2023 FULL YEAR RESULTS

28 March 2024

Pietro Buzzi – CEO

Construction of infrastructure A16 "De Groene Boog", Rotterdam, Netherlands. Credits: De Groene Boog

2023 IN BRIEF

Consolidated Net Sales reached 4,317 €m (+11.1% lfl), driven by solid price momentum in all Regions.
Recurring EBITDA at 1,237 €m (+43.7% lfl), the highest result ever in the group history; main additional contribution from Italy, Germany and USA.
Significant improvement in EBITDA margin at 28.7% (+640bps).

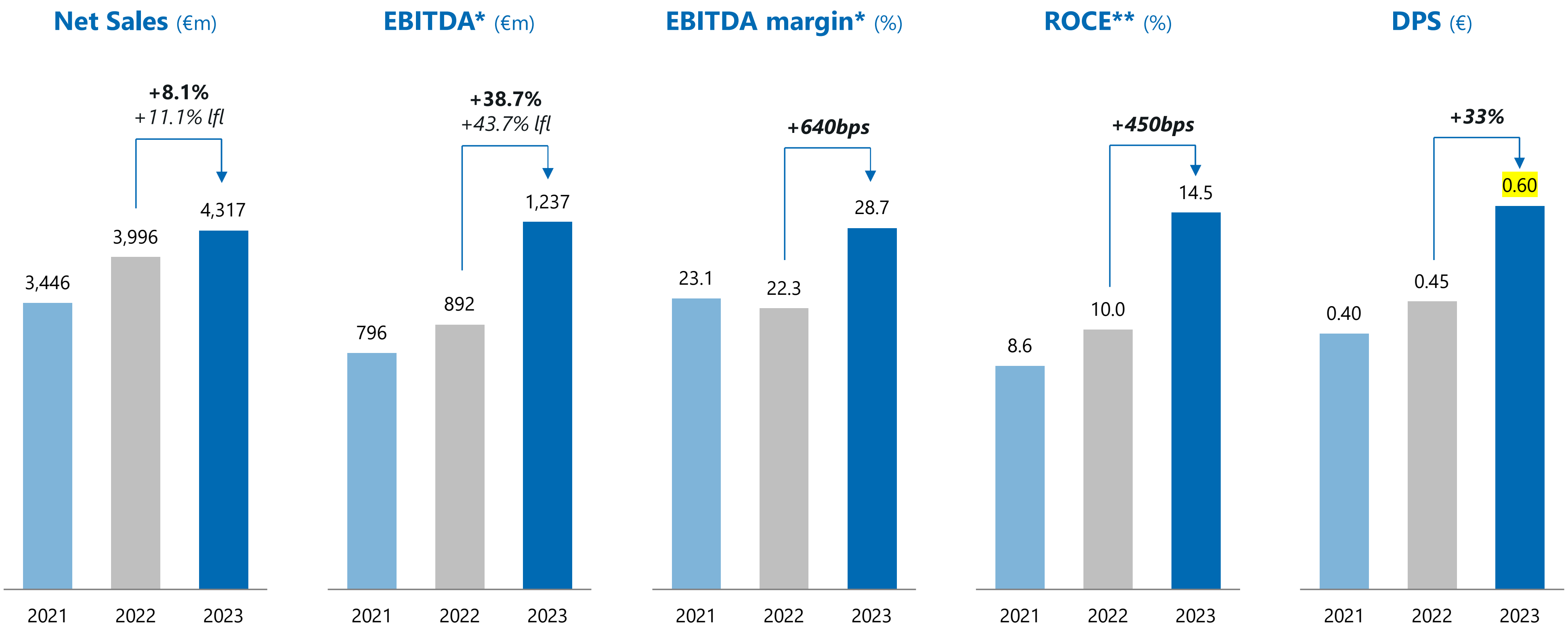
Sound cash generation, although negative impact from working capital and higher capex.
Positive development of ROCE over WACC spread, strengthened in 2023 despite higher cost of capital.

Dividend increased by 33% at 0.60 € ps. Share price +133% past two years.

2030 CO_2 reduction program on track and targets confirmed.

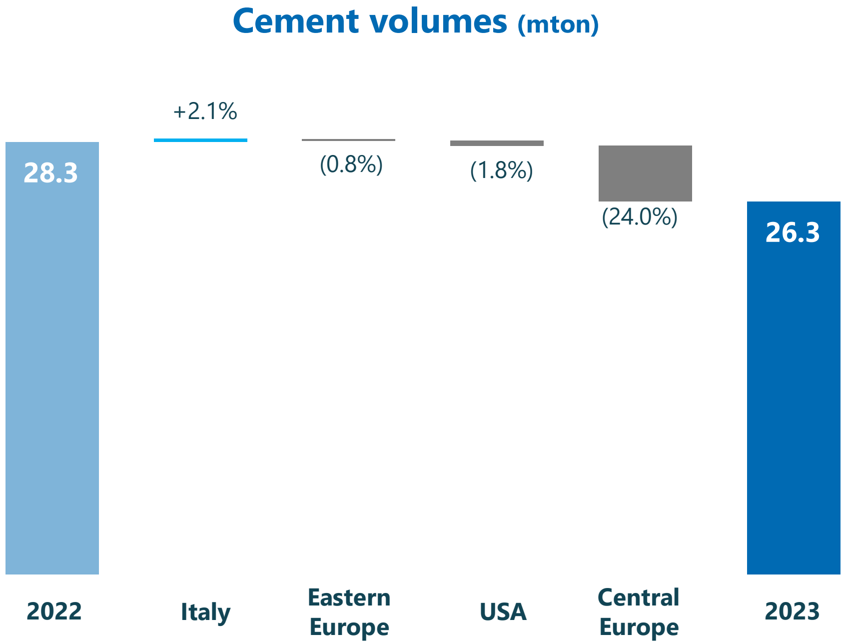
Commitment to the price over cost evolution in all Regions to protect margins.
2024 group recurring EBITDA expected to consolidate the 2023 level.

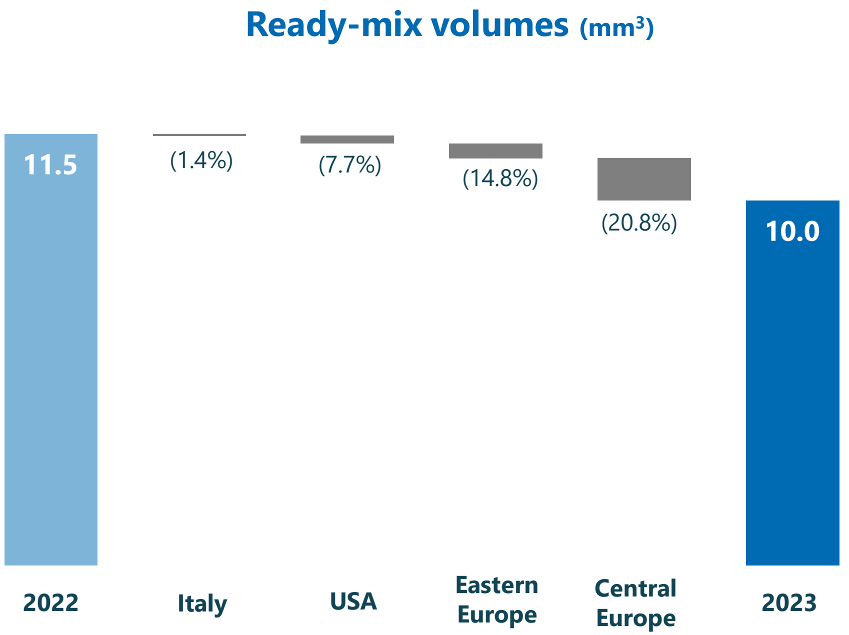
2023 KEY FIGURES



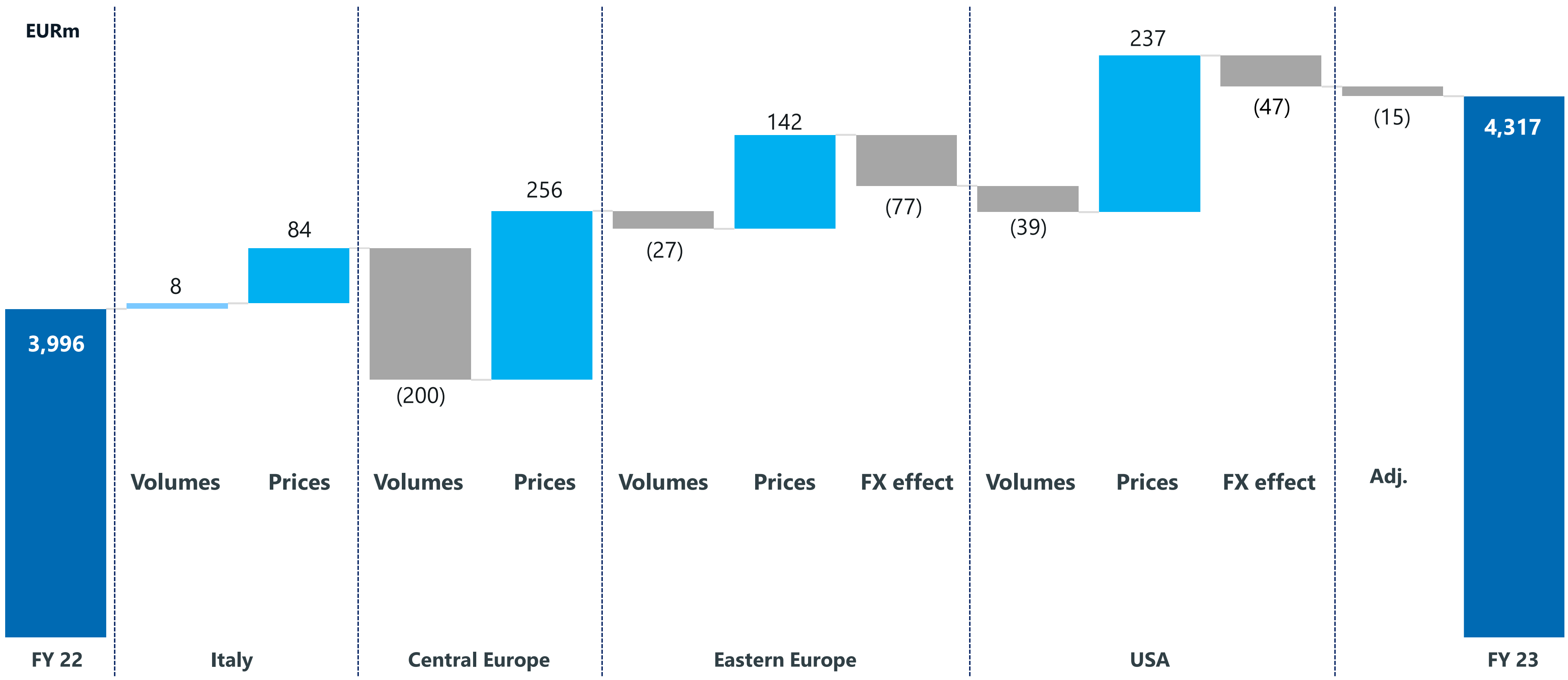
*Recurring
**Adj by non recurring items, incl. goodwill

CEMENT AND RMX VOLUMES VARIANCE



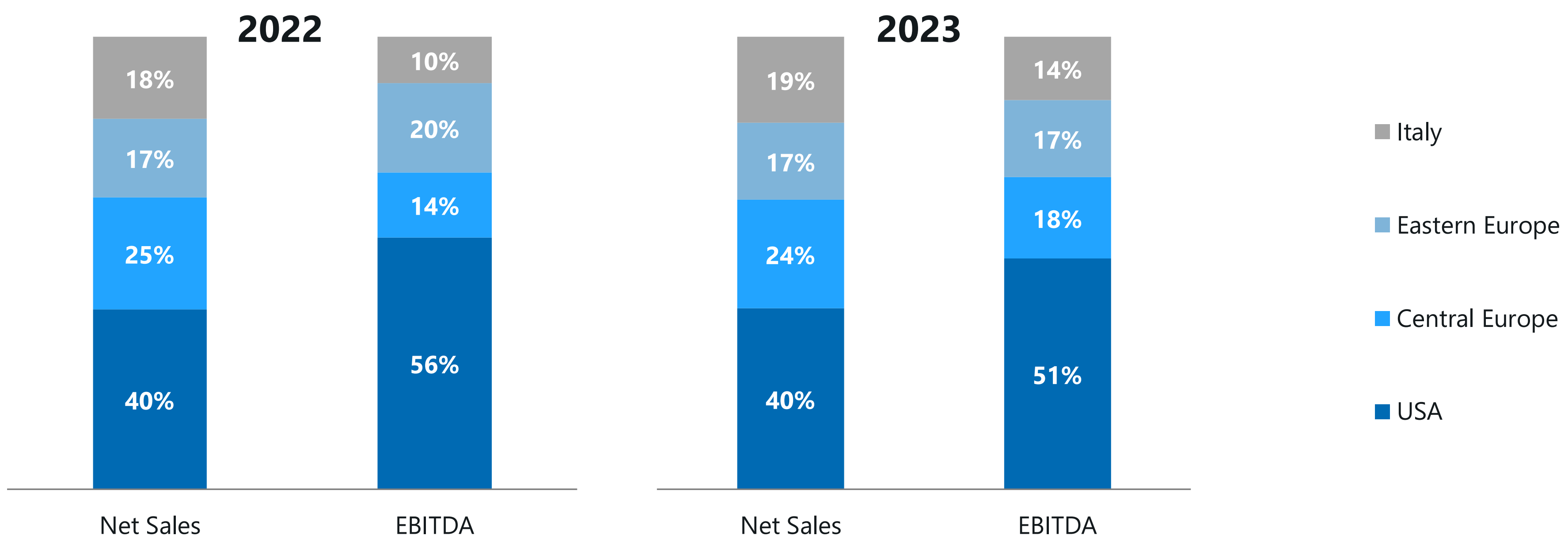


NET SALES VARIANCE ANALYSIS

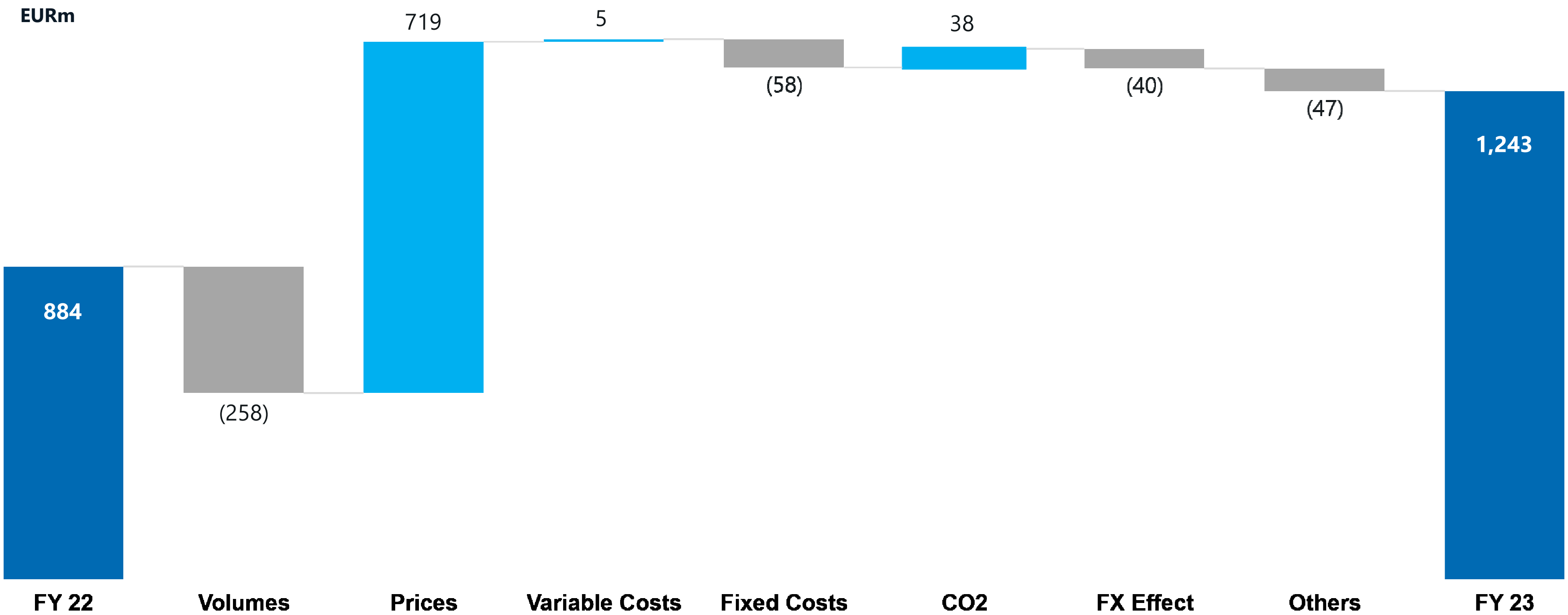


NET SALES AND EBITDA BREAKDOWN BY AREA

- Italy's contribution to EBITDA increased thanks to resilient volumes and prices, together with lower energy costs.
- Despite volume weakness, Central Europe strengthened its EBITDA contribution driven by a positive price over cost evolution. In Eastern Europe, lower contribution from Russia.
- USA remained by far the biggest contributor to consolidated EBITDA.

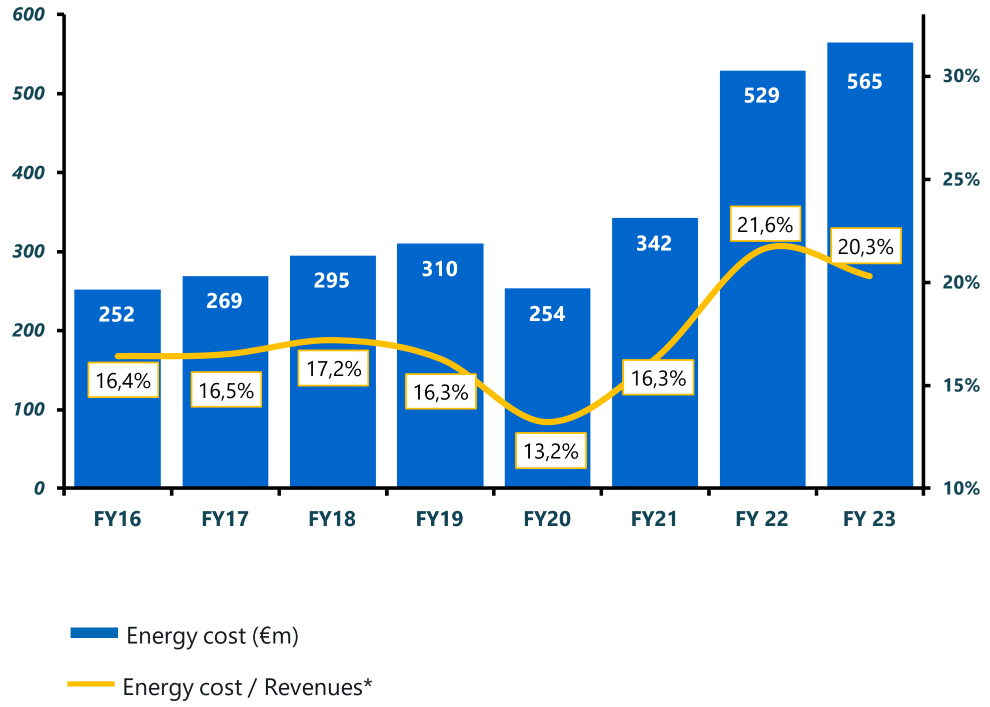


EBITDA BRIDGE

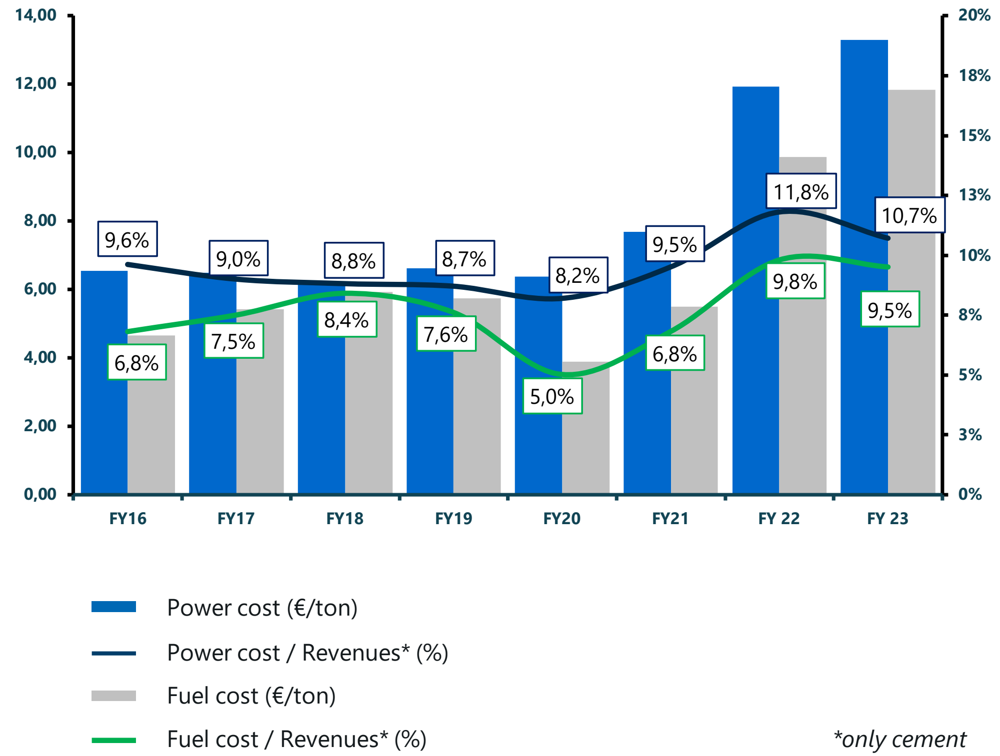


ENERGY COST

Total energy (ex. Russia)

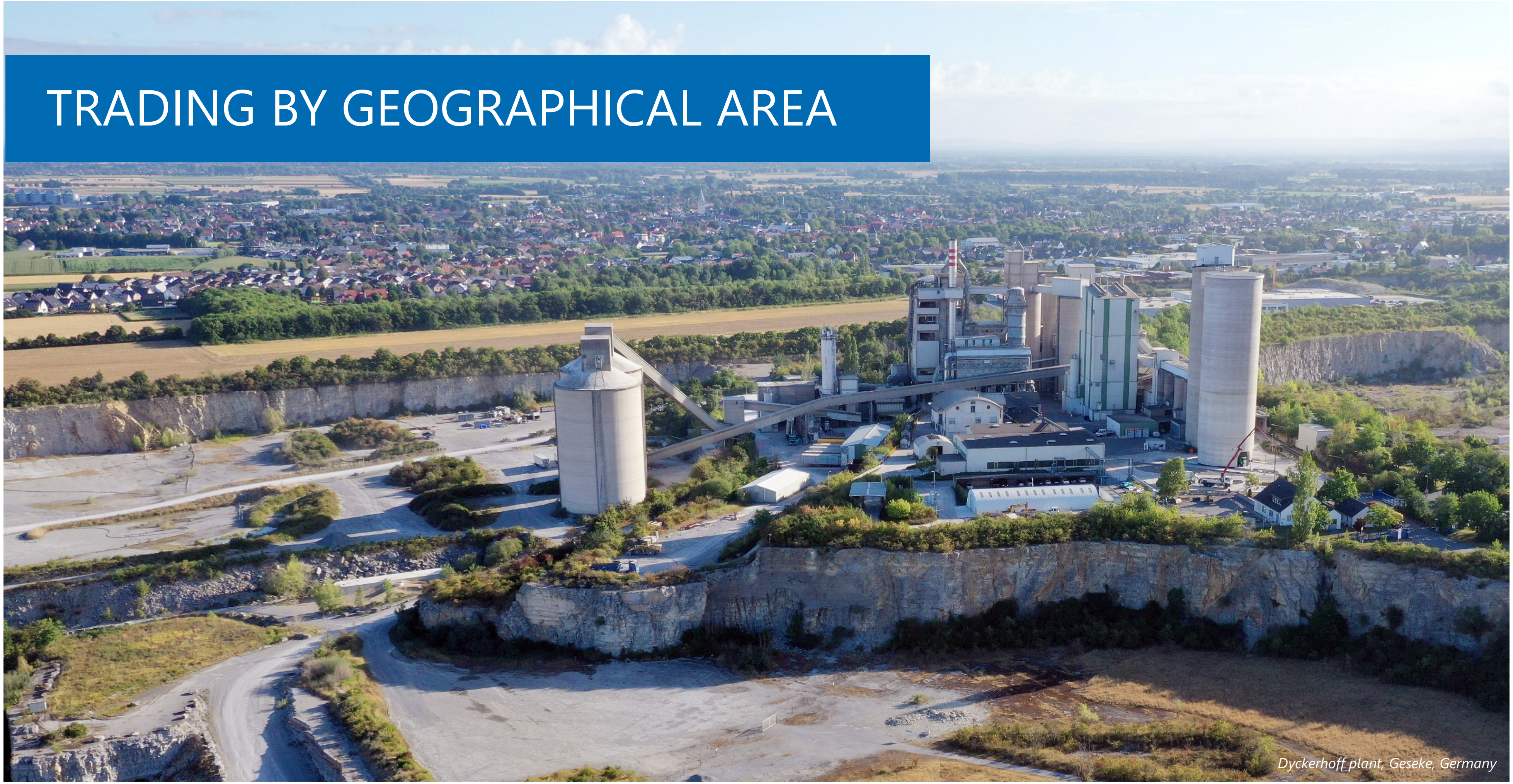


Power & Fuel (ex. Russia)



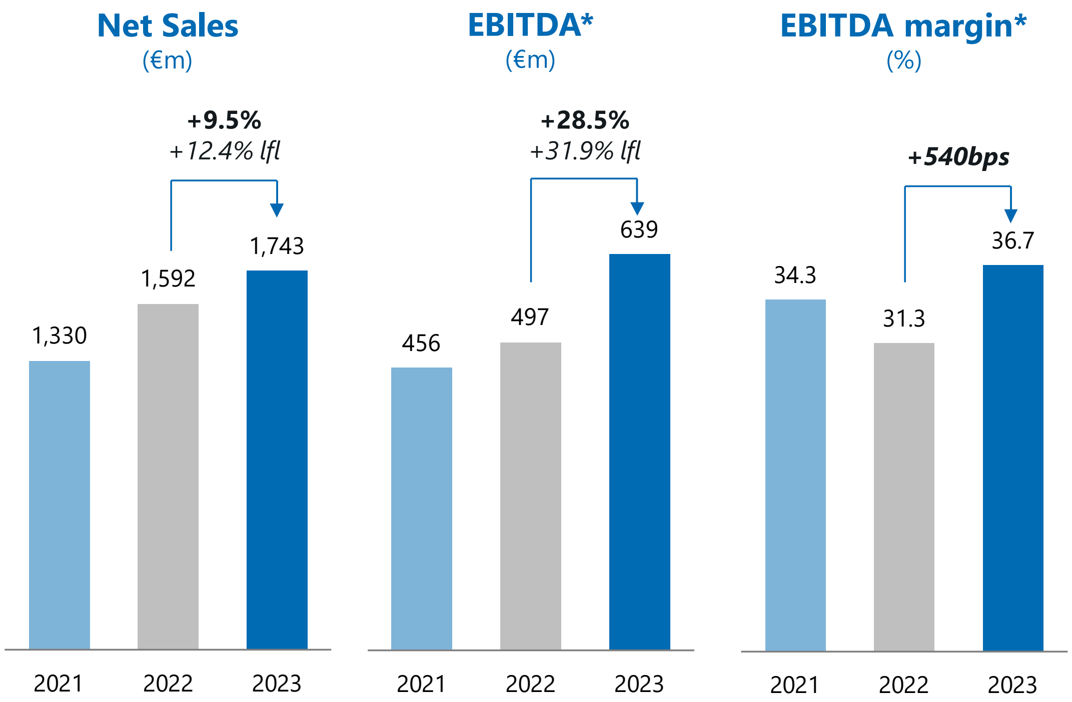
*only cement

TRADING BY GEOGRAPHICAL AREA



Dyckerhoff plant, Geseke, Germany

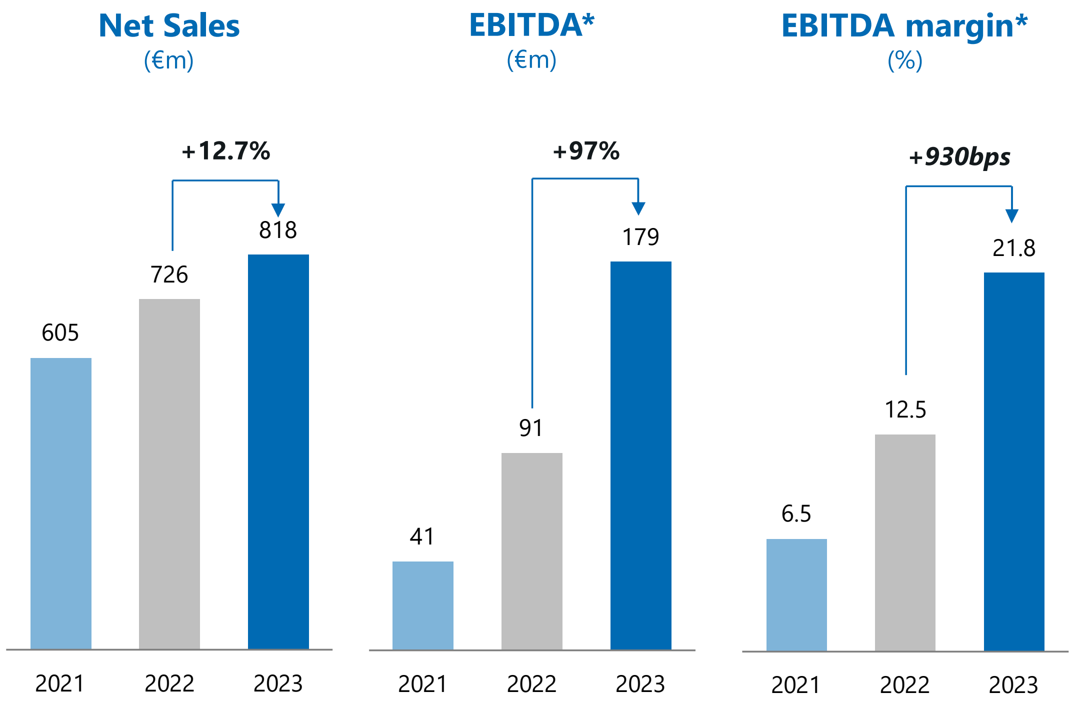
UNITED STATES OF AMERICA



- Cement demand has been resilient in H2, supported by reshoring activity and infrastructure spending. Domestic consumption is estimated to decrease by 2.9% in 2023.
- Despite the recovery in Q4, cement volumes slightly declined y-o-y, due to the generalized market slowdown as well as to some logistical criticalities along the Mississippi River.
- Pricing momentum has been able to offset inflation in fixed cost, allowing price over cost trend to improve over the year.
- Relevant growth in Net Sales and EBITDA, although the FX headwind.

*Recurring

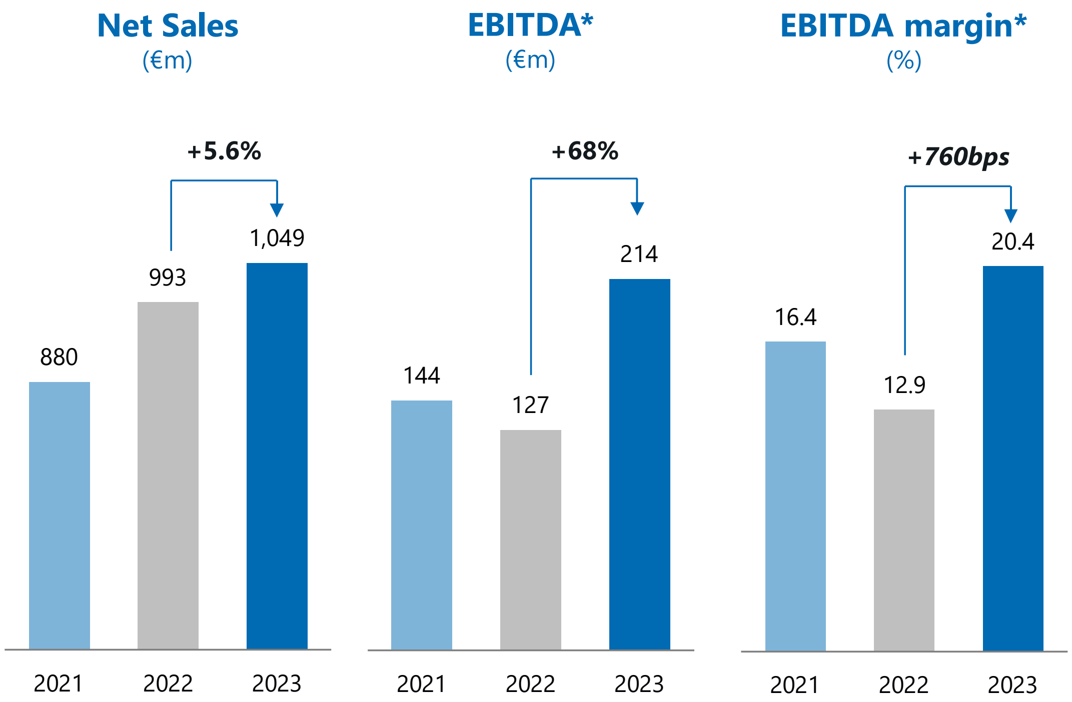
ITALY



- Construction activity recovered in Q4, bolstered by both NRRP and firms race to complete orders before the closure of superbonus. Domestic cement consumption estimated to decrease by 1.5% in 2023.
- Cement volumes have grown in H2, also thanks to the easy comparison with the previous year.
- Carryover effect on pricing and deflation in energy costs have significantly improved the price over cost trend, despite tax credit headwind**.
- Positive Net Sales evolution and strong EBITDA result, almost doubled compared to 2022.

*Recurring
**Tax credit: 12€m in 2023 - 38€m in 2022

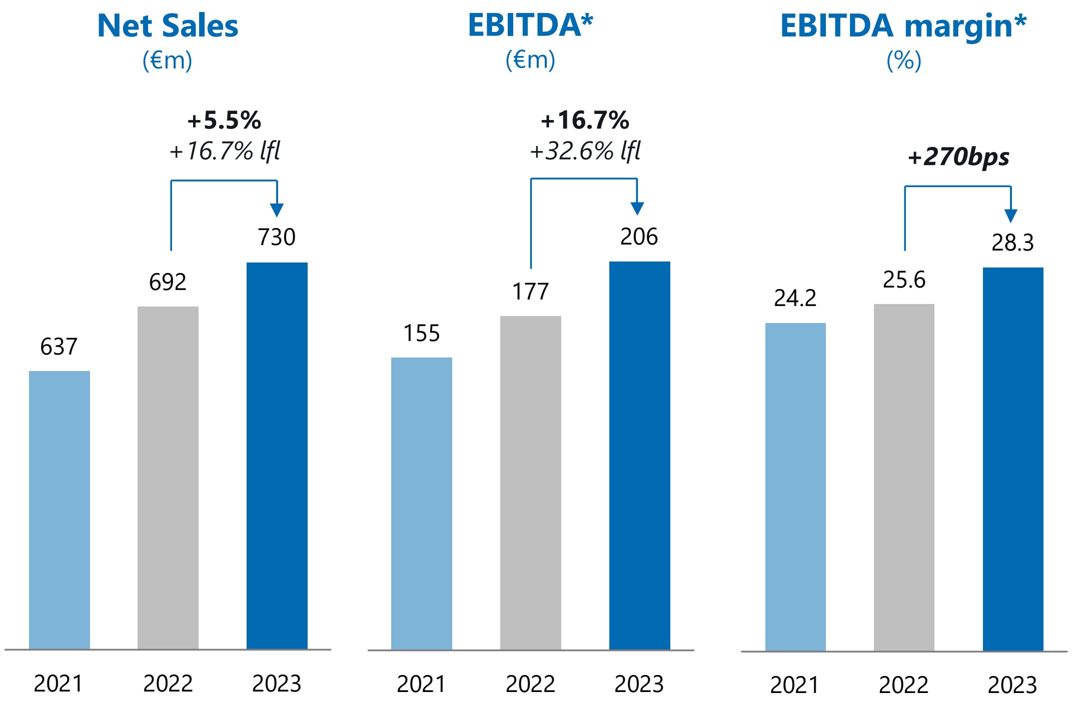
CENTRAL EUROPE



- Construction activity held back by residential, due to restrictive interest rates, high construction costs and reduction in public subsidies.
- Generalized downturn still affecting H2 cement and rmx volumes.
- Strong price momentum able to compensate the negative volume effect in Germany but not in Benelux.
- Improved price over cost trend over the year, despite higher energy expenses.
- Margin enhancement both in Germany and Benelux, also thanks to lower CO2 costs.

*Recurring

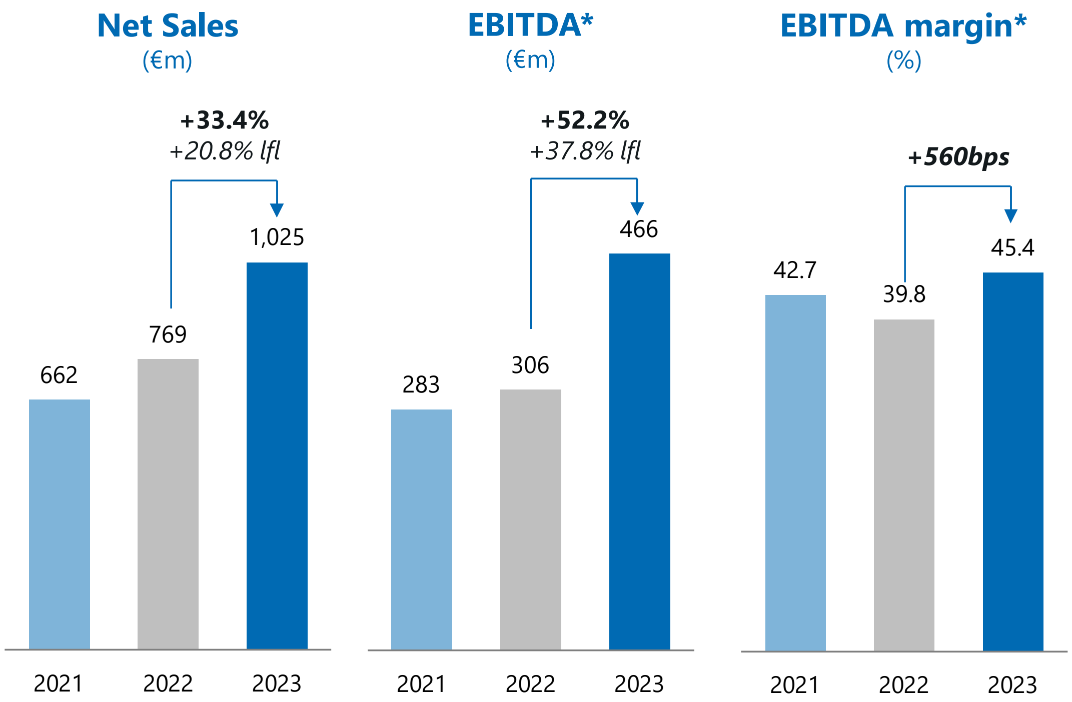
EASTERN EUROPE



- Residential downturn continued to weight on construction activity in Czech and Poland. Ukraine still recovering from the easy comparison base, but the operating context remains challenging.
- Production costs worsened due to the energy component, but price over cost spread widened thanks to the solid price momentum.
- Positive development for Net Sales and EBITDA, despite the significant FX headwind weighting on Russian and Ukrainian performances.

*Recurring

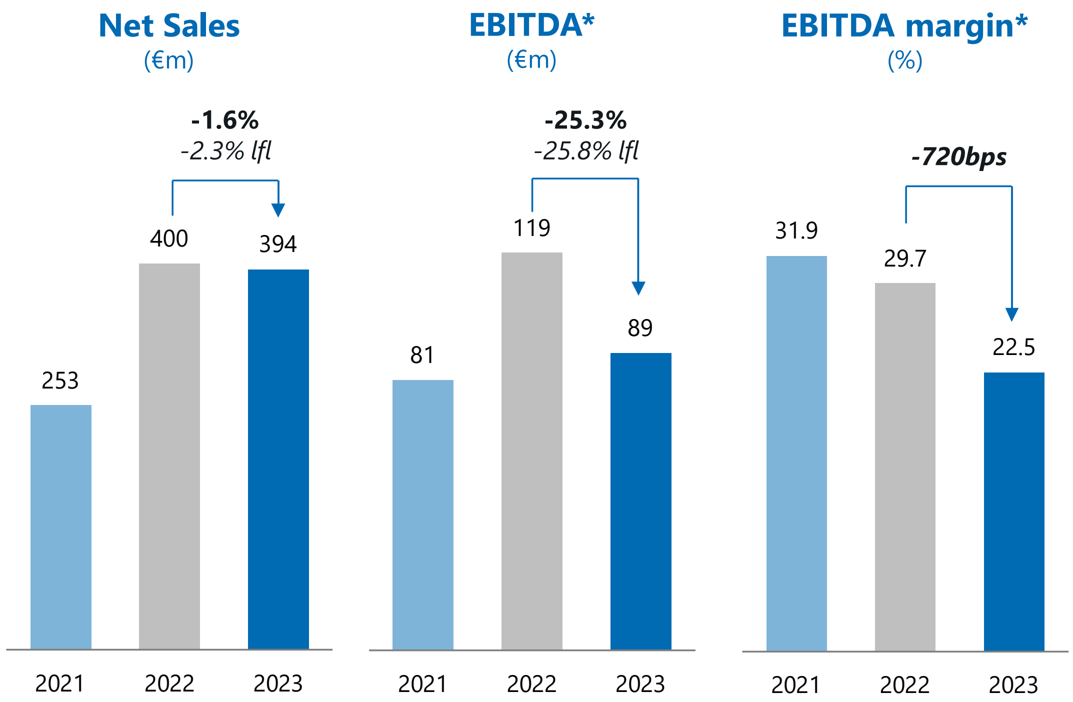
MEXICO



- Supportive domestic demand, leading cement and rmx volume to grow by 7.8% and 9.6% respectively.
- Higher prices, together with stable unitary production costs, allowed the price over cost trend to improve over the year.
- Positive development for Net Sales and EBITDA also helped by stronger MX pesos.
- Solid EBITDA margin recovery compared to the two-year period 2021-2022.

*Recurring

BRAZIL



- Interest rates, inflation and high level of indebtedness have continued to penalized demand in H2.
- Cement volumes slightly declined y-o-y, also affected by the first quarter heavy rains in the south-east area.
- Prices remained stable, as well as unitary production costs; EBITDA negatively impacted by change in inventory and worsened SG&A expenses.
- Modest positive FX contribution to Net Sales and EBITDA.

*Recurring

OUTLOOK 2024

New residential district in Ludwigshafen am Rhein Germany. Credits: Dena Khan_d.i.i. Deutsche Invest Immobilien AG

OUTLOOK 2024

Macroeconomic condition are still going to weight on construction investments in 2024, with subdued residential activity in all Regions; infrastructure projects are expected to support investments in Italy and USA

USA: cement demand bolstered by infrastructures spending and re-shoring activity
Italy: resilient demand driven by the implementation of PNRR
Central Europe, Poland and Czech: still subdued construction activity, due to persisting residential weakness
Mexico: construction investments expected to remain in good shape thanks to near-shoring and acceleration in infrastructure
Brazil: cement demand supported by public work, social housing and loosening of interest rates

Energy cost are expected to remain at high levels, despite some easiness in the fuel component

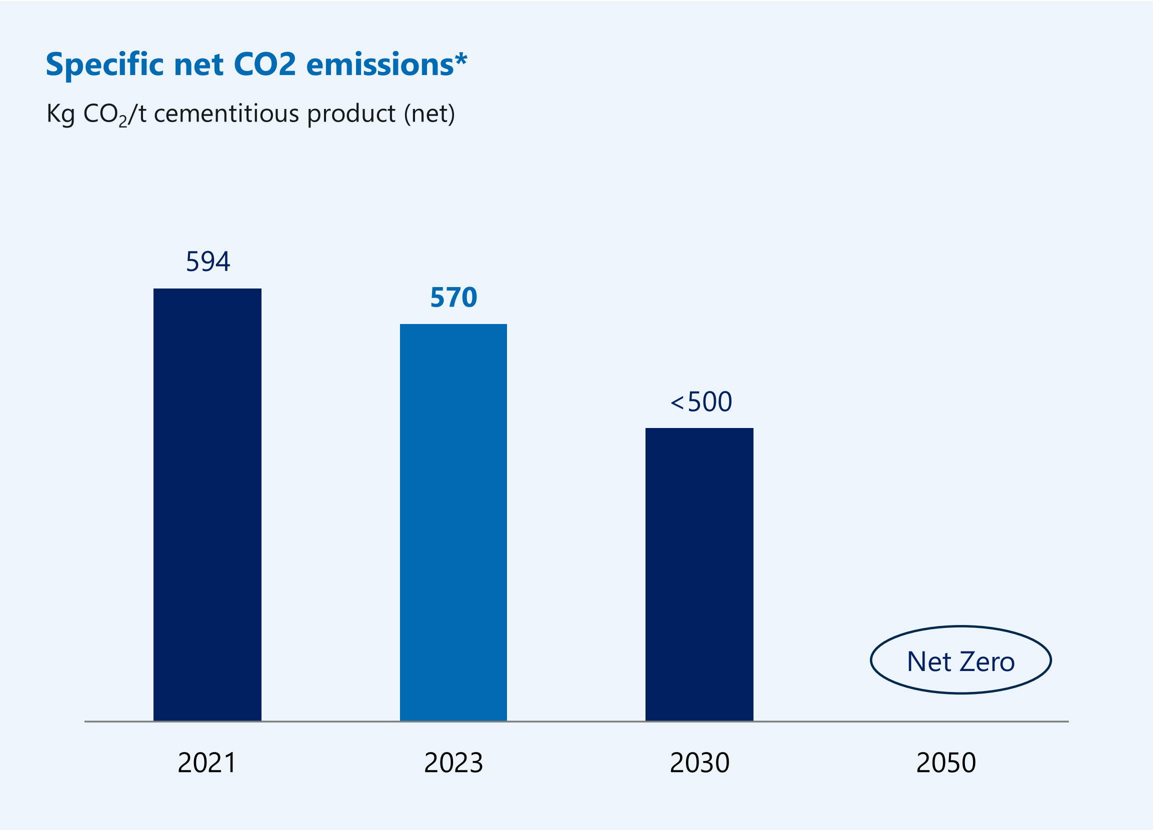
Full commitment to the price over cost evolution in all the markets

Group recurring EBITDA expected to consolidate the 2023 level

SUSTAINABILITY

Barge unloading system in Cincinnati, Ohio, United States

CO2 REDUCTION ON TRACK



CO2 emissions reduction in line with our roadmap.

Among main contributors:

- Reduced clinker ratio in Luxembourg (-410bps), Italy and US.
- Significant increase in thermal substitution in Italy (+640bps), Luxembourg (+850bps) and Czech Republic (+710bps).

Targets confirmed

*Roadmap perimeter excludes Russia and includes Brazil

ENVIRONMENTAL TRANSPARENCY

As part of the company's decarbonization strategy, after the validation of our CO2 emissions reduction target by the Science Based Target initiative (SBTi), in 2023 Buzzi participated in the Carbon Disclosure Project (CDP) questionnaire, receiving the B score.

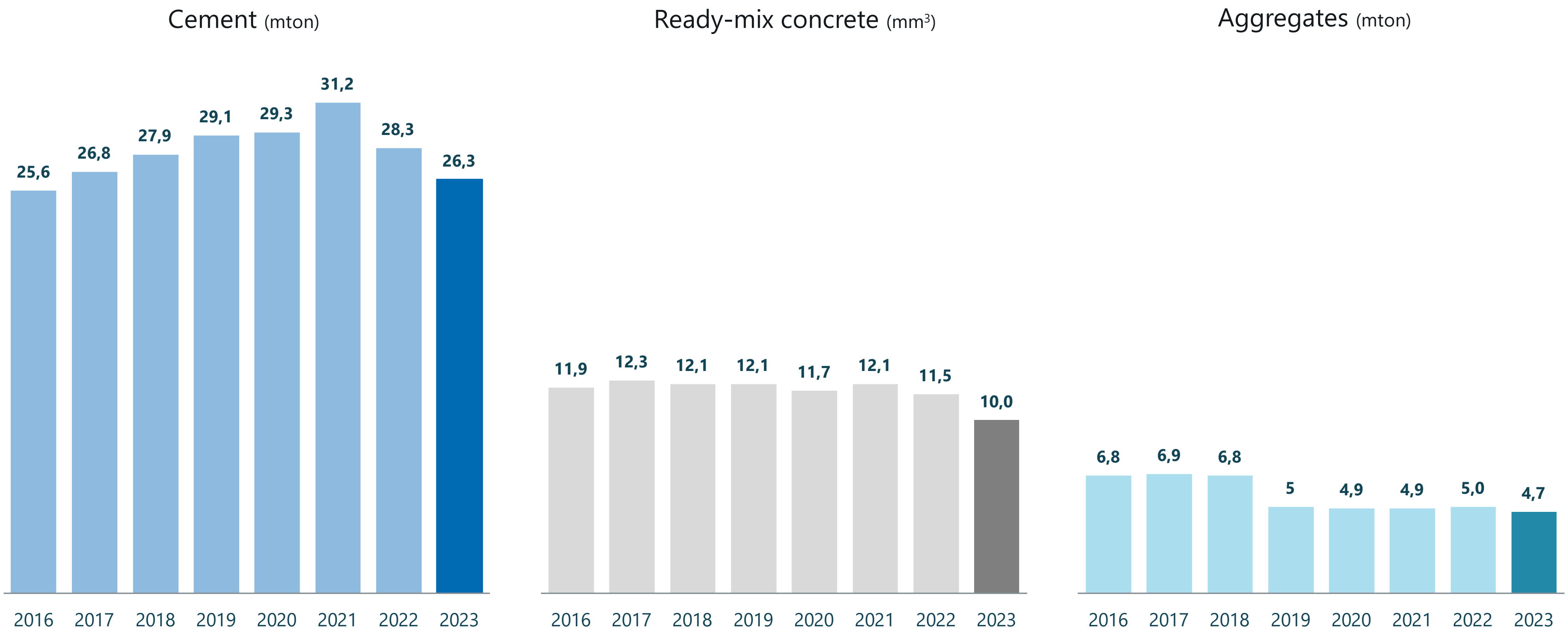
In this way, the company has furthered its commitment to environmental transparency by disclosing its ecological footprint.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

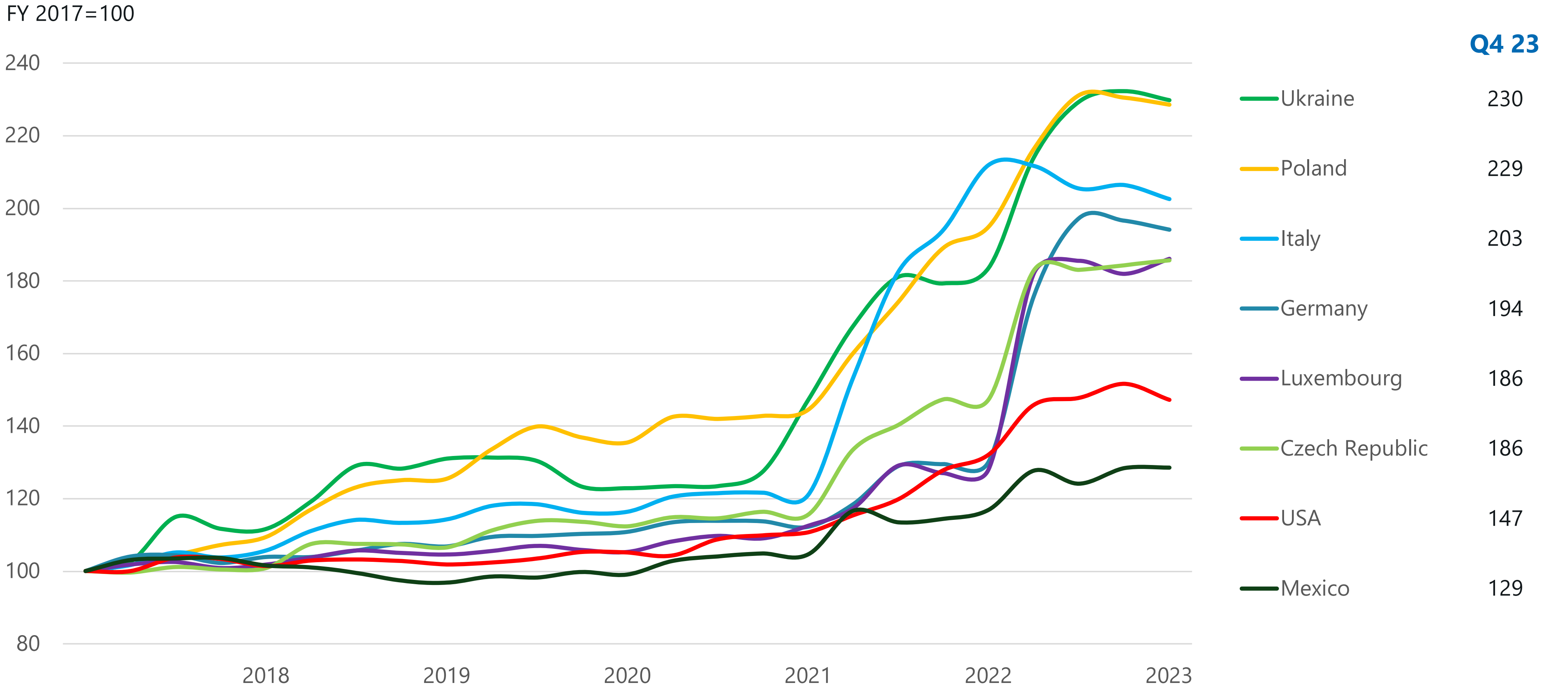
CDP
DISCLOSER
2023

APPENDIX

VOLUMES


Cement (mton)
25,6
26,8
27,9
29,1
29,3
31,2
28,3
26,3
2016
2017
2018
2019
2020
2021
2022
2023
Ready-mix concrete (mm³)
11,9
12,3
12,1
12,1
11,7
12,1
11,5
10,0
2016
2017
2018
2019
2020
2021
2022
2023
Aggregates (mton)
6,8
6,9
6,8
5
4,9
4,9
5,0
4,7
2016
2017
2018
2019
2020
2021
2022
2023

PRICE INDEX BY COUNTRY



FX CHANGES

EUR 1 =	2023 avg	2022 avg	D %	Current
USD	1.08	1.05	-2.7	1.08
RUB	92.46	73.82	-25.2	100.59
UAH	39.54	34.02	-16.2	42.49
CZK	24.00	24.57	2.3	25.27
PLN	4.54	4.69	3.1	4.31
MXN	19.18	21.19	9.5	18.14
BRL	5.40	5.44	0.7	5.41

NET SALES BY COUNTRY

	2023	2022	Δ	Δ	Forex	Δ l-f-l
EURm			abs	%	abs	%
Italy	818.3	726.2	92.0	+12.7	-	+12.7
United States	1,742.7	1,591.8	150.9	+9.5	(46.8)	+12.4
Germany	872.0	798.8	73.2	+9.2	-	+9.2
Lux / Netherlands	214.1	226.9	(12.8)	-5.6	-	-5.6
Czech Rep / Slovakia	204.8	201.2	3.7	+1.8	4.3	-0.3
Poland	156.7	141.3	15.4	+10.9	4.8	+7.5
Ukraine	85.6	59.8	25.8	+43.2	(13.9)	+66.4
Russia	284.6	290.4	(5.8)	-2.0	(71.9)	+22.8
Eliminations	*(61.3)*	*(40.8)*	*(20.5)*			
Total	**4,317.5**	**3,995.5**	**322.0**	**+8.1**	**(123.5)**	**+11.1**
Mexico (100%)	1,025.0	768.5	256.5	+33.4	96.9	+20.8
Brazil (100%)	394.0	400.2	(6.2)	-1.6	2.8	-2.3

EBITDA BY COUNTRY

EURm	2023	2022	Δ abs	Δ %	Forex abs	Δ l-f-l %
Italy	175.2	82.0	93.2	n.s.	-	n.s.
United States	639.1	497.5	141.6	+28.5	(17.2)	+31.9
Germany	189.1	120.5	68.7	+57.0	-	+57.0
Lux / Netherlands	28.1	7.0	21.1	n.s.	-	n.s.
Czech Rep / Slovakia	72.0	56.8	15.2	+26.8	1.5	+24.1
Poland	38.2	27.2	11.0	+40.4	1.2	+36.1
Ukraine	5.6	-6.8	12.4	n.s.	(0.9)	n.s.
Russia	96.2	99.6	(3.4)	-3.4	(24.3)	+21.0
Adjustments	*(0.3)*	*0.0*				
Total	**1,243.2**	**883.7**	**359.5**	**+40.7**	**(39.7)**	**+45.2**
Mexico (100%)	465.5	305.8	159.8	+52.2	44.0	+37.8
Brazil (100%)	88.7	118.7	(30.0)	-25.3	0.6	-25.8

CONSOLIDATED INCOME STATEMENT

EURm	2023	2022	Δ abs	Δ %
Net Sales	**4,317.5**	**3,995.5**	**322.0**	**+8.1**
EBITDA	**1,243.2**	**883.7**	**359.5**	**+40.7**
of which, non recurring	*5.9*	*(8.7)*		
% of sales (recurring)	28.7%	22.3%		
Depreciation and amortization	(258.4)	(388.9)	130.5	
Operating Profit (EBIT)	**984.8**	**494.8**	**490.0**	**+99.0**
% of sales	22.8%	12.4%		
Equity earnings	161.5	117.6	43.8	
Net finance costs	(5.4)	(23.1)	17.7	
Profit before tax	**1,140.9**	**589.3**	**551.6**	**+93.6**
Income tax expense	(174.1)	(130.5)	(43.5)	
Net profit	**966.8**	**458.8**	**508.0**	**n.s.**
Minorities	(0.3)	0.0	(0.3)	
Consolidated net profit	**966.5**	**458.8**	**507.8**	**n.s.**

NET FINANCE COSTS

EURm	2023	2022	Δ abs	Δ %
Interest expense	(24.8)	(26.8)	2.1	
Interest income	49.6	20.3	29.2	
Net interest expense	**24.8**	**(6.5)**	**31.3**	**n.s.**
Forex gains (losses)	4.9	(24.1)	29.1	
Derivatives valuation	(15.8)	3.4	(19.2)	
Interest costs of pension funds	(11.0)	(6.1)	(4.9)	
Other	(8.3)	10.1	(18.5)	
Net finance costs	**(5.4)**	**(23.1)**	**17.7**	**+76.7**
Cost of gross debt ~	**2.17%**	**1.96%**		

CONSOLIDATED CASH FLOW STATEMENT

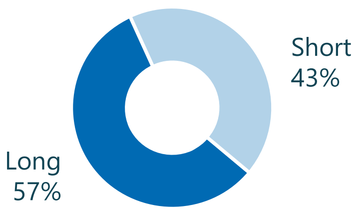
EURm	2023	2022
Cash generated from operations	**1,049.7**	**575.4**
% of sales	*24.3%*	*14.4%*
Interest paid	(35.7)	(26.8)
Income tax paid	(195.2)	(153.9)
Net cash from operating activities	**818.8**	**394.7**
% of sales	*19.0%*	*9.9%*
Capital expenditures	(303.7)	(266.7)
Equity investments	(7.4)	(4.1)
Purchase of treasury shares	-	(123.2)
Dividends paid	(83.3)	(73.5)
Dividends received from associates	84.7	75.8
Disposal of fixed assets and investments	22.0	12.2
Translation differences and derivatives	(57.1)	15.6
Accrued interest payable	11.7	(0.1)
Interest received	34.7	24.0
Change in scope of consolidation and other *	(10.6)	(1.9)
Change in net debt	**509.8**	**52.7**
Net financial position (end of period)	**798.0**	**288.2**

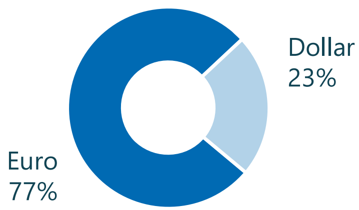
* Includes (8.0) of Ukraine cash reclassification

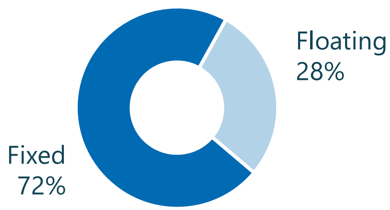
NET FINANCIAL POSITION

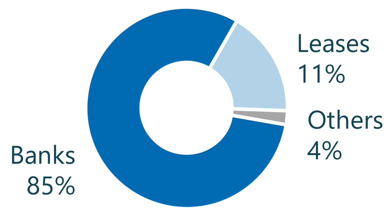
EURm	Dec 23	Dec 22	Δ abs	Dec 21
Cash and other financial assets	(1.271,1)	(1.349,7)	78,5	(1.220,9)
Short-term debt	287,3	621,9	(334,6)	214,2
Short-term leasing	19,7	20,3	(0,6)	21,4
Net short-term cash	**(964,2)**	**(707,5)**	**(256,7)**	**(985,3)**
Long-term financial assets	(233,9)	(249,8)	15,9	(11,0)
Long-term debt	343,6	611,0	(267,4)	1.173,4
Long-term leasing	56,6	58,1	(1,6)	64,6
Net financial position	**(798,0)**	**(288,2)**	**(509,8)**	**241,6**

Gross debt breakdown	**707,1**	**1.311,3**

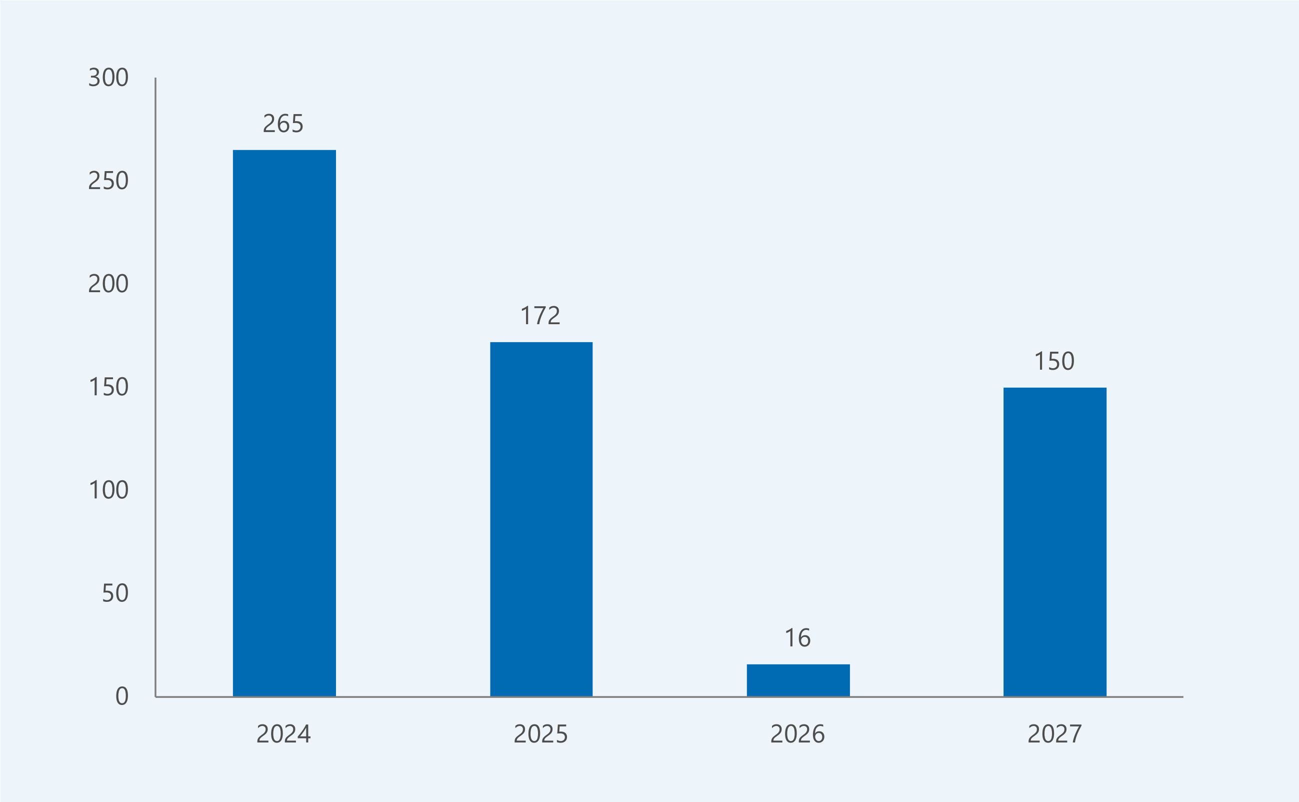








DEBT MATURITY PROFILE



603 *€m*
Total nominal value of debt and borrowings at December 2023

157 *€m*
Undrawn committed facilities as at December 2023

2023 FULL YEAR RESULTS

28 March 2024

Pietro Buzzi – CEO