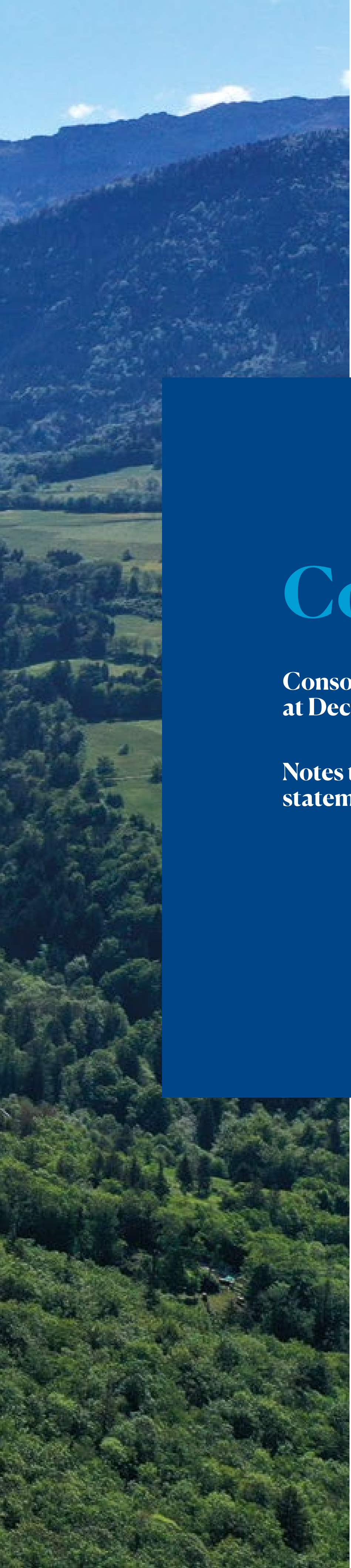
2022
CONSOLIDATED
FINANCIAL
STATEMENTS

Build together, live together

VICAT



Contents

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2022

Consolidated income statement

(in thousands of euros)	Notes	2022	2021
Revenue	4	**3,642,063**	**3,122,940**
Raw materials and consumables used		(2,509,400)	(2,002,119)
Employees expenses	5	(528,635)	(483,699)
Taxes		(60,982)	(56,968)
Other operating income (expenses)	6	27,074	38,964
EBITDA		**570,120**	**619,118**
Net charges to operating depreciation, amortization and provisions	6	(285,655)	(259,196)
Recurring EBIT		**284,465**	**359,922**
Other non-operating income (expenses)	7	6,270	(28,291)
Net charges to non-operating depreciation, amortization and provisions	7	(13,007)	4,793
Operating income (expense)		**277,728**	**336,424**
Cost of net financial debt		(31,155)	(28,442)
Other financial income		31,900	19,363
Other financial expenses		(50,666)	(20,919)
Financial result	8	**(49,921)**	**(29,998)**
Share of profit (loss) of associates	11.1	12,697	5,156
Profit (loss) before tax		**240,504**	**311,582**
Income tax	9	(65,060)	(89,398)
CONSOLIDATED NET INCOME		**175,444**	**222,184**
Portion attributable to minority interests		19,357	18,005
Portion attributable to the Group		**156,086**	**204,179**
Earnings per share *(in euros)*			
Basic and diluted Group share of net earnings per share		3.48	4.55

Consolidated statement of comprehensive income

(in thousands of euros)	2022	2021
Consolidated net income	**175,444**	**222,184**
Other items not recycled to profit or loss:		
Remeasurement of the net defined benefit liability	30,649	7,350
Other items not recycled to profit and loss	(9,744)	(2,127)
Tax on non-recycled items	(6,617)	(2,574)
Other items recycled to profit or loss:		
Changes in currency translation adjustments	(20,849)	69,699
Cash flow hedge instruments	7,914	1,946
Tax on recycled items	(2,053)	(386)
Other comprehensive income (after tax)	**(700)**	**73,908**
TOTAL COMPREHENSIVE INCOME	**174,744**	**296,092**
Portion attributable to minority interests	11,403	25,671
Portion attributable to the Group	**163,341**	**270,421**

Consolidated statement of financial position

(in thousands of euros)	Notes	December 31, 2022	December 31, 2021
ASSETS			
Goodwill	10.1	1,204,814	1,157,232
Other intangible assets	10.2	183,066	173,653
Property, plant and equipment	10.3	2,504,926	2,169,041
Right of use related to leases	10.4	193,122	195,112
Investment properties	10.5	32,124	32,218
Investments in associated companies	11.1	80,804	92,774
Deferred tax assets	9	126,212	68,012
Receivables and other non-current financial assets	11.2	269,651	219,241
Total non-current assets		**4,594,719**	**4,107,283**
Inventories and work-in-progress	12.1	560,795	429,243
Trade and other accounts	12.2	464,216	436,219
Current tax assets		45,201	6,947
Other receivables	12.3	204 690	206,475
Assets held for sale	11.1	21,780	-
Cash and cash equivalents	13.1	503,597	527,393
Total current assets		**1,800,279**	**1,606,277**
TOTAL ASSETS		**6,394,998**	**5,713,560**

(in thousands of euros)	Notes	December 31, 2022	December 31, 2021
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital		179,600	179,600
Additional paid-in capital		11,207	11,207
Treasury shares		(47,097)	(52,018)
Consolidated reserves		3,003,393	2,800,579
Translation reserves		(558,838)	(579,950)
Shareholders' equity, Group share		**2,588,265**	**2,359,418**
Minority interests		**274,529**	**246,681**
Total shareholders' equity	14	**2,862,794**	**2,606,099**
Provisions for pensions and other post-employment benefits	15.1	86,355	108,529
Other provisions	15.2	123,413	104,974
Financial debts and put options	16.1	1,672,772	1,291,434
Lease liabilities	16.1	161,045	159,883
Deferred tax liabilities	9	325,188	219,800
Other non-current liabilities		21,594	23,927
Total non-current liabilities		**2,390,367**	**1,908,547**
Provisions	15.2	12,570	10,381
Financial liabilities and put options at less than one year	16.1	242,161	371,119
Lease liabilities at less than one year	16.1	47,537	55,502
Trade and other accounts payable	17.1	540,374	459,647
Current taxes payable		14,814	27,558
Other liabilities	17.2	284,381	274,707
Total current liabilities		**1,141,837**	**1,198,914**
Total liabilities		**3,532,204**	**3,107,461**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6,394,998**	**5,713,560**

Consolidated statement of cash flow

(in thousands of euros)	Notes	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**175,444**	**222,184**
Share of profit (loss) of associates		(12,697)	(5,156)
Dividends received from associated companies		7,057	1,208
Elimination of non-cash and non-operating items:			
■ depreciation, amortization and provisions		303,434	255,811
■ deferred taxes		6,803	5,717
■ net gain (loss) from disposal of assets		(5,377)	(7,622)
■ unrealized fair value gains (losses)		(14,688)	(3,625)
■ others[1]		1,055	19,070
Cash flows from operating activities		**461,031**	**487,587**
Change in working capital		(104,132)	(48,674)
Net cash flows from operating activities[2]	18.1	**356,899**	**438,913**
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows linked to acquisitions of non-current assets:			
■ tangible and intangible assets		(422,356)	(386,570)
■ financial investments		(28,505)	(40,157)
Inflows linked to disposals of non-current assets:			
■ tangible and intangible assets		13,975	10,759
■ financial investments		4,392	4,105
Impact of changes in consolidation scope		(45,404)	(31,005)
Net cash flows from investing activities	18.2	**(477,898)**	**(442,868)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(82,355)	(74,116)
Increases/decreases in capital		-	-
Proceeds from borrowings	16.1	462,197	331,443
Repayments of borrowings	16.1	(138,328)	(140,122)
Repayment of lease liabilities	16.1	(58,414)	(52,963)
Acquisitions of treasury shares		(18,366)	(22,887)
Disposals or allocations of treasury shares		20,191	24,701
Net cash flows from financing activities		**184,926**	**66,056**
Impact of changes in foreign exchange rates		(23,022)	9,182
Change in cash position		**40,905**	**71,283**
Net cash and cash equivalents - opening balance	13.2	430,442	359,159
Net cash and cash equivalents - closing balance	13.2	471,347	430,442

(1) Including the effect of application of IAS 29 (see note 1.1).
(2) - Including cash flows from income taxes: €(81.7) million at December 31, 2022, and €(84.3) million at December 31, 2021.
- Including cash flows from interest paid and received: €(37.6) million at December 31, 2022, including €(9.2) million for financial expenses on IFRS 16 leases and €(27) million at December 31, 2021, including €(10.2) million for financial expenses on IFRS 16 leases.

Statement of changes in consolidated shareholders' equity

(in thousands of euros)	Capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity, Group share	Minority interests	Total shareholders' equity
At January 1, 2021	**179,600**	**11,207**	**(53,587)**	**2,689,713**	**(640,805)**	**2,186,128**	**234,306**	**2,420,434**
Net income	-	-	-	204,179	-	204,179	18,005	222,184
Other comprehensive income[1]	-	-	-	5,387	60,855	66,242	7,666	73,908
Total comprehensive income	**-**	**-**	**-**	**209,566**	**60,855**	**270,421**	**25,671**	**296,092**
Dividends paid	-	-	-	(66,314)	-	(66,314)	(7,886)	(74,200)
Net change in treasury shares	-	-	1,569	174	-	1,743		1,743
Changes in scope of consolidation and additional acquisitions	-	-	-	(26,024)	-	(26,024)	(5,328)	(31,352)
Other changes	-	-	-	(6,536)	-	(6,536)	(82)	(6,618)
At December 31, 2021	**179,600**	**11,207**	**(52,018)**	**2,800,579**	**(579,950)**	**2,359,418**	**246,681**	**2,606,099**
At January 1, 2022 reported	**179,600**	**11,207**	**(52,018)**	**2,800,579**	**(579,950)**	**2,359,418**	**246,681**	**2,606,099**
Adjustments related to the application of IAS 29[2]	-	-	-	58,610	-	58,610	7,313	65,923
At January 1, 2022 restated	**179,600**	**11,207**	**(52,018)**	**2,859,189**	**(579,950)**	**2,418,028**	**253,994**	**2,672,022**
Net income	-	-	-	156,086	-	156,086	19,357	175,444
Other comprehensive income[1]	-	-	-	(13,858)	21,112	7,254	(7,954)	(700)
Total comprehensive income	**-**	**-**	**-**	**142,228**	**21,112**	**163,340**	**11,403**	**174,744**
Dividends paid	-	-	-	(73,042)	-	(73,042)	(9,299)	(82,341)
Net change in treasury shares	-	-	4,921	(3,030)	-	1,891	-	1,891
Changes in scope of consolidation and additional acquisitions	-	-	-	(13,330)	-	(13,330)	12,458	(872)
Hyperinflation reserves	-	-	-	56,602	-	56,602	7,165	63,767
Other Changes[3]	-	-	-	34,776	-	34,776	(1,192)	33,584
AT DECEMBER 31, 2022	**179,600**	**11,207**	**(47,097)**	**3,003,393**	**(558,838)**	**2,588,265**	**274,529**	**2,862,794**

(1) Breakdown by nature of other comprehensive income: Other comprehensive income includes mainly cumulative translation adjustments from end 2003. To recap, applying the option offered by IFRS 1, the conversion differences accumulated before the transition date to IFRS were reclassified by allocating them to retained earnings as at that date.
(2) The impacts of the application of IAS 29 are detailed in note 1.1.
(3) Mainly including the tax repayment of €29 million following reclamations regarding the tax treatment of capital gains on the sale of securities.

Group translation reserves as of December 31, 2022 and 2021, are detailed as follows:

(in thousands of euros)	December 31, 2022	December 31, 2021
US dollar	72,246	42,103
Swiss franc	252,335	220,766
Turkish lira	(366,219)	(329,617)
Egyptian pound	(123,466)	(129,937)
Kazakh tenge	(115,936)	(105,245)
Mauritanian ouguiya	(6,959)	(8,391)
Brazilian real	(68,922)	(98,638)
Indian rupee	(201,917)	(170,991)
TOTAL	**(558,838)**	**(579,950)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2022

GENERAL ACCOUNTING POLICIES AND CONSOLIDATION SCOPE

General remarks

The consolidated financial statements reflect the accounts of Vicat SA and of its subsidiaries (jointly referred to as the "Group"), along with the Group's investments in associates and joint ventures. The Group, with its registered office at 4 Rue Aristide Bergès - Les Trois Vallons - 38080 L'Isle d'Abeau, is specialized in cement, ready-mixed concrete, aggregates alongside the sale of other complementary products and services.

These financial statements were finalized and approved by the Board of Directors at its meeting of February 10, 2023 and will be submitted to the Shareholders General Meeting of April 7, 2023 for approval.

NOTE 1 GENERAL ACCOUNTING POLICIES

1.1 Statement of compliance

In compliance with European Regulation (EC) 1606/2002 of the European Parliament on July 19, 2002 on the application of International Accounting Standards, Vicat's consolidated financial statements have been prepared, since January 1, 2005 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The Vicat Group has adopted the standards in force on December 31, 2022 for its accounting policies. The consolidated financial statements at December 31, 2022 present comparative information for the prior financial year, prepared in accordance with the same IFRS framework with the exception of the changes to the standards detailed below, that must be applied for periods beginning on or after January 1, 2022 and that the Group did not adopt early.

New accounting standards applicable from January 1, 2022

Various new standards and amendments are mandatory as from January 1, 2022 including:

- amendment to IAS 37 "Onerous contracts": cost of fulfilling a contract;
- amendment to IAS 16: "Property, plant and equipment": proceeds before intended use;
- amendment to IFRS 3 "Business combinations": updating of the references to the conceptual framework;
- annual improvements to IFRS –2018-2020 Cycle.

These new texts as well as the interpretations published in 2022 by the IFRS IC did not have a significant impact on the consolidated financial statements at December 31, 2022.

Lastly, following the sharp increase in cumulated 3-year inflation in Turkey, leading to the conclusion that the Turkish economy was qualified as an hyperfinflation economy, the Group was obliged to apply IAS 29 "Financial Reporting in Hyperinflationary Economies" to its activities in Turkey, from January 1, 2022. The application of this standard involves restatements of non-monetary assets and liabilities, shareholders' equity and income statement items to reflect changes in purchasing power in local currency. This restatement of the financial statements was carried out by applying a consumer price index (respectively 763.23 at January 1, 2022, and 1,128.45 at December 31, 2022) to non-monetary assets and liabilities and to the income statement of the Turkish entities before translation at the closing exchange rate. The restatement of non-monetary assets and liabilities at January 1, 2022 led the Group to recognize an increase of €59 million in Group shareholders' equity (see Statement of changes in shareholders' equity). The effects of the application of this standard are therefore translated to the 2022 income statement as follows:

(in millions of euros)	**2022**	Of which IAS 29 (including application of closing exchange rates)
Revenue	3,642	(5.7)
EBITDA	570	(1.1)
Recurring EBIT	284	(11.0)
Financial income	(50)	(12.0)
Consolidated net income	175	(20.8)

Published accounting standards, amendments and interpretations which are not yet mandatory

As at December 31, 2022, the Group has not early adopted standards and interpretations published by the IASB, adopted by European Union, that will be mandatory in 2023. These standards in particular include:

- IFRS 17 - Insurance Contracts;
- Amendment to IAS 1 "Presentation of Financial Statements": Improvement of information relative to the accounting policies communicated in the notes;

- Amendment to IAS 12 "Income Taxes": deferred taxation relative to assets and liabilities arising from a single transaction;
- Amendment to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors": clarification regarding the definition of an accounting estimate.

The Group does not expect the application of these standards and amendments to have a significant effect on the Group's consolidated financial statements. Lastly, following the adoption in December 2022 of the European directive relative to the minimum taxation of international groups (the "GloBE" rules), the Group is currently reviewing the potential impacts of these tax rules on all of its subsidiaries. Under the current rules (which should be promulgated in France during the first half of 2023), the Group does not expect any material impact on its consolidated financial statements in 2023. In parallel, the Group is monitoring closely discussions and reflections by the IASB on the accounting consequences of this new regulation (which should lead to an amendment to IAS 12 expected in 2023).

1.2 Basis of preparation of financial statements

The financial statements are presented in thousands of euros.

The consolidated statement of comprehensive income is presented by nature in two separate tables: the consolidated income statement and the consolidated statement of other comprehensive income.

The items of the consolidated statement of financial position ae classified as current and non-current assets and liabilities according to their maturity (corresponding generally to maturities of less and more than one year).

The statement of cash flows is presented according to the indirect method.

The financial statements are prepared using the historical cost method, except for the following assets and liabilities, which are recognized at fair value: derivatives, assets held for trading, available-for-sale assets, and the portion of assets and liabilities covered by hedging transactions and the non-monetary assets and liabilities concerned by IAS 29 "Financial Information in Hyperinflationary Economies".

The accounting policies and valuation methods described hereinafter have been applied on a permanent basis to all of the financial years presented in the consolidated financial statements.

The establishment of consolidated financial statements under IFRS requires the Group's management to make a number of estimates and assumptions, which have a direct impact on the financial statements. These estimates are based on the going concern principle and are established on the basis of the information available at the date they are carried out. They concern mainly the assumptions used to:

- value provisions (note 15), in particular those for pensions and other post-employment benefits (note 15.1);
- value the put options granted to third parties on shares in fully consolidated subsidiaries (note 16);
- measure financial instruments at their fair value and exposure to credit risk (note 16);
- measure deferred tax assets and, in particular, the probability that the Group will generate sufficient future taxable income against which to allocate them (note 9);
- estimate the assets and liabilities of an activity in the context of business combinations (note 10.1);
- perform the valuations adopted for impairment tests (note 10.1);
- define the accounting policy to be applied in the absence of a standard (note 12.1 concerning emissions allowances);
- define certain leases, determine lease terms (enforceable periods), and in particular qualify extension periods as reasonably certain or not, as well as determine the related discount rates (note 10.4).

The estimates and assumptions are reviewed regularly, whenever justified by the circumstances, at least at the end of each year, and the pertinent items in the financial statements are updated accordingly.

Impact of the conflict in Ukraine and inflation

The Vicat group does not have any industrial or commercial operations in Ukraine or Russia. As a result, no Group assets and no employees have been directly impacted by the current conflict. As things stand, there has been no direct impact on the Group's business. Nevertheless, the conflict largely contributed to the deterioration in the macro-economic environment which had a major impact with the return of inflation in 2022.

Against this backdrop, the Group reacted very quickly by implementing price increase in all the regions where it operates to offset, depending on the region, all or part of the sharp increase in the cost of energy and certain raw materials. In this exceptional context, the Group also took care to integrate these items in its estimates and assumptions and to analyze their potential accounting consequences. During fiscal 2022, the Group did not note any significant impact on its consolidated financial statement (other than the increase in selling prices and the cost of energy mentioned above).

Impact of climate risks on the financial statements

The main climate risks to which the Group is exposed are transition risks. Given the energy-intensive nature of its business, the Group emits greenhouse gases. In this respect, the Group is commited every day on its ecological and environmental transition with the goal of progressively reducing the CO_2 emissions of scopes 1, 2 and 3 to achieve carbon neutrality across its value chain by 2050. This transition commitment is fully reflected in the Group's strategic planning to change its production systems (plants and processes), and shift its market positioning (with the development of new innovative products or services).

Vicat is also exposed at certain of its production sites to physical risks which materialize in the form of the occurrence of extreme weather events. This type of event (the frequency of which varies) could, on the one hand, jeopardize the integrity of sites, and, on the other, disrupt operations of the subsidiaries concerned.

These transition risks (whether initiated by the Group or imposed for certain subsidiaries by the regulatory framework) or the physical risks may have an impact on the Group's financial statements. All of these risks have been identified and are measured at each reporting date to reflect as fairly as possible the effects of climate change on the financial statements:

Greenhouse gas emissions

Since January 1, 2005, major European industrial operators are permitted to buy and sell emissions allowances. This system, built around the ETS (*Emissions Trading Scheme*) Directive, allows companies that exceed their greenhouse gas emission ceilings to buy allowances and helps achieve the EU's goals under the Kyoto protocol. The legislation governing these CO_2 emissions is progressively reducing the free allocations while expanding the scope of industrial facilities that must comply. As at December 31, 2022, the Group had allowances totaling 4,495 thousand metric tons, not recognized on the balance sheet (with a market value of €373 million), which it plans to keep to meet its need to surrender allowances over the coming years. In 2022, the following countries in which the Group operates were covered by these ETS: France, Switzerland and Italy as well as a part of the United States (California). Regulations to cut greenhouse gas emissions are being drafted in many other countries. The Group calls for the introduction of regulations governing all players across the various markets in which it operates, to encourage strong efforts to cut emissions while allowing for the corresponding costs to be passed on to customers. However, the reduction in free allocations along with the higher price of allowances may have an impact on the Group's financial statements over time. This risk would result in a reduction in the margin on a portion of the Group's activities if it were not possible to pass on the cost of buying allowances in the sales price. For more details on the recognition of free allowances (see note 12.1).

Measurement of non-current assets

The climate transition undertaken by the Group across its value chain will be accompanied by targeted investments by 2050. These new investments together with the emergence of new technologies and the obsolescence of some others may have an impact on the estimated useful life or residual value of an asset resulting in impairment losses in the financial statements or in an updating of the depreciation and amortization schedules (See note 10.3). The Group has not currently identified any breakthrough technology that would have a significant impact on the residual value or useful life of non-current assets. The physical risks linked to weather conditions could translate mainly to damage of our installations and the cost of repairs.

Measurement of inventories

The climate transition may result in the obsolescence of certain inventory and/or give rise to new production costs. If the net realizable value were to fall below the net carrying amount of inventories, the Group may be required to recognize an impairment loss (see note 12.1). The rapid turnover of the main components of the Group's inventories means we can rule out the risk of their obsolescence without nevertheless excluding potential write off linked to physical risks linked to weather conditions.

Measurement of provisions

The provisions recognized in the consolidated financial statements reflect the current obligations and legislation in the various territories in which the Group operates including with respect to climate change (see note 15.2). These measurements are periodically reviewed to reflect new obligations associated with climate change.

Goodwill impairment testing

The Group ensures that the assumptions used in this testing fully reflect known regulatory obligations regarding climate change and the possible resulting consequences on future cash flows in line with the methodology laid down in IAS 36 (revenue, costs, investments, etc.), (see note 10.1).

NOTE 2 ACCOUNTING POLICIES RELATING TO THE CONSOLIDATION SCOPE

2.1 Consolidation principles

When a company is acquired, its assets and liabilities are measured at their fair value at the acquisition date.

The earnings of the companies acquired or disposed of during the year are recorded in the consolidated income statement for the period subsequent or previous to the date of the acquisition or disposal, as appropriate.

The annual statutory financial statements of the companies at December 31 are consolidated, and any necessary adjusting entries are made to restate them in accordance with the Group accounting policies. All intercompany balances and transactions are eliminated during the preparation of the consolidated financial statements.

Subsidiaries

Companies that are controlled exclusively by Vicat, directly or indirectly, are fully consolidated.

Control exists when the Group:

- has power over an entity;

- is exposed or entitled to variable returns as a result of its involvement with the entity;
- and has the ability to exercise its power over the entity in such a way as to affect the amount of returns it obtains.

In addition, the Group assesses the control exercised over an entity whenever facts and circumstances indicate that an element of assessment of control has changed.

Joint ventures and associates

Joint ventures, which are jointly controlled and operated by a limited number of shareholders, and associates, investments over which Vicat exercises significant influence are reported using the equity method. Any goodwill generated on the acquisition of these investments is presented in "Investments in associate companies".

When joint control is proven and the legal form of the legal vehicle establishes transparency between the assets of the co-participants and that of the partnership, the joint venture is classified as a joint operation. This type of partnership is then recognized in the Group's financial statements line by line up to its effective share.

The list of the main companies included in the consolidation scope as at December 31, 2022 is provided in note 23.

2.2 Business combinations

With effect from January 1, 2010, business combinations are reported in accordance with IFRS 3 "Business Combinations" (revised) and IAS 27 "Consolidated and Separate Financial Statements" (revised). As these revised standards apply prospectively, they do not affect business combinations carried out before January 1, 2010.

Business combinations carried out before January 1, 2010

These are reported using the acquisition method. *Goodwill* (see note 10.1) from business combinations carried out after January 1, 2004 is reported in the currency of the company acquired. Applying the option offered by IFRS 1, business combinations completed before the transition date of January 31, 2004 have not been restated, and the *goodwill* arising from them has been maintained at its net value as shown in the balance sheet prepared according to French GAAP as at December 31, 2003.

In the event that the pro-rata share of interests in the fair value of assets, liabilities and contingent liabilities acquired exceeds their acquisition cost ("negative goodwill"), the full amount of this negative goodwill is recognized in the income statement of the reporting period in which the acquisition was made, except for acquisitions of minority interests in a company already fully consolidated, in which case this amount is recognized in the consolidated shareholders' equity.

The values of assets and liabilities acquired through a business combination must be definitively determined within 12 months of the acquisition date. These values may thus be adjusted at any closing date within that time frame.

Minority interests are valued on the basis of their pro-rata share in the fair value of the net assets acquired.

If the business combination takes place through successive purchases, each material transaction is treated separately, and the assets and liabilities acquired are then valued and goodwill thus determined.

Business combinations carried out on or after January 1, 2010

IFRS 3 "Business Combinations" (revised), which is mandatory for business combinations carried out on or after January 1, 2010, introduced the following main changes compared with the previous IFRS 3 (before revision):

- goodwill is determined once on the date the acquirer obtains control.

  The Group then has the option, in the case of each business combination, upon obtaining control, to value the minority interests:

  - either at their pro-rata share in the identifiable net assets of the company acquired ("partial" goodwill option),
  - or at their fair value ("full" goodwill option).

  Measurement of minority interests at fair value has the effect of increasing the goodwill by the amount attributable to such minority interests, resulting in the recognition of a "full" goodwill;
- any adjustment in the acquisition price at fair value from the date of acquisition is to be reported, with any subsequent adjustment occurring after the 12-month appropriation period from the date of acquisition to be recorded in the income statement;
- the costs associated with the business combination are to be recognized in the expenses for the period in which they were incurred;
- in the case of combinations carried out in stages, upon obtaining control, the previous holding in the company acquired is to be revalued at fair value on the date of acquisition and any gain or loss which results is to be recorded in the income statement.

2.3 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated into the operating currency at the exchange rates in effect on the transaction dates. At the end of the year, all monetary assets and liabilities denominated in foreign currencies are translated into the operating currency at the year-end exchange rates, and the resulting exchange rate differences are recorded in the income statement.

Translation of financial statements of foreign companies

All assets and liabilities of Group companies denominated in foreign currencies that are not hedged are translated into euros at the year-end exchange rates. Income, expense and cash flow statement items of companies not concerned by the application of IAS 29, are translated at average exchange rates for the year. The ensuing exchange differences on translation are recorded directly in shareholders' equity.

In the event of a later sale, the cumulative amount of translation differences relating to the net investment sold and denominated in foreign currency is recorded in the income statement. Applying the option offered by IFRS 1, exchange differences on translation accumulated before the transition date were zeroed out by allocating them to consolidated reserves at that date. They will not be recorded in the income statement in the event of a later sale of these investments.

The following foreign exchange rates were used:

	2022		2021	
	Closing	Average	Closing	Average
Brazilian real	5.64	5.44	6.31	6.38
Swiss franc	0.98	1.01	1.03	1.08
Egyptian pound	26.48	20.14	17.80	18.51
Indian rupee	88.17	82.71	84.23	87.49
Kazakh tenge	491.68	484.53	488.91	504.26
Mauritanian ouguiya	39.17	38.79	41.07	42.46
Turkish lira	19.96	19.96	15.23	10.47
US dollar	1.07	1.05	1.13	1.18
CFA Franc	655.96	655.96	655.96	655.96

NOTE 3 CHANGES IN CONSOLIDATION SCOPE AND OTHER SIGNIFICANT EVENTS

Macro-economic environment and business trends

The impacts of the sharp rise in energy costs observed in 2022 were limited by the Group thanks to its ability to increase its selling prices in all of the regions where it operates. Demand is down slightly owing to a particularly unfavorable comparison basis linked to the record levels achieved notably in the first half of 2021, the decline in volumes delivered to Turkey to limit the impact of higher costs in that country and the political situation in Mali.

In France: Group business enjoyed clear growth during 2022, supported by a marked increase in selling prices. Owing to the unfavorable comparison base, demand contracted slightly.

In Europe (excluding France): business in Switzerland was stable over the year at constant scope and exchange rates. The increase in selling prices offset the decline in demand in the Group's markets, which nevertheless remained at high levels. Italy reported a strong performance over the year, supported by a favorable construction market and very strong growth in selling prices.

In the Americas: in the United States, in a supportive market environment, Group business was significantly impacted by the longer-than-expected start-up for the new Ragland kiln during the second half, and a particularly difficult winter at the end of the year. Owing to these factors, deliveries were down, but were largely offset by solid growth in selling prices. In Brazil, volumes were stable overall during the year. Against a backdrop of strong inflation, price increases were significant.

In Asia: in India, despite a particularly high comparison base in 1st semester, the environment remained dynamic throughout the year, supported by favorable demand and price trends. In Kazakhstan, Group business was up over the year as a whole against a backdrop of uptrending prices which offset the contraction in deliveries.

In the Mediterranean: in Turkey, revenue was up markedly over the period. The macroeconomic and sector situation was marked by a situation of hyperinflation. Against this backdrop, the Group favored production using its most efficient production base to limit the impact of rising costs. As a result, while volumes were down significantly over the period, selling prices enjoyed very strong growth. In Egypt, following the signing of an agreement governing market regulation between the Egyptian government and all producers, which came into effect in July 2021, the sector environment remained favorable over 2022, with a slight increase in demand and a regular increase in selling prices.

Negotiations with the Egyptian State enabling the capital increase initiated by the Group in 2018 to go ahead, led to the signature on March 21, 2022 of an agreement enabling the capital increase to go ahead and confirming Vicat's rights to hold or consolidate its majority ownership. The Group has thus consolidated its shareholding through a simplified public tender offer, raising its equity interest from 56.2% at December 31, 2021 to 67.2% at December 31, 2022.

In Africa: Group business was up, despite the decline in deliveries in Mali owing to the political situation. In Senegal more particularly, volumes and selling prices were up.

Volatility of exchange rates and impact on the income statement

The 2022 income statement was impacted by the depreciation of the Turkish lira versus the euro, partially offset by the depreciation of the euro versus the US dollar, Brazilian real and Swiss franc.

Over the period, this resulted in a negative currency effect of €(85.7) million on consolidated revenue and €(12.6) million on EBITDA.

Consolidated shareholders' equity included, for its part, net positive translation differences in 2022 of €13.8 million given the strengthening of foreign currencies against the euro at the end of the period.

Tax rebate linked to the Soparfi capital reduction

Following a claim filed by Vicat SA on the tax treatment of a capital gain taxed in 2018, the Group was granted a rebate from the French tax administration and in January 2023 received a payment of the €29 million initially disbursed. This amount was booked to 2022 Group consolidated shareholders' equity.

Disposal of Créabéton Matériaux SA in Switzerland

In line with the agreement signed on June 30, 2021, Vicat Group disposed of its subsidiary Créabéton Matériaux in Switzerland to the Müller Steinag Holding Group.

The 380 employees at Créabéton Matériaux SA will be backed by a leading player with critical size in a highly competitive sector that has the necessary resources to successfully pursue their development. The Group's 2021 financial statements include revenue from Créabéton (prior to its disposal) of €40.7 million.

CONSOLIDATED INCOME STATEMENT

Definition of management indicators

EBITDA

EBITDA (*Earnings Before Interest, Tax, Depreciation and Amortization*): this is calculated by adjusting revenue for the cost of goods sold, employees expenses, tax and duties and other ordinary income and expenses.

Recurring EBIT

Recurring EBIT (Earnings Before Interest and Tax): EBITDA plus net depreciation, amortization, additions to provisions and impairment losses on ongoing business.

From 2022, "Value added" and "Gross operating income" indicators are no longer presented. This choice stems mainly from the fact that these indicators are no longer used internally to steer operating decisions or to assess performance.

NOTE 4 REVENUE

Accounting policy

Revenue

In accordance with the IFRS 15 accounting standard, revenue is recognized when control over the goods or services is transferred to the customer, which generally, given the nature of the Group's business, corresponds to the date of delivery. It is reported for an amount that reflects the consideration to which the Group expects to be entitled in exchange of transferring those goods or services, net of commercial discounts and rebates and after deduction of excise duties collected by the Group in the course of its business activities. It includes transport and handling costs invoiced to customers. The Group's sales are mainly of goods and services forming a single obligation because the promise to supply the service or good cannot be identified separately, insofar as the Vicat Group offers services integrated with the provision of the product to its customers.

Seasonality

Demand in the Cement, Ready-Mixed Concrete & Aggregates businesses is seasonal and tends to decrease in winter in temperate countries and during the rainy season in tropical countries. The Group therefore generally records lower revenue in the first and fourth quarters, i.e. the winter season in its main markets in Western Europe and North America. In the second and third quarters, in contrast, revenue is higher, due to the summer season being more favorable for construction work.

(in thousands of euros)	2022	2021
Sales of goods	3,349,184	2,864,668
Sales of services	292,879	258,272
REVENUE	**3,642,063**	**3,122,940**

Change in revenue on a like-for-like basis

(in thousands of euros)	2022	Changes in consolidation scope	Change in translation effect(1)	2022 At constant scope and exchange rates	2021
REVENUE	**3,642,063**	**9,766**	**(85,741)**	**3,718,038**	**3,122,940**

(1) Of which effect of application of IAS 29, see Note 1.1.

NOTE 5 EMPLOYEES EXPENSES AND WORKFORCE

(in thousands of euros)	2022	2021
Wages and salaries	396,927	360,373
Payroll taxes	125,794	115,256
Employee profit sharing (French companies)	5,913	8,070
EMPLOYEES EXPENSES	**528,635**	**483,699**
Average number of employees of the consolidated companies	*9,745*	*9,476*

Employee profit-sharing for the French companies is allocated, at the employee's choices, in cash, in Vicat shares in the Group shareholding plan (PEG), or in Company shared investment funds (FCPE) as part of the Group savings plan or in the collective retirement savings plan (PERECO).

The share price for the profit sharing is determined based on the average of the 20 trading days preceding the allocation date.

Share-based payments

In a decision dated April 9, 2021, the Board of Directors, acting on an authorization granted by the General Meeting of the same day, decided to implement a free share plan for 271,497 shares to be delivered in annual tranches, over a variable timeframe depending on the beneficiaries (determined based on the date of retirement, theoretically set at reaching the age of 67), extending out to 2037. This plan, implemented to partially offset the supplementary defined benefits pension plan (Art. 39) which was terminated in 2021, is intended for certain executives holding managerial functions within the Group along with certain company officers who benefited from said supplementary pension plan.

This plan is subject to the condition of the beneficiary being employed by the Group at the end of annual vesting period. In the event of non-compliance with this employment condition at the end of the vesting period, the free shares allocated in respect of vesting periods not past due shall be cancelled by right (except in the event of death or invalidity of the beneficiary). Only shares already delivered can be held by the beneficiary.

This plan provides in particular that each tranche (i) will have a vesting period of one year plus the vesting period of the previous period and (ii) a holding period of five years at the end of each vesting period, limited to continued employment within the Group.

Summary table of plan:

Date of General Meeting	**April 9, 2021**
Date of the meeting of the Board of Directors	**April 9, 2021**
Total number of free shares granted	**271,497**
Number of shares vesting at December 31, 2022	34,878
Aggregate number of shares that have lapsed or been cancelled	-
Remaining free shares at December 31, 2022	**236,619**

Pursuant to IFRS 2 "Share-based Payment", the Group estimated the value of this plan with reference to the fair value of the equity instruments on the award date at €11,620 thousand. This measurement is based on the share price on the award date, minus an expected loss of dividend over the period, representing a fair value of €42.8 per share. This expense will be recognized under personnel costs for the period pro-rata to the vesting of rights offset in shareholders' equity.

In 2022, €3,546 thousand was recognized under employees expenses in respect of this plan (€2,538 thousand in 2021).

NOTE 6 OTHER INCOME, EXPENSES, DEPRECIATION AND AMORTIZATION ORDINARY

Accounting policy

These are income and expense items that arise from the Group's operating activities, but that are not received or incurred as part of the direct production process or sales activity. These income and expense items mainly include insurance payments, patent royalties, sales of surplus CO_2 emission rights, the lease revenues and investment properties and certain charges relating to losses or claims as well as certain operating subsidies.

(in thousands of euros)	2022	2021
Net income from disposal of assets	5,278	4,663
Income from investments properties	3,835	3,997
Other	17,962	30,304
OTHER ORDINARY INCOME (EXPENSE)	**27,074**	**38,964**

(in thousands of euros)	2022	2021
Net depreciation and amortization charges	(226,286)	(204,931)
Net depreciation and amortization charges for right of use related to leases	(54,363)	(53,517)
Net provision expenses	(5,006)	(747)
NET ORDINARY CHARGES, DEPRECIATION, AMORTIZATION AND PROVISIONS	**(285,655)**	**(259,196)**

NOTE 7 OTHER INCOME, EXPENSES, DEPRECIATION AND AMORTIZATION NON-ORDINARY

Accounting policy

These are income and expenses generated by non-recurring events in the performance of the Group. For example, among these income and expenses are capital gains or losses on the sale of significant and unusual assets, impairment as well as certain restructuring expenses.

(in thousands of euros)	2022	2021
Other non-operating income and expenses(1)	6,270	(28,291)
Other net charges to non-operating depreciation, amortization and provisions(2)	(13,007)	4,793
TOTAL	**(6,737)**	**(23,498)**

(1) At December 31, 2022, it mainly included €11.8 million in income (€18.3 million expense at December 31, 2021) at Ciplan covered by the firm and irrevocable guarantee provided by the non-controlling shareholder in respect of disputes arising from the period prior to the acquisition.
(2) Including mainly at December 31, 2022, a net allocation to provisions for risks and charges at Ciplan of €11.8 million for which the company received a firm and irrevocable guarantee from its minority shareholder (allocation to provisions of €18.3 million at December 31, 2021) for indemnifiable disputes provisioned and relating to the period before Vicat's acquisition (note 11.2).

NOTE 8 FINANCIAL RESULT

(in thousands of euros)	2022	2021
Interest income from financing and cash management activities	30,083	22,863
Interest expense from financing and cash management activities	(66,767)	(44,766)
Interest expense from lease liabilities	(9,159)	(10,164)
Change in fair value of derivatives	14,688	3,625
Cost of net financial debt	**(31,155)**	**(28,442)**
Dividends	985	899
Foreign exchange gains	16,819	15,810
Write-back of impairment of financial assets	1,467	407
Net expense from disposal of financial assets	99	849
Other income	12,530	1,398
Other financial income	**31,900**	**19,363**
Foreign exchange losses	(24,482)	(16,192)
Impairment on financial assets	(4,282)	(4,546)
Discounting expenses	(3,613)	(2,223)
Loss on net monetary situation (IAS 29)	(12,317)	-
Other expenses	(5,973)	2,042
Other financial expenses	**(50,666)**	**(20,919)**
FINANCIAL RESULT	**(49,921)**	**(29,998)**

NOTE 9 INCOME TAX

Accounting policy

Deferred taxes are calculated at the tax rates passed or virtually passed at the year-end and expected to be applied during the period when assets are sold or liabilities are settled.

Deferred taxes are calculated, based on an analysis of the balance sheet, on timing differences identified in the Group's subsidiaries between the values recognized in the consolidated statement of financial position and the values of assets and liabilities for tax purposes.

Deferred taxes are recognized for all timing differences, including those on restatement of finance leases, except when the timing difference results from goodwill. Deferred tax assets and liabilities are netted out at the level of each tax entity.

When the net amount represents a receivable, a deferred tax asset is recognized if it is probable that the Company will generate future taxable income against which to allocate the deferred tax assets. Uncertainty over the accounting treatment of risks related to income taxes and the non-acceptance by the tax authorities of the tax treatment adopted is recognized in income tax assets/liabilities in accordance with the probability of its occurrence, which does not take into account the probability of non-detection by the tax authorities. Each uncertainty analyzed individually is assessed either by using the most probable amount or the weighted average of the different possible scenarios.

Component of the tax expense

(in thousands of euros)	2022	2021
Current taxes	(58,257)	(83,681)
Deferred taxes	(6,803)	(5,717)
TOTAL	**(65,060)**	**(89,398)**

Reconciliation between the theoretical and the effective tax expense

The difference between the theoretical and the effective tax expense is analyzed as follows:

(in thousands of euros)	2022	2021
Net earnings from consolidated companies	162,747	217,028
Income tax	65,060	89,398
Profit (loss) before tax	227,807	306,426
Theoretical tax rate	25.8%	28.4%
Theoretical income tax expense at the parent company rate	**(58,843)**	**(87,056)**
Reconciliation:		
France/Foreign jurisdictions spreads[1]	195	6,744
Transactions taxed at specific rates	(1,089)	201
Changes in tax rates	(2)	750
Permanent differences	(343)	(6,859)
Tax credits	648	350
Other	(5,626)	(3,528)
EFFECTIVE TAX EXPENSE	**(65,060)**	**(89,398)**

(1) Differences between French and foreign tax rates relate mainly to Switzerland and the United States.

Change in deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
(in thousands of euros)	2022	2021	2022	2021
Deferred tax at January 1st	**68,012**	**68,965**	**219,800**	**214,196**
Expense/income for the year	65,050	(1,608)	71,853	4,109
Deferred tax recognized in other comprehensive income	(7,502)	(4,446)	1,168	(1,475)
Changes in consolidation scope	-	671	17	(4,447)
Reclassification	(1,952)	94	(1,200)	94
Translation and other changes	2,604	4,336	33,550	7,322
DEFERRED TAX AT DECEMBER 31st	**126,212**	**68,012**	**325,188**	**219,800**

Analysis of net deferred tax (expense)/income by principal category of timing difference

(in thousands of euros)	2022	2021
Net assets and right of use	(54,780)	4,681
Financial instruments	(5,063)	(582)
Pensions and other post-employment benefits	(14,138)	(3,852)
Special tax depreciation, regulated provisions and other provisions	4,291	271
Other timing differences, tax loss carry-forwards and miscellaneous	54,217	(9,195)
NET DEFERRED TAX INCOME/(EXPENSE)	**(15,473)**	**(8,677)**
▪ *recognized in consolidated net income*	*(6,803)*	*(5,717)*
▪ *recognized in other comprehensive income*	*(8,670)*	*(2,960)*

Source of deferred tax assets and liabilities

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Net assets and right of use	203 641	147,935
Financial instruments	19,616	6,656
Pensions and other post-employment benefits	(10,979)	(26,834)
Special tax depreciation, regulated provisions and other provisions	25,262	20,647
Other timing differences, tax loss carry-forwards and miscellaneous	(38,564)	3,384
Net deferred tax liabilities	**198,976**	**151,788**
Deferred tax assets[1]	(126,212)	(68,012)
Deferred tax liabilities	325,188	219,800
NET BALANCE	**198,976**	**151,788**

(1) Deferred tax assets mainly stem from tax losses carried forward by the subsidiaries, the main contributor being the United States for €59 million in deferred tax assets.

Deferred tax assets not recognized in the financial statements

Unrecognized deferred tax assets amounted to €22.3 million at December 31, 2022 (€22.4 million at December 31, 2021).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOTE 10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

10.1 *Goodwill*

Accounting policy

Impairment of non-current assets

In accordance with IAS 36 and IFRS 3 (revised), the carrying amounts of assets with indefinite lives are reviewed at each year-end, and during the year, whenever there is an indication that the asset may be impaired. Those with finite lives are only reviewed if impairment indicators show that a loss is likely.

An impairment loss has to be recorded as an expense on the income statement when the carrying amount of the asset is higher than its recoverable value. The recoverable value is the higher of the fair value less the costs of sale and the value in use. The latter is calculated primarily on a discounted projected cash flow basis over ten years, plus the terminal value calculated on the basis of a projection to infinity of the cash flow from operations in the last year. This time period corresponds to the Group's capital-intensive nature and the longevity of its industrial equipment.

The projected *cash flows* are calculated after tax on the basis of the following components that have been inflated and then discounted:

- EBITDA from the Long-Term Plan over the first five years, then projected to year 10;
- maintenance Capital Expenditure;
- the change in the Working Capital.

Assumptions, estimates and judgements

Impairment of non-current assets

The assumptions used in calculating impairment tests are derived from forecasts made by operational staff reflecting as closely as possible their knowledge of the market, the commercial position of the businesses and the performance of the industrial plant. Such forecasts include the impact of foreseeable developments in cement consumption based on the latest macroeconomic and industry sector data, changes likely to affect the competitive position, technical improvements in the manufacturing process (stemming in part from the integration of climate risks as part of Group strategy) as well as expected changes in the cost of the main production factors contributing to the cost price of the products.

Cash flows before financial expenses but after tax are discounted at the weighted average cost of capital (WACC). The use of an after-tax rate results in the determination of recoverable amounts identical to those obtained using pre-tax rates with non-taxed cash flows. The discount rate is calculated per country, taking into account the cost of risk-free long-term money, market risk weighted by a sector volatility factor, a size-specific premium and a country premium reflecting the specific risks of the market in which the cash generating unit in question operates.

When it is not possible to estimate the value in use of an isolated asset, it is assessed at the level of the cash generating unit that the asset is part of (defined by IAS 36 as the smallest identifiable group of assets that generates cash inflows which are largely independent of the cash inflows from other assets or groups of assets) insofar as the industrial sites or facilities, products and markets form a coherent whole.

The analysis was thus carried out for each geographical area/market/business, and the cash-generating units were determined depending on the existence or not of vertical integration between the Group's activities in the area concerned.

These impairment tests are sensitive to the assumptions held for each cash-generating unit, mainly:

- the discount rate as previously defined;
- the inflation rate, which must reflect the selling price and expected future costs;
- the normalized EBITDA margin;
- the long-term investment rate;
- the growth rate to infinity.

Tests are conducted at each year-end on the sensitivity to an increase or decrease of one point in the discount rate and growth rate to infinity applied, in order to assess the effect on the value of the Group's CGUs. Moreover, the discount rate includes a country risk premium and an industry sector risk premium reflecting the cyclical nature of certain factors inherent in the business sector, enabling to understand the volatility of certain elements of production costs, which are sensitive in particular to energy costs.

Recognized impairments can be reversed and are recovered in the event of a decrease, except for those corresponding to goodwill, which are definitive.

The change in the net goodwill is analyzed in the table below:

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Opening	**1,157,232**	**1,118,874**
Changes in consolidation scope	37,587	8,006
Impairment	(380)	-
Change in translation effect	9,727	30,352
Other movements	649	-
CLOSING	**1,204,814**	**1,157,232**

Goodwill is distributed as follows by cash-generating unit (CGU):

	December 31, 2022			December 31, 2021	
	Goodwill *(in thousands of euros)*	**Discount rate after tax used for the impairment tests** *(in%)*	**Growth rate to infinity used for the impairment tests** *(in%)*	Discount rate after tax used for the impairment tests *(in%)*	Growth rate to infinity used for the impairment tests *(in%)*
India CGU	212,964	15.4%	5%	12.1%	4.8%
West Africa Cement CGU	151,193	13.9% to 23.3%	2% to 4%	10% to 14.4%	2% to 5.5%
France-Italy CGU	234,380	8.7%	2%	7.8%	1.5%
Switzerland CGU	145,011	9%	1.4%	8.1%	1%
Brazil CGU	158,762	13.9%	3%	10.4%	3%
United States CGU	132,861	8.7%	1.9%	8.0%	2%
Other CGUs cumulated	169,643	17.4% to 22%	2% to 6%	12.6% to 18.5%	3.3% to 8%
TOTAL	**1,204,814**				

	December 31, 2022	
	Impairment which would result from a change of +1% in the discount rate	**Impairment which would result from a change of -1% in the growth rate to infinity**
India CGU	(61,823)	(27,485)
TOTAL	**(61,823)**	**(27,485)**

The impairment tests carried out in 2022 did not result in the recognition of any impairment of *goodwill*.

Sensitivity tests for a +1% change in the discount rate and a -1% change in the perpetual growth rate carried out at the balance sheet date in both cases leading to the recoverable amount being less than the net carrying amount for the India CGU.

10.2 Other intangible assets

Accounting policy

Other intangible assets (mainly patents, rights and software) are recorded in the consolidated statement of financial position at historical cost less accumulated amortization and any impairment losses. This cost includes acquisition or production costs and all other directly attributable costs incurred for the acquisition or production of the asset and for its commissioning. Assets with finite lives are depreciated on a straight-line basis over their useful lives (generally not exceeding 15 years) or, in the case of mining rights, as and when they are extracted.

Research costs are recognized as expenses in the period in which they are incurred. Development costs meeting the criteria defined by IAS 38 are capitalized.

Gross amounts *(in thousands of euros)*	Concessions, patents & similar rights	Software	Other intangible assets	Intangible assets in progress	Total
At January 1, 2021	**122,601**	**66,136**	**83,807**	**19,744**	**292,288**
Acquisitions	2,025	1,497	859	8,497	12,878
Disposals	(149)	(1,737)	(6)	(1,484)	(3,376)
Changes in consolidation scope	8	(3,315)	(4,792)	77	(8,022)
Change in translation effect	1,227	480	1,921	274	3,902
Other movements	670	8,241	5,968	(9,480)	5,399
At December 31, 2021	**126,382**	**71,302**	**87,757**	**17,628**	**303,069**
Acquisitions	602	2,330	1,479	7,140	11,552
Disposals	-	(1,550)	-	(133)	(1,684)
Changes in consolidation scope	-	-	4	-	4
Change in translation effect	1,601	501	3,238	261	5,601
Other movements[1]	262	11,300	13,975	(10,700)	14,836
AT DECEMBER 31, 2022	**128,847**	**83,882**	**106,453**	**14,195**	**333,378**

Depreciation and impairment *(in thousands of euros)*	Concessions, patents & similar rights	Software	Other intangible assets	Intangible assets in progress	Total
At January 1, 2021	**(29,691)**	**(49,589)**	**(42,196)**	**-**	**(121,476)**
Increase	(1,723)	(6,696)	(4,232)	-	(12,651)
Decrease	118	1,448	6	-	1,572
Changes in consolidation scope	-	3,101	1,967	-	5,068
Change in translation effect	(514)	(315)	(1,039)	-	(1,868)
Other movements	(227)	(14)	180	-	(61)
At December 31, 2021	**(32,037)**	**(52,065)**	**(45,314)**	**-**	**(129,416)**
Increase	(1,910)	(7,539)	(4,432)	-	(13,881)
Decrease	-	331	-	-	331
Changes in consolidation scope	-	-	(2)	-	(2)
Change in translation effect	827	(228)	(1,005)	-	(406)
Other movements[1]	-	(422)	(6,516)	-	(6,938)
AT DECEMBER 31, 2022	**(33,120)**	**(59,923)**	**(57,269)**	**-**	**(150,312)**
Net book value at December 31, 2021	94,345	19,237	42,443	17,628	173,653
NET BOOK VALUE AT DECEMBER 31, 2022	**95,727**	**23,959**	**49,185**	**14,195**	**183,066**

(1) Of which effect of application of IAS 29 (see note 1.1).

Capitalized development costs in 2022 amounted to €0.3 million (no development costs capitalized in 2021).

Research and development costs booked as expenses amounted to €4.3 million at December 31, 2022, i.e. a stable amount compared with December 31, 2021.

10.3 Property, plant and equipment

Accounting policy

Property, plant and equipment are reported in the consolidated statement of financial position at historical cost less accumulated depreciation and any impairment losses, using the component approach provided for in IAS 16. When an article of property, plant and equipment comprises several significant components with different useful lives, each component is depreciated on a straight-line basis over its respective useful life, starting at commissioning.

Quarries are depreciated on the basis of tonnage extracted during the year as a ratio of total estimated reserves.

Certain parcels of land owned by French companies acquired prior to December 31, 1976 were revalued, and the adjusted value was recognized in the financial statements, but without a significant impact on the lines concerned.

Interest expenses on borrowings incurred to finance the construction of facilities during the period prior to their commissioning are capitalized. Exchange rate differences arising from foreign currency borrowings are also capitalized inasmuch as they are treated as an adjustment to interest costs and within the limit of the interest expense which would have been paid on borrowings in local currency.

The main depreciation periods are presented below depending on the assets category:

	Cement assets	Concrete & Aggregates
Civil engineering	15 to 30 years	15 years
Large equipment	15 to 30 years	10 to 15 years
Other industrial equipment	8 years	5 to 10 years
Electricity	15 years	5 to 10 years
Automation equipment, controls and instrumentation	5 years	5 years

Gross amounts *(in thousands of euros)*	Lands & Buildings	Industrial sites or facilities	Other property, plant and equipment	Assets in progress and advances/ down payments	Total
At January 1, 2021	**1,309,935**	**3,084,798**	**153,609**	**268,744**	**4,817,086**
Acquisitions	14,413	33,086	5,254	327,548	380,301
Disposals	(3,399)	(25,493)	(5,576)	(6)	(34,474)
Changes in consolidation scope	(32,946)	(41,164)	(10,539)	(418)	(85,067)
Change in translation effect	22,923	51,644	2,010	16,963	93,540
Other movements	7,857	147,285	(17,253)	(164,503)	(26,614)
At December 31, 2021	**1,318,783**	**3,250,156**	**127,505**	**448,328**	**5,144,772**
Acquisitions	19,170	65,035	6,104	324,388	414,697
Disposals	(1,927)	(41,499)	(2,674)	(369)	(46,469)
Changes in consolidation scope	2,370	1,779	7	-	4,156
Change in translation effect	(1,140)	(64,799)	(376)	19,572	(46,743)
Reclassification[1]	76,630	401,824	(6,396)	(478,178)	(6,120)
Other movements[2]	100,610	362,776	7,358	(82)	470,662
AT DECEMBER 31, 2022	**1,514,496**	**3,975,272**	**131,529**	**313,658**	**5,934,956**

(1) The €478 million reclassified on assets in progress mainly relate to the start-up of the new kiln in Ragland in the United States. They are booked to buildings and technical installations.
(2) Of which effect of application of IAS 29 (see note 1.1).

Depreciation and impairment *(in thousands of euros)*	Lands & Buildings	Industrial sites or facilities	Other property, plant and equipment	Assets in progress and advances/ down payments	Total
At January 1, 2021	**(620,570)**	**(2,094,382)**	**(114,282)**	**-**	**(2,829,234)**
Increase	(45,608)	(139,993)	(7,213)	-	(192,814)
Decrease	2,448	24,779	4,406	-	31,633
Changes in consolidation scope	18,197	33,752	9,742	-	61,691
Change in translation effect	(13,193)	(33,267)	(1,381)	-	(47,841)
Other movements	723	(17,805)	17,916	-	834
At December 31, 2021	**(658,003)**	**(2,226,916)**	**(90,812)**	**-**	**(2,975,731)**
Increase	(52,263)	(152,317)	(6,839)	-	(211,420)
Decrease	1,214	39,720	2,370	-	43,304
Changes in consolidation scope	(159)	(231)	2	-	(387)
Change in translation effect	(57)	42,407	873	-	43,224
Reclassification	(3,930)	(3,633)	8,689	-	1,125
Other movements[1]	(39,412)	(284,008)	(6,724)	-	(330,144)
AT DECEMBER 31, 2022	**(752,611)**	**(2,584,977)**	**(92,442)**	-	**(3,430,029)**
Net book value at December 31, 2021	660,780	1,023,240	36,693	448,328	2,169,041
NET BOOK VALUE AT DECEMBER 31, 2022	**761,885**	**1,390,295**	**39,087**	**313,658**	**2,504,926**

(1) Of which effect of application of IAS 29 (see note 1.1).

At December 31, 2022, property, plant and equipment in progress amounted to €285 million (€418 million as at December 31, 2021) and advances/down payments on property, plant and equipment represented €29 million (€31 million as at December 31, 2021). Contractual commitments to acquire property, plant and equipment and intangible assets amounted to €243 million (€277 million as at December 31, 2021).

Capitalized interest amounted to €7.2 million (€2.4 million as at December 31, 2021).

10.4 Rights of use relating to leases

Accounting policy

Leases, with the exception of those falling within the scope of the exemptions provided for by IFRS 16, are recognized in the balance sheet, when the asset underlying the lease becomes available, as a right-to-use asset and a liability representing the lease payments. The "services" component of the lease, and in particular those relative to transportation, is identified during the analysis and treated separately from the "lease" component. Contracts giving the lessee the right to control the use of an identified asset for a fixed term in return for payment are categorized as leases.

The Group applies the exemptions stipulated in the IFRS 16 standard, where the payments are not included in the lease liability and right to use in the following cases:

- payments relating to short-term leases (below or equal to 12 months);
- payments relating to leases of low-value assets (less than US$5,000 or equivalent);
- payments relating to the service component of the lease when this is identical and measurable;
- payments related to leases of intangible assets, which are very small in number.

Lease payments for these contracts or components of leases are recognized as operating expenses for the term of the lease.

The lease term is the non-cancellable contractual period plus, where applicable, extension options considered reasonably certain to be exercised (extension options being exercised during the period or those that the Group has a statistical track record of exercising).

The definition of this enforceable duration takes into account both contractual and economic aspects to the extent that the existence of significant penalties in the event of the lessee's termination are analyzed for each contract.

The rights of use related to leases initially include the lease liability, the initial direct costs, prepaid rents and the estimate of the costs of dismantling or restoring the assets provided for in the contract, and exclude any service component. They are depreciated on a straight-line basis in accordance with IAS 16 "Property, Plant and Equipment" over the shorter of the lease term and the useful life of the underlying asset, and if necessary impaired in accordance with IAS 36 "Impairment of Assets".

After initial recognition, the right of use related to leases is reported at cost less accumulated depreciation and any impairment losses.

Lease payments are recognized by applying IFRS 16 with a resulting depreciation and interest expense taken to the income statement.

Assumptions, estimates and judgements

The lease liability is initially measured at the present value of future payments, which include the present value of fixed and variable lease payments, if they are subject to an index or rate, and estimated expected payments at the end of the contract, such as the residual value guarantee and the purchase option, if its exercise is considered reasonably certain. The discount rate used to calculate the lease liability is based on the interest rate implicit in the lease or, failing that, the lessee's incremental borrowing rate at the date of signature of the lease. This marginal borrowing rate takes into account several elements including the currency and lease term, the lessee's economic context and its financial solidity.

The Group applied interest rates corresponding to the average repayment term of the lease liability, by defining and using yield curves by maturity, taking into account the structure of lease payments and the typology of the available interest rates.

The Group's leasing activities

Most of the leases in force in the Group concern vehicles directly linked to operational activity (construction sites, road transportation and private cars) and real estate (land and buildings). In fact, the Group leases land and buildings, mainly for its offices, concrete batching plants, quarries and warehouses. To a lesser extent, they also concern machinery, equipment and IT equipment.

Gross amounts *(in thousands of euros)*	Land	Buildings	Plant, machinery and equipment	Other property, plant and equipment	Total
At January 1, 2021	**81,726**	**74,671**	**141,969**	**56,241**	**354,607**
Acquisitions/Increase	11,603	8,886	26,821	14,669	61,979
Decrease	(4,713)	(3,750)	(16,672)	(12,578)	(37,713)
Changes in consolidation scope	1,397	1,353	(1,661)	(608)	481
Change in translation effect	2,502	1,684	(1,606)	167	2,747
Other movements	(178)	(133)	(2,378)	(41)	(2,730)
At December 31, 2021	**92,337**	**82,711**	**146,473**	**57,850**	**379,371**
Acquisitions/Increase	7,384	4,327	31,339	12,734	55,783
Decrease	(5,775)	(601)	(37,987)	(10,705)	(55,068)
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	1,118	637	657	405	2,817
Other movements[1]	572	249	(2,289)	(945)	(2,412)
AT DECEMBER 31, 2022	**95,635**	**87,322**	**138,193**	**59,340**	**380,491**

(1) Of which effect of application of IAS 29 (see note 1.1).

Depreciation and impairment *(in thousands of euros)*	Land	Buildings	Plant, machinery and equipment	Other property, plant and equipment	Total
At January 1, 2021	**(29,868)**	**(42,468)**	**(70,330)**	**(25,112)**	**(167,778)**
Increase	(6,526)	(8,324)	(28,326)	(11,037)	(54,213)
Decrease	3,187	3,913	15,105	12,457	34,662
Changes in consolidation scope	-	-	2,403	452	2,855
Change in translation effect	(366)	(807)	27	(86)	(1,232)
Other movements	144	479	808	16	1,447
At December 31, 2021	**(33,429)**	**(47,207)**	**(80,313)**	**(23,310)**	**(184,259)**
Increase	(6,752)	(7,769)	(27,624)	(12,223)	(54,368)
Decrease	5,570	1,009	32,877	10,705	50,161
Changes in consolidation scope	-	-	-	-	-
Change in translation effect	(81)	(348)	(1,272)	(231)	(1,931)
Other movements[1]	(316)	(220)	3,151	413	3,029
AT DECEMBER 31, 2022	**(35,008)**	**(54,534)**	**(73,182)**	**(24,645)**	**(187,368)**
Net book value at December 31, 2021	58,908	35,504	66,160	34,541	195,112
NET BOOK VALUE AT DECEMBER 31, 2022	**60,627**	**32,788**	**65,012**	**34,695**	**193,122**

(1) Of which effect of application of IAS 29 (see note 1.1).

The majority of these contracts are carried by the Group's French entities, and to a lesser extent by American, Swiss and Turkish companies. The other countries in which the Group operates have an insignificant number of contracts.

10.5 Investment properties

Accounting policy

The Group recognizes its investment properties at historical cost less accumulated depreciation and any impairment losses. They are depreciated on a straight-line basis over their useful life (10 to 25 years). The fair value of its property investments is calculated by the Group's specialist departments, assisted by an external consultant, primarily by reference to market prices observed on transactions involving comparable assets or published by local notary chambers. It is presented in the notes at each year-end.

(in thousands of euros)	Gross value	Depreciation and impairment	Net book value
At January 1, 2021	**41,548**	**(26,717)**	**14,831**
Acquisitions/Increase	628	(890)	(262)
Disposals/Decreases	(719)	653	(66)
Change in translation effect	1,301	(205)	1,096
Changes in consolidation scope and other	16,923	(304)	16,619
At December 31, 2021	**59,681**	**(27,463)**	**32,218**
Acquisitions/Increase	66	(1,375)	(1,309)
Disposals/Decreases	(22)	22	-
Change in translation effect	1,549	(346)	1,202
Changes in consolidation scope and other	4,961	(4,948)	13
AT DECEMBER 31, 2022	**66,234**	**(34,110)**	**32,124**
Fair value of investment properties at December 31, 2021	-	-	96,577
FAIR VALUE OF INVESTMENT PROPERTIES AT DECEMBER 31, 2022	**-**	**-**	**97,821**

The rental income from investment properties recognized under "Other operating income and expenses" (see note 6) amounted to €3.8 million at December 31, 2022 (€4.0 million at December 31, 2021).

NOTE 11 JOINT VENTURES AND OTHER NON-CURRENT ASSETS

11.1 Investments in associated companies

(in thousands of euros)	December 31, 2022	December 31, 2021
Opening	**92,774**	**77,873**
Earnings from associated companies	12,697	5,156
Dividends received from investments in associated companies	(7,057)	(1,208)
Changes in consolidation scope	23,678	8,986
Change in translation effects and other[1]	(41,288)	1,967
CLOSING	**80,804**	**92,774**

(1) In October 2022, the equity investments held in a company accounted for using the equity method, were the subject of a sale agreement which should be concluded during Q4 2023. In accordance with IFRS 5, at December 31, 2022, the Group therefore reclassified the shares in this equity affiliate as "Assets held for sale" for an amount of €22 million. No significant impact linked to the reclassification nor the valuation of these assets at their fair value was booked in 2022.

11.2 Receivables and other non-current assets

(in thousands of euros)	Gross value	Impairment	Net book value
At January 1, 2021	**252,218**	**(13,042)**	**239,176**
Acquisitions/Increase	168,669	(16,463)	152,206
Disposals/Decreases	(33,023)	-	(33,023)
Changes in consolidation scope	(82,110)	-	(82,110)
Change in translation effect	8,418	(1,342)	7,076
Changes of other items in other comprehensive income	5,853	(2,127)	3,726
Other	(67,854)	44	(67,810)
At December 31, 2021	**252,171**	**(32,930)**	**219,241**
Acquisitions/Increase	28,010	(1,060)	26,950
Disposals/Decreases	(3,260)	21	(3,240)
Changes in consolidation scope	(1)	-	(1)
Change in translation effect	5,535	(1,486)	4,050
Changes of other items in other comprehensive income	(12,443)	(9,701)	(22,144)
Other	44,796	(1)	44,795
AT DECEMBER 31, 2022	**314,806**	**(45,155)**	**269,651**
Of which investments in subsidiaries & affiliated companies	*59,827*	*(12,246)*	*47,582*
Of which loans and receivables[1][2]	*217,407*	*(32,909)*	*184,498*
Of which financial instruments (see note 16.1.1)	*37,571*	-	*37,571*
AT DECEMBER 31, 2022	**314,806**	**(45,155)**	**269,651**

(1) Ciplan:
At the time of its acquisition by the Vicat Group, Ciplan received a firm and irrevocable guarantee from its minority shareholders for all litigation or future litigation relating to the period prior to the acquisition. This guarantee is recognized in other non-current assets in the amount of €40.8 million at end-December 2022 (€28 million at end-December 2021) for the same amount as provisions for indemnifying claims (see note 15.2).

(2) Bharathi Cement:
On December 31, 2022, an amount of €33.6 million (including interest) recorded in "Other non-current receivables", was the subject of two provisional attachments on the bank accounts of an Indian company in the Group, Bharathi Cement, as part of a preliminary investigation by the administrative and judicial authorities into events before Vicat entered its capital.
The Group's partner in Bharathi Cement is the focus of an inquiry by the CBI (Central Bureau of Investigation) regarding the source and the growth of his assets. In connection with this inquiry, the CBI filed 14 charge sheets in September 2012 and over the course of 2013, presenting its allegations. Among these, four also involve Bharathi Cement (the CBI is interested in determining whether the investments made in this company by Indian investors were carried out in good faith in the ordinary course of business and if the mining concession was granted in accordance with regulations).
The proceedings initially led, in 2015, to the seizure by the Enforcement Directorate of INR950 million (approximately €12 million) in a bank account held by Bharathi Cement. A second provisional seizure of INR1,530 million (approximately €19 million) was made in 2016 within the context of charges regarding the mining concession.
While these measures are not such as to hinder the Company's operations, the Company is appealing to the administrative and judicial authorities to challenge their validity.
In July 2019, the Court of Appeal in Delhi invalidated the provisional seizure of INR1,530 million, and demanded a bank guarantee prior to the repayment of the funds. This decision was confirmed on April 27, 2022 by the Hyderabad Court of Justice. The Enforcement Directorate has filed an appeal with the Indian Supreme Court.
The provisional attachments do not prejudice the merits of the case (CBI investigation) which is still under review and has not at this point led to a charge.
The Company has no reason to think there is any probable or measurable financial risk.
Given how slow the proceedings, started in 2012, are, the receivable related to these provisional seizures was reclassified at end-2018 as "Other receivables" (see note 12.3).

NOTE 12 CURRENT ASSETS

12.1 Inventories and work-in-progress

Accounting policy

Inventories and work-in-progress

Inventories are valued using the weighted average unit cost method, at the lower of purchase price or production cost, and net realizable value (sales price less completion and sales costs).

The gross value of goods and supplies includes both the purchase price and all related costs.

Manufactured goods are valued at production cost, including the cost of goods, direct and indirect production costs and the depreciation on all consolidated non-current assets used in the production process.

In the case of inventories of manufactured products and work-in-progress, the cost includes an appropriate share of fixed costs based on the standard conditions of use of the production plant.

Inventory impairments are recorded when necessary to take into account any probable losses identified at year-end.

Emission allowances

In the IFRS standards, there is as yet no standard or interpretation dealing specifically with greenhouse gas emission rights. As of January 1, 2016, the Group decided to adopt the method recommended by the ANC since 2013, compatible with the IFRS standards in force (Regulation No. 2012-03 of October 4, 2012, approved on January 7, 2013), to reflect the allowances economic model, in particular eliminating the impacts associated with the volatility of the prices of allowances.

According to this method, provided the allowances are intended to fulfill the obligations related to emissions (production model):

- allowances are recognized in inventories when acquired (free of charge or against payment). They are drawn down as and when necessary to cover greenhouse gas emissions, as part of the surrender procedure, or
- at the time of their sale, and are not revalued at closing;
- a debt is recognized at the period-end if there is an allowance shortfall.

Since the Group today has mainly the allowances allocated free of charge by the French State under National Allowance Allocation Plans, applying these rules means they are posted as inventories for a zero value. Moreover, as the Group has recorded surpluses to date, no debt is posted to the balance sheet and, if they are not sold, no amount is posted to the income statement.

	December 31, 2022			December 31, 2021		
(in thousands of euros)	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials and consumables	448,837	(28,659)	420,178	351,561	(29,560)	322,001
Work-in-progress, finished goods and goods for resale	145,247	(4,630)	140,617	111,914	(4,672)	107,242
TOTAL	**594 084**	**(33,289)**	**560,795**	**463,475**	**(34,232)**	**429,243**

Surplus CO_2 emissions allowances received free of charge are recorded under inventories at a zero value (corresponding to 4,495 thousand metric tons at end-2022 and 4,781 at end-2021).

12.2 Trade and other receivables

Accounting policy

Receivables are valued at amortized cost and recognized for their nominal value (initial amount of the invoice). Receivables are impaired according to the expected losses model defined by IFRS 9 (see note 16.2).

Receivables may be subject to assignment to financial institutions. In this case, a transaction analysis is carried out to assess the transfer of the risks and rewards of ownership of these receivables and especially the one related to credit risk, late payment risk and the risk of dilution.

If this assessment concludes to the transfer of contractual rights to the cash flows and also substantially all the risks and rewards related to the assignment, it leads to the derecognition of receivables in the consolidated statement of financial position and all the rights created or retained during the transfer are recognized where necessary. In the opposite situation, receivables are maintained in the consolidated statement of financial position.

(in thousands of euros)	Trade and other receivables	Provisions for trade and other receivables	Net trade and other receivables
At January 1, 2021	**464,969**	**(24,095)**	**440,874**
Increase	-	(4,976)	(4,976)
Reversal of provisions used	-	3,057	3,057
Change in translation effect	(9,330)	85	(9,245)
Changes in consolidation scope	(3,574)	(826)	(4,399)
Changes	10,460	448	10,908
At December 31, 2021	**462,526**	**(26,307)**	**436,219**
Increase	-	(3,475)	(3,475)
Reversal of provisions used	-	4,887	4,887
Change in translation effect	(5,766)	(14)	(5,780)
Changes in consolidation scope	744	0	744
Changes	31,813	(192)	31,622
AT DECEMBER 31, 2022	**489,317**	**(25,101)**	**464,216**
of which past due:			
▪ less than 3 months	99,826	(5,726)	94,100
▪ more than 3 months	23,105	(16,842)	6,263
of which not past due:			
▪ less than 1 year	364,899	(1,421)	363,478
▪ more than 1 year	1,489	(1,114)	375
AT DECEMBER 31, 2022	**489,319**	**(25,102)**	**464,216**

The Group is not dependent on any of its major customers, and no single customer accounts for more than 10% of revenue.

Assignment of receivables in France and in Switzerland

During the 4th quarter 2022, the Group carried out an assignment without recourse of €76 million of its receivables. This cession relates to receivables initially held by the French companies in the Group and, to a lesser extent, by a Swiss subsidiary. In accordance with IFRS 9, the related receivables are derecognized to the extend that the conditions contract highlight the transfer of the cash flow to the factor and transfer almost all of the risks and rewards related to these receivables.

12.3 Other receivables

(in thousands of euros)	Other tax receivables	Payroll-related receivables	Other receivables	Provisions other receivables	Total net other receivables
At January 1, 2021	**64,367**	**4,634**	**84,064**	**(569)**	**152,496**
Increase	-	-	-	(45)	(45)
Reversal of provisions used	-	-	-	102	102
Change in translation effect	(655)	62	958	(17)	348
Changes in consolidation scope	172	(507)	6,360	-	6,025
Other movements	1,155	(269)	47,107	(444)	47,549
At December 31, 2021	**65,039**	**3,920**	**138,489**	**(973)**	**206,475**
Increase	-	-	394	(158)	236
Reversal of provisions used	-	-	(418)	26	(392)
Change in translation effect	438	17	(4,456)	11	(3,989)
Changes in consolidation scope	857	-	1,670	-	2,527
Other movements	(3,110)	265	2,715	(37)	(167)
AT DECEMBER 31, 2022	**63,225**	**4,203**	**138,394**	**(1,132)**	**204,690**
of which past due:					
■ less than 3 months	2,836	2,252	25,494	(95)	30,487
■ more than 3 months	844	11	5,073	(837)	5,092
of which not past due:					
■ less than 1 year	49,956	1,939	92 170	(200)	143,865
■ more than 1 year	9,589	-	15,657	-	25,246
AT DECEMBER 31, 2022	**63,225**	**4,203**	**138,394**	**(1,132)**	**204,690**

NOTE 13 CASH AND CASH EQUIVALENTS

13.1 Cash and cash equivalents

Accounting policy

Cash and cash equivalents include both cash and short-term investments of less than three months' maturity that do not present any risk of a change in value. The latter are marked to market at the end of the period.

Net cash, the change in which is presented in the statement of cash flows, consists of cash and cash equivalents less any bank overdrafts.

(in thousands of euros)	December 31, 2022	December 31, 2021
Cash	111,376	126,839
Marketable securities and term deposits < 3 months	392,221	400,554
CASH AND CASH EQUIVALENTS	**503,597**	**527,393**

13.2 Analysis of net cash balances

(in thousands of euros)	December 31, 2022	December 31, 2021
Cash and cash equivalents (see note 13.1)	503,597	527,393
Bank overdrafts	(32,251)	(96,951)
NET CASH BALANCES	**471,347**	**430,442**

NOTE 14 SHARE CAPITAL

Accounting policy

Treasury shares

In compliance with IAS 32, Vicat treasury shares are deducted from shareholders' equity.

Vicat's share capital is composed of 44,900,000 fully paid-up ordinary shares with a nominal value of €4 each, including 642,739 treasury shares as at December 31, 2022 (723,505 as at December 31, 2021) acquired under the share buyback programs approved by the Ordinary General Meetings, and through Heidelberg Cement's disposal of its 35% stake in Vicat in 2007. The company is mainly owned and controlled by the Parfininco holding company.

These are registered shares or bearer shares, at the shareholders' option. Voting rights attached to shares are proportional to the share of the capital which they represent and each share gives the right to one vote, except in the case of fully paid-up shares registered for at least four years in the name of the same shareholder, to which two votes are assigned.

The dividend paid in 2022 in respect of 2021 amounted to €1.65 per share, totaling €74,085 thousand, compared with €1.50 per share paid in 2021 in respect of 2020 and totaling €67,350 thousand. The dividend proposed by the Board of Directors to the Ordinary General Meeting for 2022 amounts to €1.65 per share, totaling €74,085 thousand.

Earnings per share are calculated as the ratio of net income for the year (Group share) and the weighted average number of shares outstanding during the year, excluding treasury shares. These earnings per share are adjusted for any potentially dilutive ordinary shares such as free shares (see note 5).

Since June 30, 2018, for a period of 12 months renewable by tacit agreement, Vicat has engaged Oddo BHF (previously Natixis Securities) to implement a liquidity agreement in accordance with the AMAFI (French financial markets professional association) Code of Ethics of September 20, 2008.

The following amounts were allocated to the liquidity agreement for its implementation: 20,000 Vicat shares and €3 million in cash.

As at December 31, 2022, the liquidity account was composed of: 64,013 Vicat shares and €1,508 thousand in cash.

NOTE 15 PROVISIONS

15.1 Employee benefits

Accounting policy

The Group recognizes the entire amount of its commitments relating to post-employment benefits in accordance with IAS 19 revised.

Regulations, standard practices and agreements in force in countries where the Group's consolidated companies have operations provide for various types of post-employment benefits: lump-sum payments on retirement, supplemental pension benefits, etc., as well as other long-term benefits (such as medical cover for retirees, etc.).

Defined benefit plans include all post-employment benefit programs, other than those under defined contribution plans, and represent a future liability for the Group.

The corresponding liabilities are calculated on an actuarial basis (changes in salaries, mortality, rotation, etc.) using specific actuarial assumptions and the projected unit credit method, in accordance with the clauses provided for in the collective bargaining agreements and with standard practices and law.

Dedicated financial assets, which are mainly equities and bonds, are used to cover all or a part of these liabilities, principally in the United States and Switzerland. The position of each pension plan is fully provided for in the statement of financial position less, where applicable, the fair value of these invested assets, the amount of which may be adjusted using the asset ceiling mechanism. Any surplus (in the case of overfunded pension plans) is only recognized in the statement of financial position to the extent that it represents a future economic benefit that will be effectively available to the Group, within the limits defined by the standard.

Defined contribution plans are those for which the Group's commitment is limited only to the payment of contributions recognized as expenses when they are incurred.

Actuarial gains and losses arise from changes in actuarial assumptions and/or variances observed between these assumptions and the actual figures. Actuarial gains and losses on post-employment benefits are recognized under "Other comprehensive income" and are not recycled to profit or loss.

In terms of the recognition of actuarial gains and losses, the Group has chosen to apply the IFRS 1 option and to zero the ones linked to employee benefits not yet recognized on the transition balance sheet by allocating them to shareholders' equity.

Estimates, assumptions and judgements

The measurement of the present value of post-employment obligations, under defined benefit plans, is dependent on the actuarial assumptions, both demographic and financial, made by the Group.

Discount rates are determined in accordance with the principles set out in IAS 19 Revised, with reference to a market rate at year-end, based on the yields of high-quality corporate bonds issued in the monetary zone in question. They are determined on the basis of yield curves derived by outside experts from AA-rated public bonds.

When the corporate bond market in a zone is not sufficiently liquid, IAS 19 (revised) recommends using government bonds as a benchmark.

In any event, the benchmarks used must have a maturity comparable to the commitments.

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Pension plans and termination benefits (TB)	37,543	45,299
Other benefits	48,812	63,230
Total pension and other post-employment benefit provisions	**86,355**	**108,529**
Plan assets	-	(719)
NET LIABILITY	**86,355**	**107,810**

Description of the Group's main plans

The main defined benefit pension plans are located in Switzerland, the United States and France. Most of these plans are pre-funded through insurance policies or investments in pension funds. Funding approaches used comply with local law, particularly with respect to the minimum funding requirements for past entitlements. Given the material nature of these commitments, the Group updates its actuarial analysis each year in order to reflect the cost of these plans in its financial statements. More specifically, the main defined benefit plans within the Group are as follows:

- France: In the French subsidiaries, there are multiple mechanisms relating to post-employment benefit obligations. These include retirement plans, open to all employees, the amount of which corresponds to the average gross monthly salary over the final 12 months, calculated pro-rata to length of service within the group and the specific details of the collective bargaining agreement covering the employees. The Group also provides for the payment of a lump sum, via length of service plans, rewarding the service of employees at the following milestones: 20 years, 30 years, 35 years and 40 years.

  The length of plans is estimated at 10 years for the French subsidiaries.
- In the US: the retirement plans are affiliated with independent pension funds tasked with collecting and investing contributions. Benefits accrue upon retirement, declaration of disability or death.

  The length of plans is estimated at 14 years for the US subsidiaries. On top of retirement plans, the employees benefit from health plans, post-employment, that cover a large range of medical expenses (visits, dentist, ophthalmology, etc.). The benefits provided depend on the ratings and the age of renewal.
- In Switzerland: the plans cover the benefits paid upon retirement, in the event of dismissal, declaration of disability or death, in the form of an annuity or lump sum payment. The collection and management of employer and employee contributions are handled by a special foundation.

  The length of plans is estimated at 12 years for the Swiss subsidiaries.

The average duration of benefits under all plans is 11 years. It is expected that €11 million in contributions will be paid into the plans over the coming year.

Assets and liabilities recognized in the balance sheet

	December 31, 2022			December 31, 2021		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Present value of funded liabilities	362,448	48,812	411,260	398,795	63,230	462,024
Fair value of plan assets	(388,168)	-	(388,168)	(407,531)	-	(407,531)
Net liability before asset limit	**(25,720)**	**48,812**	**23,092**	**(8,736)**	**63,230**	**54,493**
Limit on recognition of plan assets (asset ceiling)	63,263	-	63,263	53,317	-	53,317
NET LIABILITY	**37,543**	**48,812**	**86,355**	**44,581**	**63,230**	**107,810**

Analysis of net annual expense

	2022			2021		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Current service costs	(10,042)	(2,683)	(12,725)	(12,678)	(2,350)	(15,028)
Financial cost	(4,415)	(2,010)	(6,425)	(3,348)	(1,855)	(5,203)
Interest income on assets	2,946	-	2,946	2,067	-	2,067
Curtailments and settlements	(632)	-	(632)	6,734	(127)	6,607
Total Expense with income statement impact	**(12,143)**	**(4,694)**	**(16,836)**	**(7,225)**	**(4,332)**	**(11,557)**
Actuarial gains and losses on plan assets	(39,940)		(39,940)	(10,124)	-	(10,124)
Experience adjustments	(21,644)	3,161	(18,483)	(3,545)	5,523	1,977
Adjustments related to demographic assumptions	1,049	(327)	722	8,081	1,345	9,426
Adjustments related to financial assumptions	71,355	16,995	88,350	3,857	2,214	6,071
Total expense with impact on other comprehensive income	**10,820**	**19,829**	**30,649**	**(1,731)**	**9,081**	**7,350**
TOTAL EXPENSE FOR THE YEAR	**(1,323)**	**15,135**	**13,813**	**(8,957)**	**4,749**	**(4,208)**

Change in financial assets used to fund the plans

Pension plans and TB *(in thousands of euros)*	2022	2021
Fair value of assets at January 1st	**407,531**	**464,627**
Interest income on assets	2,946	2,067
Contributions paid	11,026	15,722
Translation differences	20,093	19,430
Benefits paid	(20,129)	9,181
Changes in consolidation scope	-	(139,832)
Actuarial gains (losses)	(33,299)	36,336
FAIR VALUE OF ASSETS AT DECEMBER 31st	**388,168**	**407,531**

Analysis of plan assets by nature and country at December 31, 2022

Breakdown of plan assets	France	Switzerland	United States	India	Total
Cash and cash equivalents	-	0.8%	-	-	2,620
Equity instruments	-	25.8%	-	-	86,602
Debt instruments	-	30.5%	-	-	102,391
Real estate assets	-	29.6%	-	-	99,367
Assets held by insurers	100%	0.1%	100%	100%	52,241
Other	-	13.4%	-	-	44,947
TOTAL	**100%**	**100%**	**100%**	**100%**	**388,168**
PLAN ASSETS *(in thousands of euros)*	**25**	**336,150**	**50,266**	**1,727**	**388,168**

Change in net liability

	2022			2021		
(in thousands of euros)	Pension plans and TB	Other benefits	Total	Pension plans and TB	Other benefits	Total
Net liability at January 1st	**44,579**	**63,231**	**107,810**	**47,210**	**65,509**	**112,719**
Expense for the year	1,323	(15,135)	(13,813)	8,957	(4,749)	4,208
Contributions paid	(6,589)	-	(6,589)	(9,603)	-	(9,603)
Translation differences	199	3,921	4,120	145	5,039	5,184
Benefits paid by employer	(2,008)	(2,984)	(4,992)	(2,276)	(2,568)	(4,844)
Changes in consolidation scope	-	-	-	-	-	-
Other	39	(220)	(181)	146	-	146
NET LIABILITY AT DECEMBER 31st	**37,543**	**48,812**	**86,355**	**44,579**	**63,231**	**107,810**

Principal actuarial assumptions	France	Europe (excluding France)	United States	b>Turkey and India	West Africa & the Middle East
Discount rate					
2022	3.8%	2.3% to 3.5%	5.3%	7.4% to 10%	18.0%
2021	1.0%	0.3% to 1%	3.0%	6.2% to 18.5%	4.5% to 15%
Rate of increase in medical costs					
2022	-	-	6.84% to 4.5%	-	-
2021	-	-	6.65% to 4.5%	-	-

Sensitivity analysis

The main factors contributing to the volatility of the balance sheet are the discount rate and the rate of increase in medical costs.

The sensitivity of the value of the obligation at the end of 2022 corresponding to a variation of +/-50 basis points in the discount rate is €(21) million and €23.3 million, respectively.

The sensitivity of the value of the obligation at the end of 2022 corresponding to a change of +/-1% in the rate of increase of medical costs is €(5.4) million and €6.5 million, respectively.

15.2 Other provisions

Accounting policy

In accordance with IAS 37, a provision is recognized when the Group has a current commitment, whether statutory or implicit, resulting from a significant event prior to the closing date which would lead to an outflow of resources without corresponding inflow after the closing date, which can be reliably estimated.

These include, notably, provisions for site reinstatement, which are set aside progressively as quarries are used and include the projected costs related to the Group's obligation to reinstate such sites.

Provisions are discounted when the impact is significant, booked to financial income and expenses.

(in thousands of euros)	Restoration of sites	Dismantling	Other risks[1]	Other expenses	Total
At January 1, 2021	**59,268**	**522**	**60,834**	**9,663**	**130,286**
Increase	4,898	39	9,789	1,798	16,524
Reversal of provisions used	(5,162)	(106)	(24,477)	(4,584)	(34,329)
Change in translation effect	2,006	21	1,061	361	3,449
Changes in consolidation scope	204	-	(424)	(247)	(471)
Other movements	(3)	1	(105)	1	(104)
At December 31, 2021	**61,210**	**476**	**46,678**	**6,992**	**115,355**
Increase	4,629	-	24,257	4,369	33,255
Reversal of provisions used	(3,506)	-	(11,027)	(545)	(15,078)
Reversal of unused provisions	-	-	-	(786)	(786)
Change in translation effect	1,835	23	2,122	(1,166)	2,815
Other movements	340	-	102	(21)	422
AT DECEMBER 31, 2022	**64,508**	**500**	**62,132**	**8,844**	**135,983**
of which less than one year	*31*	*-*	*6,907*	*5,632*	*12,570*
of which more than one year	*64,477*	*500*	*55,225*	*3,212*	*123,413*

Impact (net of expenses incurred) on the income statement at December 31, 2022	Increase	Reversals unused
Operating income (expense)	16,092	-
Non-operating income (expense)	17,163	(786)

(1) At December 31, 2022, other risks included:

- *The provisions recognized in Ciplan's (Brazil) financial statements for a total amount of €35.2 million (€20.7 million at December 31, 2021) which mainly concern:*
  - *tax litigation relating chiefly to tax credits (ICMS) attributable to import duties related to the purchase of coke and diesel for production purposes, and disputed by the tax authorities (€21.6 million),*
  - *industrial relations and labor tribunal disputes following the departure of former employees (€1.8 million),*
  - *civil litigation involving fines and claims challenged by the company (€0.5 million),*
  - *a mining dispute (€11.4 million).*

  At the time of its acquisition by the Vicat Group, Ciplan received a firm and irrevocable guarantee from its Brazilian partners for all litigation or future litigation relating to the period prior to the acquisition by Vicat. This guarantee is recognized in other non-current assets for €40.8 million (see note 11.2), on the one hand, in respect of indemnifiable claims accounted for as a provision amounting to €34.1 million (€20.2 million as at December 31, 2021) and, on the other hand, in respect of tax contributions recorded as tax debts at more than one year (€6.7 million).
- *An amount of €13.9 million (€12.9 million as at December 31, 2021) corresponding mainly to the estimated amount of the deductible at year-end for work-related accident claims in the United States and which will be paid by the Group.*
- *The remaining amount of other provisions for risks amounting to €13 million as at December 31, 2022 (€13.1 million as at December 31, 2021) corresponds to the sum of other provisions that, taken individually, are not material.*

NOTE 16 NET DEBT AND FINANCIAL INSTRUMENTS

16.1 Net financial liabilities and put options

Financial liabilities as at December 31, 2022 break down as follows:

(in thousands of euros)	December 31, 2022	December 31, 2021
Financial liabilities at more than one year	1,658,657	1,274,493
Put options at more than one year	14,116	16,941
Lease liabilities at more than one year	161,045	159,883
Financial liabilities and put options at more than one year	**1,833,817**	**1,451,317**
Financial instrument assets at more than one year - see note 11	(37,571)	-
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS AT MORE THAN ONE YEAR	**1,796,246**	**1,451,317**
Financial liabilities at less than one year	242,161	371,119
Lease liabilities at less than one year	47,537	55,502
Financial liabilities and put options at less than one year	**289,698**	**426,621**
Financial instrument assets at less than one year[1]	(1,527)	(15,892)
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS AT LESS THAN ONE YEAR	**288,171**	**410,729**
Total financial liabilities net of financial instruments assets[1]	2,070,302	1,845,105
Total put options	14,116	16,941
TOTAL FINANCIAL LIABILITIES NET OF FINANCIAL INSTRUMENTS ASSETS	**2,084,417**	**1,862,046**

(1) At December 31, 2022, financial instrument assets (€39 million as at December 31, 2022) are presented either under non-current assets (see note 11.2), for the portion that is more than one year (€37.7 million at December 31, 2022) or under other receivables, for the portion that is less than one year (€1.3 million at December 31, 2022).

The change, by type of net financial liabilities and put options, breaks down as follows:

(in thousands of euros)	Financial liabilities and put options > 1 year	Financial instrument assets > 1 year	Lease liabilities > 1 year	Financial liabilities and put options < 1 year	Financial instrument assets < 1 year	Lease liabilities < 1 year	Total
At January 1, 2021	**1,270,162**	**(7,115)**	**157,563**	**165,375**	**(300)**	**47,382**	**1,633,067**
Issues	257,919	-	55,926	73,524	-	6,052	393,421
Repayments	(130,584)	-	(11,141)	(9,538)	-	(41,822)	(193,085)
Change in translation effect	1,856	-	3,429	(10,877)	1,154	(2,048)	(6,486)
Changes in consolidation scope	1,048	-	3,113	369	-	86	4,616
Other movements	(108,967)	7,115	(49,007)	152,266	(16,746)	45,852	30,513
At December 31, 2021	**1,291,434**	**-**	**159,883**	**371,119**	**(15,892)**	**55,502**	**1,862,046**
Issues	419,811	-	48,390	42,387	-	7,394	517,981
Repayments	(9,624)	-	(13,743)	(128,703)		(44,671)	(196,741)
Change in translation effect	5,332	-	1,520	(25,282)	601	(437)	(18,265)
Changes in consolidation scope	-	-	-	-	-	-	-
Other movements	(34,180)	(37,571)	(35,005)	(17,360)	13,764	29,749	(80,603)
AT DECEMBER 31, 2022	**1,672,772**	**(37,571)**	**161,045**	**242,161**	**(1,527)**	**47,537**	**2,084,417**

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Gross indebtedness	2,070,302	1,845,105
Cash and cash equivalents (see note 13.1)	(503,597)	(527,393)
NET INDEBTEDNESS	**1,566,705**	**1,317,712**

16.1.1. Financial liabilities

Analysis of financial liabilities by category and maturity

At December 31, 2022 *(in thousands of euros)*	**Total**	2023	2024	2025	2026	2027	More than 5 years
Bank borrowings and financial liabilities	1,783,092	167,717	241,008	700,896	146,297	1,383	525,790
Of which financial instrument assets	*(39,098)*	*(1,527)*	*(7,703)*	-	*(5,665)*	*(21,843)*	*(2,360)*
Of which financial instrument liabilities	*675*	*316*	*71*	-	*55*	*211*	*22*
Miscellaneous borrowings and financial liabilities	25,644	19,933	3,308	564	773	773	295
Lease liabilities	208,580	47,537	33,136	23,589	17,762	12,220	74,337
Current bank lines and overdrafts	52,986	52,986	-	-	-	-	-
FINANCIAL LIABILITIES	**2,070,302**	**288,172**	**277,452**	**725,049**	**164,832**	**14,375**	**600,422**
of which commercial paper	*438,500*	-	-	*438,500*	-	-	-

At December 31, 2021 *(in thousands of euros)*	**Total**	2022	2023	2024	2025	2026	More than 5 years
Bank borrowings and financial liabilities	1,491,475	220,861	23,869	187,728	568,269	159,859	330,889
Of which financial instrument assets	*(15,892)*	*(15,892)*	-	-	-	-	-
Of which financial instrument liabilities	*2,007*	*2,007*	-	-	-	-	-
Miscellaneous borrowings and financial liabilities	19,951	16,288	1,316	-	2,071	-	276
Lease liabilities	215,385	55,502	33,679	23,116	17,713	12,817	72,559
Current bank lines and overdrafts	118,294	118,294	-	-	-	-	-
FINANCIAL LIABILITIES	**1,845,105**	**410,944**	**58,865**	**210,844**	**588,052**	**172,676**	**403,724**
of which commercial paper	*550,000*	-	-	-	*550,000*	-	-

Financial liabilities due in less than one year are mainly composed of revolving bilateral lines in Senegal and in Turkey, IFRS 16 debts, and bank credit balances.

Reconciliation of financial liabilities with the cash flow statement

	Monetary change			Non-monetary change			
(in thousands of euros)	Opening	Issues	Repayments	Exchange rate fluctuations	Changes in consolidation scope	Other movements	**Total**
Financial liabilities and put options > 1 year	1,270,162	257,919	(130,584)	1,856	1,048	(108,967)	1,291,434
Financial instrument assets > 1 year	(7,115)	-	-	-	-	7,115	-
Lease liabilities > 1 year	157,563	-	(11,141)	3,429	3,113	6,919	159,883
Financial liabilities and put options < 1 year	165,375	73,524	(9,538)	(10,877)	369	152,266	371,119
Financial instrument assets < 1 year	(300)	-	-	1,154	-	(16,746)	(15,892)
Lease liabilities < 1 year	47,382	-	(41,822)	(2,048)	86	51,904	55,502
At December 31, 2021	**1,633,067**	**331,442**	**(193,085)**	**(6,486)**	**4,616**	**92,491**	**1,862,046**
Financial liabilities and put options > 1 year	1,291,434	419,811	(9,624)	5,332	-	(34,180)	1,672,772
Financial instrument assets > 1 year	-	-	-	-	-	(37,571)	(37,571)
Lease liabilities > 1 year	159,883	-	(13,743)	1,520	-	13,384	161,045
Financial liabilities and put options < 1 year	371,119	42,387	(128,703)	(25,282)	-	(17,360)	242,161
Financial instrument assets < 1 year	(15,892)	-	-	601	-	13,764	(1,527)
Lease liabilities < 1 year	55,502	-	(44,671)	(437)	-	37,143	47,537
AT DECEMBER 31, 2022	**1,862,046**	**462,197**	**(196,741)**	**(18,265)**	**-**	**(24,819)**	**2,084,418**

Characteristics of borrowings and financial liabilities (currencies and interest rates)

By currency (net *of currency swaps*) *(in thousands of euros)*	**December 31, 2022**	December 31, 2021
Euro	1,624,715	1,370,835
US dollar	38,201	42,258
Turkish lira	58,426	40,506
CFA Franc	124,571	148,715
Swiss franc	103,943	68,681
Mauritanian ouguiya	5,274	3,562
Egyptian pound	30,364	92,064
Indian rupee	34,288	34,300
Kazakh tenge	288	379
Brazilian real	50,231	43,806
TOTAL	**2,070,302**	**1,845,105**

By interest rate *(in thousands of euros)*	**December 31, 2022**	December 31, 2021
Fixed rate	1,020,965	957,571
Floating rate	1,049,336	887,534
TOTAL	**2,070,302**	**1,845,105**

The average interest rate on gross debt at December 31, 2022 was 3.56%, up compared to December 31, 2021 from 3.12%. The average maturity of the debt at December 31, 2022 was 4.9 years, unchanged on December 31, 2021.

16.1.2. Put options granted to the minority shareholders on shares in consolidated subsidiaries

Accounting policy

Under IAS 27 and IAS 32, put options granted to minority third parties in fully consolidated subsidiaries are reported in the financial liabilities at the present value of their estimated exercise price offset by a reduction in the corresponding minority interests.

The difference between the value of the option and the amount of the minority interests is recognized:

- in goodwill, in the case of options issued before January 1, 2010;
- as a reduction in shareholders' equity – Group share (options issued after January 1, 2010).

No impact is reported in the income statement other than the impact of the annual discounting of the liability recognized in Net financial income; the income share of the Group is calculated on the basis of the percentage held in the subsidiaries in question, without taking into account the percentage holding attached to the put options.

Assumptions, estimates and judgements

The liability is estimated based on the contract information available (price, formula, etc.) and any other factor relevant to its valuation. Its value is reviewed at each year-end and the subsequent changes in the liability are recognized:

- either as an offset to goodwill (options granted before January 1, 2010);
- or as an offset to shareholders' equity – Group share (options issued after January 1, 2010).

At December 31, 2022, various agreements between Vicat and the non-controlling shareholders of multiple subsidiaries include put options that can be exercised at any time. These put options totaled €14.1 million at December 31, 2022, corresponding to the present value of their exercise prices.

16.2 Financial instruments

Accounting policy

Financial assets

The Group classifies its financial assets, upon initial recognition, according to IFRS 9 based on the contractual cash flow characteristics and on the business model assessment of their ownership.

In practice, for the Vicat Group, the criterion of the contractual cash flow characteristics led to make a distinction between, on one side, loan and receivables instruments, for which the evaluation depends on the business model assessment of their ownership, and, on the other side, equity instruments.

According to the standard, there are three types of loan and receivables assets, each associated with a business model and a valuation method:

- assets valued at the amortized cost: the objective is only to hold the assets to collect the contractual cash flows. This is the case with most loans and receivables;
- assets valued at the fair value through other comprehensive income: the objective is to hold the assets to collect the contractual cash flows and to sell them;
- assets valued at the fair value through the income statement: applied to assets not covered by any of the two previous models.

Impairment of receivables is based on the expected losses during the full lifetime of the asset and credit risk is assessed on the basis of historical data and any available information at the closing date.

Financial liabilities

The Group classifies its non-derivative financial liabilities, upon initial recognition, as financial liabilities valued at amortized cost. These comprise mainly borrowings, other financings, bank overdrafts, etc. The Group does not have financial liabilities at fair value through the income statement.

Derivatives and hedging

The Group uses hedging instruments to reduce its exposure to changes in interest and foreign currency exchange rates resulting from its business, financing and investment operations.

These hedging transactions have recourse to derivatives. The Group uses interest rate swaps and caps to manage its exposure to interest rate risks and forward foreign exchange contracts and currency swaps are used to hedge foreign exchange rate risks.

The Group uses derivatives solely for economic hedging purposes.

Hedge accounting for an asset/liability/firm commitment or cash flow is applicable if:

- The hedging relationship is formally designated and documented;
- The effectiveness of the hedging relationship is demonstrated at inception and then by the regular assessment and correlation between the changes in the market value of the hedging instrument and the market value of the hedged item.

Derivative instruments may be designated as hedging instruments, depending on the type of hedging relationship:

- fair value hedging is hedging against exposure to changes in the fair value of a booked asset or liability, or of an identified part of that asset or liability, attributable to a particular risk, for instance interest rate or exchange risks, which would affect the net income presented;
- Cash flow hedging is hedging against exposure to changes in cash flow attributable to a particular risk, associated with a recorded asset or liability or with a scheduled transaction (e.g. expected sale or purchase or "highly probable" future transaction), which would affect the net income presented.

The application of hedge accounting results as follows:

- in the event of a documented fair value hedging relationship, the change in the fair value of the hedging derivative is recognized in the income statement as an offset to the change in the fair value of the underlying hedged financial instrument. The income statement is only impacted by the ineffective portion of the hedging instrument;
- in the event of a documented cash flow hedging relationship, the change in the fair value of the effective portion of the hedging derivative is initially recorded in shareholders' equity, and the change in the fair value of the ineffective portion is directly recognized in the income statement. The accumulated changes in the fair value of the hedging instrument previously recorded in shareholders' equity are transferred to the income statement at the same rate as the hedged cash flows.

Assumptions, estimates and judgements

Financial assets

Equity instruments covered by IFRS 9 have to be measured at fair value, for which the Group may elect to recognize changes in fair value, either in the income statement or in other comprehensive income not recycled in profit or loss, depending on the option taken from the beginning, investment by investment. For some unquoted equity investments, the amortized cost was maintained as this method is the best approximation available for the fair value.

Derivatives and hedging

Derivative financial instruments are valued at their balance sheet fair value and estimated using the following valuation models:

- the market value of interest rate *swaps*, foreign exchange rate *swaps* and forward purchase/sale transactions is calculated by discounting the future cash flows on the basis of the "zero coupon" interest rate curves applicable at the end of the presented reporting periods, and is restated where applicable to reflect accrued interest not yet payable;
- interest rate options are revalued on the basis of the Black and Scholes model incorporating the market parameters as at year-end.

In accordance with IFRS 13, counterparty risks were taken into account. The impact of the credit value adjustment (CVA, or the Group's exposure in the event of counterparty default) and of the debit value adjustment (DVA, or the counterparty's exposure in the event of Group default) on the measurement of derivatives was determined by assuming an exposure at default calculated using the add-on method, a 40% loss given default, and a probability of default based on the credit ratings of banks or the estimated credit rating of the Group. The impact on fair value was not material and was not included in the market value of financial instruments as presented above.

During 2022, the deterioration in the macroeconomic environment with a surge in inflation did not call into question the risk management policy relative to financial instruments. The Vicat Group continued to manage its hedging instruments and its liquidity risk without difficulty throughout the year, as evidenced by the following:

Foreign exchange risk

The Group's activities are carried out by subsidiaries operating almost entirely in their own country and local currency. This limits the Group's exposure to foreign exchange risk. These companies' imports and exports denominated in currencies other than their own local currency are generally hedged by forward currency purchases and sales. The foreign exchange risk on intercompany loans is hedged, where possible, by the companies when the borrowing is denominated in a currency other than their operating currency.

The table below sets out the breakdown of the Group's total assets and liabilities denominated in foreign currencies as at December 31, 2022:

(in thousands of euros)	USD	EUR	CHF
Assets	196,074	89,134	86,353
Liabilities and contracted commitments	(206,246)	(112,424)	(6,768)
Net position before risk management	**(10,172)**	**(23,290)**	**79,585**
Hedging instruments	(12,659)	3,500	(84,493)
Net position after risk management	**(22,831)**	**(19,790)**	**(4,908)**

The risk of a foreign exchange loss on the net currency position assuming an unfavorable and uniform change of one percent in the operating currencies against the US dollar, totals, in euro equivalent, €0.2 million.

Interest rate risk

Floating rate debt is hedged through the use of *caps* on original maturities of 5, 7 and 10 years.

The Group is exposed to an interest rate risk on its financial assets and liabilities and its cash. This exposure corresponds to the price risk for fixed-rate assets and liabilities, and cash flow risk related to floating-rate assets and liabilities.

The Group documented certain of these cash flow hedging *caps* at July 1, 2022 and applied the accounting treatment related to this type of hedging (see accounting policy). This reclassification mainly led over the period to:

- an expense of €1.9 million recorded as a financial expense corresponding to the amortization at fair value of the CAPs booked to the income statement at June 30, 2022 for an amount of €16.6 million;
- a change in the fair value of these instruments amounting to €13 million booked to equity (other comprehensive income).

The Group estimates that a uniform change in interest rates of 100 basis points would not have a material impact on its earnings, or on the Group's net financial position as illustrated in the table below:

(in thousands of euros)	Impact on income before tax(1)	Impact on shareholders' equity (excluding impact on earnings) before tax(2)
Impact of a +100 bps. change in the interest rate	(6,600)	(435)
Impact of a -100 bps. change in the interest rate	6,098	435

(1) A positive figure corresponds to lower interest expense.
(2) A negative figure corresponds to a lower financial liability.

Liquidity risk

As at December 31, 2022, the Group had €370 million in unutilized confirmed lines of credit that were not allocated to the hedging of liquidity risk on commercial paper (€462 million as at December 31, 2021).

The Group also has a €550 million commercial paper issue program. At December 31, 2022, the amount of commercial paper issued stood at €439 million. Commercial papers which constitute short-term credit instruments are backed by lines of credit confirmed for the issued amount and are therefore hedged against the impossibility of placing them in the market, and are treated as such in medium-term financial debts in the consolidated balance sheet.

Some medium-term or long-term loan agreements contain specific covenants especially with regards to compliance with financial ratios, reported each half year, which can lead to an early repayment (acceleration clause) in the event of non-compliance. These covenants are based on a profitability ratio (leverage: net indebtedness/consolidated EBITDA) and on capital structure ratio (gearing: net indebtedness/consolidated shareholders equity) of the Group or its subsidiaries concerned. For the purposes of calculating these covenants, the net debt is determined excluding put options granted to minority shareholders. Furthermore, the margin applied to some financing operations depends on the level reached on one of these ratios.

Considering the small number of companies concerned, essentially Vicat SA, the parent company of the Group, the low level of gearing (53.8%) and leverage (2.75) and the liquidity of the group's balance sheet, the existence of these covenants does not constitute a risk for the Group's financial position. As at December 31, 2022, the Group is compliant with all ratios required by covenants included in financing agreements.

The portfolio of derivatives was as follows at the end of December 2022:

(in thousands of foreign currency)	Nominal value *(in foreign currency)*	Nominal value *(in euros)*	Market value *(in euros)*	Residual maturity < 1 year *(in euros)*	Residual maturity 1 - 5 years *(in euros)*	Residual maturity > 5 years *(in euros)*
CASH FLOW HEDGES (A)						
Interest rate instruments						
▪ Euro Caps	€714,500	714,500	38,794	1,503	34,907	2,384
FOREIGN EXCHANGE INSTRUMENTS (A)						
Hedging for foreign exchange risk on intra-group loans						
▪ VAT $	$ 193,000	180,949	77	77		
▪ VAT CHF	CHF 83,200	84,493	(170)	(170)		
TOTAL		**979,942**	**38,701**	**1,410**	**34,907**	**2,384**

In application of IFRS 7, the breakdown of financial instruments measured at fair value by hierarchical level of fair value in the consolidated statement of financial position is as follows as at December 31, 2022:

(in millions of euros)	**December 31, 2022**
Level 1: instruments quoted on an active market	-
Level 2: valuation based on observable market information	38.7
Level 3: valuation based on non-observable market information (see note 11)	47.6

NOTE 17 CURRENT LIABILITIES

17.1 Trade payables and related accounts

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Opening	**459,647**	**375,329**
Changes	89,571	88,335
Change in translation effect	(8,821)	(1,464)
Changes in consolidation scope	3	(2,455)
Other movements	(27)	(98)
CLOSING	**540,374**	**459,647**

17.2 Other liabilities

(in thousands of euros)	**December 31, 2022**	December 31, 2021
Payroll liabilities	83,556	76,547
Tax liabilities	92,815	71,602
Other liabilities and accrued expenses	108,010	126,558
TOTAL	**284,381**	**274,707**

NOTE 18 CASH FLOWS

18.1 Net cash flows from operating activities

Net cash flows from operating activities conducted by the Group in 2022 totaled €357 million, compared with €439 million as at December 31, 2021.

This reduction in cash flows generated by operating activities between 2022 and 2021 is mainly due to a change in working capital of €(55) million compared to 2021, resulting from higher sales as well as the increase in raw material procurement costs and the decline in cash flow from operations of €(27) million.

(in thousands of euros)	Working capital January 1, 2021	Change in working capital	Other changes	Working capital December 31, 2021	Change in working capital	Other changes	**Working capital December 31, 2022**
Inventories	354,937	93,682	(19,376)	429,243	138,032	(6,481)	560,794
Other Working capital components	(45,662)	(45,008)	3,179	(87,491)	(33,900)	32,865	(88,526)
WORKING CAPITAL	**309,275**	**48,674**	**(16,197)**	**341,752**	**104,132**	**26,384**	**472,268**

18.2 Net cash flows from investing activities

Net cash flows from investing activities conducted by the Group in 2022 were €(478) million, compared with €(443) million in 2021.

Acquisitions of property, plant and equipment and intangible assets

These reflect net outflows for industrial investments (€408 million in 2022 and €376 million in 2021) mainly corresponding, in 2022 and 2021, to investments made in the United States, Senegal and France.

Acquisition/disposal of shares in consolidated companies

Transactions involving the acquisition/disposal of consolidated companies carried out in 2022 resulted in total outflows of €(45) million. The main outflows over the period related to the acquisitions of majority interests in Turkey and France as well as the acquisition of a minority interest in a Brazilian subsidiary.

SEGMENT INFORMATION

Accounting policy

In accordance with IFRS 8 "Operating Segments" the segment information is based on information taken from the internal reporting. This information is used internally by the General Management responsible for implementing the strategy defined by the Chairman of the Board of Directors for measuring the Group's operating performance and for allocating capital expenditure and resources to geographical areas and business segments.

The operating segments defined pursuant to IFRS 8 comprise the following six geographic regions in which the Group operates and which can, as permitted by IFRS 8, combine countries with similarities:

- France;
- Europe (except France) including Switzerland and Italy;
- Americas including United States and Brazil;
- Asia including India and Kazakhstan;
- Mediterranean region including Turkey and Egypt;
- Africa including Senegal, Mali and Mauritania.

This organization by geographical area is the means of assessing the financial nature and impact of economic environments in which the Group operates and reflects its matrix-based organization as well as the predominance of geographical aspects in the strategic analyses presented to the General Management. More concise additional information is presented per business sector.

The management indicators presented were adapted in order to be consistent with those used by the General Management, while complying with IFRS 8 disclosure requirements: Revenue from operations and consolidated revenue, EBITDA and recurring EBIT, total non-current assets, net capital employed, industrial investments, depreciation and amortization and number of employees.

The management indicators used for internal reporting are identical for all the segments defined above and are determined in accordance with the IFRS principles applied by the Group in its consolidated financial statements.

Breakdown by operating segment

Information relating to operating segment is presented according to the geographical location of the entities concerned.

December 31, 2022 *(in thousands of euros except workforce)*	France	Europe (excluding France)	Americas	Asia	Mediterranean	Africa	Total
Income statement							
Operating revenue	1,217,775	391,328	859,532	499,958	374,081	345,293	3,687,966
Inter-country eliminations	(40,299)	(3,280)		(94)		(2,231)	(45,903)
Consolidated revenue	1,177,476	388,048	859,532	499,864	374,081	343,062	3,642,063
EBITDA (see Definition of management indicators)	171,803	85,250	135,001	98,305	43,799	35,962	570,120
Recurring EBIT (see Definition of management indicators)	75,101	50,950	72,212	64,328	19,806	2,068	284,465
Balance sheet							
Total non-current assets	3,379,593	558,510	784,174	(396,812)	(66,640)	357,675	4,616,499
Net capital employed[1]	934,496	553,543	1,060,014	645,295	386,731	631,963	4,212,041
Other information							
Acquisitions of property, plant and equipment and intangible assets	143,015	36,330	164,769	26,854	26,389	84,740	482,098
Net depreciation and amortization charges	(95,642)	(33,931)	(61,788)	(33,882)	(23,536)	(31,868)	(280,649)
Average workforce at December 31st	3,282	711	2,216	1,227	1,352	957	9,745

December 31, 2021 *(in thousands of euros except workforce)*	France	Europe (excluding France)	Americas	Asia	Mediterranean	Africa	Total
Income statement							
Operating revenue	1,105,336	396,295	671,935	428,010	228,377	341,222	3,171,176
Inter-country eliminations	(31,359)	(2,761)		(80)		(14,036)	(48,236)
Consolidated revenue	1,073,977	393,534	671,935	427,930	228,377	327,186	3,122,940
EBITDA (see Definition of management indicators)	201,096	88,959	139,624	121,648	3,152	64,639	619,118
Recurring EBIT (see Definition of management indicators)	117,693	55,294	83,638	88,137	(14,743)	29,903	359,922
Balance sheet							
Total non-current assets	848,356	643,387	1,109,531	701,396	269,113	535,501	4,107,283
Net capital employed[1]	898,022	573,217	942,014	729,171	290,384	573,678	4,006,486
Other information							
Acquisitions of property, plant and equipment and intangible assets	133,818	38,913	175,447	20,945	19,013	67,663	455,797
Net depreciation and amortization charges	(88,996)	(34,645)	(53,429)	(32,300)	(16,817)	(32,262)	(258,449)
Average workforce at December 31st	3,071	725	2,161	1,216	1,353	950	9,476

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital, after deduction of provisions and deferred taxes.

Information by business segment

December 31, 2022 *(in thousands of euros)*	Cement	Concrete & Aggregates	Other Products and Services	Total
Income statement				
Operating revenue	2,296,140	1,398,356	454,016	4,148,512
Inter-segment eliminations	(331,787)	(35,697)	(138,965)	(506,449)
Consolidated revenue	1,964,353	1,362,659	315,051	3,642,063
EBITDA (see Definition of management indicators)	411,282	131,600	27,238	570,120
Recurring EBIT (see Definition of management indicators)	232,577	41,608	10,280	284,465
Balance sheet				
Net capital employed(1)	3,034,185	1,005,667	172,190	4,212,041

December 31, 2021 *(in thousands of euros)*	Cement	Concrete & Aggregates	Other Products and Services	Total
Income statement				
Operating revenue	1,913,585	1,191,065	452,993	3,557,644
Inter-segment eliminations	(281,063)	(32,849)	(120,791)	(434,703)
Consolidated revenue	1,632,522	1,158,216	332,202	3,122,940
EBITDA (see Definition of management indicators)	456,217	133,308	29,594	619,118
Recurring EBIT (see Definition of management indicators)	300,016	48,883	11,024	359,922
Balance sheet				
Net capital employed(1)	2,841,342	951,101	214,043	4,006,486

(1) Net capital employed corresponds to the sum of non-current assets, assets and liabilities held for sale, and working capital, after deduction of provisions and deferred taxes.

OTHER INFORMATION

NOTE 19 REMUNERATION OF EXECUTIVES

Pursuant to the provisions of article 225.102-1 of the French Commercial Code, and in accordance with IAS 24, we hereby inform you that the total gross compensation paid to each company officer in 2022 was as follows:

Guy Sidos: €1,695,626 and Didier Petetin: €527,455.

These amounts represent the total compensation paid by Vicat SA and any companies it controls, or is controlled by, as defined by article L. 233-16 of the French Commercial Code.

Furthermore, to partially offset the loss of the supplemental pension plan ("article 39"), a free share allocation plan was implemented during 2021. The two company officers mentioned above benefited from this, as well as the few managers who benefited from this supplemental pension plan. Pursuant to the free share plan, during 2022, Guy Sidos acquired 13,078 shares at a unit price of €30.55 and Didier Petetin acquired 824 shares at a unit price of €30.55.

Outside of this free share plan, no stock or stock options have been granted to the above company officers with the exception of any income received under legal or contractual employee profit-sharing or incentive plans.

NOTE 20 TRANSACTIONS WITH RELATED COMPANIES

In addition to information required for related parties regarding the senior executives, described in note 19, related parties with which transactions are carried out include affiliated companies in which Vicat directly or indirectly holds a stake, and entities that hold a stake in Vicat.

These related-party transactions were not material and were all concluded on an arm's length basis.

These transactions have all been recorded in compliance with IAS 24 and their impact on the Group's consolidated financial statements for 2022 and 2021 is as follows, broken down by type of related party:

	December 31, 2022				December 31, 2021			
(in thousands of euros)	**Sales**	**Purchases**	**Receivables**	**Debts**	Sales	Purchases	Receivables	Debts
Associates	4,251	2,689	5,518	972	3,359	1,424	3,542	2,294
Other related parties	-	1,224	-	120	29	1,200	1	-
TOTAL	**4,251**	**3,913**	**5,518**	**1,092**	**3,388**	**2,624**	**3,543**	**2,294**

NOTE 21 AUDIT FEES

Fees paid to statutory auditors and other professionals in their networks in 2022 financial statements of Vicat SA and its fully consolidated subsidiaries:

2022	KPMG Audit		Wolff & associés		Other	
(in thousands of euros)	Amount (excl. tax)	%	Amount (excl. tax)	%	Amount (excl. tax)	%
AUDIT						
Certification of individual and consolidated financial statements	1,051	45%	441	19%	866	37%
■ Vicat SA	337	59%	231	41%	-	-
■ Controlled entities	714	40%	210	12%	866	48%
Services other than the certification of the financial statements	8	21%	12	31%	18	47%
■ Vicat SA	-	-	1	100%	-	0%
■ Controlled entities	8	22%	11	30%	18	49%
Subtotal Audit	**1,059**	**44%**	**453**	**19%**	**884**	**37%**
OTHER SERVICES						
Legal, tax, employment and other matters	3	1%	-	-	406	99%
Subtotal Other services	**3**	**1%**	**-**	**-**	**406**	**99%**
TOTAL	**1,062**	**38%**	**453**	**16%**	**1,290**	**46%**

NOTE 22 SUBSEQUENT EVENTS

No post-balance sheet event has had a material impact on the consolidated financial statements as at December 31, 2022.

NOTE 23 LIST OF MAIN CONSOLIDATED COMPANIES AT DECEMBER 31, 2022

Fully consolidated: France

Company	Country	City	% interest December 31, 2022	% interest December 31, 2021
VICAT	France	L'Isle d'Abeau	-	-
AGENCY BULK CHARTERING VICAT	France	Nantes	49.99	49.99
ANNECY BETON CARRIÈRES	France	L'Isle d'Abeau	49.98	49.98
LES ATELIERS DU GRANIER	France	Chapareillan	99.98	99.98
BÉTON CONTRÔLE CÔTE D'AZUR	France	Nice	(1)	99.97
BÉTON VICAT	France	L'Isle d'Abeau	99.98	99.98
BÉTON TRAVAUX	France	L'Isle d'Abeau	99.98	99.98
CARRIÈRE DE BELLECOMBES	France	L'Isle d'Abeau	(1)	99.97
CENTRE D'ÉTUDE DES MATÉRIAUX ET DES BÉTONS	France	Fillinges	79.99	79.99
DELTA POMPAGE	France	Chambéry	99.98	99.98
GRANULATS VICAT	France	L'Isle d'Abeau	99.98	99.98
PARFICIM	France	L'Isle d'Abeau	100.00	100.00
SATMA	France	L'Isle d'Abeau	100.00	100.00
SATM	France	Chambéry	99.98	99.98
SIGMA BÉTON	France	L'Isle d'Abeau	99.99	99.99
VICAT PRODUITS INDUSTRIELS	France	L'Isle d'Abeau	99.98	99.98

(1) Merged entities.

Fully consolidated: Rest of the world

Company	Country	City	% interest December 31, 2022	% interest December 31, 2021
CIPLAN	Brazil	Brasilia	76.18	74.13
VICAT BRASIL	Brazil	Brasilia	100.00	100.00
SINAÏ CEMENT COMPANY	Egypt	Cairo	67.18	56.20
JAMBYL CEMENT PRODUCTION COMPANY LLP	Kazakhstan	Almaty	90.00	90.00
MYNARAL TAS COMPANY LLP	Kazakhstan	Almaty	90.00	90.00
BUILDERS CONCRETE	USA	California	100.00	100.00
KIRKPATRICK	USA	Alabama	100.00	100.00
NATIONAL CEMENT COMPANY OF ALABAMA	USA	Alabama	100.00	100.00
NATIONAL CEMENT COMPANY INC	USA	Delaware	100.00	100.00
NATIONAL CEMENT COMPANY OF CALIFORNIA	USA	Delaware	100.00	100.00
NATIONAL READY MIXED	USA	California	100.00	100.00
VIKING READY MIXED	USA	California	100.00	100.00
WALKER CONCRETE	USA	Georgia	100.00	100.00
CEMENTI CENTRO SUD Spa	Italy	Genova	100.00	100.00
CIMENTS & MATÉRIAUX DU MALI	Mali	Bamako	94.90	94.90
GECAMINES	Senegal	Thies	100.00	100.00
POSTOUDIOKOUL	Senegal	Rufisque (Dakar)	100.00	100.00
SOCOCIM INDUSTRIES	Senegal	Rufisque (Dakar)	99.90	99.90

Company	Country	City	% interest December 31, 2022	% interest December 31, 2021
ALTOLA AG	Switzerland	Olten (Solothurn)	100.00	100.00
KIESWERK AEBISHOLZ AG	Switzerland	Aebisholz (Soleure)	100.00	100.00
BÉTON AG BASEL	Switzerland	Basel	100.00	100.00
BÉTON AG INTERLAKEN	Switzerland	Interlaken (Bern)	75.42	75.42
BETONPUMPEN OBERLAND AG	Switzerland	Wimmis (Bern)	82.46	82.46
EMME KIES + BÉTON AG	Switzerland	Lützelflüh (Bern)	66.67	66.67
FRISCHBETON AG ZUCHWIL	Switzerland	Zuchwil (Solothurn)	88.94	88.94
FRISCHBETON LANGENTHAL AG	Switzerland	Langenthal (Bern)	81.17	81.17
FRISCHBETON THUN	Switzerland	Thoune (Bern)	53.48	53.48
KIESTAG STEINIGAND AG	Switzerland	Wimmis (Bern)	98.55	98.55
KIESWERK NEUENDORF	Switzerland	Neuendorf (Soleure)	50.00	50.00
SABLES + GRAVIERS TUFFIÈRE SA	Switzerland	Hauterive (Fribourg)	50.00	50.00
SHB STEINBRUCH + HARTSCHOTTER BLAUSEE MITHOLZ AG	Switzerland	Frutigen (Bern)	98.55	98.55
SOLOTHURNER ENTSORGUNGS GESELLSCHAFT	Switzerland	Flumenthal (Solothurn)	100.00	100.00
SONNEVILLE AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER BÉTON JURA SA	Switzerland	Belprahon (Bern)	84.81	84.81
VIGIER BÉTON KIES SEELAND AG	Switzerland	Lyss (Bern)	100.00	100.00
VIGIER BÉTON MITTELLAND AG	Switzerland	Feldbrunnen (Solothurn)	100.00	100.00
VIGIER BÉTON ROMANDIE SA	Switzerland	St. Ursen (Fribourg)	100.00	100.00
VIGIER BÉTON SEELAND JURA AG	Switzerland	Safnern (Bern)	94.24	94.24
VIGIER CEMENT AG	Switzerland	Pery (Bern)	100.00	100.00
VIGIER HOLDING AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER MANAGEMENT AG	Switzerland	Deitingen (Solothurn)	100.00	100.00
VIGIER RAIL	Switzerland	Müntschemier (Bern)	100.00	100.00
VIGIER TRANSPORT AG (ex-GRANDY)	Switzerland	Langendorf (Soleure)	100.00	100.00
VITRANS AG	Switzerland	Pery (Bern)	100.00	100.00
BASTAS BASKENT CIMENTO	Turkey	Ankara	91.60	91.60
BASTAS HAZIR BÉTON	Turkey	Ankara	91.60	91.60
BIKILTAS	Turkey	Konya	100.00	(1)
KONYA CIMENTO	Turkey	Konya	83.08	83.08
KONYA HAZIR BÉTON	Turkey	Konya	83.08	83.08
TAMTAS	Turkey	Ankara	100.00	100.00
MAURICIM	Mauritania	Nouakchott	100.00	100.00
BHARATHI CEMENT	India	Hyderabad	51.02	51.02
KALBURGI CEMENT	India	Hyderabad	99.99	99.99

(1) Equity accounted entity at December 31, 2021.

Equity method: France

Company	Country	City	% interest December 31, 2022	December 31, 2021
ALTèreNATIVE	France	L'Isle d'Abeau	49.99	49.99
BIOVAL	France	L'Isle d'Abeau	39.99	39.99
CARRIÈRES BRESSE BOURGOGNE	France	Épervans	33.28	33.28
DRAGAGES ET CARRIÈRES	France	Épervans	49.98	49.98
SABLIÈRES DU CENTRE	France	Les Martres d'Artière	49.99	49.99
SCI ABBE CALES	France	Chambéry	69.99	69.99
EST LYONNAIS GRANULATS	France	Dijon	33.33	33.33

Equity method: Rest of the world

Company	Country	City	% interest December 31, 2022	December 31, 2021
HYDROELECTRA	Switzerland	Au (St. Gallen)	50.00	50.00
GRAVIÈRE DE LA-CLAIE-AUX-MOINES	Switzerland	Savigny	35.00	-
PROBETON	Switzerland	VERNIER	50.20	50.20
SILO TRANSPORT AG	Switzerland	Bern	50.00	50.00
SINAÏ WHITE CEMENT	Egypt	Cairo	17.06	14.27
PLANALTO	Brazil	Brasilia	37.33	36.32
BIKILTAS ENERJI PETROL MADENCILIK INSAAT AS	Turkey	Selcuklu/Konya	(1)	50.00

(1) Fully consolidated entity starting from 2022.