PRESS RELEASE

Approval of the 2023 financial statements

- **Consolidated net sales at €4,317 million, up by 8.1% (+11.1% at constant exchange rates), driven by the positive price dynamics which more than offset a lackluster volume performance**
- **Unprecedented result in the group's history in terms of Ebitda, reaching €1,243 million, up 40.7% (+45.2% at constant exchange rates)**
- **Significant improvement in consolidated Ebitda margin, nearing 29% (22% in 2022)**
- **Cash flow from operations totaling €1,050 million (€575 million in 2022), buoyed by excellent operating results and a more contained working capital absorption**
- **Proposal to distribute a dividend equal to 60 cents per share (+33% versus 2022)**
- **Proposal to introduce enhanced voting rights, up to a maximum of two votes per share**

Consolidated data		**2023**	**2022**	**% 23/22**
Cement and clinker sales	t/000	**26,343**	28,332	-7.0%
Ready-mix concrete sales	m3/000	**10,050**	11,510	-12.7%
Net sales	€/m	**4,317**	3,996	+8.1%
Ebitda	€/m	**1,243**	884	+40.7%
Ebitda recurring	€/m	**1,237**	892	+38.7%
Consolidated net profit	€/m	**967**	459	n.s.

		Dec 23	**Dec 22**	**Change**
Positive Net Financial Position	€/m	**798**	288	510

The Board of Directors of Buzzi SpA has met today to examine the Annual Financial Report for the year ended 31 December 2023, including the draft statutory financial statements, the consolidated financial statements and the business review.

The increasingly evident effects of monetary restriction, the worsening of consumer and business confidence and the uncertainties dictated by the growing geopolitical tensions in Ukraine and the Middle East continue to weigh on the international economic framework. As a matter of fact, in the last part of the year global economic activity tended to weaken, with international trade contracting. Manufacturing production continued to stagnate, while the dynamics of services lost steam. After a period of volatility in early October, crude oil and natural gas prices fell and remained at low levels, despite attacks on shipping traffic in the Red Sea. This evolution contributed to the progressive decline in overall global inflation, while underlying inflation, although decreasing, demonstrated greater persistence, especially in those advanced economies characterized by a solid labor market. In this context, the most updated estimates from the International Monetary Fund point to a slowdown in global GDP growth in the two-year period 2023-2024, i.e. an annual rate of 3.1%.

In the United States, the economy demonstrated good resilience during the year, as also confirmed by the sustained increase in GDP recorded in the third quarter, driven by private consumption and public spending. However, indicators for the final months of the year suggest a slight deceleration, signaling greater financial pressure that is starting to weigh on the budgets of households and companies. Labor market conditions continue to be favorable and inflation, although easing, remains at high levels.

In the Eurozone, however, real GDP growth slowed down further in the third quarter, confirming the expected scenario of stagnation in economic activity. Private and public consumption grew moderately, while the subdued contribution of investments hides a clear contrast between the continued contraction in construction and the favorable dynamics of non-construction investments. The divergence between sectors persists, with a modest positive trend recorded only in the services sector. Furthermore, the monthly indicators highlight a subdued fourth quarter, also characterized by a slowdown in the labor market. As a matter of fact, the latest projections predict GDP growth of 0.5% on 2023, slightly improving in 2024 (0.9%).

In Italy, after the accentuated volatility of the first part of the year, in the third quarter GDP showed a moderate expansion, mainly thanks to the increase in household consumption and the partial recovery of investments in construction. However, estimates for the final months of 2023 point to stagnation. As a matter of fact, during the fourth quarter, manufacturing activity began to decline again, also due to the weak economic situation of the main trading partners, in particular Germany, while in services the signs of stabilization of added value were consolidated. On the demand side, the substantial stability of consumption could have been counteracted by a decline in investments, slowed down by the worsening of financing conditions.

As regards emerging economies, the second half of the year confirmed the expansionary dynamics of economic activity in Mexico, driven by solid domestic demand, as well as by a dynamic trend in construction and services. In Brazil, however, after the exceptional growth in the first quarter, economic activity showed signs of weakening in the last part of the year, albeit with good consumption and a resilient labor market.

In the last quarter, the main central banks confirmed the monetary policy decisions implemented in the previous months. The Federal Reserve and the European Central Bank, in fact, kept the level of interest rates unchanged in the autumn months, therefore not promoting further monetary tightening. Among emerging markets, Mexico also made no changes to rates in the final part of the year. However, the easing of monetary policy continues in Brazil, with a reduction in benchmark rates promoted in December.

Due to the difficult macroeconomic context, construction investments, to which the evolution of the demand for cement and concrete is closely correlated, showed a weak dynamic during the year in Central Europe, Poland and the Czech Republic. In Italy and the United States, the construction sector instead recorded greater resilience, mainly thanks to the support provided by infrastructure projects and, on US soil, also to the relocalization of the industrial sector.

In 2023, cement sales at consolidated level came in at 26.3 million tons, down 7.0% compared to 2022. The generalized slowdown in deliveries, which has been already highlighted during the first half of the year, continued also during the following quarters, particularly in Central Europe, Poland and the Czech Republic, where the residential sector significantly weighed on demand. In Italy and the United States, on the other hand, sales volumes showed some resilience.
Ready-mix concrete sales amounted to 10.0 million cubic meters, down 12.7% versus 2022, contracting in all countries where our subsidiaries operate, except for Ukraine which, although recovering, still recorded levels which are far from the pre-war period.

Consolidated net sales increased from €3,995.5 to €4,317.5 million. During the year no changes in scope were recorded, while the exchange rate effect was unfavorable for €123.5 million. Like for like net sales would have improved by 11.1%.

Consolidated Ebitda stood at €1,243.2 million, up 40.7% compared to €883.7 million of the previous year. The foreign exchange effect was unfavorable for €39.7 million. The figure for the year under review includes non-recurring income of €5.9 million (non-recurring costs of 2022 €8.7 million in 2022). Excluding the non-recurring items, Ebitda rose from €892.4 to €1,237.3 million, with Ebitda to sales margin standing at 28.7% (22% in 2022). The strengthening of operating results was evident in all the markets where we operate, except for Russia, on which the unfavorable exchange rate effect had an influence. The most evident improvement can be traced back to the results recorded in Italy, Germany and the United States.

After amortization of €248.2 million, versus €259.3 million in 2022, and impairment of fixed assets of €10.2 million, Ebit came in at €984.8 million, versus €494.8 million in 2022. Net finance costs decreased from €23.1 to €5.4 million, improving thanks to greater interest income and the change in the net balance of non-cash items, in particular exchange gains and losses, despite the negative contribution from the fair value measurement of derivative instruments. In the year under review equity in earnings of associates increased from €117.6 to €161.2 million. As such, profit before tax amounted to €1,140.9 million, almost doubled compared to €589.3 million of the previous year. The tax burden for the financial year was €174.1 million, versus €130.5 million in 2022. The tax rate of 2023 was equal to 15% of profit before tax (22% in 2022, affected by the presence of some considerable non tax-deductible items, such as goodwill impairment). Therefore, the income statement for 2023 closed with a net profit of €966.8 million (€458.8 million in 2022). Net profit attributable to the owners of the company amounts to €966.5 million.

Consolidated net financial position at the end of 2023 remained positive, standing at €798.0 million, versus €288.2 million at 31 December 2022. In the financial year just ended, the group distributed dividends of €83.3 million and paid total capital expenditures of €311.1 million, about €47 million thereof devoted to decarbonization programs and environmental performance improvements. Projects to increase the production of cements with a lower clinker content, the greater use of alternative fuels and the in-house production of electricity belong to this category. An amount of €10.8 million was allocated to capacity expansion projects, among which the increase in grinding capacity at Festus in Missouri (€5.5 million) and the works relating to the construction of a new clinker storage in San Antonio (€2.4 million).

As at 31 December 2023, total equity, inclusive of non-controlling interests, stood at €5,632.0 million versus €4,911.5 million at 2022 year-end. Consequently, the debt/equity ratio decreased to 35% from 53% in the previous year.

REVISION OF THE CORPORATE STRUCTURE

On 1 January 2023, the contribution in kind of the business unit relating to the Italian cement operations in favor of Buzzi Unicem Srl became effective, as part of the corporate revision project.

As a result of this corporate transaction, starting from 2023, Buzzi SpA qualifies as a "holding company" focused on the industrial sector of cement, ready-mix concrete and related activities.

The parent company Buzzi SpA closed the year with a net profit of €238.4 million (€489.3 million in 2022) and a net debt balance of €540.0 million (€763.3 million in 2022).

ITALY

During 2023, construction investments showed a stagnant trend, burdened by the negative dynamics of the residential market. As a matter of fact, with the conclusion of the super incentive season, investments for the extraordinary maintenance of residential assets suffered a substantial contraction, while the effects of monetary restrictions and inflationary pressures weakened the new housing sector. However, the subdued private investments were partly balanced by the increase in public spending, being the real driving force of the industry during the year. The acceleration in the implementation of the PNRR on the one hand supported the evolution of the non-residential segment, and on the other, favored the development of infrastructure projects (+15.8%). Domestic cement consumption is estimated to have declined modestly (-1.5%).

Our hydraulic binders and clinker sales, after a stagnant first half of the year and a decline recorded in the third quarter, recovered ground in the autumn months, also thanks to the comparison with a lackluster fourth quarter of 2022. Looking at the entire financial year, volumes closed the year up 2.1%, while the ready-mix concrete output slightly declined (-1.4%). The average prices of cement and concrete confirmed their improvement compared to the previous period.

Such trend in volumes and prices led to net sales of €818.3 million, up 12.7% (€726.2 million in 2022). Ebitda achieved €175.2 million, more than doubled compared to €82.0 million of last year. The figure for the year under review includes non-recurring costs of €3.4 million, thus causing the recurring Ebitda to reach €178.6 million.

It should be remembered that the figure for the year under review benefited from the tax credit effect dedicated to energy-intensive companies, for an amount of approximately €12 million, down compared to €38 million of 2022. Despite the lower benefit, the cost of electricity, however, recorded a marked decline compared to the levels of the previous year, resulting in a visible improvement in unit production costs, also influenced by the favorable dynamics of fuel costs.

UNITED STATES OF AMERICA

The construction sector showed good resilience during the year, despite the subdued residential sector, burdened by difficult access to credit and inflationary pressures. This negative dynamic, in fact, contrasted with the significant increase in industrial investments, aimed at relocalizing production on US soil, as well as infrastructure projects supported by government funds (IIJA). Domestic cement consumption is estimated to decline slightly compared to the previous year (-2.9%).

Despite the recovery recorded in the fourth quarter, our cement sales closed the year slightly down compared to 2022 (-1.8%), due to the general weakness in demand as well as to some logistical issues along the Mississippi River. Ready-mix concrete volumes, however, confirmed the unfavorable trend in the final months of the year, closing the year down 7.7%, also penalized by the shortage of drivers. On the contrary, selling prices strongly improved compared to the previous year.

Total net sales amounted to €1,742.7 million, up 9.5% compared to €1,591.8 million of 2022, while Ebitda increased from €497.5 to €639.1 million (+28.5%). The depreciation of the dollar (-2.7%)

had a negative impact on the translation of the results into euro: at constant exchange rates net sales would have increased by 12.4%, while Ebitda would have improved by 31.9%. Unit production costs slightly increased due to a worsening of the fixed component.

CENTRAL EUROPE

In **Germany**, the restrictive interest rates, the dynamics of construction costs and the significant reduction in public subsidies penalized residential construction with particular reference to new buildings (-6.5%). The commercial and industrial sectors also suffered from the unfavorable economic scenario, while investments in infrastructure demonstrated a greater, albeit still weak, rebound.

Our shipments of hydraulic binders and ready-mix concrete closed 2023 sharply declining, by 20.9% and 20.8% respectively. Selling prices, both for cement and concrete, confirmed the levels already achieved in the first nine months, also during the last quarter, thus marking a substantial improvement compared to the previous year.

Overall net sales thus increased from €798.8 to €872.0 million (+9.2%) and Ebitda improved from €120.5 to €189.1 million (+57.0%). Net of non-recurring income of €3.6 million, the recurring Ebitda stood at €185.5 million, up 54.0%. Unit production costs significantly increased, negatively impacted by the dynamics of costs for fuel and electricity, which more than doubled. In 2023 the business incurred operating costs of €5.4 million for CO_2 emission rights (€18.6 million in 2022).

In **Luxembourg** and the **Netherlands**, the weakening of demand for cement, which was already evident in the first nine months of the year, was also confirmed during the last quarter, leading our sales volumes to close the year strongly contracting compared to 2022 (-39.0%). The ready-mix concrete sector also recorded a similar dynamic, however with more moderate rates (-20.6%). Nevertheless, average selling prices showed a clear strengthening compared to the previous year, which however was unable to balance the unfavorable demand.

Net sales came in at €214.1 million, down 5.6% compared to the previous year (€226.9 million), while Ebitda stood at €28.1 million, clearly improving compared to €7.0 million in 2022. The increases in costs for fuel and electricity, together with the increase in labor costs, led to a worsening of unit production costs. No operating costs for CO_2 emission rights were incurred during the year (€6.5 million in 2022). Indeed, profitability increased thanks to lower CO_2 emission rights costs, savings in logistics management and a favorable change in inventory.

EASTERN EUROPE

In **Poland**, the construction market followed the general economic slowdown, although recording moderate growth over the year. The halt is mainly attributable to the negative evolution of new residential constructions (-5%), more than offset by the acceleration of investments in infrastructure, mainly linked to the energy and mining sectors.

In this context, our cement sales volumes maintained the rather negative dynamics of the first semester, closing the year down 13.1%. Ready-mix concrete sales also contracted (-8.0%), albeit with a more favorable pace in the second part of the year. The improvement in the price level remained solid in 2023.
Net sales increased from €141.3 to €156.7 million (+10.9%) while Ebitda improved from €27.2 to €38.2 million (+40.4%). However, it should be remembered that the strengthening of the local currency (+3.1%) positively impacted the translation of the results into euro: at constant exchange rates net sales would have been up 7.5% and Ebitda 36.1%. The unit production costs visibly grew, mainly impacted by increases in electric power prices. During the year the business incurred operating costs of €0.8 million for CO_2 emission rights (€9.6 million in 2022).

In the **Czech Republic** and **Slovakia**, the clearly negative development of new residential constructions (-15%) weighed heavily on the performance of the building indusry, despite the good dynamics in the manufacturing and logistics sectors. However, the development of restoration and renovation projects contributed favorably, thanks to state subsidies mainly aimed at the energy transition.
Our cement sales, after the decline in the first half of the year, continued to show a weak trend, closing 16.1% lower, in line with the general market trend. The price level in local currency consolidated with a clear strengthening compared to 2022. The ready-mix concrete sector, including Slovakia, recorded similar dynamics, both in terms of volumes (-19.0%) and selling prices.
Consolidated net sales amounted to €204.8 million (€201.2 million in 2022, +1.8%) and Ebitda increased from €56.8 to €72.0 million (+26.8%). The appreciation of the Czech koruna (+2.3%) had a positive impact on the translation of the results into euro: at constant exchange rates, the turnover would have recorded figures in line with the previous year (-0.3%), while Ebitda would have increased by 24.1%. The result of the year under review includes non-recurring income of €5.7 million, net of which Ebitda came in at €66.4 million, up 16.8%. Variable production costs worsened due to the increase in the energy component. No costs for CO_2 emission rights were incurred during the year (€8.5 million in 2022).

In **Ukraine**, military operations continue to hinder normal market conditions. Despite the increase in energy costs and wages, the measures adopted by the central bank to preserve the stability of the currency, together with tariffs on public utility services and the increase in the supply of food, allowed inflationary pressures to be eased.
In this context, our cement sales volumes in 2023 largely recovered ground (+32.7%), especially due to the comparison with the last financial year in which production had suffered long stops, with the outbreak of the conflict. Ready-mix concrete sales closed the year up (+7.1%) but far from pre-war levels. Selling prices confirmed a marked strengthening compared to 2022.

Net sales stood at €85.6 million, increasing compared to €59.8 million achieved in 2022. Ebitda came in at €5.6 million (it was negative and equal to €6.8 million in 2022). The depreciation of the local currency (-16.2%) unfavorably influenced the translation of the results into euro: at constant exchange rates the turnover would have been up 66.4% while Ebitda would have amounted to €6.5 million.
On 20 June 2023, Buzzi reached an agreement with CRH regarding the sale of its operations in Ukraine. The completion of the transaction is subject to obtaining the required regulatory approvals.

In **Russia**, in compliance with the sanctions adopted by the European institutions, as early as May 2022 Buzzi stopped all involvement in the operational activities of its local subsidiaries. Consequently, decisions relating to the investment can only be taken through the shareholders' meeting and are limited to those which, according to the Commercial Code of Russia, are the responsibility of this body, as well as decisions of an extraordinary nature as defined in the bylaws.. The information available to us regarding the trend in demand and the construction market is therefore very limited. At the balance sheet date, the value of our net assets in Russia totaled €330.5 million.
In 2023, net sales amounted to €284.6 million, down compared to €290.4 million of the previous year (-2.0%) and Ebitda decreased from €99.6 to €96.2 million (-3.4%). The depreciation of the ruble (-25.2%) unfavorably influenced the translation of the results into euro: at constant exchange rates, net sales and Ebitda would have been up by 22.8% and 21.0% respectively.

MEXICO (VALUED BY THE EQUITY METHOD)

The sales of our joint venture closed 2023 increasing compared to last year (+7.8%), with average prices, in local currency, markedly strengthening year on year. The ready-mix concrete sector also followed a similar dynamic, as regards both volumes (+9.6%) and prices.
Net sales, referring to 100% of the joint venture, stood at €1,025.0 million, up 33.4% on the previous year, while Ebitda came in at €465.5 million, significantly exceeding €305.8 million achieved in 2022. The Mexican peso showed an appreciation of 9.5%. At constant exchange rates net sales would have been up 20.8% and Ebitda up 37.8%. The unit production costs did not undergo significant changes, allowing a significant improvement in the Ebitda margin, which increased from 39.8% to 45.4%.
The equity earnings referring to Mexico, included in the line item that encompasses the investments valued by the equity method, amount to €110.4 million (€70.4 million in 2022).

BRAZIL (VALUED BY THE EQUITY METHOD)

The sales of our joint venture closed 2023 slightly decreasing (-2.7%), also being affected by the negative effect of the heavy rains that fell in the South-East region during the first quarter. Prices in local currency, instead, remained essentially stable year on year.
Net sales stood at €394.0 million, equal to -1.6% compared to €400.2 million of the previous year, while Ebitda reached €88.7 million, down compared to €118.7 million of 2022. The moderate appreciation of the Brazilian real impacted on the translation of the results into euro (+0.7%): like for like, net sales and Ebitda would have been down 2.3% and 25.8% respectively. Despite substantial stability in unit production costs, the change in inventories and a slight increase in administrative and general expenses contributed negatively to operating results.
The equity earnings referring to Brazil, included in the line item that encompasses the investments valued by the equity method, amount to €25.1 million (€31.3 million in 2022).

OUTLOOK

The latest forecasts have revised growth estimates for global economic activity slightly upwards in 2024, thanks to the greater resilience demonstrated in several markets, including the United States. However, growth rates remain below the historical pre-pandemic average, reflecting the continuation of a challenging context, characterized by the restrictive monetary policy, the withdrawal of fiscal support and high levels of debt. The pressure from central banks, some slowdown in the labor market and the evolution of energy prices are estimated to accelerate the deflationary dynamic, especially in advanced economies. The risks related to renewed geopolitical tensions in Ukraine and the Middle East persist.

In the construction sector, a weak development of the residential segment is still expected in 2024, especially in EU countries, while infrastructure investments will remain the main driver of the market, with more evident effects in the United States and Italy. Energy prices should continue to ease, although remaining far from pre-crisis levels. In this context, we believe that the commitment of our commercial force can translate into a general consolidation of the level of prices achieved, with further possibilities for an increase.

In the United States, we expect demand to be able to further benefit from the contribution of the infrastructure sector, supported by the increased inflow of funds at both the federal and state levels. Investments linked to industrial relocation activity should also support the market, while residential construction will continue to be affected by the macroeconomic situation. In this context, we believe that our sales volumes can consolidate the levels recorded in 2023, in line with the general trend of the industry. Regarding prices, we are likely to see a general decrease in momentum and downward pressure from customers, especially where imported cement manages to be competitive.

In Italy, we expect the residential sector to weaken further under the effect of the difficult conditions of access to credit and the reduced propensity to renew in the absence of incentives. The resources deriving from the PNRR, however, should continue to support the growth of infrastructure investments. In this scenario, we believe that our sales can confirm the levels achieved in 2023. Ebit, under the same conditions, will be penalized by the lack of benefit from the tax credit intended for energy-intensive industries (around €12 million in 2023). Domestic producers will continue to face a difficult competitive context, due to imports from countries with lower production costs and where there are no limitations on CO_2 emissions. We expect variable cost components to remain stable while fixed ones tend to increase (delayed inflationary effect on labor costs). Therefore, we aim to implement a pricing policy aimed at preserving margins.

In Central Europe and in the other Eastern European countries belonging to the EU, the persisting difficulties in residential construction will continue to slow down the sector, in the absence of a real push in infrastructure projects. In this context, we expect a weak dynamic also for our sales volumes, mainly in countries such as Germany and the Czech Republic, albeit with less pronounced decline compared to the trend highlighted in 2023. The expected evolution of production costs does not raise particular concerns. However, weakness in volumes and utilization of production capacity below a certain threshold could generate price pressures, resulting in negative impacts on operating results.

Different story for Ukraine where, currently, the most credible hypothesis is that of no solution to the conflict in the short term. In this scenario, we expect the market to continue to recover ground, while remaining at volumes far from the pre-war period. In any case, based on the sale agreement concluded with CRH in June 2023, the activities in the country should be deconsolidated by the end of the current financial year.
In the case of Russia, due to the current governance structure, we do not have sufficient information to provide indications on the expected results for the 2024 financial year.

Regarding our joint ventures, in Mexico, industrial investments linked to plans by numerous US companies to relocate production to neighboring countries, together with the acceleration of infrastructure projects in the Southeast of the country, should continue to support the construction market. In this context, we expect that our sales can essentially confirm the levels achieved in 2023.
In Brazil, we believe that, in 2024, the stability of demand and the price dynamics can favor a recovery of our operating results.

In conclusion, we are pleased to report that this past year has been the most successful in the history of our company, with record-breaking achievements in terms of Ebitda and net profit. This outstanding performance underscores the dedication and hard work of our managers, employees and collaborators, as well as the effectiveness of our strategic initiatives. Looking ahead, to the current fiscal year, while it is reasonable to expect that our operating results will remain robust, close to 2023 levels, it is important to acknowledge the prevalence of downside risks. This is partly due to a very challenging comparison base set by the exceptional performance of the year just ended. Despite these challenges, we remain confident in our ability to address uncertainties and capitalize on opportunities, leveraging our strengths and strategic vision to drive continued success for the company.

As regards the capital expenditures plan approved for 2024, we expect it to be more sizeable than the one implemented in the previous period. The program includes various projects aimed at the continuous improvement of operational efficiency and the reduction of CO_2 emissions, in line with the decarbonization targets set out in the roadmap "Our Journey to Net Zero".

CONSOLIDATED NON-FINANCIAL STATEMENT 2023

The Board of Directors approved the consolidated non-financial statement, which is included in the Sustainability Report 2023, in compliance with the provisions of Legislative Decree no. 254/2016.

The consolidated non-financial statement is a distinct and separate report with respect to the business review. It will be made available to the public at the same time as the publication of the draft annual financial statements and the consolidated financial statements for the year ended on 31 December 2023.

APPROPRIATION OF NET INCOME

The Board of Directors will propose to the Annual General Meeting of Buzzi SpA, convened in a single call for 9 May 2024 a dividend of 60 cents per share. The dividend payment, if approved by the Shareholders' Meeting, will be executed as from 22 May 2024 (with coupon detachment on 20 May 2024 and record date on 21 May 2024).

Considering the provisions relating to the conduct of shareholders' meetings pursuant to art. 106, paragraph 4, of the Decree Law 17 March 2020, no. 18 as subsequently extended, the participation and exercise of the right to vote in the Shareholders' Meeting will take place exclusively through the representative appointed by the company, having been identified pursuant to art. 135-undecies of the TUF, in Computershare S.p.A.

RENEWAL OF AUTHORIZATION FOR THE PURCHASE/DISPOSAL OF TREASURY SHARES

The Board of Directors resolved to ask the Shareholders' Meeting to authorize (and thus revoke the authorization adopted on 12 May 2023) the buy-back of ordinary shares of the company up to a number which, taking into consideration the ordinary shares held from time to time in the portfolio by the company and its subsidiaries, does not overall exceed the maximum limit established by the applicable pro tempore regulations, and for a maximum amount of €200 million.

The authorization is asked also for the selling of the shares already held in treasury by the company.

The above authorization to the purchase, as well as to the disposal of treasury shares is required to allow the company to intervene in case of fluctuation of the share price beyond the normal market volatility, within the extent allowed by the law and the market rules, as well as to give the company an instrument for liquidity investment. A further reason to purchase treasury shares may be using them as a payment in extraordinary transactions, also of equity interest swap, exchange, contribution or of conversion of bonds of possible future issuance, or for distribution, for a consideration or without consideration, to directors and employees of the company or its subsidiaries as well as for allocation to shareholders without consideration.

The authorization is asked for a length of 18 months as from the Shareholders' Meeting approval.

The proposed purchase price ranges from a minimum and a maximum of respectively no less and no more than 10% compared to the reference price of the ordinary share recorded in the stock market session of the day before the completion of each individual transaction.

The treasury shares shall be purchased on the market, according to Borsa Italiana rules, pursuant to art. 144 bis, paragraph 1, lett. b), c) and d) ter of Consob Regulation no. 11971/99 and subsequent amendments. Moreover, the company can also avail itself of the procedure provided by the market rules approved by Consob, where applicable, as well as those pursuant to art. 5 of EU Regulation no. 596/2014.

Treasury shares selling transactions can be effected at any time, wholly or partly, in one or several transactions, through sale with cash compensation or as a payment in extraordinary transactions, also of equity interest swap, or of exchange, transfer or conversion of bonds of possible future issuance, or for distribution to directors and employees of the company or its subsidiaries ex art. 2359 of the civil code as well as for allocation to shareholders also in the form of dividends.

Based on the previous authorization issued by the ordinary Shareholders' Meeting of 12 May 2023, to date no treasury shares have been purchased or sold.

As of today, the company owns no. 7,494,316 ordinary treasury shares equal to 3.891% of capital stock.

OTHER SHAREHOLDERS' MEETING RESOLUTIONS

The Shareholders' Meeting has also been convened to take the required resolutions:

in ordinary session:

- on the approval of Section I of the Report on the policy regarding remuneration and fees paid, ex per article 123 ter, paragraphs 3 bis and 3 ter, of Legislative Decree n. 58/1998;

- on the non-binding voting on Section II of the Report on the policy regarding remuneration and fees paid, ex per article 123 ter, paragraph 6, of Legislative Decree no. 58/1998;

in extraordinary session:

- on the modification of art. 5 of the bylaws in order to regulate the institution of the "increased voting rights" referred to in art. 127-quinquies, paragraph 1, of Legislative Decree no. 58/1998. The proposal provides that the increased voting rights are acquired upon expiry of the minimum period of 24 months required by law. With regards to the extent of the increased voting rights, the Board of Directors has set the maximum limit of the increase at two votes for each share;
- on the modification of art. 9 of the bylaws in order to introduce, pursuant to art. 135-underdecies.1 of Legislative Decree no. 58/1998, the possibility that participation in the meeting and the exercise of voting rights take place exclusively through the representative appointed by the company.

  This possibility was introduced by the recent Law no. 21 of 5 March 2024 with the inclusion in the TUF of the new art. 135-underdecies.1.

For detailed information on the amendments to the bylaws proposed, please refer to the explanatory reports of the Board of Directors, which will be made available within the terms of the law, on the "eMarket Storage" mechanism (www.emarketstorage.com), on the company's website www. buzzi.com and at the company’s headquarters.

LTI MONETARY INCENTIVE PLAN FOR THE THREE-YEAR PERIOD 2024-2026 FOR TOP MANAGEMENT

The Board of Directors approved the adoption of a long-term monetary incentive plan for the three-year period 2024-2026 (LTI 2024-2026) intended for the Chief Executive Officer, the Chief Operating Officer and the Chief Technology Officer.

The plan is designed to incentivize recipients to align their commitment and behavior with the interests of shareholders, rewarding efforts to achieve strategic, economic and sustainability targets, and attain lasting improvement in corporate results.

The LTI 2024-2026 plan is illustrated in Section I of the Report on the policy regarding remuneration and fees paid which will be submitted to the Shareholders' Meeting.

CORPORATE GOVERNANCE

The Board of Directors has approved the annual report on the company’s corporate governance system, which will be made available at the same time as the Annual Financial Report for the year ended 31 December 2023.

The Board of Directors has also assessed that Directors Aldo Fumagalli Romario, Antonella Musy, Linda Orsola Gilli, Marcella Logli and Giovanna Vitelli meet the criteria of independence as per Code of Corporate Governance approved by Borsa.

The Statutory Auditors' Committee reported to the Board of Directors that it was able to verify the independence criterion of its members.

SENIOR NOTES AND BONDS

In the period from 1 January to 31 December 2023 no new bonds were issued.

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The manager responsible for preparing the company's financial reports, Elisa Bressan, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Casale Monferrato, 28 March 2024

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The Buzzi 2023 financial statements will be illustrated during a **conference call** to be held on Thursday, 28 March, at 4:30 pm CET. To join the conference, please dial +39 02 802 09 11, from UK +44 1 212 818 004, from USA +1 718 7058 796.

CONSOLIDATED INCOME STATEMENT

(thousands of euro)	2023	2022
Net sales	**4,317,489**	**3,995,519**
Changes in inventories of finished goods and work in progress	50,372	64,521
Other operating income	57,467	54,744
Raw materials, supplies and consumables	(1,620,437)	(1,698,338)
Services	(886,919)	(886,784)
Staff costs	(589,300)	(559,985)
Other operating expenses	(85,457)	(86,001)
EBITDA	**1,243,215**	**883,676**
Depreciation and amortization	(248,237)	(259,252)
Impairment charges	(10,188)	(129,648)
Operating profit (EBIT)	**984,790**	**494,776**
Equity in earnings of associates and joint ventures	161,236	117,551
Gains on disposal of investments	241	97
Finance revenues	98,091	123,194
Finance costs	(103,489)	(146,322)
Profit before tax	**1,140,869**	**589,296**
Income tax expense	(174,056)	(130,517)
Profit for the year	**966,813**	**458,779**
Attributable to:		
Owners of the company	966,545	458,786
Non-controlling interests	268	(7)

(euro)		
Earnings per share		
basic		
ordinary	5.221	2.462

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)	2023	2022
Profit for the year	**966,813**	**458,779**
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on post-employment benefits	(14,801)	89,973
Fair value changes of equity investments	506	308
Income tax relating to items that will not be reclassified	4,007	(25,526)
Total items that will not be reclassified to profit or loss	**(10,288)**	**64,755**
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(172,295)	203,679
Share of currency translation differences of associates and joint ventures valued by the equity method	28,502	38,338
Total items that may be reclassified subsequently to profit or loss	**(143,793)**	**242,017**
Other comprehensive income for the year, net of tax	**(154,081)**	**306,772**
Total comprehensive income for the year	**812,732**	**765,551**
Attributable to:		
Owners of the company	812,471	765,512
Non-controlling interests	261	39

CONSOLIDATED BALANCE SHEET

(thousands of euro)	31.12.2023	31.12.2022
Assets		
Non-current assets		
Goodwill	508,836	509,484
Other intangible assets	51,890	57,503
Right-of-use assets	74,462	77,626
Property, plant and equipment	3,150,538	3,240,124
Investment property	17,524	17,561
Investments in associates and joint ventures	633,603	537,994
Equity investments at fair value	10,726	10,595
Deferred income tax assets	97,571	64,538
Defined benefit plan assets	3,698	4,435
Derivative financial instruments	-	11,031
Other non-current assets	265,271	262,268
	4,814,119	**4,793,159**
Current assets		
Inventories	754,269	721,023
Trade receivables	565,610	541,675
Other receivables	255,225	99,348
Cash and cash equivalents	1,120,712	1,341,488
	2,695,816	**2,703,534**
Assets held for sale	105,468	6,395
Total Assets	**7,615,403**	**7,503,088**

(thousands of euro)	31.12.2023	31.12.2022
Equity		
Equity attributable to owners of the company		
Share capital	123,637	123,637
Share premium	458,696	458,696
Other reserves	50,455	183,290
Retained earnings	5,124,484	4,271,170
Treasury shares	(130,917)	(130,917)
	5,626,355	**4,905,876**
Non-controlling interests	5,673	5,581
Total Equity	**5,632,028**	**4,911,457**
Liabilities		
Non-current liabilities		
Long-term debt	338,697	608,150
Lease liabilities	56,577	58,132
Derivative financial instruments	4,787	-
Employee benefits	267,770	268,235
Provisions for liabilities and charges	83,820	78,956
Deferred income tax liabilities	385,165	401,478
Other non-current liabilities	5,009	7,693
	1,141,825	**1,422,644**
Current liabilities		
Current portion of long-term debt	265,226	594,028
Short-term debt	4,965	12,544
Current portion of lease liabilities	19,651	20,260
Trade payables	315,729	324,293
Income tax payables	64,056	35,038
Provisions for liabilities and charges	25,225	61,992
Other payables	136,344	120,832
	831,196	**1,168,987**
Liabilities held for sale	10,354	-
Total Liabilities	**1,983,375**	**2,591,631**
Total Equity and Liabilities	**7,615,403**	**7,503,088**

CONSOLIDATED STATEMENT OF CASH FLOWS

(thousands of euro)	**2023**	**2022**
Cash flows from operating activities		
Cash generated from operations	1,049,678	575,435
Interest paid	(35,668)	(26,821)
Income tax paid	(195,206)	(153,899)
Net cash generated from operating activities	**818,804**	**394,715**
Cash flows from investing activities		
Purchase of intangible assets	(5,692)	(1,433)
Purchase of property, plant and equipment	(298,012)	(265,305)
Purchase of other equity investments	(5,815)	(4,085)
Proceeds from sale of property, plant and equipment	20,370	11,694
Proceeds from sale of equity investments	1,600	465
Changes in financial receivables	(153,595)	17,762
Dividends received from equity investments	84,663	75,751
Interest received	52,371	23,989
Net cash generated from (used in) investing activities	**(304,110)**	**(141,162)**
Cash flows from financing activities		
Proceeds from long-term debt	-	200,145
Repayment of long-term debt	(595,461)	(136,792)
Net change in short-term debt	(4)	68
Repayment of lease liabilities	(21,426)	(24,525)
Changes in other financial payables	(4,226)	5,408
Changes in ownership interests without loss of control	(1,586)	(3)
Purchase of treasury shares	-	(123,218)
Dividends paid to owners of the company	(83,309)	(73,351)
Dividends paid to non-controlling interests	(1)	(136)
Net cash generated from (used in) financing activities	**(706,013)**	**(152,404)**
Increase (decrease) in cash and cash equivalents	**(191,319)**	**101,149**
Cash and cash equivalents at beginning of year	1,341,488	1,203,611
Currency translation differences	(29,526)	36,728
Change in scope of consolidation	69	-
Cash and cash equivalents at end of year	**1,120,712**	**1,341,488**

Figures as at December 31, 2023 have been approved by the Board of Directors but they have not been examined by the Statutory Auditors and the Independent Auditors have not issued their opinion yet.

Buzzi SpA

INCOME STATEMENT

(thousands of euro)	2023	2022
Net sales	**8,316**	**532,596**
Changes in inventories of finished goods and work in progress	-	16,710
Other operating incomes	7,478	10,004
Raw materials, supplies and consumables	(529)	(294,619)
Services	(11,200)	(102,498)
Staff costs	(16,661)	(77,390)
Other operating expenses	(7,697)	(19,855)
Operating cash flow (EBITDA)	**(20,293)**	**64,948**
Depreciation and amortization	(1,535)	(31,962)
Impairment charges	-	933
Operating profit (EBIT)	**(21,828)**	**33,919**
Gains on disposal of investments	441	-
Finance revenues	310,738	547,466
Finance costs	(89,337)	(74,480)
Profit before tax	**200,014**	**506,905**
Income tax expense	38,407	(17,633)
Profit for the year	**238,421**	**489,272**

STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)	2023	2022
Profit for the year	**238,421**	**489,272**
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on post-employment benefits	(82)	792
Income tax relating to items that will not be reclassified	19	(217)
Total items that will not be reclassified to profit or loss	**(63)**	**575**
Total items that may be reclassified subsequently to profit or loss	**-**	-
Other comprehensive income for the year, net of tax	**(63)**	**575**
Total comprehensive income for the year	**238,358**	**489,847**

BALANCE SHEET

(thousands of euro)	31.12.2023	31.12.2022
Assets		
Non-current assets		
Goodwill	-	40,500
Other intangible assets	278	2,069
Right-of-use assets	560	4,925
Property, plant and equipment	6,895	240,103
Investment property	2,020	8,112
Investments in subsidiaries, associates and joint ventures	2,825,778	2,443,588
Other equity investments	7	5,496
Deferred income tax assets	59,004	25,856
Derivative financial instruments	-	11,031
Other non-current assets	220,786	230,462
	3,115,328	**3,012,142**
Current assets		
Inventories	-	140,575
Trade receivables	8,978	188,726
Other receivables	194,996	57,454
Cash and cash equivalents	414,794	851,095
	618,768	**1,237,850**
Assets held for sale	911	2,229
Total Assets	**3,735,007**	**4,252,221**

(thousands of euro)	31.12.2023	31.12.2022
Equity		
Share capital	123,637	123,637
Share premium	458,696	458,696
Other reserves	432,440	421,856
Retained earnings	1,259,858	864,542
Profit for the year	238,421	489,272
Treasury shares	(130,917)	(130,917)
Total Equity	**2,382,135**	**2,227,086**
Liabilities		
Non-current liabilities		
Long-term debt	877,092	1,152,967
Lease liabilities	354	3,443
Derivative financial instruments	4,787	-
Employee benefits	1,855	10,122
Provisions for liabilities and charges	2,443	10,690
Deferred income tax liabilities	-	3,096
Other non-current liabilities	775	837
	887,306	**1,181,155**
Current liabilities		
Current portion of long-term debt	252,410	599,316
Short-term debt	181,675	102,265
Current portion of lease liabilities	219	1,512
Trade payables	5,762	99,958
Income tax payables	-	697
Provisions for liabilities and charges	1,911	997
Other payables	23,589	39,235
	465,566	**843,980**
Total Liabilities	**1,352,872**	**2,025,135**
Total Equity and Liabilities	**3,735,007**	**4,252,221**

FINANCIAL STATEMENT

(thousands of euro)	2023	2022
Cash flows from operating activities		
Cash generated from operations	92,233	(44,943)
Interest paid	(31,874)	(23,534)
Interest paid to parent companies	(27,488)	(5,113)
Income tax paid	(7,379)	(18,156)
Net cash generated (used in) from operating activities	**25,492**	**(91,746)**
Cash flows from investing activities		
Purchase of intangible assets	(41)	(313)
Purchase of property, plant and equipment	(11,601)	(22,750)
Purchase of other equity investments	(5)	(560)
Proceeds from sale of property, plant and equipment	231	1,039
Proceeds from sale of equity investments	1,600	-
Change in other financial receivables	(139,605)	19,900
Change in other financial receivables from parent companies	3,767	(1,505)
Dividends received from equity investments	261,198	510,022
Interest received	20,905	2,081
Interest received from parent companies	1,513	4,170
Net cash generated from (used in) investing activities	**137,962**	**512,084**
Cash flows from financing activities		
Proceeds from long-term debt	-	199,371
Repayment of long-term debt	(594,895)	(81,500)
Net change in short-term debt	-	(6,765)
Repayment of lease liabilities	(260)	(1,743)
Changes in other financial payables	(269)	-
Changes in other financial payables from parent companies	79,488	268,663
Changes in ownership interests without loss of control	(503)	(5,000)
Purchase of treasury shares	-	(123,218)
Dividends paid to owners of the company	(83,309)	(73,351)
Net cash generated from (used in) financing activities	**(599,748)**	**176,457**
Effects of the contribution on cash	**(7)**	-
Increase (decrease) in cash and cash equivalents	**(436,301)**	**596,795**
Cash and cash equivalents at beginning of year	851,095	254,300
Cash and cash equivalents at the end of year	**414,794**	**851,095**

Figures as at December 31, 2023 have been approved by the Board of Directors but they have not been examined by the Statutory Auditors and the Independent Auditors have not issued their opinion yet.

ALTERNATIVE PERFORMANCE MEASURES

Buzzi uses in its financial disclosure some alternative performance measures that, although widespread, are not defined or specified by the accounting standards that are applicable to the preparation of the annual financial statements or interim consolidated reports.
Pursuant to Consob Communication no. 92543/2015 and the guidelines ESMA/2015/1415 set out below are the definitions of such measures.

- **EBITDA:** subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **EBITDA recurring**: it is calculated starting from the subtotal presented in the financial statements named EBITDA and applying to it the following adjustments (non-recurring income/expense):
    - restructuring costs, in relation to defined and significant plans
    - write downs/ups of current assets except trade receivables greater than €1 million
    - addition to/release of provisions for legal, fiscal or environmental risks greater than €1 million
    - dismantling costs greater than €1 million
    - gains/losses from the sales of fixed assets and non-instrumental real estate greater than €3 million
    - other sizeable non-recurring income or expenses (greater than €3 million), or rather attributable to significant events unrelated to the usual business.

The reconciliation between EBITDA and EBITDA recurring for the two comparative periods is as follows:

Consolidated financial statements

(millions of euro)	2023	2022
EBITDA recurring	**1,243.2**	**883.7**
Restructuring costs	0.5	-
Gains on disposal of fixed assets	(9.3)	-
Other expenses	2.9	8.7
EBITDA recurring	**1,237.3**	**892.4**

Statutory financial statements

(millions of euro)	2023	2022
EBITDA recurring	**(20.3)**	**64.9**
Other expenses	2.9	8.7
EBITDA recurring	**(17.4)**	**73.6**

- **Operating profit (EBIT)**: subtotal presented in the financial statements; please refer to the consolidated income statement for the calculation.

- **Net financial position**: it is a measure of the capital structure and corresponds to the difference between financial liabilities and financial assets, both short and long term. Therefore, it includes all interest-bearing liabilities or assets and those connected to them, such as derivative financial instruments and accruals.

- **Net debt**: it is a measure of the capital structure corresponding to the difference between financial liabilities, both short and long term, and short-term financial assets. Therefore, it includes all liabilities, a part of the interest-bearing assets and related items, such as derivative financial instruments and accruals. The measure complies with the guidelines ESMA32-382-1138.