WEDNESDAY 15 FEBRUARY 2023

Full year results 2022

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Disclaimer

- This presentation may contain forward-looking statements. These statements are either trends or targets and should not be regarded as forecasts of results or any other performance indicator,
- This information is by nature subject to risks and uncertainties, as described in the Company's Reference Document available on its website (www.vicat.fr). It therefore does not reflect the Company's future performance, which may differ materially. The Company does not undertake to update this information.
- Throughout this analysis, and unless otherwise stated, all changes are expressed on a **consolidated basis**, on an **annual basis** (2022/2021) and **at constant scope and exchange rates**.
- The audited consolidated financial statements for the year 2022 and the notes thereto are available in available in full on the company's website www.vicat.fr

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➢ **Highlights**

Annual results 2022

Analysis by geographical region

Balance sheet and cash flow items

Recent events

Outlook 2023

Key facts 2022

Results 2022

Consolidated sales

3.6 billion euros (+19.7% L/L)

EBITDA: 570 million euros
(-5.9% L/L)

Resilient volumes and clear growth in sales prices

Strong cash flow generation and solid balance sheet

Net result, Group share :
156 million euros

Proposed dividend of €1.65 per share

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Highlights

➢ **Annual results 2022**

Analysis by geographical region

Balance sheet and cash flow items

Recent events

Outlook 2023

Condensed income statement

(In millions of euros)	**2022**	2021	Change (reported)	Change (at constant scope and exchange rates)
Consolidated sales	**3 642**	3 123	+16.6%	**+19.7%**
EBITDA	**570**	619	-7.9%	**-5.9%**
EBITDA margin (%)	***15.7%***	*19.8%*		
Recurring EBIT	**284**	360	-21.0%	**-19.0%**
EBIT margin (%)	***7.8%***	*11.5%*		
Consolidated net result	***175***	222	-21.0%	**-28.0%**
Net margin (%)	***4.8%***	*7.1%*		
Net result, Group share	**156**	204	-23.6%	**-29.5%**

- Strong organic growth in business (+19.7%)
- EBITDA above 2020 level (€557 million)

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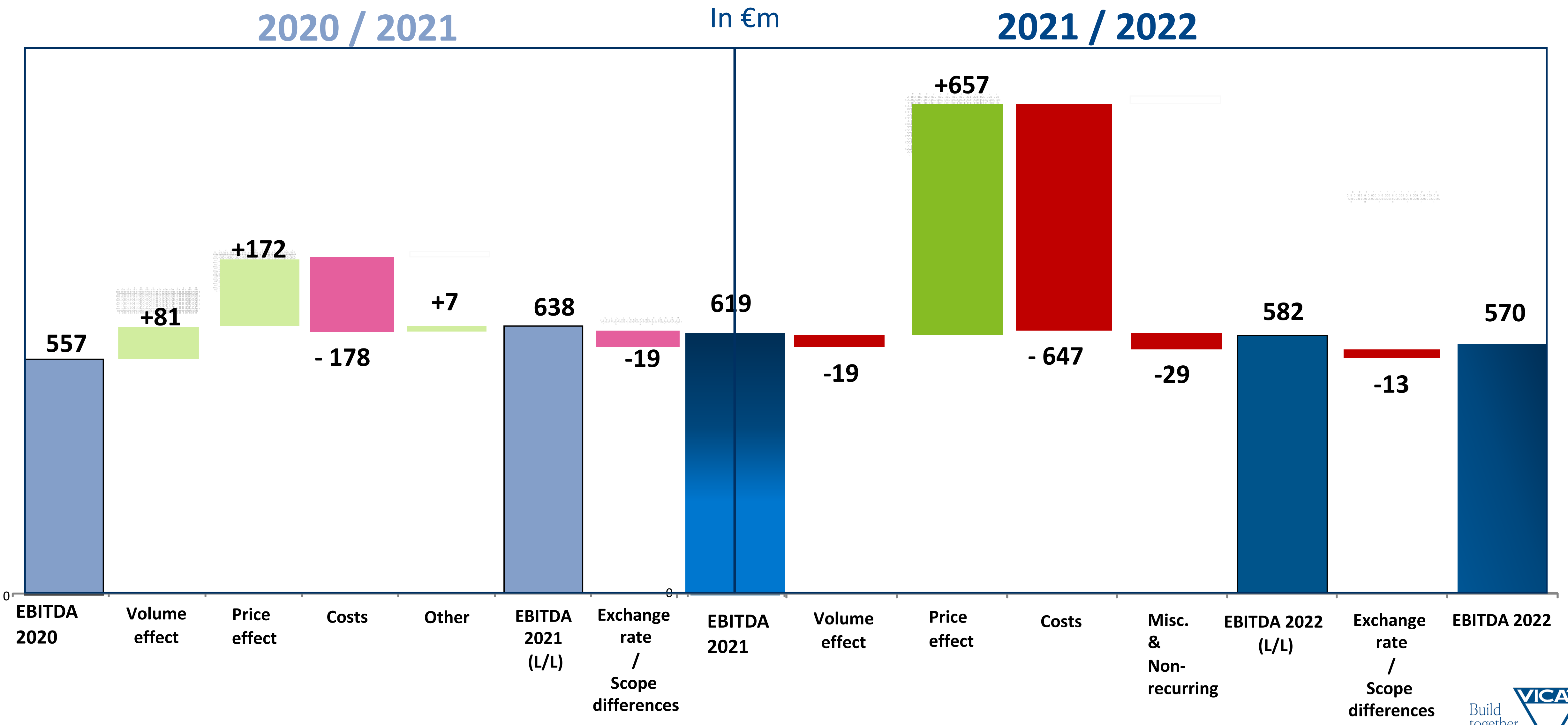
Change in EBITDA (by factor)



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Highlights

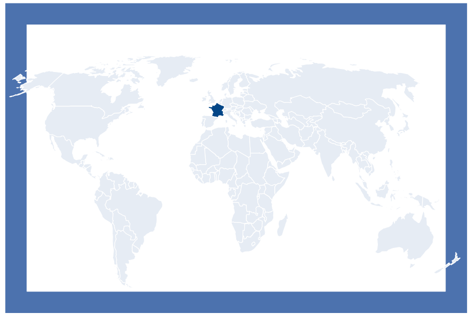
Annual results 2022

➢ **Analysis by geographical region**

Balance sheet and cash flow items

Recent events

Outlook 2023



France

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**1 177**	1 074	+9.6%	+6.8%
EBITDA	**172**	201	-14.6%	-15.6%

- **Business growth** despite a slight decline in volumes
  - Cement consumption remains at a high level
  - Sales prices rose sharply in all the Group's activities

- **Significant decline in EBITDA due to**
  - A particularly significant increase in operating costs, especially energy (+55%)
  - Non-recurring industrial costs
  - An unfavourable 2021 comparison base

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Europe (excluding France)

Switzerland & Italy

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**388**	394	-1.4%	+2.5%
EBITDA	**85**	89	-4.2%	-8.2%

- **In Switzerland**, consolidated sales stable, EBITDA down -11%
- **In Italy**, consolidated sales increased by +46% and EBITDA strongly

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Americas

US & Brazil

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**860**	672	+27.9%	+12.4%
EBITDA	**135**	140	-3.3%	-15.2%

- In the **United States,** the sector environment remained favourable
  - Temporary impact of the start-up of the new Ragland kiln during the 2nd and 3rd quarter
  - The end of the financial year was marked by unfavourable weather conditions in the South East
  - Sales at €580 million (+7%) and EBITDA at €88 million (-19%)

- **In Brazil**, resilient volumes in a context of a rise in interest rates and inflation in the country
  - Price increases partially compensated inflation in costs
  - Sales up +27.3% to €279 million and EBITDA down 7% to €47 million

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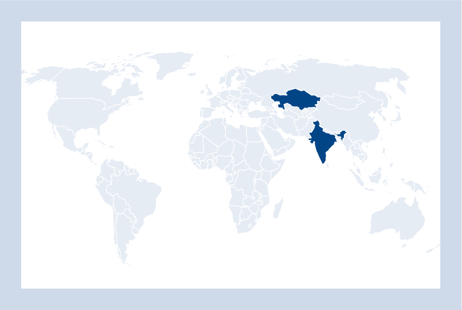
Asia



Asia:
India & Kazakhstan

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**500**	428	+16.8%	+10.7%
EBITDA	**98**	122	-19.2%	-23.3%

In India

- Growth in volumes, supported in particular by public demand
- In a context of very high inflation, the increase in sales prices only partially offset the sharp rise in energy costs
- Capacity increase at the Kalburgi Cement plant generated non-recurring operating expenses
- Sales up +12.8% to €433 million. EBITDA to €73 million down -31,2% on record levels of 2021

In Kazakhstan

- Significant increase in sales prices offsets the decline in volumes and the impact of cost inflation
- Sales at €67 million (-1%) and EBITDA at €26 million (+12.5%)

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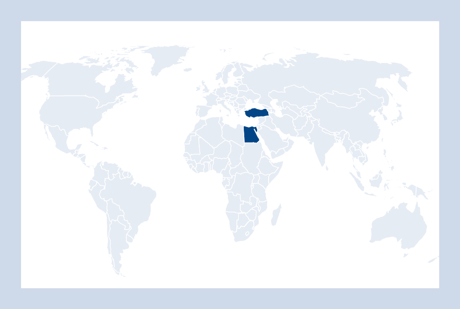
Mediterranean



Mediterranean: Turkey & Egypt

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**374**	228	+63.8%	+170.7%
EBITDA	**44**	3	n.a	n.a

- **In Turkey,** the macroeconomic and sector environment remains strong despite hyperinflation
  - Sales at €258 million (+226.8%)
  - Margin prioritization leads to EBITDA at €44 million, compared to €13 million in 2021

- **In Egypt**, the agreement between the Egyptian government and all the producers led to an improvement in selling prices on the domestic market
  - €116 million, up +62.3%,
  - EBITDA at break-even in 2022, compared to a loss of almost €10 million in 2021

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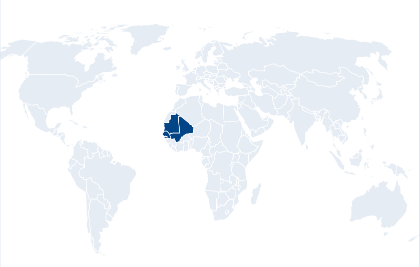
Africa



Africa:
Senegal, Mali & Mauritania

(€ million)	2022	2021	Change (reported)	Change (at constant scope and exchange rates)
Sales	**343**	327	+4.9%	+4.1%
EBITDA	**36**	65	-44.4%	-45.1%

The market remained resilient despite the effects on the region's economy of inflation and the political crisis in Mali

- *In the Cement business*, operating sales in Africa drew down by -2.1% and EBITDA decreased by -53%
  - The sharp drop in the Malian market, due to the political environment, could not be compensated for by the increase in Senegal and the clear progression in Mauritania
  - Government restrictions in pricing weigh on profitability
- In Senegal, *the Aggregates business*, driven by the gradual recovery of major government projects, was up +28% to €38 million and EBITDA was up +4% to €9 million

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Highlights

Annual results 2022

Analysis by geographical region

➢ **Balance sheet and cash flow items**

Recent events

Outlook 2023

Investments and cash flows

(In millions of euros)	2022	2021	2020
Maintenance capex	161	155	129
Strategic capex	261	232	190
of which capex to reduce carbon footprint	85	75	51
of which growth capex	176	156	139
Receipts from disposals of fixed assets	(14)	(11)	(19)
Total outlays of capital expenditure	**408**	**376**	**300**
Free cash flow (before strategic capex)	**210**	**295**	**418**
Free cash flow (based on all capital expenditure)	(51)	63	228

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Controlled debt

- **Consolidated equity €2,863 million** at 31 December 2022
- **Controlled net debt €1,567 million,** compliant with all financial ratios required by covenants included in financing agreements
- **Leverage of 2.75x** versus 2.13x at end 2021

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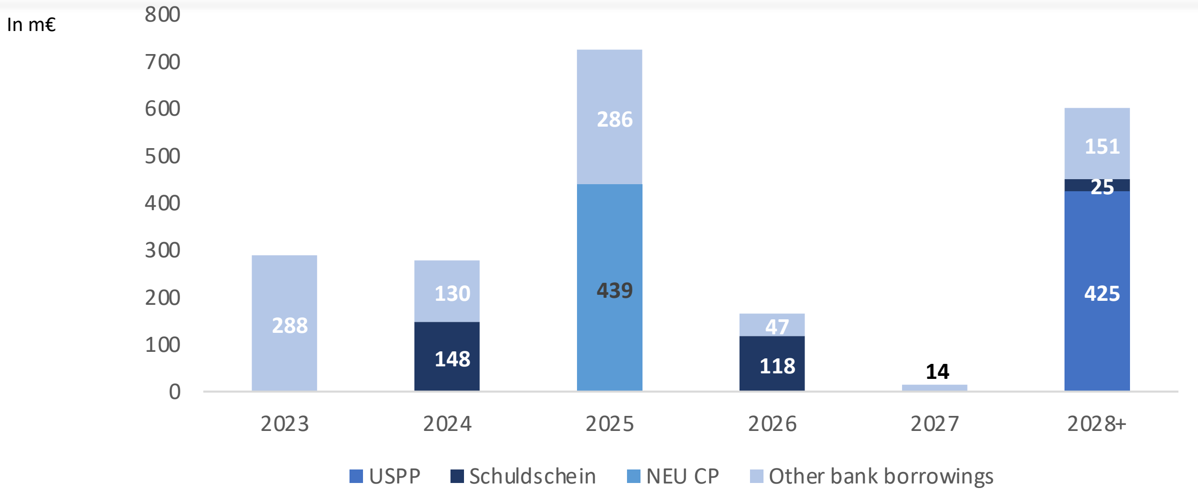
A controlled financial structure

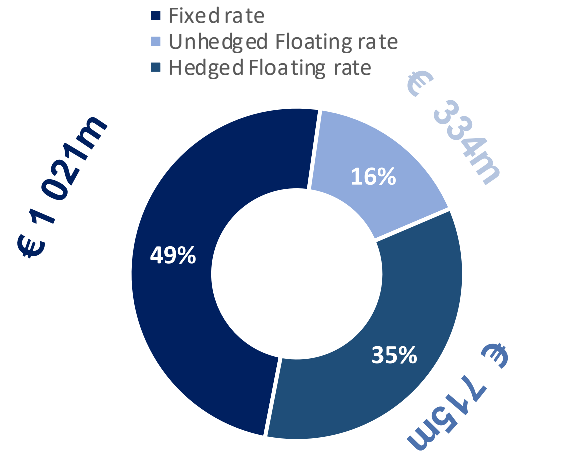
Debt maturity profile as of December 31, 2022

Indebtedness as of December 31, 2022

in m€	
US Private Placement	425
Schuldschein	290
NEU Commercial paper	439
Lease obligations	208
Local debt and others	708
Total gross debt	**2 070**
Cash	503
Total net debt	**1 567**
Net leverage	*2,75x*



Fixed rate / Variable rate



Average duration

4,9 years vs 5 in 2021

Average interest rate

3,56% vs 3,12% in 2021

- Financing agreement (9 February 2023) in Senegal of €242m composed of 2 tranches, most of which is qualified as "Green Financing":
  - €120m with a 10-year maturity
  - 80 billion CFA francs, with a 6-year fixed rate maturity

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Highlights

Annual results 2022

Analysis by geographical region

Balance sheet and cash flow items

➢ Recent events

Outlook 2023

Ragland kiln in the US

- The new 5,000 tonne-per-day kiln line at the Ragland plant in Alabama
  - Started in 2019 and completed in the third quarter of 2022 after a period of adjustments and fine-tuning
  - ROCE is expected to be 18% on the project. It will improve the income statement in 2023

- This industrial achievement brings:
  - An increase in capacity to 1.8 million tonnes per year, compared to 1.2 million previously
  - A reduction in production costs of around 30% per tonne produced
  - A reduction in CO2 emissions of -35% per tonne

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New kiln in Senegal

- The Group continued its Climate Plan by investing €260 million in a new kiln line to
  - double its clinker capacity
  - improve its industrial performance in Senegal and its cost prices
  - reduce its carbon footprint
- The new industrial facility is scheduled to come on stream in mid-2024
- The expected ROCE is 18%.

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Climate Plan: revised targets (1)

- The Group's overall CO_2 emissions went down from 624 kg per tonne of cement in 2021 to **608 kg in 2022**
  - In Europe, CO_2 emissions were cut from 544 kg per tonne of cement **to 530 kg**

- This performance was achieved as a result of:
  - a significant increase in the proportion of alternative fuels, which rose from 26.2% in 2021 to **28.1%** of the fuel mix in 2022 (66.0% in Europe versus 62.9% in 2021);
  - a significant decline in the clinker rate in cement to **77.5% in 2022** from 78.9% in 2021

- Efforts made led to an upgrade in the Group's CDP rating to A- (from B in 2021)

CDP

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Climate Plan: revised targets (2)

- The Groupe has set a **new target for 2030** for it CO2 emissions of **497 kg** net per tonne of cement equivalent (against 540 kg previously), and **430 kg** in Europe
  - This new target represents a decrease of around -20% in emissions on the 2019 figure
- This new target is based on:
  - an increase in the use of alternative fuels to 50% of the Group's overall fuel mix (versus 40% previously), and to 100% in Europe;
  - a reduction in the clinker rate in cement to 69%, versus 75% previously
- During 2022, the Group stepped up its commitment to the energy transition by introducing a target of using low-emission renewable energies
  - By 2030, the Group aims to increase its use of electricity generated from renewable sources to 40% (from 8.5% in 2022) and to generate 20% itself (against 5.0% in 2022)

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Highlights

Annual results 2022

Analysis by geographical region

Balance sheet and cash flow items

Recent events

➢ Outlook 2023

Outlook 2023 (1/2)

- In 2023 and 2024, the Group plans to scale back its capital expenditure outlays by strongly limiting its new projects to around €350 million in 2023 followed by another reduction in 2024. Over the period, this capital expenditure will focus on:
  - completion of the construction work on the new kiln in Senegal;
  - investment projects to meet the carbon footprint reduction targets; and
  - maintenance capex.
- The Group does not plan to launch any further strategic growth capex projects until the leverage ratio has been brought down below 2.0x.

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Outlook 2023 (2/2)

- In 2023, the Group is targeting further significant sales growth, with its markets overall expected to display resilience and reflect the full benefit of the price hikes in selling prices introduced in 2022 and the fresh increases anticipated in 2023
- Furthermore, the financial year 2023 will benefit from the full effect of the new Ragland kiln and the disappearance of the non-recurring costs incurred in 2022
- Based on the latest trends observed, energy costs are expected to stabilise progressively at average levels above those seen in 2022

**Taking these factors into account,
the Group's 2023 EBITDA is expected to rise towards
a level close to or above that of 2021**

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QUESTIONS

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