



**Preliminary 2023 results and 2024-2026  
Industrial Plan update  
*8 February 2024***

# Agenda

2023 Preliminary results and 2024 Guidance

3

2024 - 2026 Industrial Plan update

6

Appendix

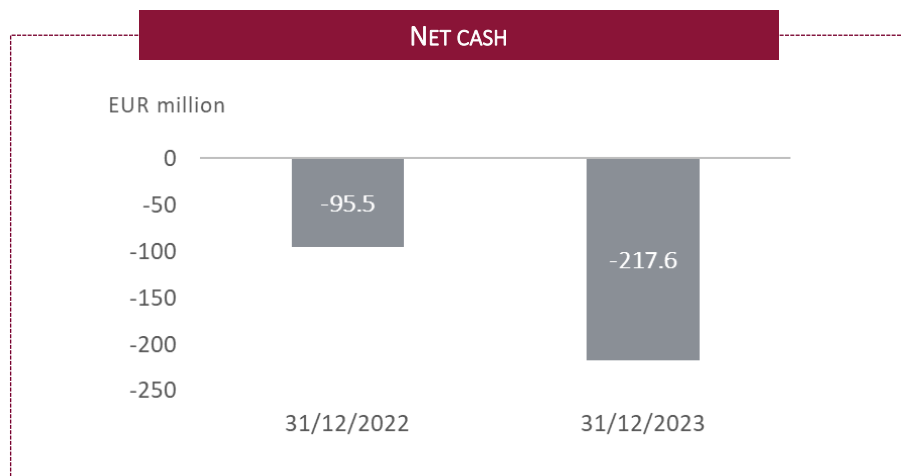
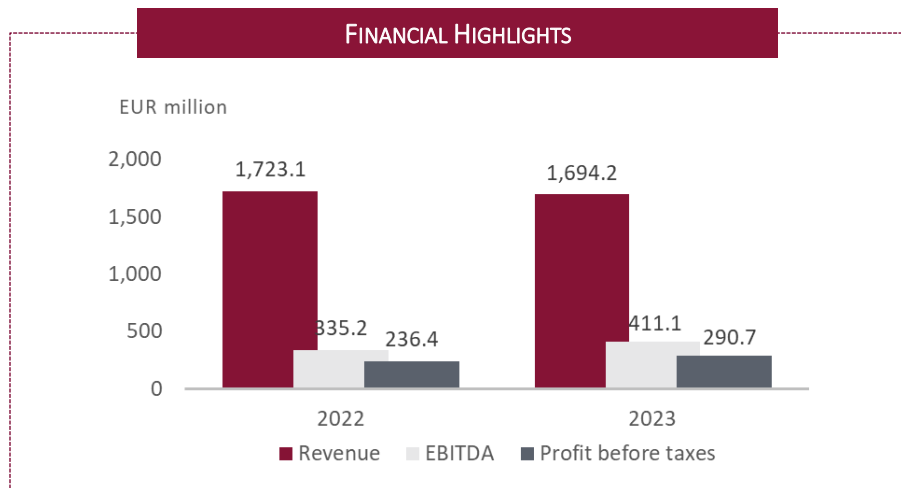
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# 2023 Preliminary results and 2024 Guidance

*Dredger at Aalborg, Denmark*

# 2023 Preliminary results highlights



Revenues reached 1,694.2 M€ (-1.7% yoy); non-GAAP\* Revenues reached 1,694.6 M€ (-1.5% yoy)

- Cement volumes down by **1.6%** due to Denmark, Belgium, US, Egypt and Malaysia, partially offset by growth in Türkiye and China
- RMC volumes down by **11.1%** due to a negative trend in all countries, above all Nordic & Baltic, except Türkiye. Aggregates volumes down by **10.1%**

EBITDA reached 411.1 M€ (+22.6% yoy); non-GAAP\* EBITDA: 421.9 M€ (+25.4% yoy)

- Higher EBITDA in all regions except for the US
- EBITDA includes non-recurring income of **11.6 M€** mainly related to gains on assets sale. Non-GAAP EBITDA excluding non-recurring items is **410.3 M€**, up **22.0%** like-for-like on 336.3 M€ in 2022.
- Non-GAAP EBITDA Margin increased from 19.5% to 24.9%

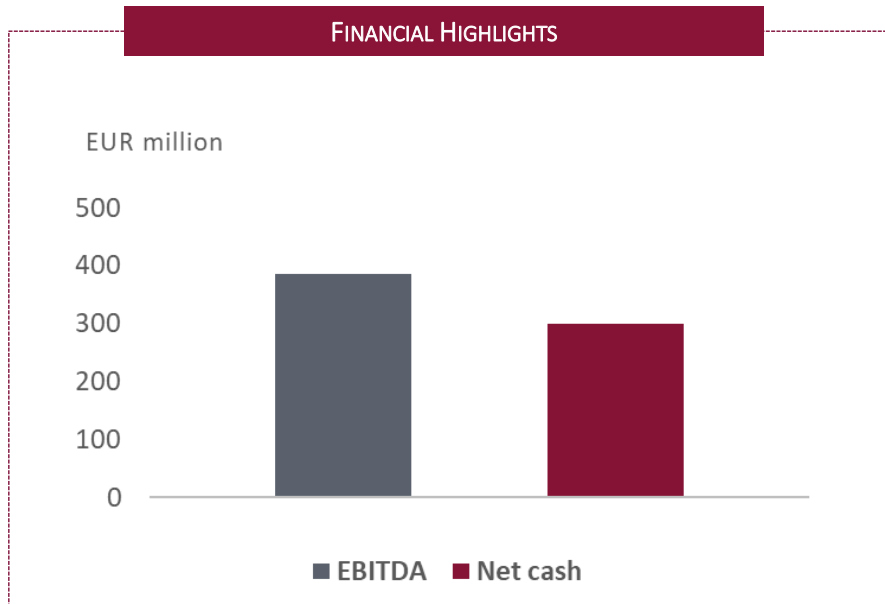
EBIT: 278.3 M€ (+36.2% yoy); non-GAAP\* EBIT: 299.2 M€ (+39.3% yoy)

Profit before taxes: 290.7 M€ (+23.0% yoy); non-GAAP\* Profit before taxes: 315.8 M€ (+39.3% yoy)

**Net cash: 217.6 M€**, an improvement of **122.1 M€** year on year, including 34.2 M€ dividend distribution (IFRS 16 impact of 82.3 M€ vs. 73.0 M€ on 31 Dec. 2022)

(\* ) Non-GAAP figures exclude both the impact of IAS 29 application and of non-industrial property revaluation in Türkiye (2023: 7.7 M€, 2022: 16.3 M€)

# 2024 Guidance



- Revenues ~ 1.8 BN€
- EBITDA ~ 385 M€
- Net cash ~ 300 M€
- Capex ~ 135 M€

Guidance refers to like-for-like ongoing operations, non-GAAP, excluding extraordinary items

The above guidance excludes the negative repercussions of geopolitical shocks or other extraordinary events. As the expectations described above are based on certain preconditions and assumptions that are beyond management's control, actual results may deviate significantly from such expectations. The foregoing exclusively reflects the point of view of the company's management, and does not represent a guarantee, a promise, an operational suggestion or even just an investment advice.



## 2024-2026 Industrial Plan update

*Navitas Park, Aarhus (Denmark)*

# Our Strategy is based on five pillars

We strive for a sustainable growth path underpinning value creation for all stakeholders

1

## SUSTAINABILITY

- Decarbonization drive (>100 M€ of sustainability capex in 2024-26 plus PPA agreements)
- FUTURECEM® and other green products full rollout plan
- Push towards product and value chain circularity (water, heat, etc)
- Carbon capture and storage in Denmark by 2030
- Filed a commitment to be aligned to 1.5°C SBTi scenario
- Preservation of biodiversity and habitats and initiatives to support local communities

2

## INNOVATION

- Focus on low carbon and high value-added solutions
- Application of Artificial Intelligence to operating processes

3

## COMPETITIVENESS

- Maintain high level of profitability and seek continuous operating efficiencies
- Digitalization to drive process efficiencies: lean manufacturing & logistics, eProcurement, smart maintenance, integrated digital sales

4

## GROWTH AND POSITIONING

- Capturing growth by increasing volume of new green products
- Reinforce vertical integration in the Nordics, Belgium and Türkiye
- Keep global white cement leadership
- M&A in core businesses

5

## PEOPLE AND ORGANIZATION

- Zero Accidents policy
- Development of human capital and leadership program
- Talent management and succession plan
- Cementir Academy for developing and enhancing technical, behavioral and managerial skills

# Decarbonisation drive across the value chain

## RAW MATERIALS



- Calcined clay
- GBFS, fly ash and limestone
- Circularity: water, materials and process waste recycle

## ENERGY



- Switch to natural gas and Biomass in Aalborg from 2025
- Alternative fuels increase
- District heating
- Green energy investment (solar/wind)

## PRODUCTION



- Plants upgrade
- Clinker ratio reduction
- Kiln heat consumption reduction
- Waste heat recovery

## LOGISTICS



- Predictive maintenance
- Green Transportation (Hybrid trucks)
- Network and routes optimization
- eProcurement

**FUTURECEM™** rollout across all geographies

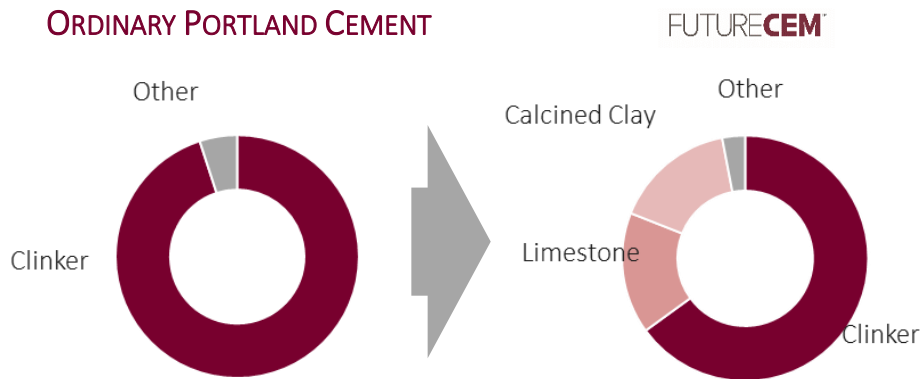
Development and adoption of new technologies (Carbon Capture & Storage)



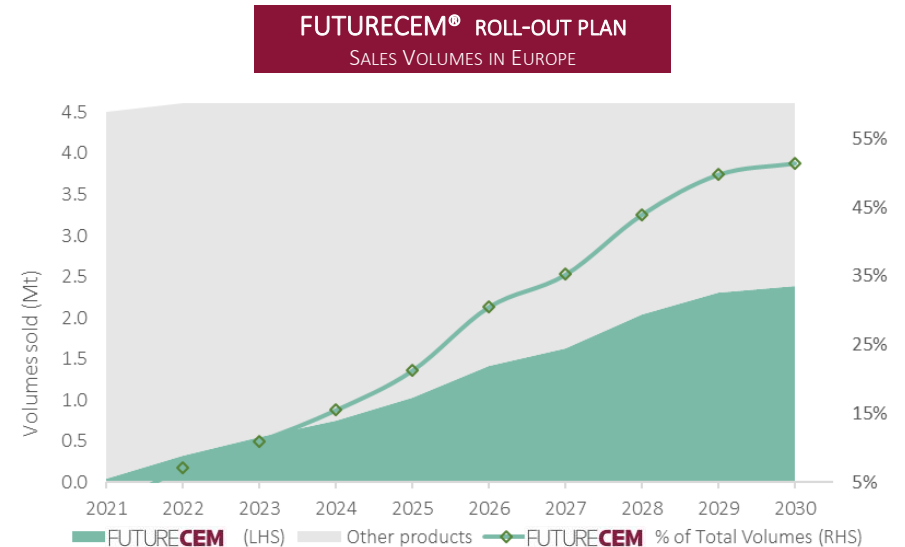
# FUTURECEM® is a key pillar of our sustainability strategy

- Innovative limestone and calcined clay technology which enables over **30% CO<sub>2</sub> reduction compared to ordinary Portland through clinker substitution**
- Allows to produce a greener and more sustainable concrete while preserving overall performance strength, comparable to CEM I
- Fully acknowledged by IEA as clinker ratio reduction solution (\*)
- Recognized in the EN 197-5 European standard for II/C-M cements

- 2021: Launch in Denmark with sales targets achieved
- 2022: Launch in France and Benelux. Progressive roll-out in all regions within 2030
- By 2030 FUTURECEM® is expected to represent around **51%** of total volumes sold in Europe and **60%** of grey cement volumes

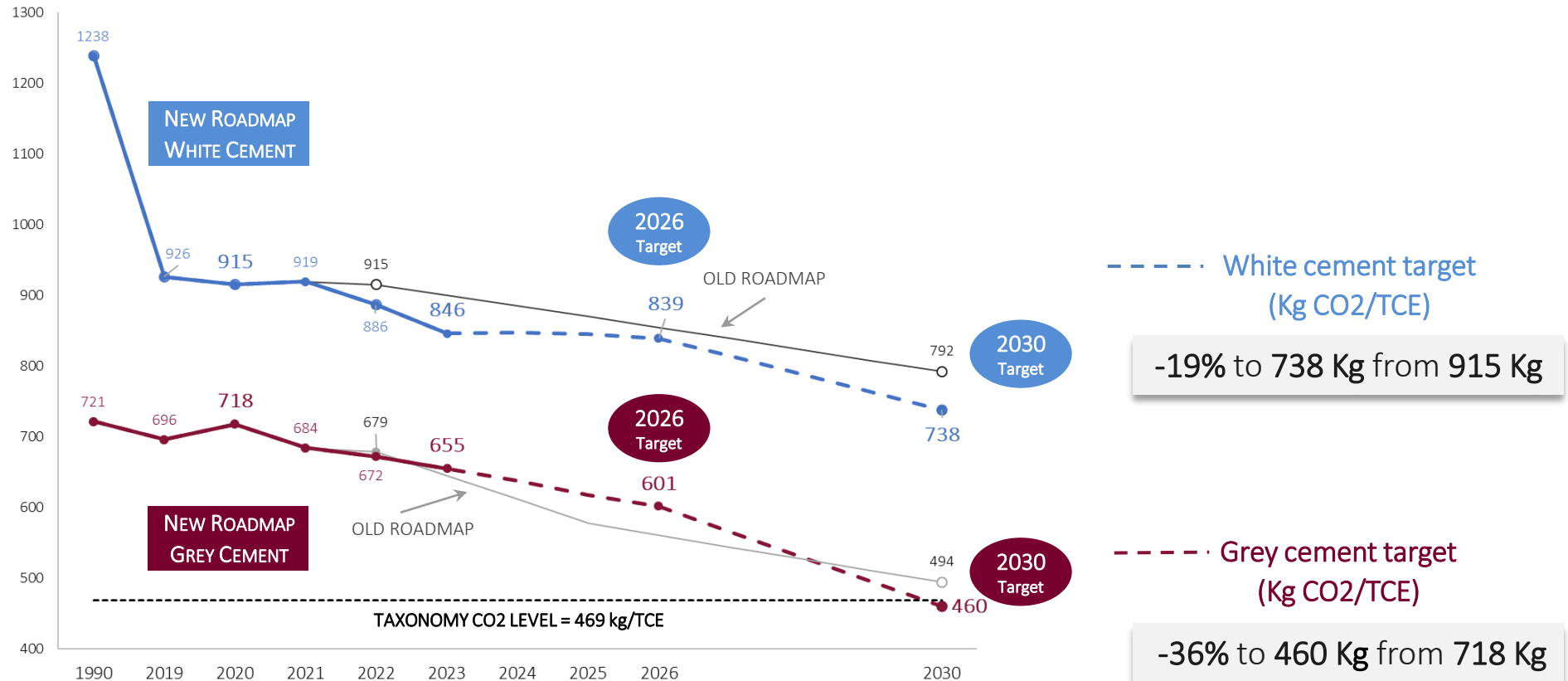


**CO<sub>2</sub> reduction ≥ 30% based on clinker substitution**



# Scope 1 emissions: new 2030 decarbonization targets (\*)

Kg Gross CO<sub>2</sub> /TCE



Clinker ratio:	2020	2022	2023	2026	2030
White cement	82%	81%	79%	79%	78%
Grey cement	82%	80%	79%	74%	64%

(\*) Target reduction from 2020 baseline. TCE means "tons of cement equivalent", an indicator based on the conversion of clinker production to cement, based on the yearly average clinker ratio

# Capex: main initiatives for CO<sub>2</sub> emissions reduction

## RENEWABLES IN DENMARK AND BELGIUM

- **Power Purchase Agreement (PPA):**  
Long-term contracts with renewable energy generators for direct purchase of electricity from renewable projects
- **On-site Renewable Generation:** Valuation of renewable energy systems nearby cement plants, such as wind turbines or solar panels, reducing both costs and carbon footprint. Possibility of financing support from governments



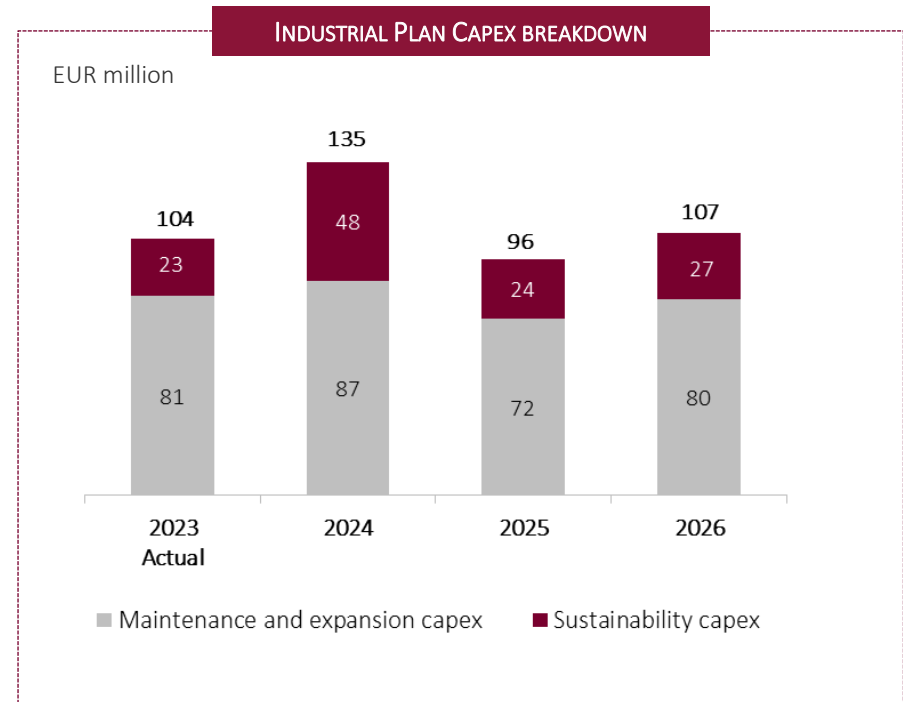
## CARBON CAPTURE AND STORAGE (CCS)

- **CORT project\*:**
  - Pilot carbon capture plant with the potential to be scaled up to capture **400,000** CO<sub>2</sub> tons per year by 2030. Oct. 2022
  - Technology: amine solvents and new heat integration methods
  - Location: Aalborg
- **ConsenCUS project\*\*:**
  - International R&D initiative leading to a pilot carbon capture plant. Nov. 2023
  - Technology: electro-chemical CO<sub>2</sub> emission reduction using green electricity
  - Location: Aalborg
- **Non-binding agreements** for onshore and off-shore CO<sub>2</sub> transportation and storage (Fluxys in Belgium, Fidelis and Greenport Scandinavia in Denmark)



# 2024-26 Capex highlights

- ~ **100 M€** of sustainability\* investments, focused on operational efficiencies via plant upgrades and product innovation
- Main initiatives:
  - Kiln 4 upgrade in Gaurain, Belgium
  - Switch to natural gas in Aalborg and Gaurain plants
  - CCS preliminary studies in Denmark and Belgium
  - Facility upgrade for FUTURECEM® production in Aalborg, Denmark
  - Waste heat recovery in Türkiye
  - Kiln upgrade for alternative fuels in Izmir, Türkiye
  - Ongoing digitalization of main processes



(\* Excludes digitalization capex, which is part of Maintenance and Expansion Capex)

# Industrial Plan update: key 2026 targets (\*)

€M	2023 A	2026	
Revenues	1,695	~ 2,000	<ul style="list-style-type: none"> <li>~5-6% Sales CAGR in the 2023-26 period</li> <li>Moderate increase in volumes, with stronger volume growth in 2024, except for China: CAGR of 4-5% for cement; 5-6% for RMC, 4-5% for aggregates</li> <li>Prices broadly stable / moderately up</li> </ul>
EBITDA (recurring)	410	~ 425	<ul style="list-style-type: none"> <li>High 2023 EBITDA comparable figure</li> <li>Output optimization in Egypt and Belgium</li> <li>Increase in selected input costs and freight rates</li> <li>~ 250,000 tons CO<sub>2</sub> average yearly shortage, including a step up in 2026 due to lower free allowances in European plants and first year of phase-out</li> </ul>
EBITDA Margin	24.2%	21.3%	<ul style="list-style-type: none"> <li>Back to average profitability after a spike in '22-23</li> </ul>
Avg. Yearly Capex (including Sustainability Capex)	104	112	<ul style="list-style-type: none"> <li>Maintenance &amp; expansion Capex / Sales ratio ~4-5%</li> <li>Cumulative sustainability capex of 100 M€. Yearly capex includes kiln upgrades, investment in FUTURECEM® value chain, waste heat recovery, alternative fuels usage increase, cleaner fuels switch</li> </ul>
Net Cash	218	~ 600	<ul style="list-style-type: none"> <li>Cumulative ~500M€ of Free cash flow generation before dividend distribution. Dividend payout ratio in the 20% - 25% range</li> </ul>

(\*) Non-GAAP (excluding IAS 29 ) and excluding non-recurring items. Excludes any intensification of geopolitical tensions

# Comparison with previous Industrial Plan

- EBITDA margin to remain at high level, despite some mean reversion
- Continued significant cash generation and dependable growth trajectory

## New 2024-2026 Industrial Plan

## 2023-2025 Industrial Plan

Released on 8 Feb. 2023

EUR million	2023A Non-GAAP	Target 2026	CAGR 2023-2026	2022A Non-GAAP	Target 2025	CAGR 2022-2025
Sales	1,695	~ 2,000	5.7%	1,721	~ 2,000	5.1%
EBITDA recurring	410	~ 425	1.2%	337	400	5.9%
EBITDA margin (%)	24.2%	21.3%		19.6%	19.3%	
Avg. Yearly Capex (incl. Sustainability capex)	104	112		97	110	
Net cash position	218	~ 600		96	>500	




# Appendix

*Green Belt Bridge, Denmark*

# Rating improvement reflects our continued ESG commitment

Science Based Target initiative (SBTi) validated Cementir emission reduction objectives as consistent with the “well below 2°C” scenario in July 2021.



Rating	Ranking Scale (From F to A)	2023	2022	2021	2020
 CDP Climate Change	D- to A F: no filing	A-	A-	A-	B
 CDP Water Security	D- to A F: no filing	A-	A-	B	F
 MSCI	CCC to AAA	A	BBB	BBB	BBB
 REFINITIV™	D- to A+	A-	B+	B	C-
 Corporate ESG Performance Prime	D- to A+	C+ Prime	C+ Prime	Not rated	Not rated
 MOODY'S   ESG Solutions	0 to 100	55	55	Not rated	45
 EthiFinance	0 to 100	70	64	57	56
 INTEGRATED GOVERNANCE INDEX	0 to 100	52	57	54	61
 Rated SUSTAINALYTICS (*)	Risk: from Severe to Negligible	Medium risk	Not rated	Not rated	Not rated

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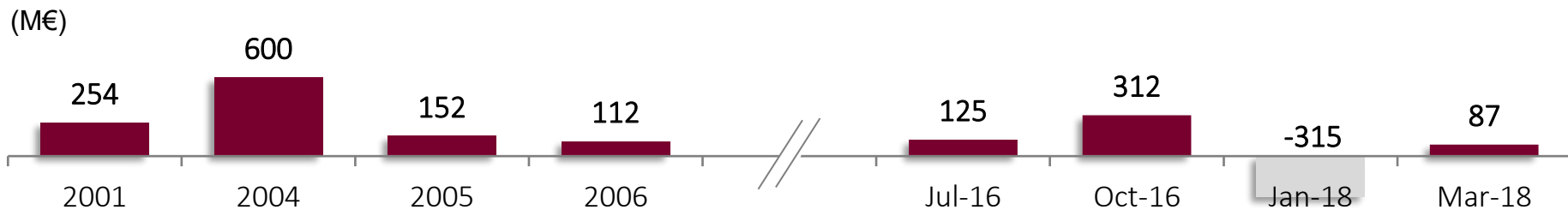
# Key differences between white and grey cement

	WHITE CEMENT	GREY CEMENT
Market Size	<ul style="list-style-type: none"> <li>~ 20 million tons per year (0.5% of grey)</li> <li>Niche product: high value, small volumes</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 4 billion tons per year</li> <li>Commodity: basic value, large volumes</li> </ul>
Industry Features	<ul style="list-style-type: none"> <li>Raw materials scarcity, fewer producers, growth end-markets, high switching costs, export-driven</li> </ul>	<ul style="list-style-type: none"> <li>Raw materials widespread presence, many producers, cyclical end-markets, local demand (only 5% exported)</li> </ul>
Growth drivers	<ul style="list-style-type: none"> <li>Consumption driven by home renovation, restructuring and technology. High tech product</li> <li>Higher market growth rates in developed countries</li> </ul>	<ul style="list-style-type: none"> <li>Consumption driven by infrastructure &amp; residential-commercial. Low tech product.</li> <li>Demand growth in line with GDP in developed countries</li> </ul>
End markets	<ul style="list-style-type: none"> <li>Main clients are large dry mix players (Saint Gobain-Weber, Mapei, etc) and pre-cast producers</li> </ul>	<ul style="list-style-type: none"> <li>Main clients are ready-mix companies, construction companies and pre-cast producers</li> </ul>
Product Features	<ul style="list-style-type: none"> <li>High workability, high electrical conductivity, aesthetics. Increasingly used for landmark buildings, urban fittings, eco-friendly construction projects</li> </ul>	<ul style="list-style-type: none"> <li>The most widespread construction material, used mostly for new build and infrastructure</li> </ul>
Applications *	<ul style="list-style-type: none"> <li>Dry mix producers/mortars/specialty products (50-70%)</li> <li>Bricks, blocks and tiles (20-30%)</li> <li>In-situ and pre-cast concrete (10-20%)</li> </ul>	<ul style="list-style-type: none"> <li>Ready-mixed and pre-cast concrete (55-65%)</li> <li>Bricks, blocks and tiles (30-40%)</li> <li>Dry mix/mortars and other (5-10%)</li> </ul>

(\* ) Cementir estimates of cement consumption by segment in Europe

# M&A track record

Since 2001 over EUR **1.7 billion** invested with no recourse to shareholder equity



## 2001 - Cimentas AS and Cimbeton AS

Entered the Turkish cement market with 2 plants

## 2004 - Aalborg Portland A/S and Unicon A/S

Transforming deal:

- **Product diversification** (new products: white cement and aggregates and strong position in ready-mix)
- **Geographical presence** (new countries: Denmark, Norway, Sweden, Egypt, Malaysia, China, US)

## 2005

**Edirne plant** in Türkiye

**Vianini Pipe Inc.** in US (Concrete products)

## 2006

**Elazig plant** in Türkiye

## Jul. 2016 - Sacci

Cement and ready-mix in Italy

## Oct 2016 - Compagnie des Ciments Belges

- Cement, aggregates and ready-mix in Belgium
- Ready-mix in France

## Jan. 2018 – Sale of all assets and activities in Italy

Disposal of cement and RMC businesses  
Cash in of 315 M€ in January 2018

## Mar. 2018 – Acquisition of 38.75% stake in Lehigh White Cement Company

Majority stake of 63.25%. Largest player in the U.S. white cement market

From being a 100% domestic player, Cementir today has operations in 18 countries

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## 2024 Financial Calendar:

8 February	Preliminary 2023 Results and Industrial Plan 2024-2026 update
11 March	Full year 2023 Results
22 April	AGM
9 May	First Quarter Results
29 July	First Half Results
6 November	Nine Months Results

## Stock listing information:

Euronext Milan market, Euronext STAR Milan segment

Ticker: CEMI.IM (Reuters)

Ticker: CEM.IM (Bloomberg)

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