



Introduction to Breedon Group plc

Spring 2025



Making a material difference

Breedon's Vision

To be a leading, vertically-integrated, international construction materials group

Breedon's Purpose

To make a material difference to the lives of our colleagues, customers and communities

Breedon's Values

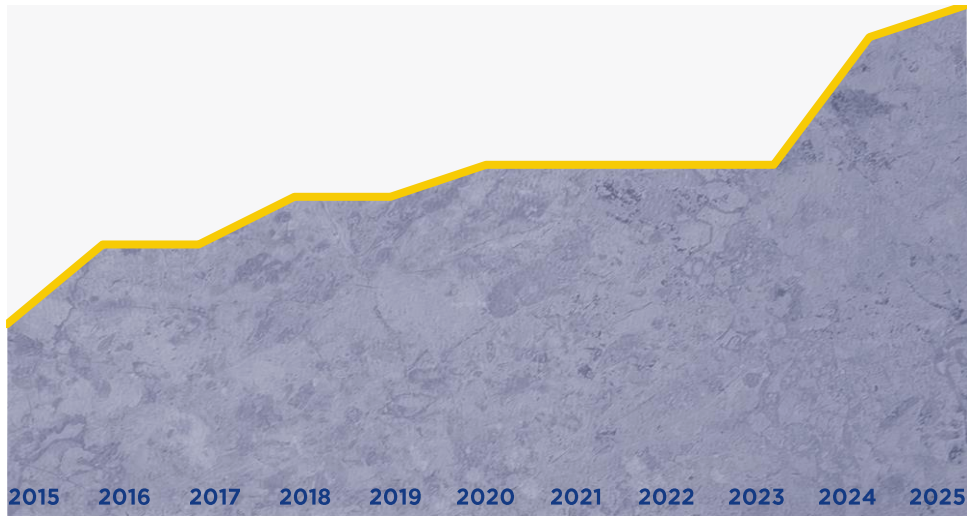
To adopt clear authentic behaviours to ensure long-term success



Our business is asset backed

Strong local market positions

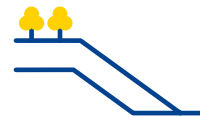
1.5 bn tonnes
Reserves and resources¹



1. Includes the acquisition of Lionmark March 2025.

>350 sites

Aggregates



>100
quarries

Ready-mixed concrete



>200
plants

Cement



2
plants

Asphalt



>50
plants

Supplying attractive end-markets

Long-term structural growth trends in infrastructure and housing

Clear need to invest in the built environment:

- Significant housing shortfall across all geographies
- Requiring more than three years to resolve at current build rates

UK up to

1.5m

c.8 years

Ireland up to

0.3m

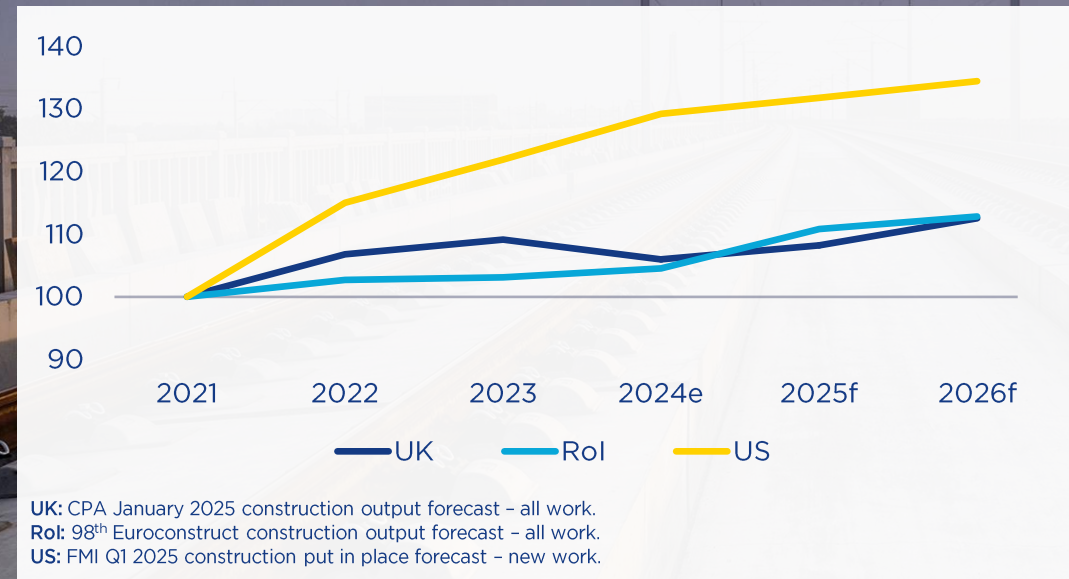
c.8 years

US more than

4.5m

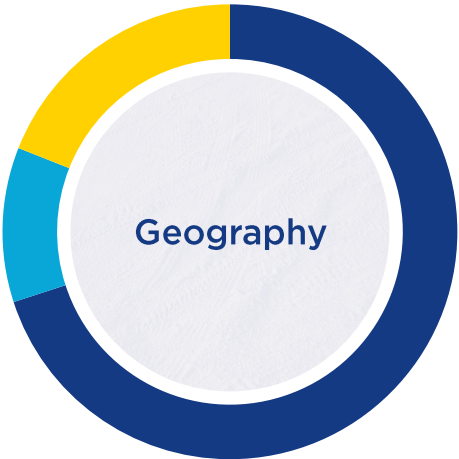
c.3 years

Construction output: Forecast to grow

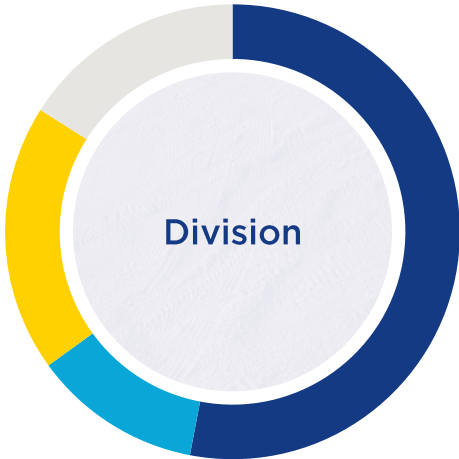


Breedon pro-forma 2024

Sales mix



| | |
|-----|-----|
| UK | 70% |
| RoI | 11% |
| US | 19% |



| | |
|---------------|-----|
| Great Britain | 53% |
| Ireland | 12% |
| US | 19% |
| Cement | 16% |



| | |
|-------------------------|-------|
| Infrastructure | c.50% |
| Residential | c.20% |
| Industrial & commercial | c.30% |



| | |
|----------------------|-----|
| Aggregates | 30% |
| Cement | 20% |
| Ready-mixed concrete | 30% |
| Asphalt | 20% |

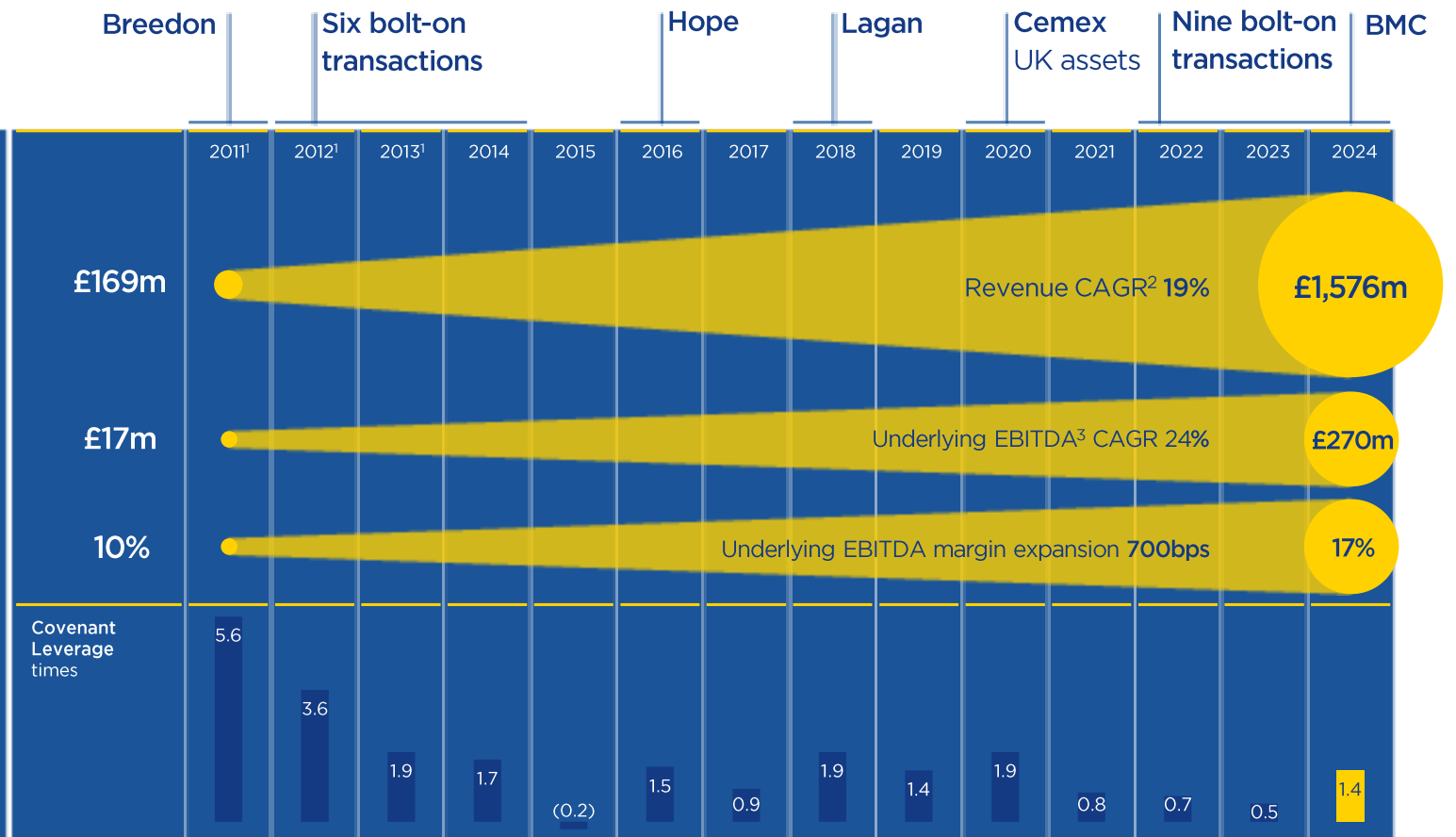
Note: Pro-forma refers to reported numbers for 2024 restated to include the impact of the four transactions that took place in 2024 and is inclusive of Lionmark.

1. Product data excludes surfacing, building products and other.

Investment case

An outstanding track record of sustainable growth

Since our first full year of trading as Breedon, we have undertaken 27 acquisitions while simultaneously pursuing organic growth. In this time, our growth has outpaced our markets, we have successfully converted profits to cash and rapidly reduced leverage following each transaction.



1. Covenant leverage has been calculated on a consistent basis for all periods, following the principles set out in the Group's current debt facility agreements.
 2. CAGR: Compound annual growth rate.
 3. Underlying EBITDA refers to earnings before interest, tax, depreciation and amortisation.

Evolving our strategy: Breedon 3.0

Virtuous circle of enhancement

EXPAND

Breedon is a consolidator
and M&A is at the heart
of our strategy



People

Sustainability

Finance

IMPROVE

Replenishing minerals,
unlocking efficiencies,
driving innovation

Significant sustainability progress

Upgrading targets

New

2030

Targets

- **23% reduction** in absolute gross scope 1 and 2 greenhouse gas emissions, and scope 3 emissions from purchased clinker and cement by 2030
- **£500 million cumulative social value** to be generated through our activities
- **50% of the Group's revenue** to be from the **Breedon Balance range**

Our capital allocation model

Investment as a differentiator through the cycle

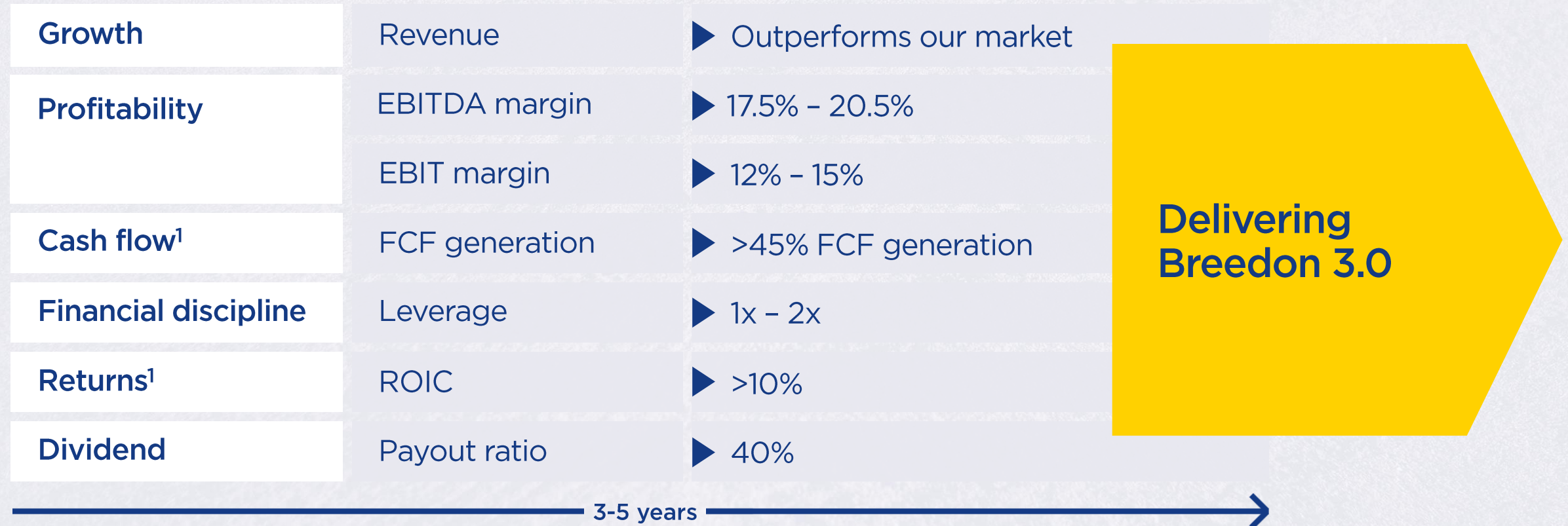


1. Payout ratio in respect of total dividend for 2024.

2. Audited Annual Results 2024.

Our evolving financial framework

Financial metrics aligned to our strategy



1. Post-tax measure.

Financial update



2024 results ahead of expectations

Successful delivery of strategic objectives

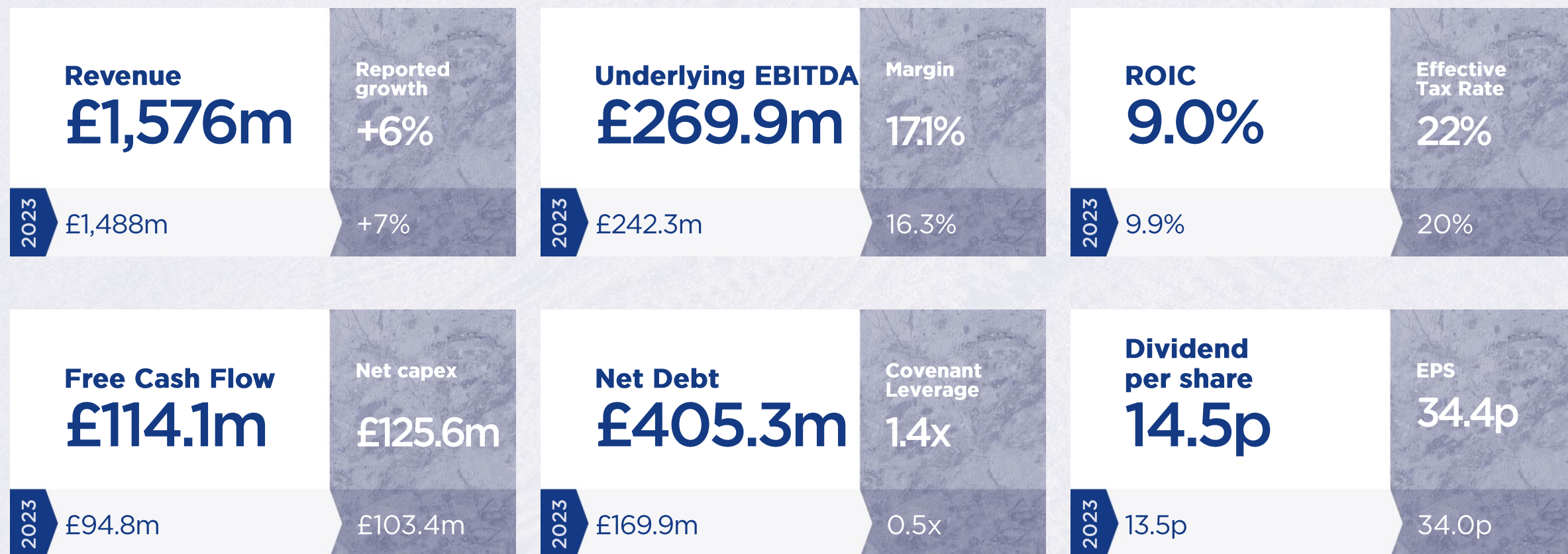
Highlights

- **A further year of record results;** entry into US market, Ireland strong, pricing resilient
- **BMC integration completed;** encouraging initial contribution
- **Strategic flexibility retained;** covenant leverage reduced to 1.4x since the half year

Market beating performance delivered by resilient pricing and deliberate cost management

2024 financial highlights

Balanced financial performance

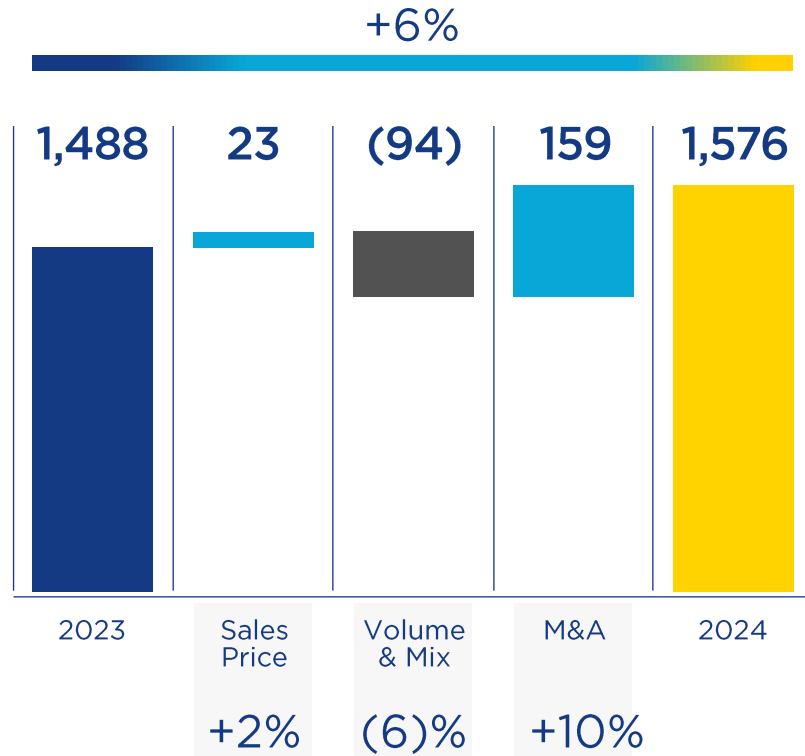


Notes: Underlying results are stated before acquisition-related expenses, property gains or losses, redundancy and reorganisation costs, amortisation of acquired intangibles, unamortised banking arrangement fee and related tax items. The prior year also included the costs associated with the Group's move from the AIM to Main Market. EBITDA; earnings before interest, tax, depreciation and amortisation, non-underlying items and before our share of profit from associate and joint ventures. ROIC; post-tax return on average invested capital. Covenant Leverage; defined by the Group's banking facilities and excludes the impact of IFRS 16 and includes the proforma impact of M&A. EPS is Adjusted Underlying Basic EPS, which is Underlying Basic EPS adjusted to exclude the impact of non-underlying items.

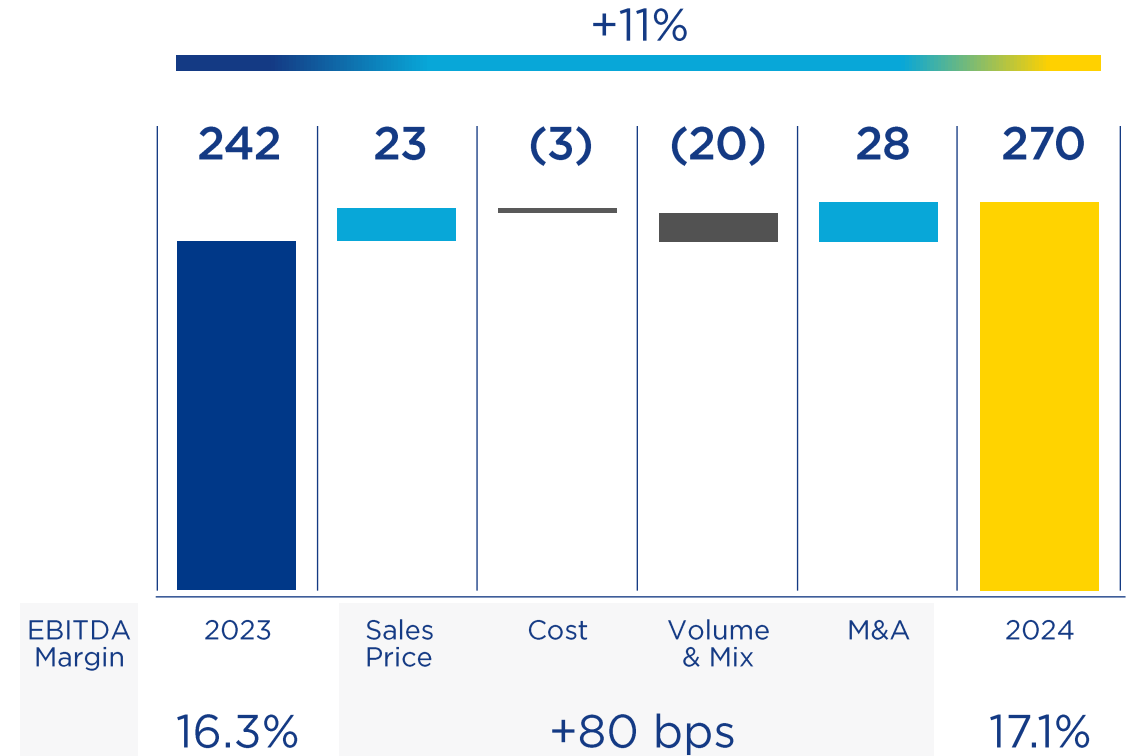
Revenue and EBITDA bridges

Sequential improvement in cement and ready-mixed concrete volumes

Revenue bridge £m



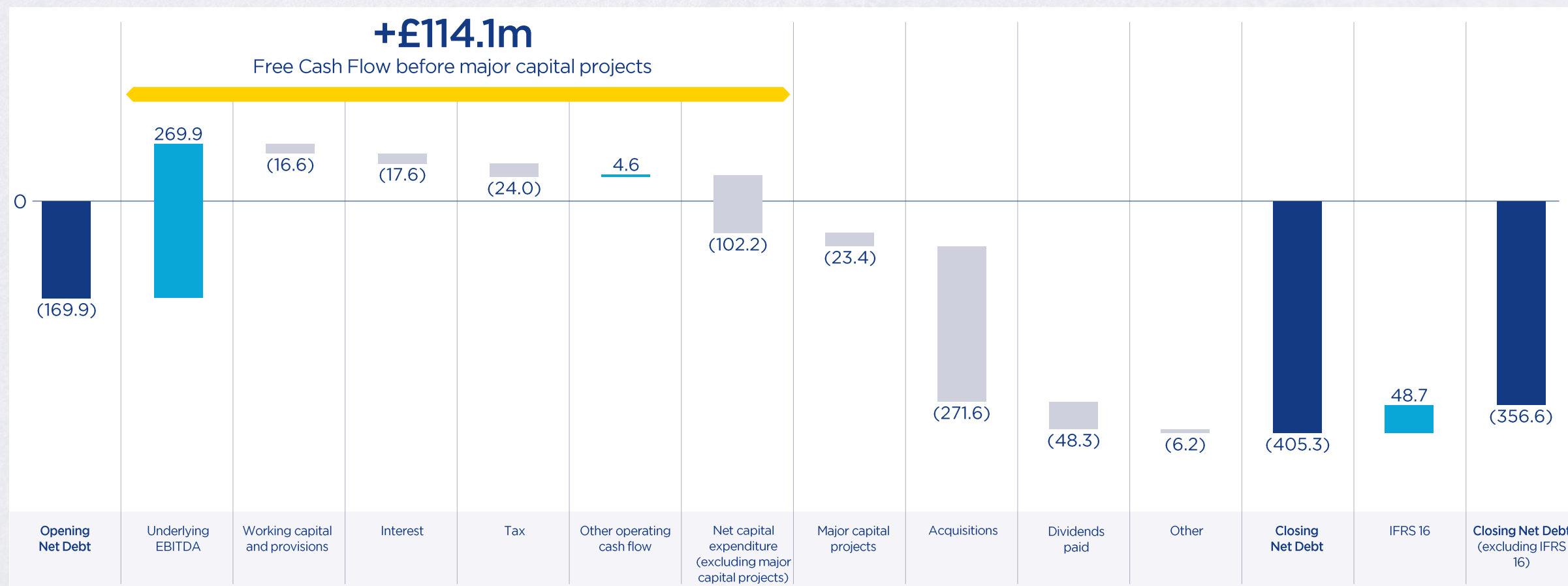
EBITDA bridge £m



Note: Percentage increase/decrease rates based on non-rounded data.

Net Debt and cash flow







Further year of cash generation



Note: Free Cash Flow excludes the impact of major capital projects undertaken in the year, including the ARM and primary crusher projects at Hope and the solar farm at Kinnegad.

Performance against our financial framework

Further balanced performance

| Target | Outcome | Target | Outcome |
|---|--|--|---|
| Growth Outperform our markets |  Achieved | Financial discipline Covenant Leverage 1x - 2x |  Achieved |
| Profitability Underlying EBITDA margin 17.5% - 20.5% Underlying EBIT margin 12% - 15% |  Improving | Returns ROIC >10% |  Missed |
| Cash flow FCF conversion >45% <small>Note: FCF conversion before major projects.</small> |  Improving | Dividend Payout ratio 40% |  Achieved |

Note: **FCF conversion**: Free Cash Flow before major capital projects relative to Underlying EBITDA. **Covenant Leverage** as defined by the Group's banking facilities - excludes the impact of IFRS 16 and includes the pro-forma impact of M&A. **ROIC**: Post-tax return on average invested capital, calculated as underlying earnings before interest, divided by average invested capital. **Payout ratio** calculated with reference to Adjusted Underlying Basic EPS.

Positioned for profitable growth

Confident 2024 should represent a floor in construction materials activity

From
2025

- **Structural long-term drivers**
Significant housing and infrastructure deficits in all three geographies
- **Strategic optionality**
Active M&A pipeline in all geographies coupled with investing for growth
- **Political clarity in place**
2024 elections provide visibility into the medium-term
- **Flexible balance sheet**
Highly cash generative model enabling rapid debt reduction
- **Macro forecasts stabilised**
Forecasts for modest construction output growth in 2025 and 2026
- **Healthy enquiry levels**
Operational and commercial excellence have positioned the Group for growth

Breedon in the US: BMC and beyond



Building a third platform

Replicating the Breedon model

Market with long-term growth prospects

A robust legal system

A reliable planning regime

A benign local culture

With minimal political risk



Confidence
in replicating the
Breedon model in
a third platform

M&A strategic priority; US scale-up

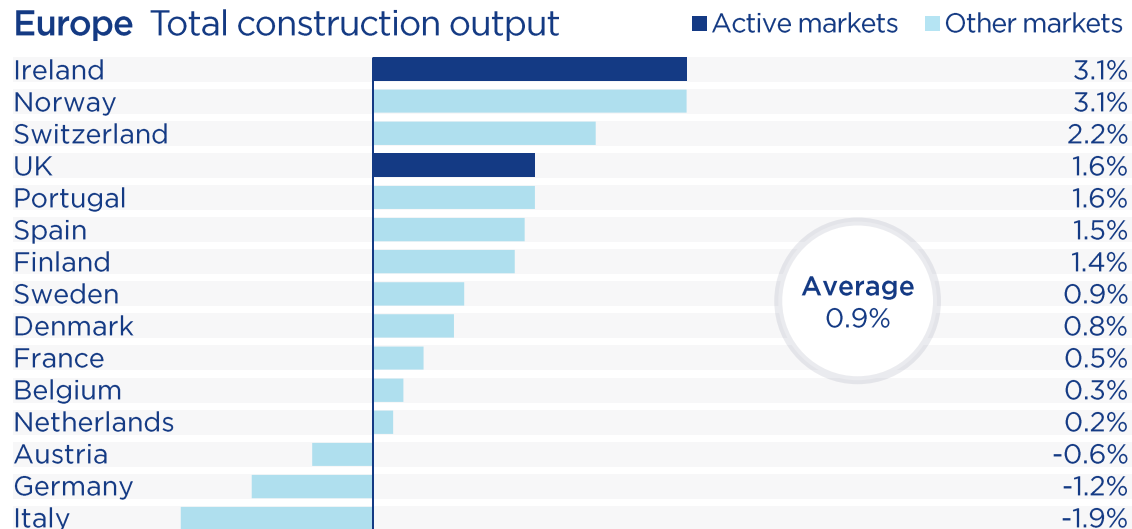
US construction materials markets; high relative growth, highly fragmented

High relative growth

US Construction starts



Europe Total construction output

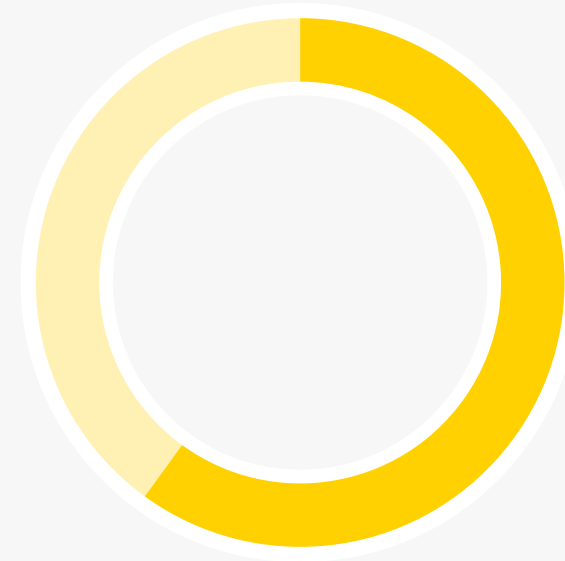


Highly fragmented

Top 10 market share

40%

Comprising global and domestic majors



Rest of market market share

60%

Over 5,000 companies managing close to 11,000 operations

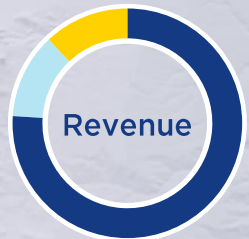
BMC at a glance

Breedon's platform for growth in the US

Sales mix



| | |
|-----------------|-----|
| Residential | 50% |
| Non-residential | 25% |
| Non-building | 25% |



| | |
|--------------------|-----|
| Ready-mix concrete | 76% |
| Aggregates | 12% |
| Building products | 12% |

A leading Missouri producer



Product mix

Aggregates

- 2023 tonnes: c.2.8m
- No. of locations: 12
- c.440m short tons¹ reserves and resources

Ready-mixed concrete

- 2023 cu yd²: c.740k
- No. of plants: 44
- Highly technical team

Building products

- No. of plants: 10
- Focused on meeting customer needs

1. One metric tonne is equal to 1.1 US short tons.

2. One cubic metre is equal to 1.3 cubic yards.

Lionmark at a glance

Significant operations in Missouri, Texas and Arkansas

Multi-state surfacing operations

Supported by

Reserves & Resources

c.100mT

Asphalt Plants

4

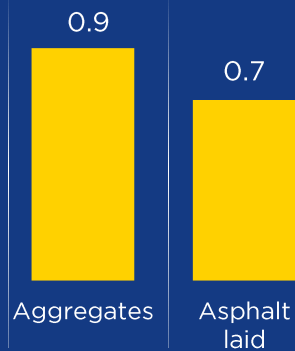
Quarries

8

Bitumen terminal

1

Sales volumes
m tonnes p.a.



Customers



● BMC
● Lionmark

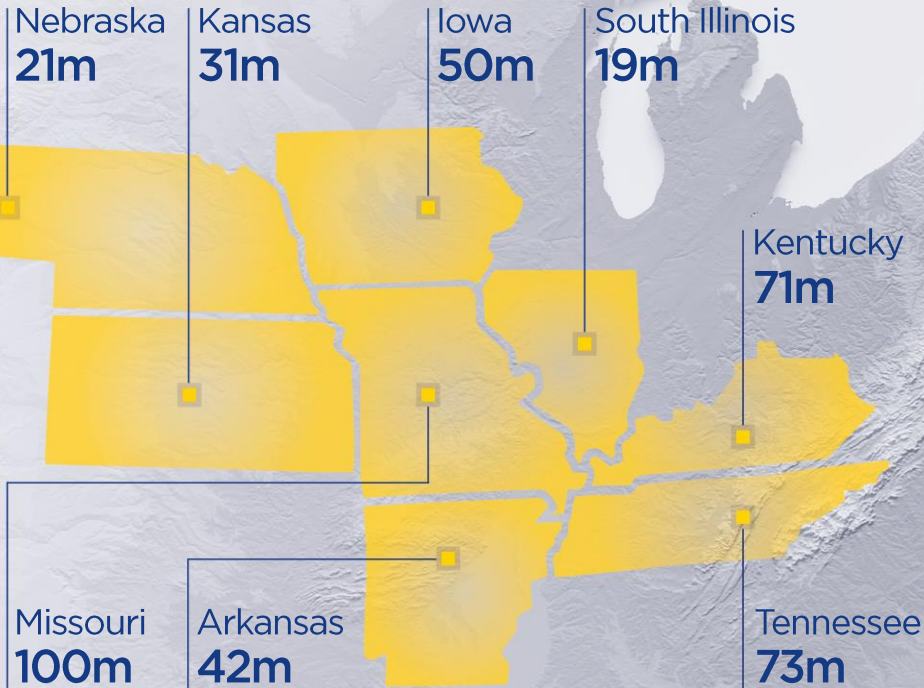
The Midwest opportunity



Target markets: Aggregates production >2x GB

GDP comparable

Demand
2023



Midwest
408m
short tons

GDP
2023

Midwest
\$3.2trn¹

1. Midwest GDP includes Illinois state

UK
\$3.5trn

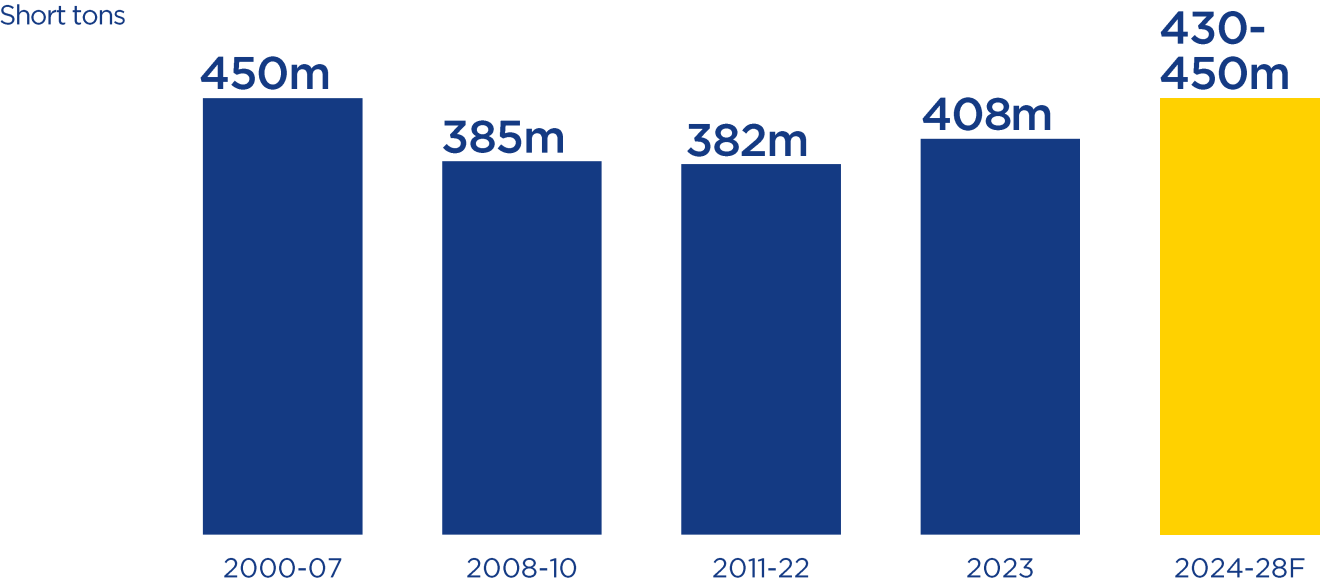
Great Britain
178m
short tons

Rising Midwest materials consumption

Returning to pre-global financial crisis levels



Midwest average aggregates consumption p.a.
Short tons



| | | | | | |
|-------------|-----|------|-----|-----|-----|
| Asphalt ton | N/A | 46m* | 45m | 52m | 59m |
| RMC cu yd | 61m | 45m | 50m | 58m | 61m |

Note: * Average for 2009 and 2010
Source: USGS; NAPA; FMI; Woods & Poole, NRMCA; L.E.K. research and analysis

Attractive infrastructure end markets

Structural tailwinds supporting investment

Missouri has 6th largest road network in the US

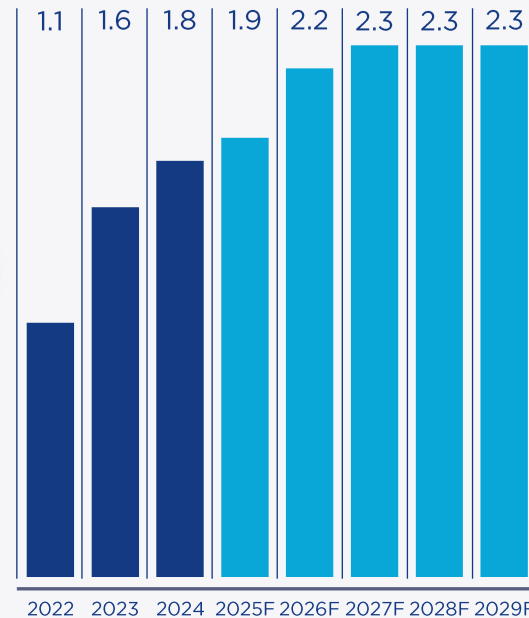
- 213,000 miles of highway of which 90% are asphalt
- Significant projects in pipeline (I-70 and I-44)
- Structural tailwinds supportive of demand -historic underinvestment
- Increased highways investment is well funded through fuel and vehicle tax
- Missouri has strong financial health, with AAA credit rating, placing it in the top third of US states

Texas has the largest transportation funding program in the US

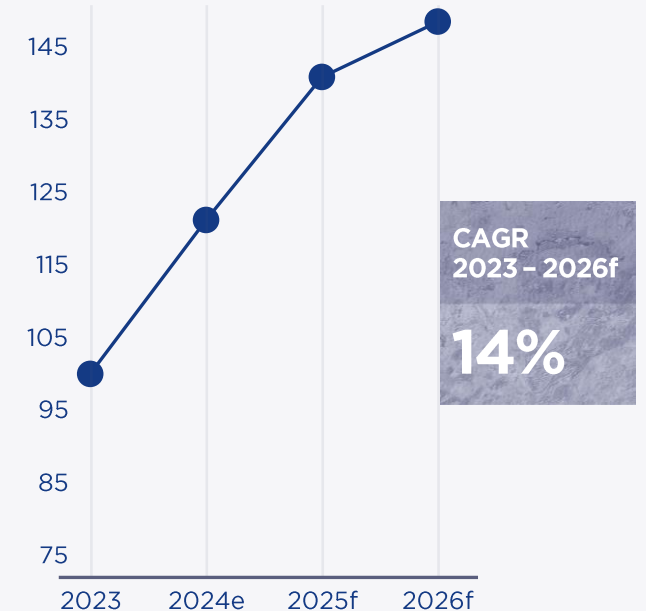
- High growth state with strong funding from oil and gas revenues
- US\$104bn transport infrastructure spend announced in 2024 over next ten years

Only c.34% of committed US\$376bn IIJA highway investment deployed to date

MoDOT construction project spend forecast (2022-29F)
US\$bn



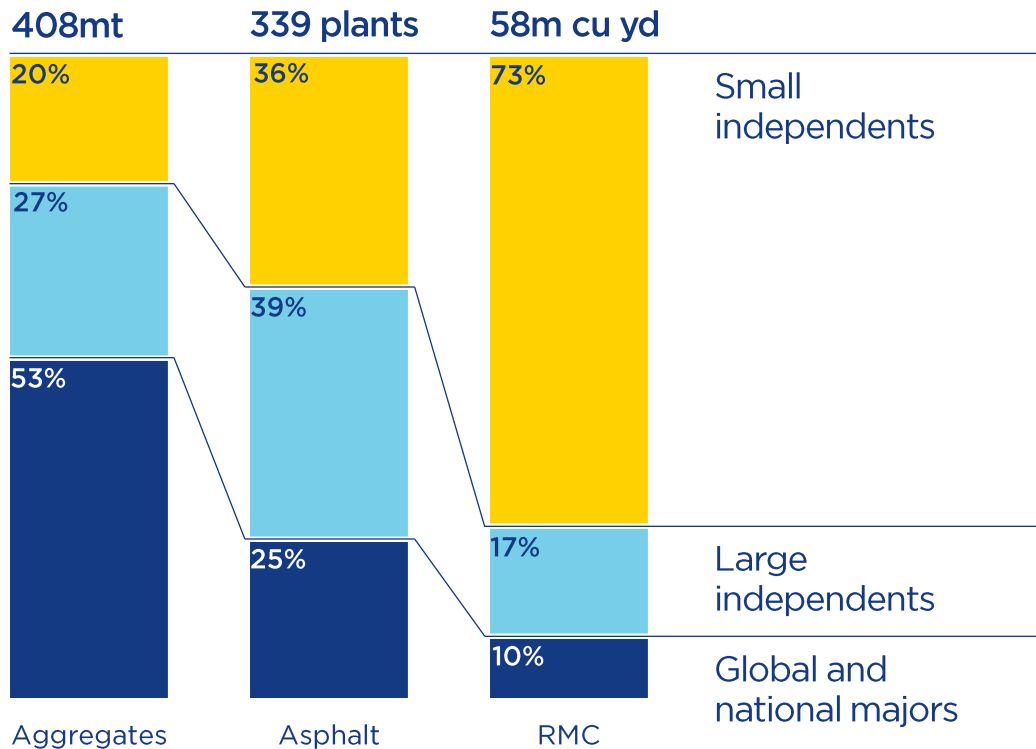
Midwest Infrastructure market growth



Significant Midwest consolidation opportunity

Highly fragmented markets

Materials producer landscape



Note: Small independents operate five or less quarries or plants.

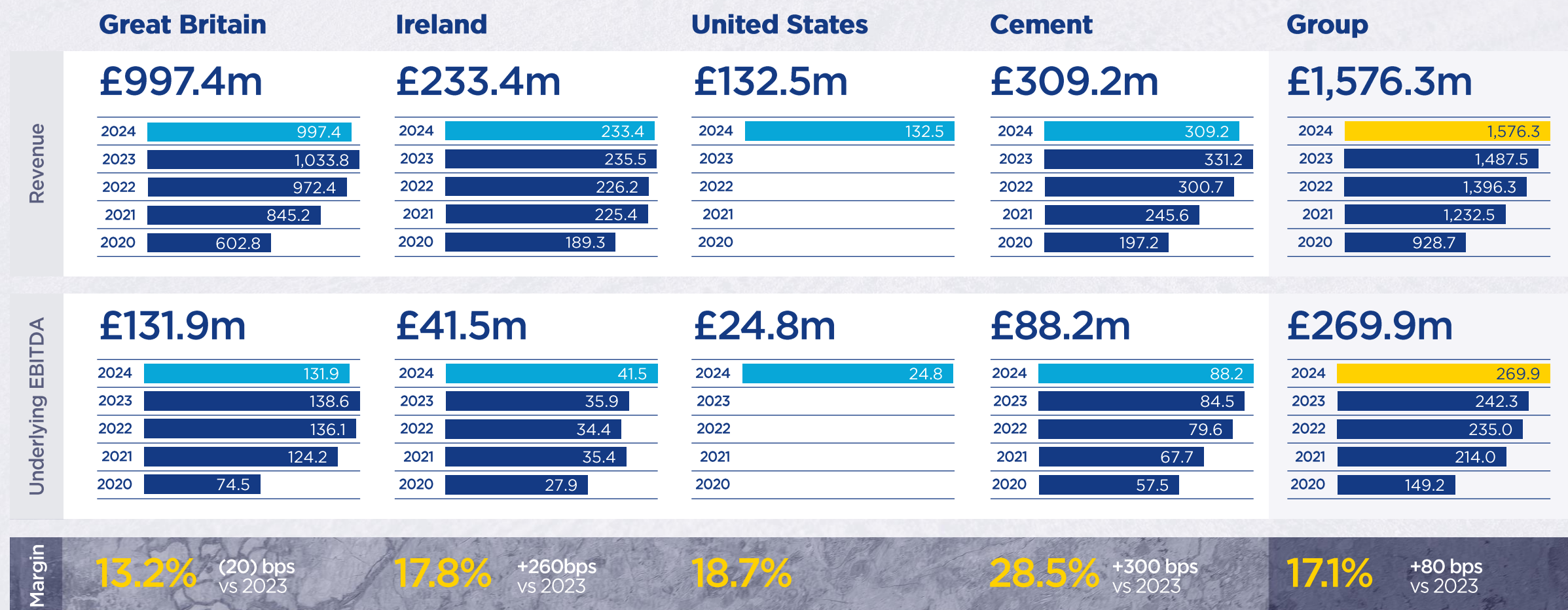


Appendix



2024 divisional EBITDA contributions

Expansion in Underlying EBITDA margin



Note: Divisional revenue and Underlying EBITDA excludes eliminations, head office costs and JV/Associate. Refer to page 30 for divisional EBIT contributions.

Our track record

Financial KPIs

Revenue

£million

1,576.3

| | |
|------|---------|
| 2024 | 1,576.3 |
| 2023 | 1,487.5 |
| 2022 | 1,396.3 |
| 2021 | 1,232.5 |
| 2020 | 928.7 |

Underlying EBITDA Margin

%

17.1

| | |
|------|------|
| 2024 | 17.1 |
| 2023 | 16.3 |
| 2022 | 16.8 |
| 2021 | 17.4 |
| 2020 | 16.1 |

Underlying EBIT Margin

%

11.0

| | |
|------|------|
| 2024 | 11.0 |
| 2023 | 10.5 |
| 2022 | 11.1 |
| 2021 | 10.8 |
| 2020 | 8.2 |

Adjusted Underlying Basic EPS

pence

34.4

| | |
|------|------|
| 2024 | 34.4 |
| 2023 | 34.0 |
| 2022 | 35.4 |
| 2021 | 29.9 |
| 2020 | 15.9 |

Dividend per share

pence

14.5

| | |
|------|------|
| 2024 | 14.5 |
| 2023 | 13.5 |
| 2022 | 10.5 |
| 2021 | 8.0 |
| 2020 | |

Covenant Leverage

times

1.4

| | |
|------|-----|
| 2024 | 1.4 |
| 2023 | 0.5 |
| 2022 | 0.7 |
| 2021 | 0.8 |
| 2020 | 1.9 |

Return on Invested Capital

%

9.0

| | |
|------|------|
| 2024 | 9.0 |
| 2023 | 9.9 |
| 2022 | 10.8 |
| 2021 | 9.5 |
| 2020 | 5.5 |

Free Cash Flow conversion

%

42

| | |
|------|----|
| 2024 | 42 |
| 2023 | 39 |
| 2022 | 29 |
| 2021 | 59 |
| 2020 | 94 |

Our track record

Non-financial KPIs

Combined LTIFR per million hours worked

3.3



Note: 2020 has been corrected following a reporting error in 2023.

Combined TIFR per million hours worked

17.7



Reserves and resources billion tonnes

1.4



Emissions intensity – Revenue kgCO₂e per £ revenue

1.0



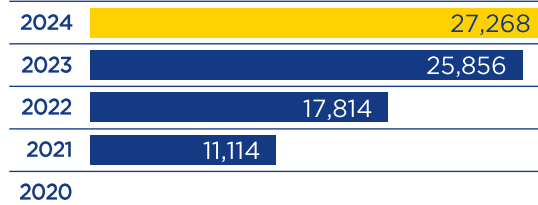
Emissions intensity cementitious % reduction per tonne, 2005 baseline

24



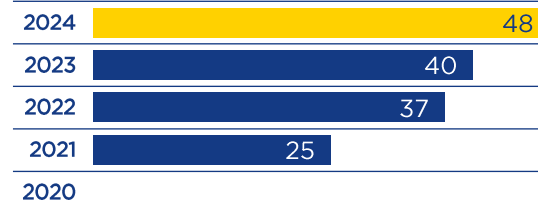
People positively impacted number of people per year

27,268



Sustainable product sales % total concrete and asphalt revenue

48



2025 technical guidance

Lionmark Guidance



Consolidated for 10 months of 2025

| | |
|---|-----------------|
| Transaction & integration costs (non-underlying) | c.US\$10m |
| Year one additional operating costs | US\$1m – US\$2m |
| US tax rate | 25% |
| Shares issued | 2.1m |

Group Guidance



Income statement

| | |
|-----------------------------|---------|
| Depreciation | c.£115m |
| Net interest expense | c.£35m |
| Group tax rate | c.23% |
| NIC and minimum/living wage | c.£5m |

Cash flow

| | |
|-------------------------|-----------|
| Capital expenditure | £125-135m |
| Working capital outflow | £20-30m |
| Cash interest payment | c.£35m |
| Dividend cash cost | c.£50m |

Acquisition of BMC

Meeting Breedon's transaction returns criteria

Transaction Highlights

- Enterprise Value - \$300m
- Cash Consideration - \$285m
- Share Consideration - \$15m (held for at least 1 year)
- Customary adjustments and retentions

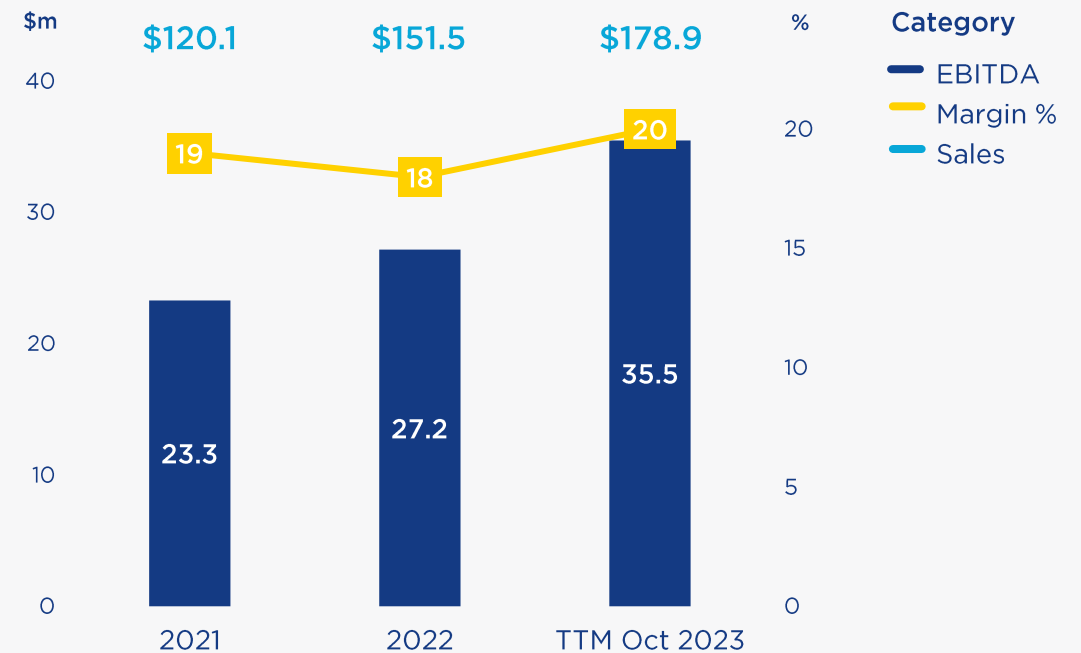
Key metrics

- Valuation c.8.5x TTM Oct 23 EBITDA
- Earnings enhancing in first full year
- Pro-forma leverage of 1.4x

Key dates

- Announcement - March 6 2024
- Completion - March 7 2024

Financial performance

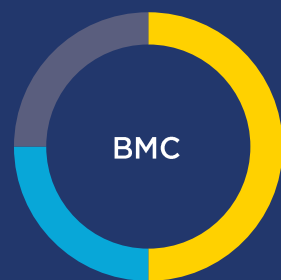


Acquisition of Lionmark

Earnings enhancing transaction to scale and diversify our US business

- Leading regional construction materials and surfacing business
- Headquartered in St Louis, Missouri
- Strong track record of organic growth
- Ambitious and culturally aligned team who will join our US leadership team
- Vertically integrates our US business into asphalt and surfacing
- Increases our exposure to infrastructure
- Well-positioned to benefit from construction growth in the Mid-West

End-markets
Revenue %



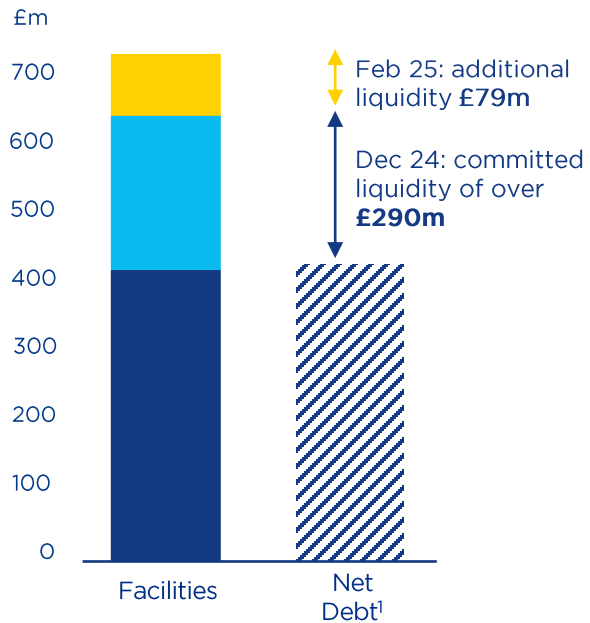
- Residential
- Infrastructure
- Non-residential building



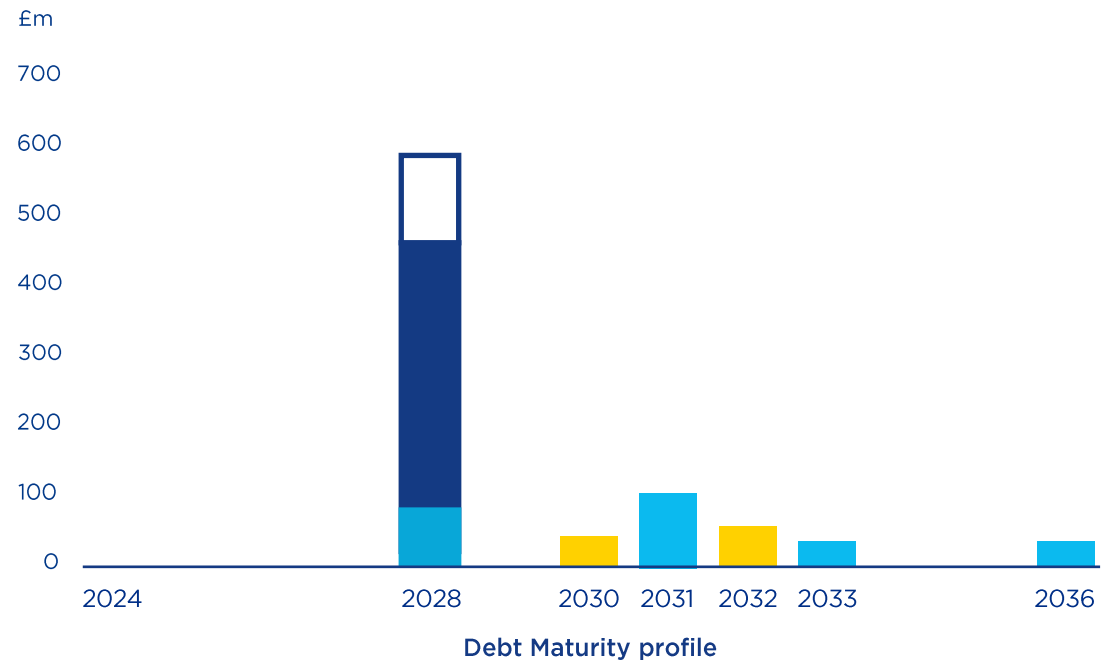
Long-term committed borrowing facilities

RCF upsized to £400m and maturity extended; additional USPP issued post year end

Debt finance positioned to support future growth



Long term debt funding with low cost USPPs at c.2% to c.4% interest providing benefits over several years



Category

- RCF
- 2021 USPP
- 2025 USPP
- Accordion

Facilities summary

- £400 million unsecured RCF
- £250 million USPP (2021), average rate c.2%
- £79 million USPP (2025), average rate c.4%

1. Net Debt as at 31 December 2024 includes IFRS 16 lease liabilities.

Disciplined cost management

Flexible cost base supported by forward hedging programme

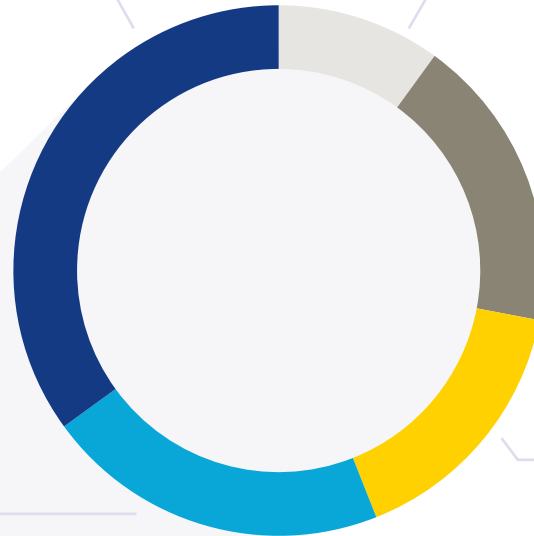
35% Materials & other direct costs

- Includes imported cement, bitumen, subcontractor and direct mineral costs
- Significantly lower cost inflation

21% Other

- Depreciation
- Repairs & maintenance
- Administrative expenses

c.40% Fixed
c.60% Variable



10% Energy, fuels and carbon

- Energy and carbon costs principally consumed in cement manufacture
- Hedging strategy provides cost certainty and manages risk
- Fuel cost aligned to market rates
- Other fuels purchased at spot and passed on

18% Workforce

- Highly engaged workforce of 4,500 people
- Engagement score 78% in 2024

16% Distribution

- Flexible mix of directly employed and outsourced hauliers
- Costs passed on at point of sale

MPA volumes

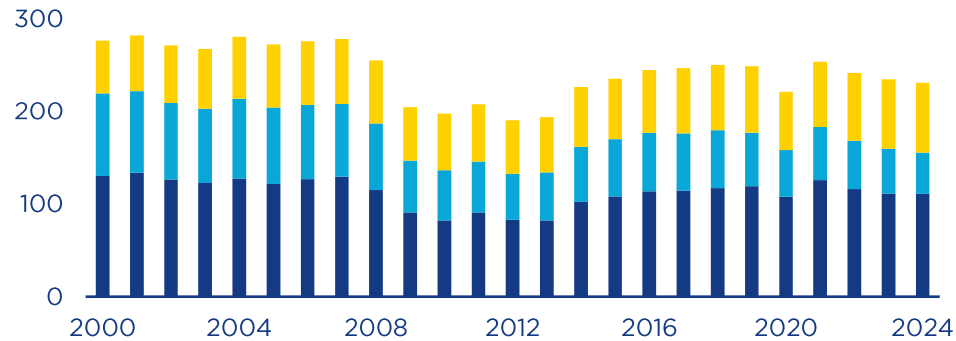


Note: Percentages show the % fall from peak to trough and the % recovery of the peak to trough fall to date. MPA data to Q4 2024.
 Source: MPA member volumes. Product volumes reflect total market volumes for primary aggregates and MPA member volumes for asphalt and ready-mixed concrete.

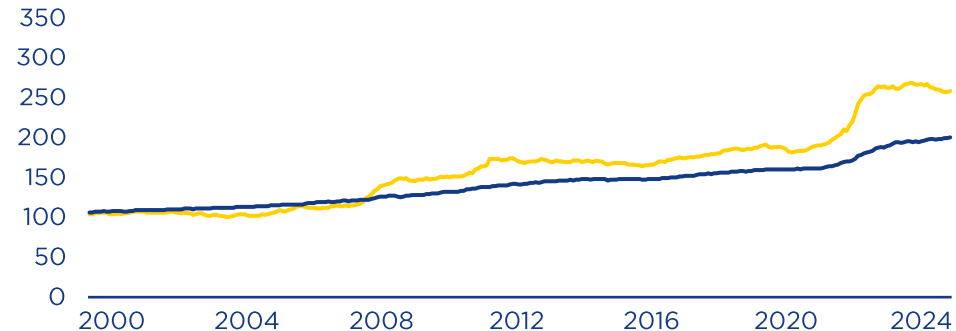
Aggregates pricing outpaces inflation

Asset base and local model provide a natural inflation hedge

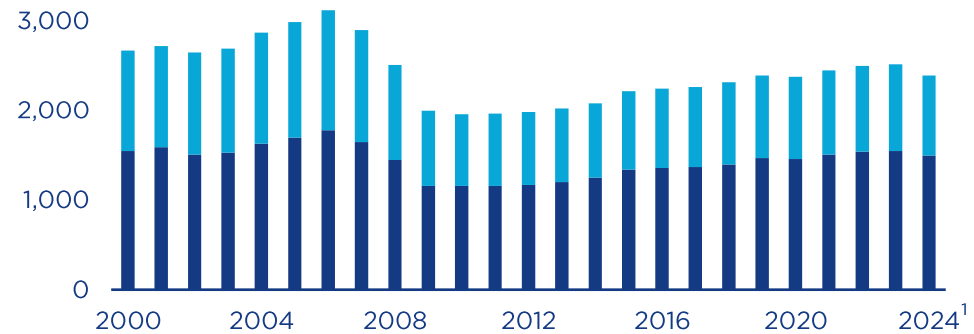
Aggregates markets supply GB – million tonnes



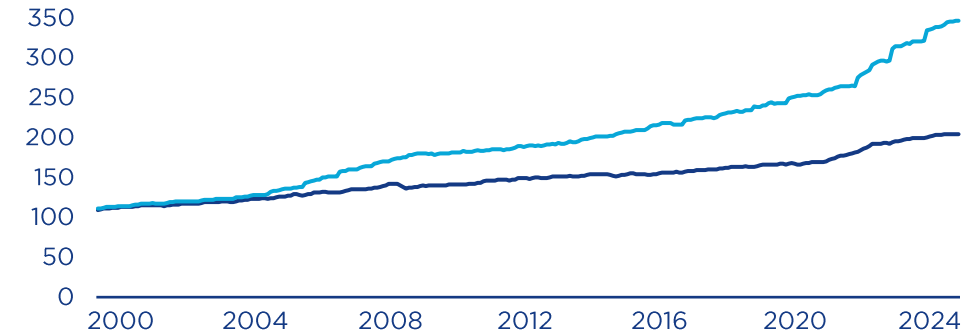
Aggregates markets outpace inflation UK – indexed to 100 in 2000



Aggregates markets supply US – million tonnes



Aggregates markets outpace inflation US – indexed to 100 in 2000



Category

- Crushed rock
- Sand and gravel
- Recycled and secondary

Source: MPA

Category

- UK PPI: Other mining and quarrying products
- US PPI: Construction sand, gravel and crushed stone
- UK/US CPI Index

Market consensus

Company compiled as at 27 February 2025

| | 2024 | | 2025 | |
|----------------------|---------|-------------------|---------|-------------------|
| | Value | Range | Value | Range |
| Revenue | £1,602m | £1,569m – £1,667m | £1,693m | £1,651m – £1,774m |
| Underlying EBITDA | £265m | £262m – £269m | £286m | £281m – £294m |
| Underlying EBIT | £170m | £167m – £173m | £187m | £178m – £192m |
| Underlying Basic EPS | 33.2p | 32.0p – 35.7p | 36.6p | 35.2p – 37.9p |
| Net Debt | £423m | £408m – £439m | £382m | £346m – £440m |
| Dividend per share | 13.8p | 12.1p – 15.0p | 14.9p | 14.0p – 15.6p |

Forward looking statement

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