H1 Results - 2023

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- This presentation may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets.
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- Further information about Vicat is available from its website (www.vicat.fr).

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- Highlights
- 2023 half-year results
- Analysis by markets
- Financial position & FCF
- Climate performance
- 2023 Outlook

Ragland - Alabama

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H1 2023 highlights

+16.5% lfl YoY
Sales growth

Volume resilience in cement

Strong prices increase

€314m
EBITDA

Supported by ongoing ramp up of Ragland

Favourable price-cost differential

2.6x
ND/EBITDA

Focus on debt reduction

FY 2023 EBITDA now expected *"appreciably above"* that recorded in 2021

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Income Statement

(€ million)	**H1 2023**	H1 2022	Change (reported)	**Change (at constant scope and exchange rates)**
Sales	**1 912**	1 755	+9.0%	**+16.5%**
EBITDA	**314**	269	+17.0%	**+21.6%**
EBITDA margin (%)	***16.4%***	*15.3%*		
EBIT	**166**	128	+29.4%	**+34.4%**
EBIT margin (%)	*8.7%*	*7.3%*		
Consolidated net income	**109**	88	+24.5%	**+17.8%**
Net margin (%)	***5.7%***	*5.0%*		
Net income, Group share	**94**	78	+20.9%	**+14.0%**

- Solid organic growth
- EBITDA above H1 2021 (€300m)
- EBITDA margin still below pre-crisis level

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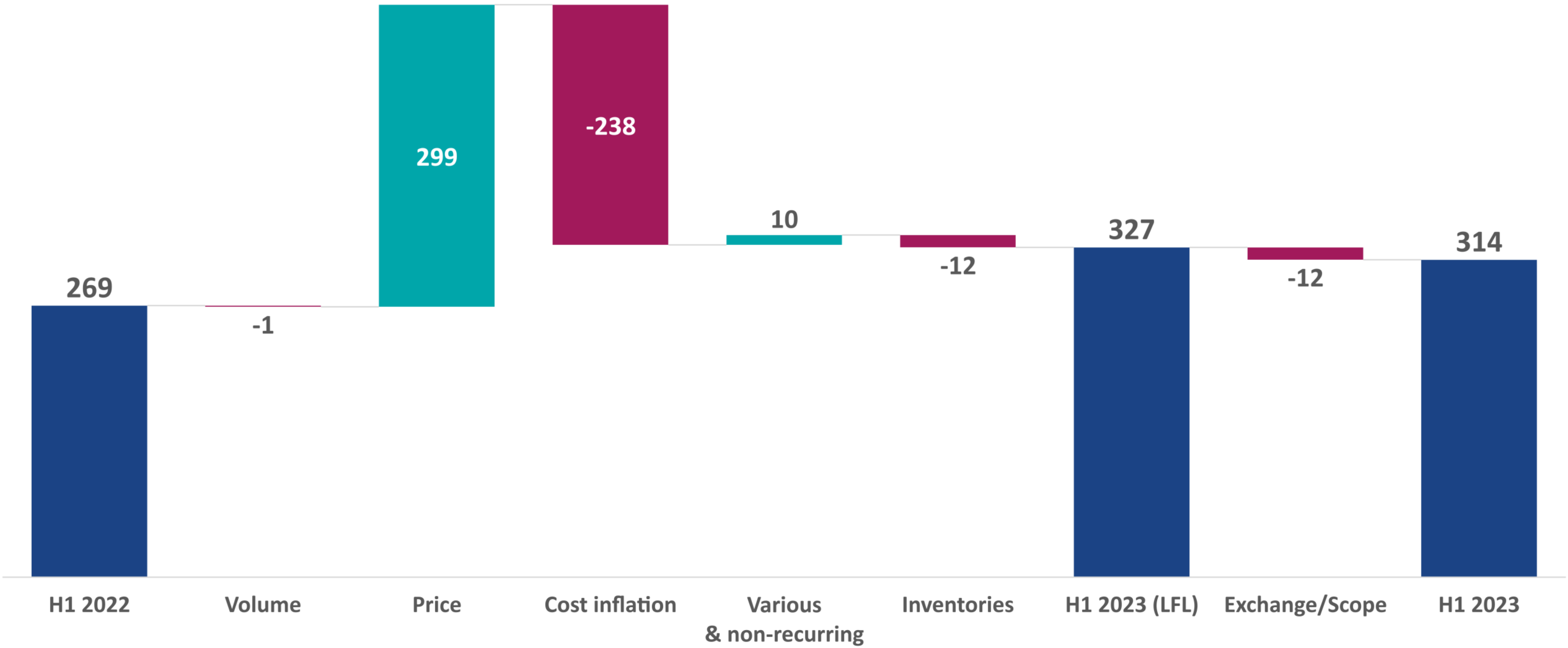
EBITDA evolution



Strong price increases, offsetting cumulative cost inflation of last 2 years

Analysis by region: France

(€ million)	**H1 2023**	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**630**	606	*+4.0%*	***+4.0%***
EBITDA	**106**	80	*+31.7%*	***+31.7%***

FRANCE

- **Resilience in cement volumes**
- Decline in Concrete and Aggregates due to slowdown in residential construction and road projects
- **Rise in selling prices** offsetting the cumulative impact of the higher cumulative production costs
- **EBITDA margin still lags behind 2021 level**

Montalieux cement plant

Analysis by region: Europe

(€ million)	H1 2023	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**195**	184	*+6.4%*	***+2.1%***
EBITDA	**46**	41	*+11.6%*	***+7.7%***

SWITZERLAND

- **Stable lfl sales**
- **Cement**: contraction in demand, largely offset by a solid increase in selling prices over the period
- **Concrete & Aggregates**:
  - Lower demand ;
  - Increases in selling prices not sufficient to fully offset the inflationary pressures

ITALY

- Consolidated sales rise +25%
- Higher volumes and prices

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Analysis by region: Americas

(€ million)	H1 2023	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**450**	401	*+12.3%*	***+11.0%***
EBITDA	**84**	55	*+52.6%*	***+50.7%***

UNITED-STATES

- **Industry environment broadly favourable**
- **California affected by heavy rainfall**, with impact on the construction market
- **Strong growth in South-East** with Ragland ramp-up enabling to capitalise on supportive market conditions
- **Price increases in both regions and businesses** to offset the effects of inflation

BRAZIL

- Slowdown in economy
- **Cement: increase in selling prices and improved industrial performance** offset impact of higher production costs and volume contraction
- **Higher selling prices in Concrete & Aggregates**

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Analysis by region: Asia

(€ million)	**H1 2023**	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**233**	249	*-6.5%*	***-1.2%***
EBITDA	**32**	52	*-39.2%*	***-36.0%***

INDIA

- **Price increases only partially offset the still high level of input costs**, especially energy costs
- **Stable volumes**

KAZAKHSTAN

- **Contraction in volumes** towards the beginning of the year due to logistics disruption to the Kazakh rail operator
- Lower prices

Analysis by region: Mediterranean

(€ million)	**H1 2023**	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**196**	145	*+34.9%*	***+126.0%***
EBITDA	**21**	16	*+26.9%*	***+110.0%***

TURKEY

- Strong depreciation of Turkish lira over the period
- **Market grew sharply** with upbeat construction sector and mild winter conditions
- **Firm support in prices** offsets production costs inflation
- **EBITDA at €17m** despite (11)m negative FX impact

EGYPT

- Strong depreciation of Egyptian pound over the period
- **Amid sluggish conditions in the domestic market**, business boosted by export clinker opportunity
- **Improvement in selling prices** in the domestic market offset higher input costs
- **EBITDA almost reached €4m** despite (3)m negative FX impact

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Analysis by region: Africa

(€ million)	**H1 2023**	H1 2022	Change (reported)	Change (at constant scope and exchange rates)
Sales	**208**	170	*+22.2%*	***+21.7%***
EBITDA	**26**	24	*+11.0%*	***+10.3%***

SENEGAL **MALI**

- **Positive sector trends** with the sharp recovery in the Malian market after the political crisis, and the resumption of government projects in Senegal
- **Senegal sales evolution driven by regulated price** increased in Sept. 2022

MAURITANIA

- **The Aggregates business** was underpinned by the public works sector as major projects went ahead in Senegal
- From 2024, the new kiln in Senegal will enable both to reduce production costs, carbon footprint & meet growing market demand

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Financial position

(€ million)	H1 2023	H1 2022
Gross financial debt	2,055	2,153
Cash	-463	-481
Net financial debt	**1,592**	1,670
EBITDA (12-months rolling)	616	588
Leverage ratio (x)	***2.59x***	*2.84x*

Focus on debt reduction with leverage ratio brought down over the past 12 months

AVERAGE INTEREST RATE
as of 30 June 2023

3.6%

stable vs Dec. 2022

AVERAGE MATURITY OF THE DEBT
as of 30 June 2023

4.7 years

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CAPEX and Free cash flow

CAPITAL EXPENDITURE

€144m

Down from €178m in H1 2022

Including amount linked to the Group's strategic investments, chiefly the new kilns in Alabama and Senegal

FREE CASH FLOW

€71m

Vs €(203)m in H1 2022

Increase in EBITDA

Normalisation in change in working capital requirement

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Climate performance

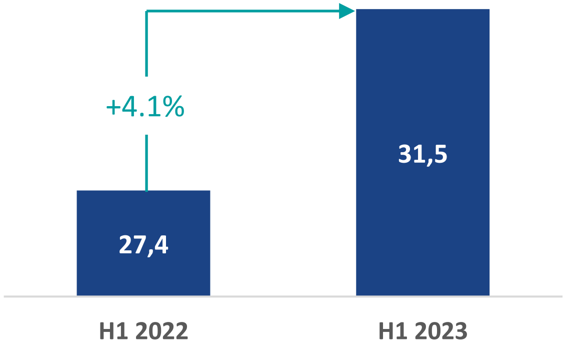
H1 2023 scope 1 CO_2 emissions

591 kg net / t cement equivalent

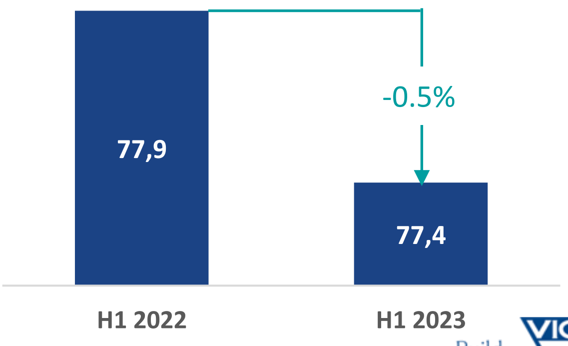
-3.6% YoY
-2.8% vs Dec. 2022

✓ **in line with Vicat's 2030 target**

ALTERNATIVE FUEL RATE (%)



CLINKER RATE (%)



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Outlook FY 2023

	Updated guidance *(26/07/2023)*	*Previous guidance (03/05/2023)*
SALES	further significant sales growth	further significant sales growth
EBITDA	to rise towards a level **appreciably above** that recorded in 2021	to rise towards a level at least equivalent to that recorded in 2021

CAPITAL ALLOCATION DISCIPLINE

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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Souillac bridge, France

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