19.0%
EBIT	**25**	18	+36.2%	+36.8%

Positive environment, despite pandemic impact that led to standstill in large government-funded projects in Senegal

- In *Cement*, sales up +15% with significant increase in volumes in Senegal thanks to the improvement in the production performance of the Rufisque plant
- Strong increase in activity in other West African countries
  - Supported by the rapid ramp-up in Ciment et Matériaux du Mali's subsidiary's grinder in Mali and strong momentum in Mauritania
  - Mali and Mauritania recorded EBITDA increases
- Conversely, *Aggregates* in Senegal were held back by the stoppage of numerous government-funded projects

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Net debt of €1,202 million
versus €1,290 million at end 2019

Consolidated equity of €2,411 million

Gearing of 49.9%
versus 49.7% at end 2019

Leverage of 2.2x
versus 2.5x at end 2019

Strong deleveraging

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Cash flow & Capex

- **Cash flow of €461 million up +12.9%**
  in line with the increase in operational profitability

- **Capital expenditure of €300 million**
  (of which close to half for the new kiln-line at Ragland, Alabama, USA)

- **Free Cash flow of €228 million, up +€69 million**

  supported in particular by a strong reduction in WCR

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Group Climate Plan

2019

Net CO2 emissions per ton produced in France (historical scope) **reduction of 15% between 1990 and 2019**

Targets 2030

Group commitment (2019 perimeter-12 countries) based on available technologies: limitation of emissions to 540 kg net CO2 per ton of cement, **reduction of 13% between 2019 and 2030**

Ambition 2050

Carbon neutrality objective in 2050 on the value chain requiring disruptive carbon capture and use/storage (CCUS) technologies not yet validated

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Vicat Climate Plan - Figures

NET SPECIFIC EMISSIONS PER TON OF CEMENT ($KgCO_2/Tct$)	1990	2010	2019	2030	
France Scope	657	617	557	-	*-15% between 1990 and 2019*
Group Scope	-	-	**621**	**540**	*-13% between 2019 and 2030*
Clinker rate (%)	-	-	**81%**	**75%**	
Alternative fuels					
(% substitution of fossiles fuels)	**7%**	**14%**	**26%**	**40%**	

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Value chain

Multitude of potentiality for action to reach net neutrality

- **Typical actions throughout the whole value chain to reach net neutrality**

Raw materials

Product manufacturing

Design & Engineering

Construction

Use and maintenance

Demolition and waste preparation

Reuse and recycling

Transport, logistics and distribution

Territories and communities

Improved energy efficiency

Substitution of fossil fuels

Reduction of cement content in concrete

Contribution of biomimicry in architecture

Reduction in the amount of concrete in construction

Multi-purpose

Recyclability of materials

CO2 capture

Reduction of the clinker content in the cement

Functionalization of structures

Extension of the service life of structures

Recarbonatation of decontsructed concrete

Low carbon mobility

Carbon free energy production

Development of the circular economy

« CCUS » Projects:
Cimentalgue
Fastcarb/CarbReco
Hynovi/Victorhya
Catch4Climate

Micronized limestone
Activated clays
Natural pozzolans
✘ Slag / fly ash = unsustainable solutions

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2021 outlook

- In 2021, macroeconomic conditions in all of the countries where the Group operates are still likely to be significantly affected by the Covid-19 pandemic to varying degrees depending on the pandemic situation and the governmental responses. Given the current environment, business levels are highly volatile.
- In addition, three factors are likely to have an impact on the Group's financial performance and its evolution throughout 2021:
  - The unfavourable exchange rate trends recorded in 2020 will have a highly negative impact on 2021 as a whole. The Group wishes to reiterate that its currency risk is predominantly a currency translation risk;
  - Energy costs are expected to rise, leading to a limited impact on the first half, but a larger one in the second half;
  - Lastly, the Group expects to reap the benefit of a favourable base of comparison in the first six months owing to the pandemic's major impact in the same period of 2020, especially in France, India and Italy. Conversely, given the rebound in activity and catch-up effect in these countries during the third quarter of 2020, comparisons against the third quarter are likely to be unfavourable in 2021.
- During 2021, the Group will keep up its investment drive focusing chiefly on:
  - The continuing construction of the new kiln at the Ragland plant in the United States;
  - A drive to incrementally boost capacity at production facilities in India and to invest in new terminals to expand the market they can serve and lower logistics costs;
  - And, lastly, the ramp-up in projects to meet the carbon footprint reduction targets.
  - Accordingly, investments in production facilities are expected to be higher than in 2020 at around €365 million. Naturally, the Group reserves the right to adjust its investment plans to the shifting trends in its markets and its cash generation.

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2021 outlook

- Given all these factors, especially the expected highly unfavourable currency effects, **the Group expects its EBITDA to rise at constant scope and exchange rates over the full year**.
- Naturally, this expectation is subject to change during the year depending on pandemic-related developments and their impact on the macroeconomic and industry environment in the countries in which the Group operates.

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QUESTIONS

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Annex

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Energy

ALTERNATIVE FUELS	RENEWABLE ENERGIES

Targets:

- 100% of alternative fuels in Europe by 2025
- 40% for the Group by 2030
- Local waste, local jobs

2 PV power plants in India:

- 10MW +8,5MW

1 PV power plant in Senegal:

- 6,9MWc

2 WHRS power plants in India:

- 9,5MW +6,5MW

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Clinker content

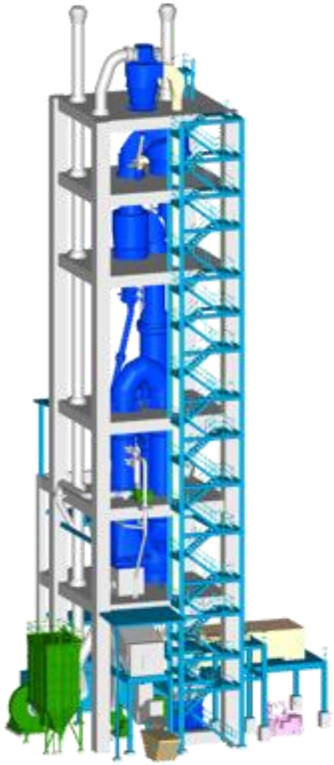
Natural pouzzolana

CEM IV/A (P) 42,5 R CE NF

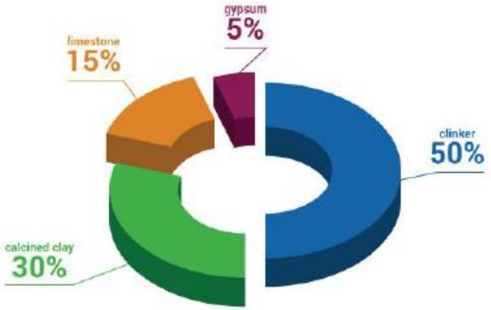
490 kg CO_2 eq/t versus 765 kg CO_2 eq/t for a CEM I.

Existing installation in Brazil

Artificial pozzolana



Future projects



Limestone
Calcined
Clay
Cement
LC3

Target: 75% clinker content for the Group by 2030

Local clay and limestone filler

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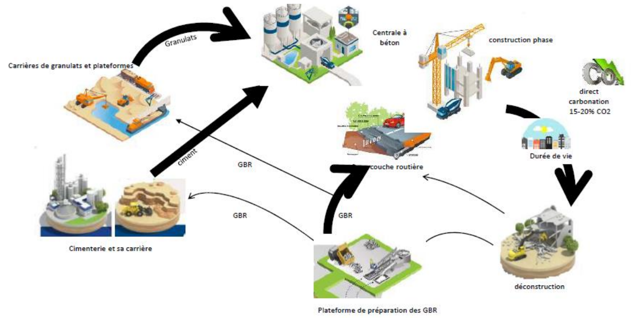
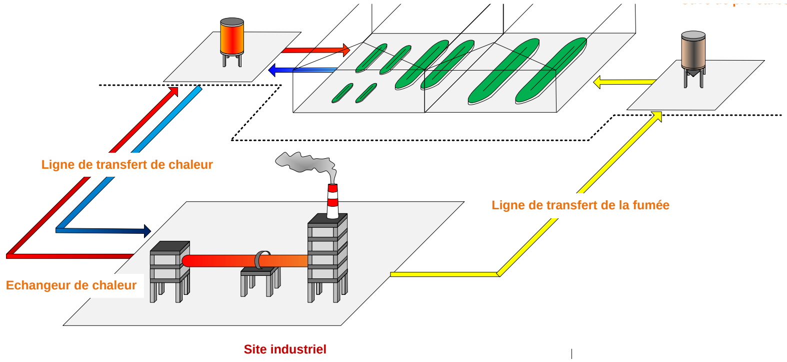
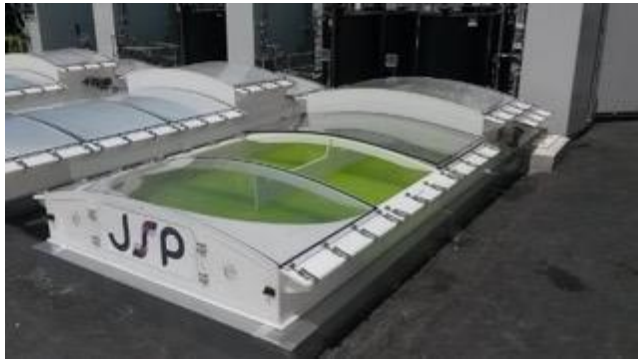
Carbon capture (2)

CCU/S CARBON CAPTURE IN AGREGATES	CCU/S CIMENTALGUES	CCU/S CARBON CAPTURE IN BYPASS DUST







Fastcarb project in France (pilots)
CarbReCo 1st in kind commercial pilot
Local waste, local jobs

Industrial pilot with TOTAL for biofuel
Decarbonization of local industry

Industrial test with Carbon8
Carbonation of bypass dust

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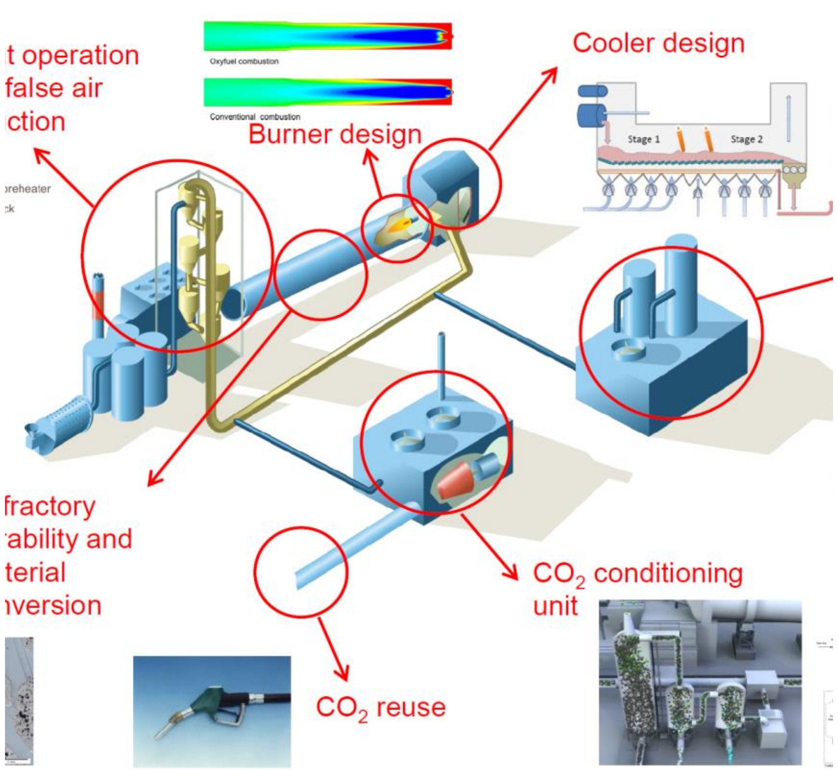
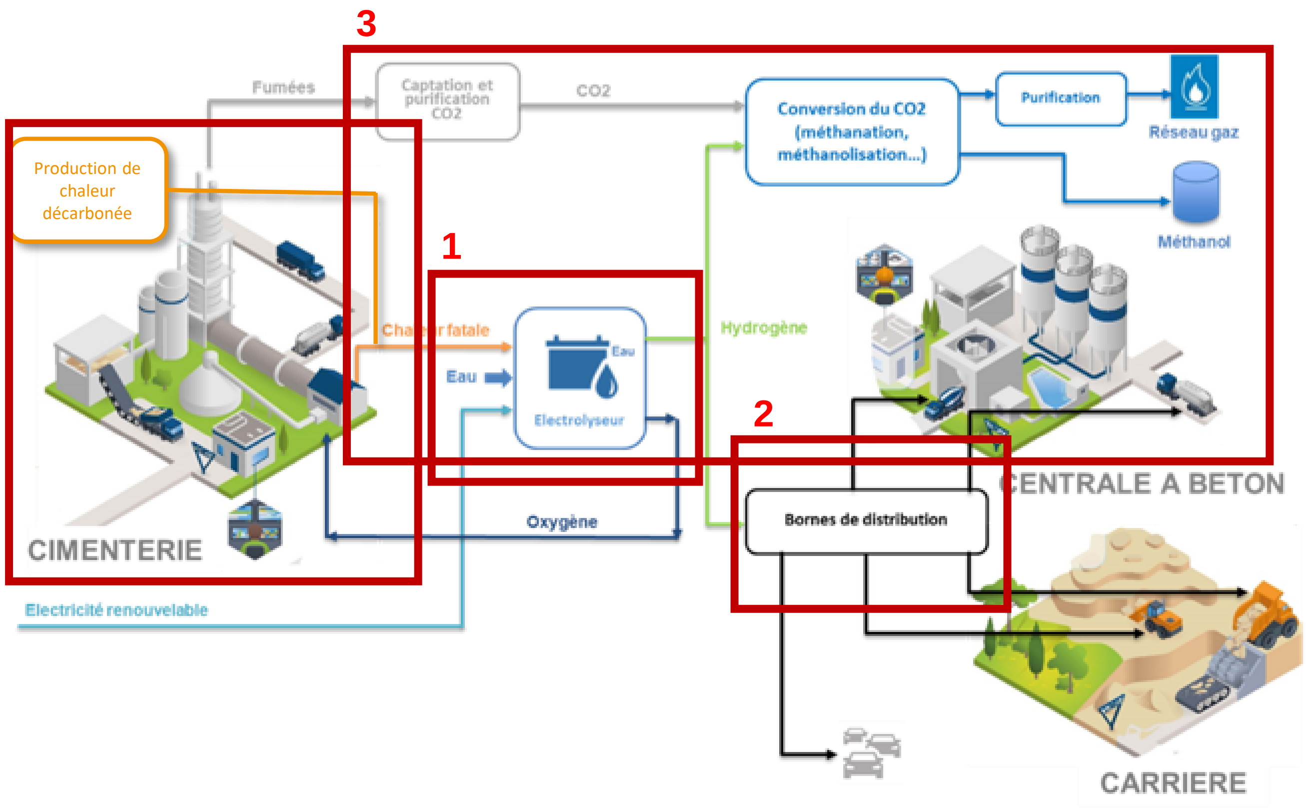
CCU/S Catch4Climate	CCU/S HYDROGEN





2nd generation Oxyfuel technology
First semi-industrial pilot in Germany
JV with Heidelberg, Schwenk and Dyckerhoff (Buzzi)

Production of green H2
H2 molecule for CCU or green mobility

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Scope 3

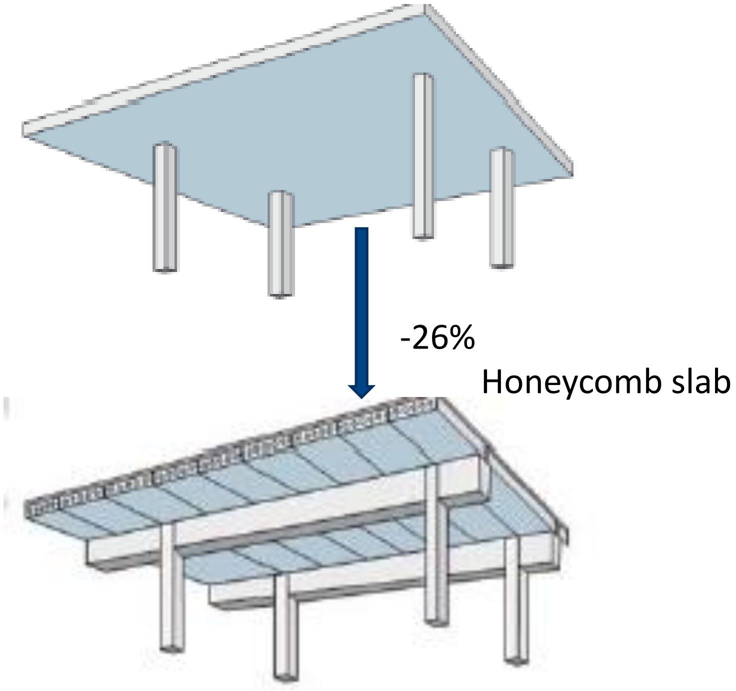
LOW CARBON CONCRETE

Bio-based concrete

Concrete (Scope 3)
Organic aggregates : hemp, linen, wood…

LESS CONCRETE

Innovative construction solutions



Concrete (Scope 3)
Less concrete **for the same function**

LESS CONCRETE

3D Concrete printing

Concrete (Scope 3)
Less concrete **for new solutions**

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