Press Release
Full-year 2023 results

L'Isle-d'Abeau, 13 February 2024

- **Strong growth in sales across all the Group's regions**
- **EBITDA of €740 million thanks to a strong increase in the United States**
- **Group debt reduction (leverage ratio at 1.9x)**
- **Proposed dividend of €2.0 per share**

Key figures for 2023:

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**3,937**	3,642	+8.1%	**+19.6%**
EBITDA	**740**	570	+29.8%	**+41.0%**
Margin (%)	*18.8%*	*15.7%*	*+3.1 pts*	
Recurring EBIT	**433**	284	+52.1%	**+68.0%**
Margin (%)	*11.0%*	*7.8%*	*+3.2 pts*	
Consolidated net income	**295**	175	+68.3%	**+88.1%**
Margin (%)	*7.5%*	*4.8%*	*+2.7 pts*	
Net income, Group share	**258**	156	+65.6%	**+84.8%**
Free cash flow	**295**	-121		

**like-for-like, i.e. at constant scope and exchange rates*

Guy Sidos, Group Chairman and CEO commented:

"Vicat's strong results in 2023 and the prospects hence raised are a testament to the effectiveness of its development model. The Group has achieved the highest EBITDA in its history; a performance driven by the ramp-up in the Ragland plant in the United States and the success of our commercial strategy in our various markets. I'd like to congratulate all our teams for their hard work and their contribution to this fine performance in 2023. Trends in emerging markets also improved over the course of the year, especially in Brazil and Turkey, where our profitability advanced significantly. Nonetheless, the Group's margins have not yet returned to their pre-crisis levels.
Despite a slowdown in Europe, Vicat should achieve further growth in 2024, leveraging its performance in the United States and the opportunities in emerging markets.
The Group is fully focused on its three priorities: deleveraging, restoring its margins to pre-crisis levels and executing its decarbonation strategy. We will be launching our "Low carbon to zero carbon" initiative in 2024 by studying two final decarbonation projects located in France and the United States that will capture carbon to either stock or use it."

Disclaimer:

- *In this press release, and unless indicated otherwise, all changes are stated on a year-on-year basis (2023/2022), and at constant scope and exchange rates.*
- *The alternative performance measures (APMs), such as "at constant scope and exchange rates", "operational sales", "EBITDA", "recurring EBIT", "net debt" and "leverage" are defined in the appendix to this press release.*
- *This press release may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets. These statements are by their nature subject to risks and uncertainties as described in the Company's Universal Registration Document on its website (www.vicat.fr). These statements do not reflect the future performance of the Company, which may differ significantly. The Company does not undertake to provide updates of these statements.*

Further information about Vicat is available on its website (www.vicat.fr).

The 2023 consolidated financial statements were approved by the Board of Directors on 12 February 2024. The Statutory Auditors have completed their audit of the consolidated financial statements and will shortly issue their report.

The **Group's 2023 sales** rose +8.1% on a reported basis to €3,937 million. Organic growth in sales was +19.6% at constant scope and exchange rates, with all the Group's regions making a positive contribution. This performance was achieved as a result of:

- **+6.3% growth in Cement volumes over the year, with trends varying from one Group market to another, including:**
  - A slowdown in European markets (France and Switzerland) attributable to weakness in the residential sector;
  - Dynamic trends in the Mediterranean and Asia regions;
  - The ramp-up in the Ragland plant's new kiln in the United States, which made a strong contribution to volume growth over the year.
- **Higher selling prices** across almost all Vicat's markets amid strong cumulative inflation in production costs.

The Group's sales were impacted by an unfavourable currency effect of -€417 million (-9.6%) chiefly arising from depreciation in the Turkish lira and Egyptian pound against the euro over the year. There were no changes in the scope of consolidation during the year.

The Group's EBITDA increased sharply in 2023 with the ramp-up in the Ragland plant's kiln in the United States, the improvement in production performance across all countries and the effectiveness of the Group's commercial policy. Selling price increases offset the cumulative increase in production costs, without restoring the Group's margins to their previous levels. The 2023 EBITDA margin was 100 basis points below the level of 19.8% recorded in 2021. The trend in reported EBITDA reflects a negative currency effect of -€64 million.

At constant scope and exchange rates, the EBITDA increase reflects:

- The performance improvement in the United States, with the ramp-up in the Ragland plant's new kiln. Its start-up in June 2022 had weighed on last year's results;
- The impact of price increases introduced across almost all the Group's markets, which offset the cumulative increase in variable costs linked to inflation:
  - In 2023, energy costs totalled €596 million, down from €664 million in 2022 on a constant volume basis, but well above the 2021 level of €398 million;
  - Core inflation (staff and maintenance costs) was close to 10% in 2023.
- The improved production performance of the Cement business, with greater use of alternatives to fossil fuels, which rose +3.9 points relative to 2022.

Recurring EBIT recorded a significant increase, with margins up +320 basis points year-on-year after higher depreciation and amortisation linked notably to the commissioning of the Ragland plant's new kiln.

Net financial income/(expense) fell by -€22 million relative to 2022. This reflected the increase in the net cost of debt, chiefly as a result of a change in the method used to account for hedging derivatives introduced in July 2022.

Tax expense declined €7 million compared with 2022. The effective tax rate was 16.8%, well below the 2022 rate of 28.6%. This reduction in tax expense was the product of non-recurring items (adoption in Turkey of hyperinflationary rules by the local tax authorities and the cancellation of a deferred tax liability following a merger between subsidiaries in Brazil), which gave rise to a deferred tax benefit. Adjusted for these non-recurring items, the effective tax rate was comparable to the 2022 rate.

Consolidated net income totalled €295 million, up +88.1% at constant scope and exchange rates and up +68.3% on a reported basis relative to 2022, which lifted the net margin to 7.5% of sales.

Net income, Group share rose +84.8% at constant scope and exchange rates and +65.6% on a reported basis to €258 million.

1. RESULTS BY GEOGRAPHICAL REGION

1.1. France

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**1,211**	1,177	+2.8%	**+2.8%**
EBITDA	**212**	172	+23.3%	**+23.3%**
Recurring EBIT	**111**	75	+47.2%	**+47.2%**

**like-for-like, i.e. at constant scope and exchange rates*

In 2023, the Group's business trends in France were mixed. Cement volumes contracted slightly, and concrete and aggregates volumes declined more significantly, whereas selling prices rose, offsetting the cumulative rise in energy costs and inflation (staff and maintenance costs). EBITDA in France recovered over the period, benefiting from a favourable base of comparison effect relative to 2022. This effect derived from the sudden and substantial increase in energy costs recorded in the second half and from the costs arising from the operational upgrade of the Montalieu plant in the first quarter of that same year.

Cement volumes, which had remained resilient in the first half of the year when volumes declined only slightly, fell more significantly in the second half by comparison with the same period of 2022. The Cement business was affected by the slowdown in residential construction in France. Non-residential construction also experienced a slowdown, while public works projects held up. The price hikes introduced at the beginning of the year helped offset the cumulative increase in energy prices in France, especially electricity (more than double historic costs) and other expense items (staff and maintenance expenses). As a result, the operational sales recorded by the Cement business rose +11.2% at constant scope in 2023 and EBITDA posted a significant improvement.

Concrete & Aggregates sales were affected in 2023 by a contraction in volumes triggered by the slowdown in residential construction and by the low level of public roadbuilding projects, which consume large volumes of aggregates. Price hikes were introduced during the year in both concrete and aggregates to cover the substantial rise in costs since 2022. Concrete & Aggregates operational sales declined -1.9% at constant scope in 2023, and EBITDA increased slightly.

Other Products & Services sales and EBITDA posted a small decline.

1.2 Europe (excluding France)

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**407**	388	+4.9%	**+1.7%**
EBITDA	**101**	85	+19.1%	**+15.3%**
Recurring EBIT	**66**	51	+29.0%	**+25.0%**

**like-for-like, i.e. at constant scope and exchange rates*

Cement volumes continued to contract during the second half **in Switzerland**. This trend mirrored the decline in the first six months of 2023 caused by the weakness in residential markets and public works. Prices moved higher following the hikes introduced at the beginning of the year to offset the effects of the cumulative inflation in costs, especially energy. Cement operational sales rose +4.4% at constant scope and exchange rates in 2023 and EBITDA posted a large increase, which was supported by an encouraging production performance.

Concrete & Aggregates operational sales in Switzerland edged -1.6% lower at constant scope and exchange rates in 2023. The volume weakness was only partially offset by the hikes in concrete & aggregates prices. EBITDA moved lower over the year as a whole.

Other Products & Services sales and EBITDA were stable in Switzerland.

In Italy, consolidated sales rose +12.3% at constant scope in 2023 amid stable volumes and a hike in selling prices relative to the previous year. Overall, EBITDA also moved higher, despite being held back by higher intrants and energy costs.

1.3 Americas

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**979**	860	+13.9%	**+15.8%**
EBITDA	**216**	135	+59.9%	**+62.5%**
Recurring EBIT	**139**	72	+92.4%	**+95.3%**

**like-for-like, i.e. at constant scope and exchange rates*

In 2023, the Group's sales **in the Americas region** posted a very significant increase. They were supported by favourable pricing conditions and by the strong volume growth generated by the ramp-up in the Ragland plant's new kiln (US). In the United States, EBITDA totalled €151 million during 2023, representing an increase of +76.4% at constant scope and exchange rates relative to 2022.

In the United States, Cement volumes achieved further growth in the second half as the Ragland plant's new kiln continued to ramp up. It reached its full nominal capacity in the fourth quarter. Demand in the South-East US held up at a high level thanks to the boost provided by the local infrastructure programmes launched in 2021 (IIJA[1]) and by the IRA[2], which champions reindustrialisation across the United States. The new rail terminals that have opened in Georgia and Tennessee expanded the Ragland plant's catchment area and

[1] Infrastructure Investment and Jobs Act

[2] Inflation Reduction Act

supported the ramp-up in its output. This strong volume increase in the South-East US largely offset the fall in volumes in California caused by unfavourable meteorological conditions in the first half of the year. Prices remained firm in both regions, with further hikes introduced at the end of the summer to offset the cumulative effects of inflation over the past two years. Cement operational sales rose +27.5% in the United States at constant scope and exchange rates in 2023. EBITDA increased sharply at constant scope and exchange rates.

The Concrete business in the United States also delivered growth in 2023. Dynamic market conditions in the South-East more than offset the volume contraction in California against the backdrop of more sluggish local market conditions than in 2022. Selling prices again moved higher in both regions. Concrete operational sales rose +18.9% in the United States at constant scope and exchange rates in 2023. EBITDA surged higher on a year-on-year basis.

Amid broadly resilient macroeconomic conditions in 2023, the Cement business **in Brazil** recorded a volume contraction as a result of slower demand. Prices remained stable in the second half by comparison with 2022, but were higher on a year-on-year basis. Cement operational sales in Brazil fell -1.0% at constant scope and exchange rates. EBITDA hit a record high in 2023. The substantial increase was driven by a tight grip on production costs, strong acceleration in the use of alternative fuels and the addition of activated clays to cement, which helped lower CO_2 emissions per tonne produced.

The Concrete & Aggregates business showed resilience, with aggregates and concrete volumes stable over the year. Concrete prices moved higher, while aggregates prices held stable in 2023. Concrete & Aggregates operational sales rose +9.8% in Brazil at constant scope and exchange rates in 2023, and EBITDA posted a smaller increase.

1.4 Asia (India and Kazakhstan)

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**492**	500	-1.6%	**+5.4%**
EBITDA	**88**	98	-10.2%	**-4.1%**
Recurring EBIT	**56**	64	-12.5%	**-6.7%**

**like-for-like, i.e. at constant scope and exchange rates*

The Group's business **in Asia** recorded growth at constant scope and exchange rates in 2023 thanks to a positive performance in India and Kazakhstan in the second half of the year.

After a tough first six months, the Cement business **in India** powered ahead in the second half, with volumes moving higher over the year as a whole. The fall in cash costs helped restore its competitiveness from the second half. Market conditions remained dynamic amid pre-electoral conditions favourable for the construction sector and were supported by a continuing drive to develop infrastructure. In a competitive environment, selling prices moved slightly lower over the year as a whole. Cement operational sales in India moved up +5.6% at constant scope and exchange rates in 2023. EBITDA also increased in local currency terms.

After the tension seen across the rail logistics supply chain in the first half of the year, the Cement business **in Kazakhstan** recovered in the second six months of the year. Volumes recorded strong growth in the second half of the year as an additional fleet of wagons was secured. Prices fell back slightly over the period amid fiercer competition. As a result, Cement operational sales grew +5.2% in Kazakhstan at constant scope and exchange rates. EBITDA fell significantly in 2023 as a result of the downturn in selling prices, additional logistics costs and higher electricity costs.

1.5 Mediterranean (Turkey and Egypt)

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**464**	374	+24.1%	**+125.1%**
EBITDA	**68**	44	+54.9%	**+186.6%**
Recurring EBIT	**48**	20	+142.3%	**+350.0%**

**like-for-like, i.e. at constant scope and exchange rates*

In 2023, the Group's business **in the Mediterranean region** was boosted by a volume recovery in Turkey and significantly higher selling prices in local currency terms amid a hyperinflationary environment. The business was affected by the strong fall in the value of the Turkish lira and Egyptian pound against the euro.

Despite a hyperinflationary macroeconomic environment, the Cement business **in Turkey** posted solid volume growth throughout the year. The support provided by the government to the construction sector and the direct and indirect effects of the earthquake that struck south-east Turkey injected momentum into the business. Selling prices were strongly hiked to offset the effects of inflation on production costs. A waste heat recovery system[3] commissioned at Bastas during the fourth quarter will help to lower cash costs significantly. As a result, Cement operational sales in Turkey grew +25.2% in 2023 (up +135.1% at constant scope and exchange rates). EBITDA posted a significant increase thanks to a tighter grip on costs, especially maintenance costs, during the year and greater use of alternative fuels.

The Concrete & Aggregates business in Turkey expanded in 2023 as a result of strong growth in concrete volumes and higher selling prices. As a result, operational sales grew +38.7% in 2023 (up +160.5% at constant scope and exchange rates). EBITDA rose significantly.

The Cement business **in Egypt** experienced sluggish domestic market conditions, with volumes declining slightly over the year. In a competitive environment governed by the market regulation agreement introduced by the authorities in 2021 and renewed annually since, prices moved sharply higher in 2023. The Group grasped opportunities to export clinker to the Mediterranean and Africa regions, benefiting from export incentives introduced by the government. Cement operational sales in Egypt rose +11.1% in 2023 (up +82.9% at constant scope and exchange rates). EBITDA moved into positive territory in 2023 after a breakeven performance in 2022.

[3]System harnessing the hot gases produced to generate electricity

1.6 Africa (Senegal, Mali, Mauritania)

(€ million)	2023	2022	Change reported	Change lfl*
Consolidated sales	**384**	343	+11.9%	**+12.0%**
EBITDA	**54**	36	+51.5%	**+51.9%**
Recurring EBIT	**13**	2	+540.8%	**+545.9%**

**like-for-like, i.e. at constant scope and exchange rates*

The Group's sales **in Africa** rose in 2023 with the return of volumes to normal in Mali and the full-year impact of the price hike introduced in September 2022 in Senegal.

The Cement business **in Senegal** recorded a small volume contraction in 2023. Production is expected to remain constrained until the new kiln enters service, which is scheduled for late 2024. Conditions remain dynamic in the domestic market, which is supported by strong residential demand and various infrastructure projects. Prices also rose throughout the year following the most recent hike in regulated prices in September 2022. Cement operational sales rose +3.7% in Senegal at constant scope in 2023. EBITDA recovered sharply over the year as a whole.

The Aggregates business in Senegal posted growth in 2023 as a result of positive price and volume effects. It again received a boost as major public works projects went ahead. Operational sales grew +15.6% at constant scope in 2023. EBITDA was stable given the increase in maintenance costs.

The Cement business **in Mali** benefited from the strong market recovery after the political crisis that significantly reduced deliveries in 2022. In 2023, operational sales grew +58.8% at constant scope. EBITDA rose significantly.

Cement operational sales rose +15.3% **in Mauritania** at constant scope and exchange rates as a result of dynamic volume and pricing trends. EBITDA rose significantly.

2. FINANCIAL POSITION AT 31 DECEMBER 2023

(€ million)	2023	2022	2021
Gross financial debt	1,915	2,070	1,845
Cash	(493)	(503)	(527)
Net financial debt (excluding option)	**1,422**	**1,567**	**1,318**
EBITDA	740	570	619
Leverage ratio (x)	***1.92x***	***2.75x***	***2.13x***

At 31 December 2023, the Group's financial structure remained solid, with a strong equity base and net debt down €145 million year-on-year. The leverage ratio was 1.92x, down from 2.75x at 31 December 2022.

Medium- to long-term borrowings are subject to special clauses (covenants) requiring certain financial ratios to be met. Given the level of Group's net debt and balance sheet liquidity, the bank covenants do not pose a risk for the Group's financial position.

The Group can call on confirmed credit lines, which have not been drawn down or assigned to hedging the liquidity risk on commercial paper amounting to €683 million at 31 December 2023 (versus €400 million at 31 December 2022).

3. CAPITAL EXPENDITURE AND FREE CASH FLOW

(€ million)	2023	2022	2021
Maintenance capex	**151**	161	155
Strategic capex	**178**	261	232
► o/w **climate** capex	**40**	85	75
► o/w **growth** capex	**138**	176	156
Total capital expenditure outlays	**329**	422	387
Proceeds from sales of non-current assets	**(29)**	(14)	(11)
Total net capex outlays	**300**	408	376

Capital expenditure totalled €329 million in 2023, below the level recorded in 2022. A large proportion of this capex was devoted to the final stages of the construction of the Ragland plant's new kiln in the United States and continuing construction of the new kiln in Senegal. Certain capex related to construction of kiln 6 in Senegal, which was not disbursed in 2023, will be committed in early 2024.

Lastly, the Group allocated €40 million in strategic capex to reducing its carbon footprint in 2023.
This €40 million allocation does not include any "climate share" of the strategic growth investments in kiln 2 at the Ragland plant in the United States or in kiln 6 in Senegal, which made a strong contribution to the Group's climate performance. These strategic growth investments will significantly increase the use of alternative fuels, lower the clinker rate and improve the energy efficiency of these production facilities and thus bring Vicat closer towards its overall decarbonisation targets.

The Group remains committed to its climate investment target of €800 million over 10 years. The strategic "climate" capex in 2023 and 2024 is thus likely to be below the 10-year average given the strategic growth capex committed over this period, with a catch-up effect anticipated over the 2026-2030 period.

Free cash flow totalled €295 million, representing a strong improvement over the year as a result of:

- The increase in EBITDA;
- The decline in "strategic" capex following the end of the investment cycle for the new kiln at the Ragland plant in the United States and the calendar shift in outlays on kiln 6 in Senegal, which will now go ahead in 2024;
- A reduction in the working capital requirement.

4. CLIMATE PERFORMANCE

	2023	2022	Change	Objectives 2030
Direct specific emissions (kg CO_2 net per tonne of cement equivalent)	**588**	608	-3.3%	**497**
Direct specific emissions in Europe (kg CO_2 net per tonne of cement equivalent)	**501**	530	-5.5%	**430**
Alternative fuel rate (%)	**32.0%**	28.1%	+3.9 pts	**50.0%**
Clinker rate (%)	**76.8%**	77.5%	-0.7 pts	**69.0%**

All the indicators across all the Group's geographical regions pointed to further improvement in Vicat's climate performance in 2023. In Brazil, there was a strong improvement in the clinker rate and a significant increase in use of alternative fuels.

The Vicat Group is reiterating its climate roadmap and its 2030 target of reducing its direct specific carbon emissions to 497 kg CO_2 net per tonne of cement equivalent, and 430 kg CO_2 net per tonne of cement equivalent in Europe. This objective is solely based on existing proven technologies and does not rely on any technological breakthroughs, such as carbon capture and storage/use.

The "Low carbon to Zero carbon" initiative will be launched in 2024. In addition to the ongoing drive to modernise and move away from fossil fuels in the production process, alongside the advent of sophisticated cement compounds, the Group is studying two final decarbonisation projects to capture carbon by stocking it or using it to manufacture synthetic fuels at the Montalieu (France) and Lebec (California) plants. Major public subsidies will be required to get these projects off the ground.

5. OUTLOOK FOR 2024

In 2024, the Group expects **a continued increase in its sales**, supported by growth in the United States and the resilience of emerging markets, even taking into account the residential sector's weakness in Europe.

EBITDA generated by the Group in 2024 should be higher than the 2023 level.

This objective takes into account further operational savings at the Ragland plant and an easing in energy cost inflation over the period, with a favourable base of comparison effect in the first half of the year.

In 2024, the Group's capex is likely to total around €325 million following delays to investments in a new kiln in Senegal, which will now take place in 2024. The cumulative investment budget for 2023 and 2024 remains unchanged.

The increase in EBITDA, tight grip on the working capital requirement and disciplined investment approach will pave the way for a further decrease in the Group's net debt.
As a result, the Group has set a target of lowering its leverage to below 1.3x by year-end 2025.

Outlook by country:

In **France**, business trends are expected to be held back by the marked slowdown in residential construction, offset partially by demand from the infrastructure segment. The progressive start-up in a large rail infrastructure project in the South-East region should support the business in the future.

In **Switzerland**, stable business trends are expected, with volumes holding steady at a low level amid a resilient pricing environment.

In the **United States**, the growth in sales in the South-East US should continue with the operation of kiln 2 at the Ragland plant at full capacity over a full year. In addition, business trends in California should benefit from a favourable base of comparison effect relative to the first half of 2023. The increased use of alternative fuels and more widespread uptake of “1L”-type cement, which consumes less clinker, should support margin improvement.

In stabilising market conditions in **Brazil**, sales and earnings are expected to be close to the levels seen in 2023. Production performance improvements should provide a further boost.

In **India**, the market should continue to grow, especially in the first half thanks to a favourable base of comparison and the full-year impact of cost reductions amid a fiercely competitive environment.

In **Kazakhstan**, the more competitive environment and saturation of the production facilities are expected to curb the growth in volumes and prices in a country less exposed than others to energy cost inflation.

In **Turkey**, the macroeconomic environment is likely to remain dominated by inflation and the weakness of the Turkish lira. Business trends are expected to draw strength from the reconstruction drive after the February 2023 earthquake and the pre-electoral environment in the first six months of the year. The Group will continue to pursue a pricing policy intended to at least cover the strong inflation in costs.

In **Egypt**, domestic market conditions are expected to remain sluggish in a competitive environment still regulated by the authorities. As in 2023, the Group plans to pursue opportunities to export clinker and cement.

In **West Africa**, visibility is declining following mounting political instability in the region (postponement of the presidential elections in Senegal, Mali’s exit from Ecowas), the impact of which is hard to gauge as things stand. In **Senegal**, the Cement business will remain hampered until kiln 6 starts up in a pricing environment regulated by the government.

6. DIVIDEND

On the strength of these full-year 2023 results showing net profit per share of €5.76, up +65.5% on its 2022 level, and given its confidence in the Group’s ability to continue pursuing profitable growth, the Board of Directors decided at its meeting on 12 February 2024 to propose the distribution **of a dividend of €2.0 per share** at the Group’s Annual General Meeting due to be held on 12 April 2024.

PRESENTATION MEETING AND CONFERENCE CALL

To accompany this publication, the Vicat Group is holding an information conference call in English on 14 February 2024 at 3pm Paris time (2pm London time and 9am New York time).

To take part in the conference call live, dial in on one of the following numbers:

France: +33 (0)1 70 37 71 66
United Kingdom: +44 (0)33 0551 0200
United States: +1 786 697 3501

The conference call will also be livestreamed from the Vicat website or by clicking here. A replay of the conference call will be immediately available for streaming via the Vicat website or by clicking here.

The presentation supporting the event will be available from 12pm CET on Vicat's website.

NEXT EVENTS

Annual General Meeting, 12 April 2024

First-quarter 2024 sales after the close on 29 April 2024

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ABOUT THE VICAT GROUP

For 170 years, Vicat has been a leading player in the mineral and biosourced building materials industry. Vicat is a group listed on the Euronext Paris market and is under the majority control of the founding Merceron-Vicat family. Committed to a trajectory that will make it carbon-neutral across its value chain by 2050, the Vicat Group now operates three core lines of business: Cement, Ready-Mixed Concrete and Aggregates, as well as related activities. The Vicat Group is present in 12 countries spanning both developed and emerging markets. It has close to 10,000 employees and generated consolidated sales of €3,937 million in 2023. With its strong regional positions, Vicat is developing a circular economy model beneficial for all and consistently innovating to reduce the construction industry's environmental impact.

Vicat Group – Financial data – Appendix

DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES (APMS):

- Performance **at constant scope and exchange rates** is used to determine the organic growth trend in P&L items between two periods and to compare them by eliminating the impact of exchange rate fluctuations and changes in the scope of consolidation. It is calculated by applying exchange rates and the scope of consolidation from the prior period to figures for the current period.
- A geographical (or a business) segment's **operational sales** are the sales posted by the geographical (or business) segment in question less intra-region (or intra-segment) sales.
- **EBITDA** (earnings before interest, tax, depreciation and amortisation): sales less purchases used, staff costs and taxes adjusted for other income and expenses on ongoing business.
- **Recurring EBIT**: (earnings before interest and tax): EBITDA less net depreciation, amortisation, additions to provisions and impairment losses on ongoing business.
- **Free cash flow:** net operating cash flow after deducting capital expenditure net of disposals and financial investments and before the dividend payment.
- **Net debt** represents gross debt (consisting of the outstanding amount of borrowings from investors and credit institutions, residual financial liabilities under finance leases, any other borrowings and financial liabilities excluding options to sell and bank overdrafts), net of cash and cash equivalents, including remeasured hedging derivatives and debt.
- **Leverage** is a ratio based on a company's profitability, calculated as net debt/consolidated EBITDA.

2023 INCOME STATEMENT BY BUSINESS

Cement

(€ million)	2023	2022	Change reported	Change lfl*
Volume (thousands of tonnes)	**28,839**	27,140	**+6.3%**	
Operational sales	**2,526**	2,296	+10.0%	**+24.4%**
Consolidated sales	**2,153**	1,964	+9.6%	**+23.9%**
EBITDA	**544**	411	+32.2%	**+44.9%**
Recurring EBIT	**346**	233	+48.8%	**+64.7%**

**like-for-like, i.e. at constant scope and exchange rates*

Concrete & Aggregates

(€ million)	2023	2022	Change reported	Change lfl*
Concrete volumes (thousands of m^3)	**10,020**	10,023	**0.0%**	
Aggregates volumes (thousands of tonnes)	**24,273**	25,310	-4.1%	
Operational sales	**1,510**	1,398	+8.0%	**+18.6%**
Consolidated sales	**1,470**	1,363	+7.8%	**+17.9%**
EBITDA	**169**	132	+28.6%	**+37.3%**
Recurring EBIT	**76**	42	+83.4%	**+103.2%**

**like-for-like, i.e. at constant scope and exchange rates*

Other Products & Services

(€ million)	2023	2022	Change reported	Change lfl*
Operational sales	**453**	454	-0.3%	**+4.2%**
Consolidated sales	**314**	315	-0.2%	**-0.7%**
EBITDA	**27**	27	-1.5%	**+0.3%**
Recurring EBIT	**10**	10	+0.2%	**-0.5%**

**like-for-like, i.e. at constant scope and exchange rates*

PRINCIPAL 2023 FINANCIAL STATEMENTS

Consolidated Income Statement

(in thousands of euros)	Notes	2023	2022
Revenue	4	**3 937 195**	**3 642 063**
Raw materials and consumables used		(2 598 496)	(2 509 400)
Employees expenses	5	(569 002)	(528 635)
Taxes		(60 688)	(60 982)
Other operating income (expenses)	6	30 740	27 074
EBITDA		**739 749**	**570 120**
Net charges to operating depreciation, amortization and provisions	6	(306 995)	(285 655)
Recurring EBIT		**432 754**	**284 465**
Non-operating income (expenses)	7	4 870	6 270
Net charges to non-operating depreciation, amortization and provisions	7	(22 243)	(13 007)
Operating profit (loss)		**415 381**	**277 728**
Cost of net financial debt		(50 817)	(31 155)
Other financial income		37 773	31 900
Other financial expenses		(59 367)	(50 666)
Financial income (expenses)	8	**(72 411)**	**(49 921)**
Share of profit (loss) of associates	11.1	10 129	12 697
Profit (loss) before tax		**353 099**	**240 504**
Income tax	9	(57 771)	(65 060)
Consolidated net income		**295 328**	**175 444**
Portion attributable to minority interests		36 903	19 357
Portion attributable to the Group		**258 425**	**156 086**
Basic and diluted earnings per share (in euros)		5,76	3,48

Comprehensive income

(in thousands of euros)	2023	2022
Consolidated net income	**295 328**	**175 444**
Other items not recycled to profit and loss:		
Remeasurement of defined benefit	(4 958)	30 649
Other items not recycled to profit and loss	(1 991)	(9 744)
Tax on non-recycled items	1 339	(6 617)
Other items recycled to profit and loss:		
Changes in currency translation adjustments	(120 911)	(20 849)
Cash-flow hedge instruments	(1 659)	7 914
Tax on recycled items	4 012	(2 053)
Other comprehensive income (after tax)	**(124 168)**	**(700)**

TOTAL COMPREHENSIVE INCOME	171 160	174 744
Portion attributable to minority interests	23 542	11 403
Portion attributable to the Group	**147 618**	**163 341**

Consolidated statement of financial position

ASSETS

(in thousands of euros)	Notes	December 31, 2023	December 31, 2022
Goodwill	10.1	1 185 026	1 204 814
Other intangible assets	10.2	174 173	183 066
Property, plant and equipment	10.3	2 582 394	2 504 926
Right of use related to leases	10.4	185 416	193 122
Investment properties		30 706	32 124
Investments in associated companies		84 861	80 804
Deferred tax assets		112 229	126 212
Receivables and other non-current financial assets	11	241 811	269 651
Total non-current assets		**4 596 617**	**4 594 719**
Inventories and work-in-progress	12.1	568 705	560 795
Trade and other receivables	12.2	491 986	464 216
Income tax receivables		3 092	45 201
Other current assets		193 487	204 690
Assets held for sale		16 910	21 780
Cash and cash equivalents	13	493 547	503 597
Total current assets		**1 767 728**	**1 800 279**
TOTAL ASSETS		6 364 344	6 394 998

SHAREHOLDERS' EQUITY AND LIABILITIES

(in thousands of euros)	Notes	December 31, 2023	December 31, 2022
Share capital		179 600	179 600
Additional paid-in capital		11 207	11 207
Treasury shares		(41 891)	(47 097)
Consolidated reserves		3 230 128	3 003 393
Translation reserves		(646 331)	(558 838)
Shareholders' equity, Group share		**2 732 713**	**2 588 265**
Minority interests		**285 157**	**274 529**
Total shareholders' equity	14	**3 017 870**	**2 862 794**
Provisions for pensions and other post-employment benefits	15.1	88 045	86 355
Other provisions more than one year	15.2	134 286	123 413
Financial debts and put options more than one year	16.1	1 416 572	1 672 772
Lease liabilities more than one year	16.1	155 718	161 045
Deferred tax liabilities	9	273 349	325 188
Other non-current liabilities		18 696	21 594
Total non-current liabilities		**2 086 665**	**2 390 367**

Other provisions less than one year	15.2	21 943	12 570
Financial debts and put options at less than one year	16.1	335 956	242 161
Lease liabilities at less than one year	16.1	45 153	47 537
Trade and other accounts payable	17	503 490	540 374
Income tax payables		18 522	14 814
Other liabilities		334 745	284 381
Total current liabilities		**1 259 810**	**1 141 837**
Total liabilities		**3 346 474**	**3 532 204**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**6 364 344**	**6 394 998**

Consolidated statement of cash flow

(in thousands of euros)	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated net income		**295 328**	**175 444**
Share of profit (loss) of associates		(10 129)	(12 697)
Dividends received from associated companies		7 489	7 057
Elimination of non-monetary items:			
- depreciation, amortization and provisions		343 521	303 434
- deferred taxes		(28 680)	6 803
- net gain (loss) on disposal of assets		(22 196)	(5 377)
- unrealized fair value gains (losses)		3 951	(14 688)
- other non-monetary items		(381)	1 055
Cash flows from operating activities		**588 900**	**461 031**
Changes in working capital (1)		19 364	(104 132)
Net cash flows from operating activities	**18.1**	**608 265**	**356 899**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash-out related to acquisitions of non-current assets:			
- tangible and intangible assets		(328 984)	(422 356)
- financial investments		(15 115)	(28 505)
Cash-in related to disposals of non-current assets:			
- tangible and intangible assets		28 777	13 975
- financial investments		3 244	4 392
Changes in consolidation scope		(861)	(45 404)
Net cash flows from investing activities	**18.2**	**(312 939)**	**(477 898)**
CASH FLOWS FROM FINANCING ACTIVITIES			

Dividends paid		(93 592)	(82 355)
Increases/decreases in share capital			
Proceeds from borrowings	16	170 077	462 197
Repayments of borrowings	16	(329 194)	(138 328)
Repayment of lease liabilities	16	(51 335)	(58 414)
Purchase of treasury shares		(16 690)	(18 366)
Disposals on treasury shares		19 246	20 191
Net cash flows from financing activities		**(301 488)**	**184 926**
Currency translation effect on net cash and cash equivalents		(25 953)	(23 022)
Change in cash position		**(32 114)**	**40 905**
Net cash and cash equivalents - opening balance	13.2	471 347	430 442
Net cash and cash equivalents - closing balance	13.2	439 232	471 347

(1) - Including cash flows from income taxes: € (54) million as of December 31, 2023 and € (81.7) million as December 31, 2022.

- Cash flows from interests paid and received: € (34.1) million as of December 31, 2023 including € (9.6) million for financial expenses on IFRS16 leases and € (37.6) million as of December 31, 2022 including € (9.2) million for interest expenses on IFRS16 leases.

Statement of changes in consolidated shareholder's equity

(in thousands of euros)	Share capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Translation reserves	Shareholders' equity, Group share	Minority interests	Total shareholders' equity
At January 1st, 2022	179 600	11 207	(52 018)	2 800 579	(579 950)	2 359 418	246 681	2 606 099
IAS29 adjusments				58 610		58 610	7 313	65 923
At January 1st, 2022 restated	179 600	11 207	(52 018)	2 859 189	(579 950)	2 418 028	253 994	2 672 022
Half year 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
Change in consolidation scope and additional acquisitions				(13 330)		(13 330)	12 458	(872)
Application of IAS29				56 602		56 602	7 165	63 767
Other changes				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
At January 1st, 2023	179 600	11 207	(47 097)	3 003 393	(558 838)	2 588 265	274 529	2 862 794
Net income				258 425		258 425	36 903	295 328
Other comprehensive income (1)				(23 314)	(87 493)	(110 807)	(13 361)	(124 168)
Total comprehensive income				*235 111*	*(87 493)*	*147 618*	*23 542*	*171 160*
Dividends paid				(73 227)		(73 227)	(20 400)	(93 627)
Net change in treasury shares			5 206	(2 691)		2 515		2 515
Changes in scope of consolidation and additional acquisitions				(449)		(449)	(26)	(475)
Application of IAS29				65 895		65 895	7 460	73 355
Other changes				2 096		2 096	52	2 148
At December 31, 2023	179 600	11 207	(41 891)	3 230 128	(646 331)	2 732 713	285 157	3 017 870