

EUROPEAN ROOFING BUSINESS

INNOVATIONS AND GROWTH STRATEGIES

Investor Day 2024
October 17, 2024

world of **wienerberger**

THE EXPERT AND MARKET LEADER IN PITCHED ROOFING IN EUROPE

**1.3 bn €
Revenue
2023**

27%

**Roof
Solutions
share of
Group
Revenue**

**~ 75 mn
m2
Capacity**

world of **wienerberger**

Tondach

Koramic

Sandtoft

TERREAL

CREATON

ROOF SOLUTIONS

WHY PITCHED ROOFING?

Most reliable
rainwater
drainage



Economic/
Sustainability
advantage



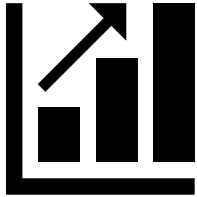
Architectural
choice –
cultural
heritage



Higher
technical
performance

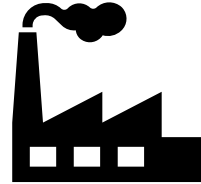


THE BIGGEST ACQUISITION IN WIENERBERGER'S HISTORY



725M€

of additional revenues



28

Production sites taken over



3,000

New employees welcomed

SIGNIFICANT MILESTONES IN INTEGRATION ACHIEVED EARLY ON

- Fast integration – well prepared
 - **ONE combined organization** per country as of day 1
 - **Stronger teams** with top talents of both companies
- Most powerful sales teams on the markets
 - “**ONE Face to the customer**” after 3 months
 - **Joint commercial organization** roof and wall
 - Full **product and system training** for all staff

> **Swift integration and team of best people strengthening our competitive position**



REALIZATION OF SYNERGIES WELL ON TRACK

- › Focus on COST synergies
 - › **Savings in Overhead** implemented
 - › **Plant network optimization** and **product portfolio rationalization** started
 - › **Procurement synergies** identified
- › Synergies for 2024 to be overachieved
 - › **Faster implementation** following the market downturn
- › With the **planned synergies** and **faster implementation**, we are confident that we **will achieve** our target of **50m€** within 3 years



INDUSTRY LEADING FOOTPRINT IN EUROPE

Roof tiles and accessories

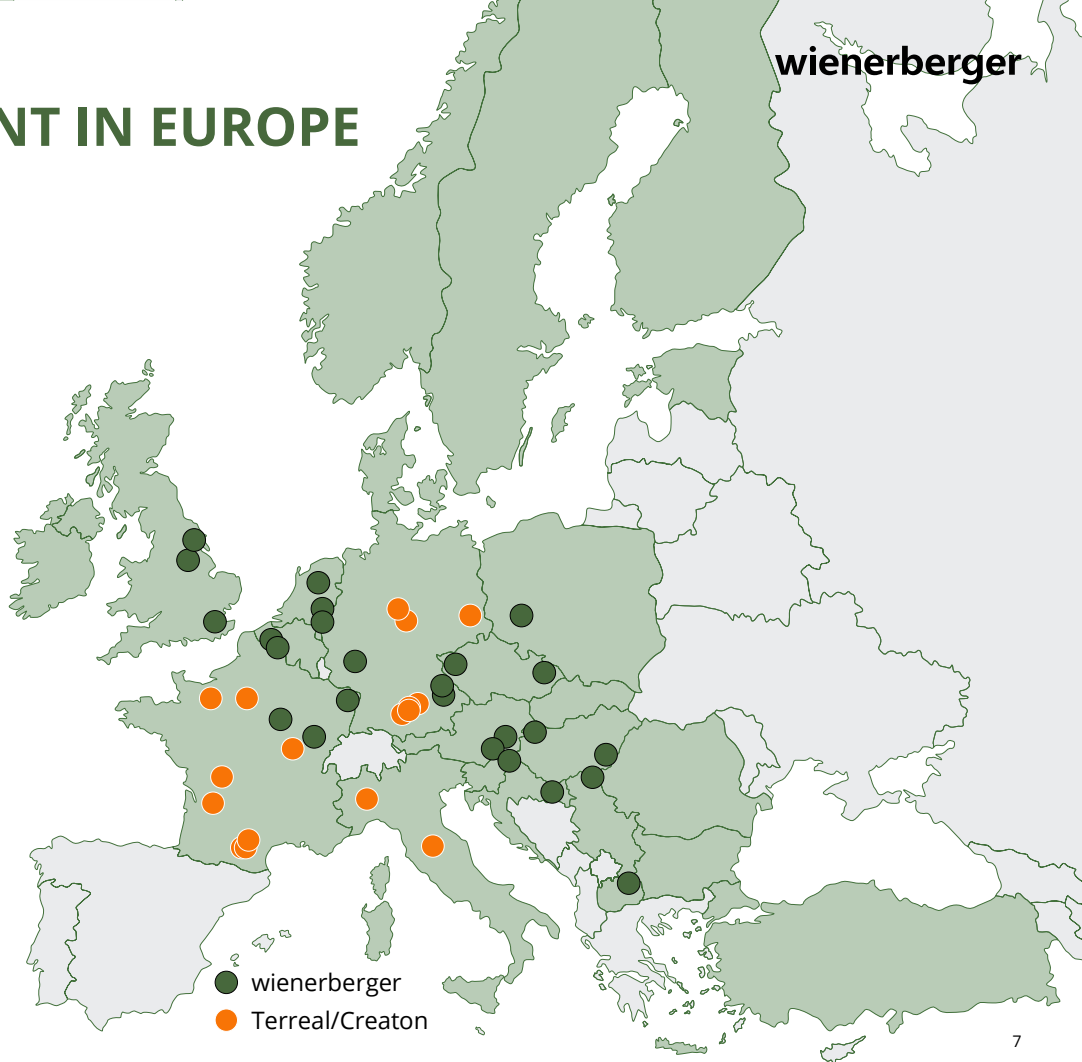


- › 41 plants and ~100 production lines in Europe
- › 75m m2 capacity

Roof component production



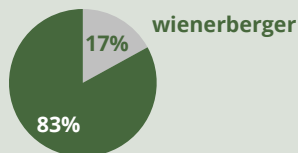
- › 5 plants in Europe
- › Roof underlays
- › Metal flashing
- › Rainwater management
- › Ridge/hip systems
- › Snow hooks



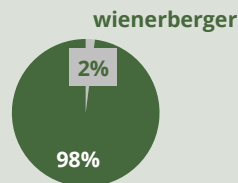
3 SEGMENTS WITH SIGNIFICANT GROWTH POTENTIAL



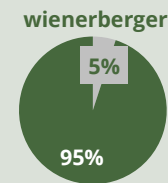
Total Pitched Roof market¹
~ EUR 6bn



Total Roof Component market²
~ EUR 6bn

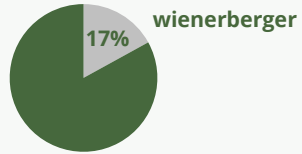


Total Residential PV market³
~ EUR 2.5bn

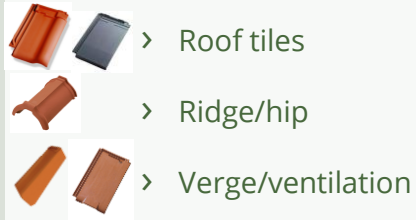


ROOF TILES AND ACCESSORIES

Market share Pitched Roof



Innovative & aesthetic solutions for pitched roofs



Note: Total NS2 wienerberger and Terreal excl. solar and roof components





GROWTH DRIVERS ROOF TILES & ACCESSORIES



MARKET
CONSOLIDATION



OTHER
MATERIALS



OPERATIONAL
LEVERAGE



RENOVATION
MARKET

Organic growth

M&A

RENOVATION NEED FOR ROOFING IS INCREASING

35m building units to be renovated by 2030

- › 85% of EU buildings were built before 2000, 75% have a poor energy performance
- › Significant gap between 3% renovation rate required and current 1% run rate

Major part of thermal energy is lost through roofs

- › Renovating the roof plays a major role in decarbonizing Europe's old housing stock
- › Core driver for roof renovation
 - › New Energy Performance of Buildings Directive (2024) with strong focus on energy efficiency renovation
 - › Subsidies
 - › Rising energy cost – insulation and energy generation

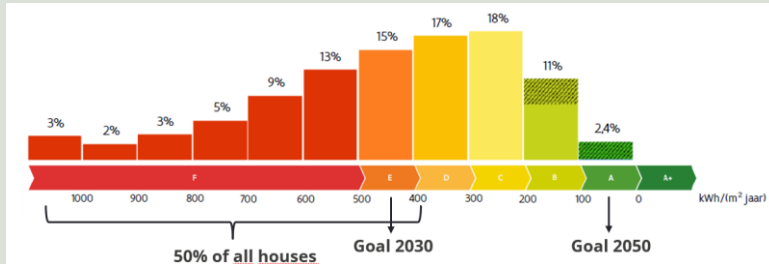


COUNTRIES ARE TAKING DIFFERENT APPROACHES TO ACHIEVE EU REGULATORY TARGETS

EXAMPLE BELGIUM

New energy standard from 1st Jan 2030

- › Next to the renovation obligation for new house owners also a new energy standard with EPC-label for houses will come into effect
- › Roofs must be renovated to reach insulation requirements



EXAMPLE AUSTRIA

Target: Decarbonization of the Austrian building sector until 2040

- › 45 % of total roof surface in Austria ~ **332m m2 roofs need thermal insulation**
- › **160m m² pitched roofs to be renovated** compared to annual **renovation avg. of 6m m²**
- › Renovation rate must increase significantly to reach the required level

ROOF IS THE KEY TO ZERO- EMISSION BUILDINGS

Roof system

Roof tiles + underroof + insulation

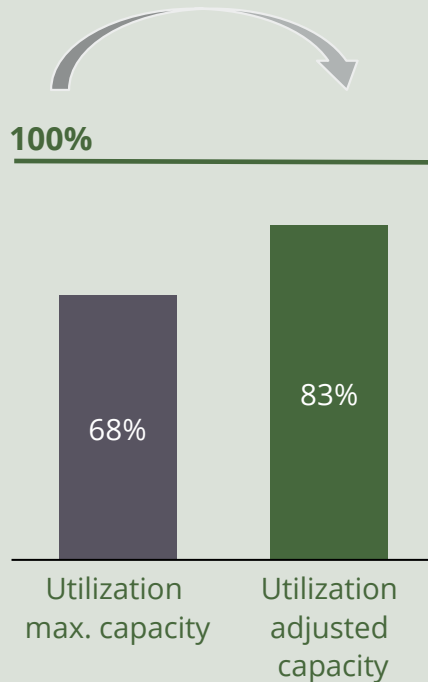
50-60% Reduction of thermal loss

Solar solutions

PV + inverter + storage

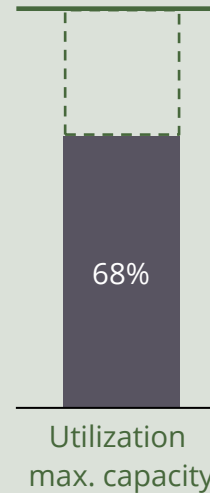
Zero on-site emissions from fossil fuels

OPERATIONAL LEVERAGE FROM HIGHER UTILIZATION



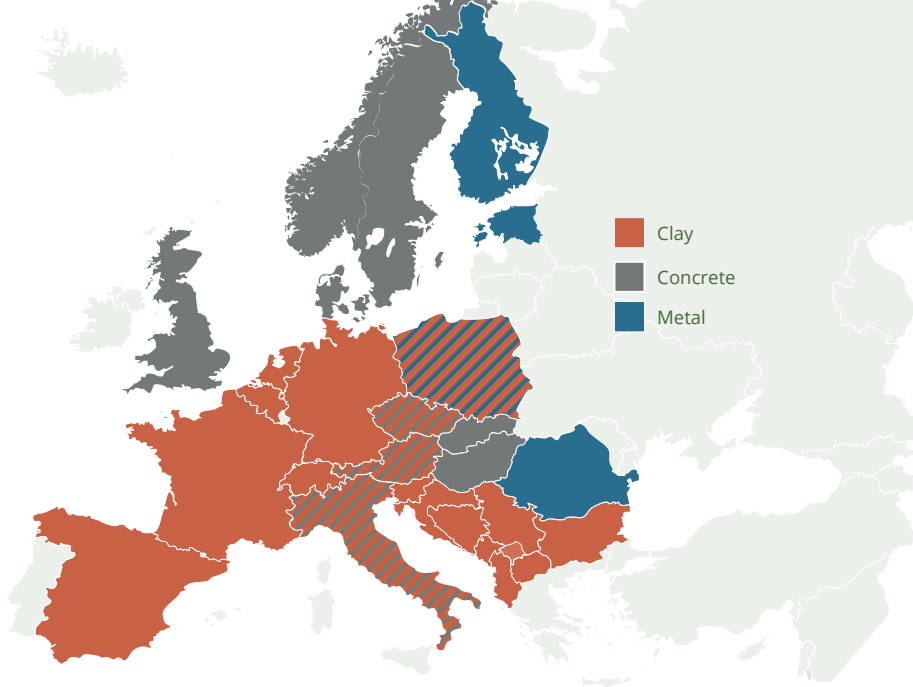
Capacity adjustment

- › Adaptations to lower market level
- › Plant network optimization in France and Germany
- › Closure of 1 plant and mothballing of 4 production lines



Higher utilization/efficiency potential

- › Market recovery
- › Renovation potential
- › Phasing out of less efficient plants



BUILDING TRADITIONS AND ARCHITECTURAL TRENDS ARE DEFINING THE MARKET PREFERENCES

ORGANIC GROWTH POTENTIAL CONCRETE ROOF TILES

- › Concrete is the No. 1 material in the **UK, SCAN, HU, SK** and has a strong share in CZ, IT and AT
- › Germany is the second largest concrete roof tile market in Europe after UK
- › wienerberger will further expand its strong position in the **UK** concrete roof tile market with a **new plant in Smead Dean**, currently under construction
- › In **Hungary a greenfield plant is under construction** to extend our offering to concrete roof tiles
- › **Further expansion in evaluation**



ROOF TILES MARKET FAIRLY CONSOLIDATED

Competitive landscape roof tiles Europe

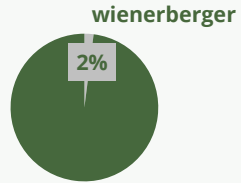
- › **wienerberger** actively consolidated in the last years and is now **market leader in Europe**
- › BMI as only European wide competitor in pitched roof, also in flat roof
- › Some international players with a regional focus
- › Several family-owned national producers



FURTHER CONSOLIDATION STEPS ARE POSSIBLE FOR WIENERBERGER, AT SMALLER SCALE

ROOF COMPONENTS

Market share Roof Components

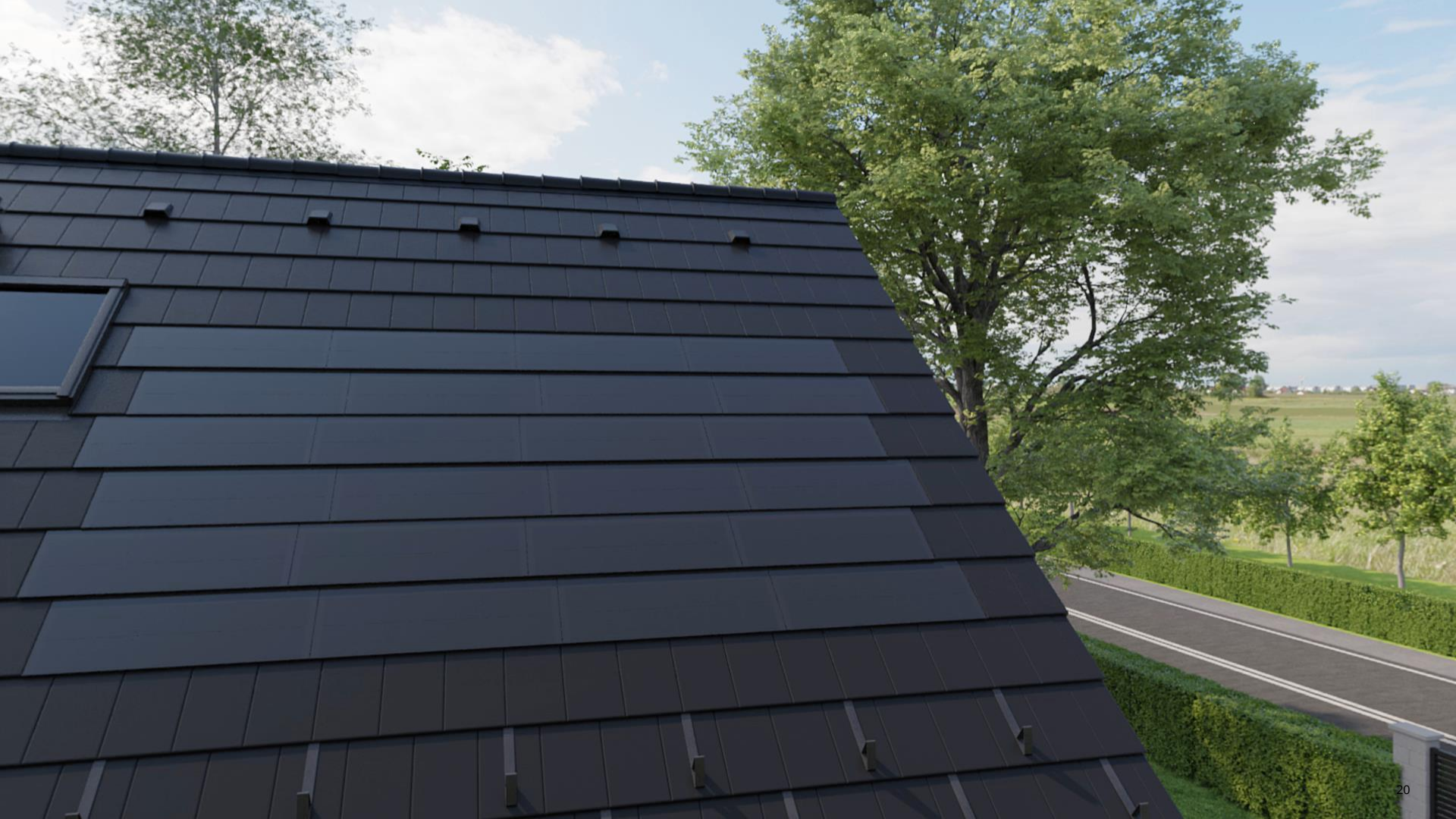


Roof components
as part of the
solution ensuring
functional
application



Ridge & Hip systems
Chimney Flashing
Storm Fixation
Roof Underlays
Snow Retention
Roof Windows
Roof Gutter Systems
Steam Exhaust Sets
Roof Inspection

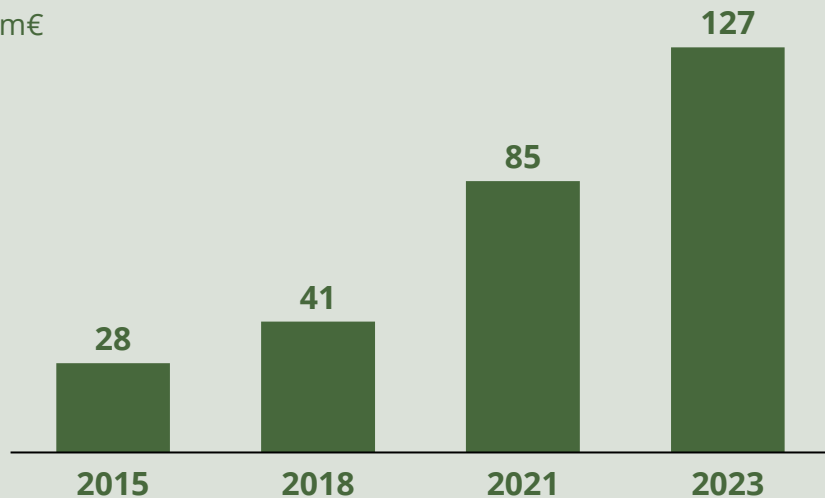




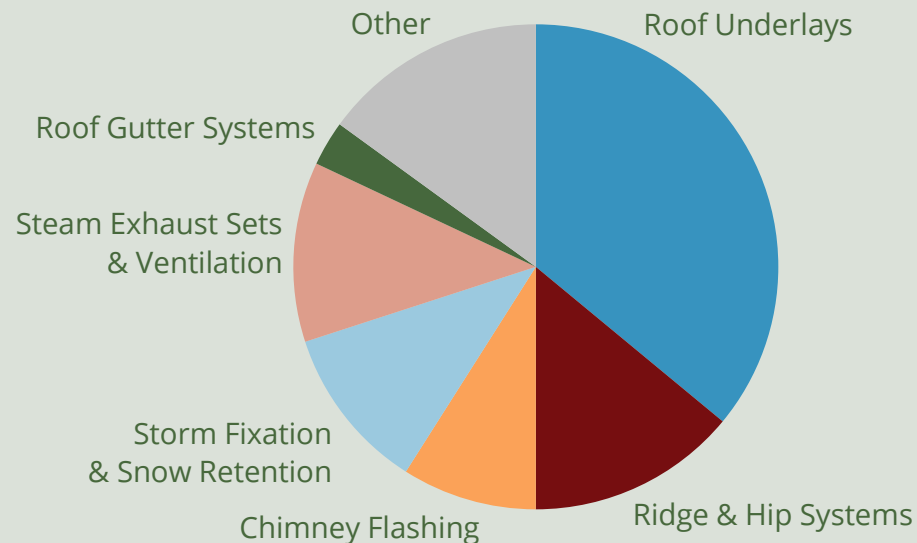
STRONG GROWTH IN ROOF COMPONENT TURNOVER ORGANICALLY AS WELL AS THROUGH ACQUISITIONS

Revenue

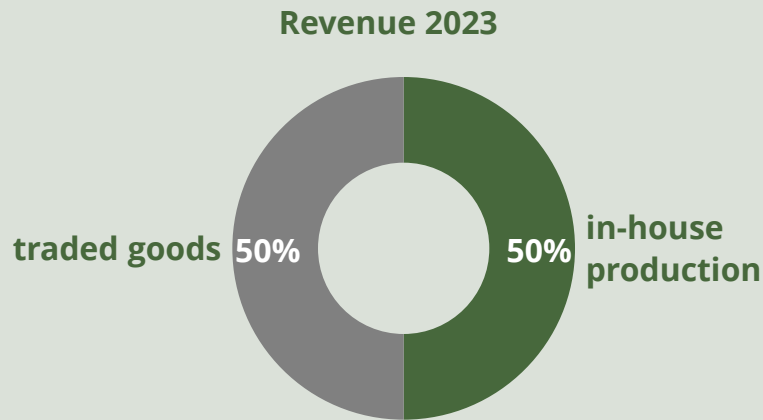
in m€



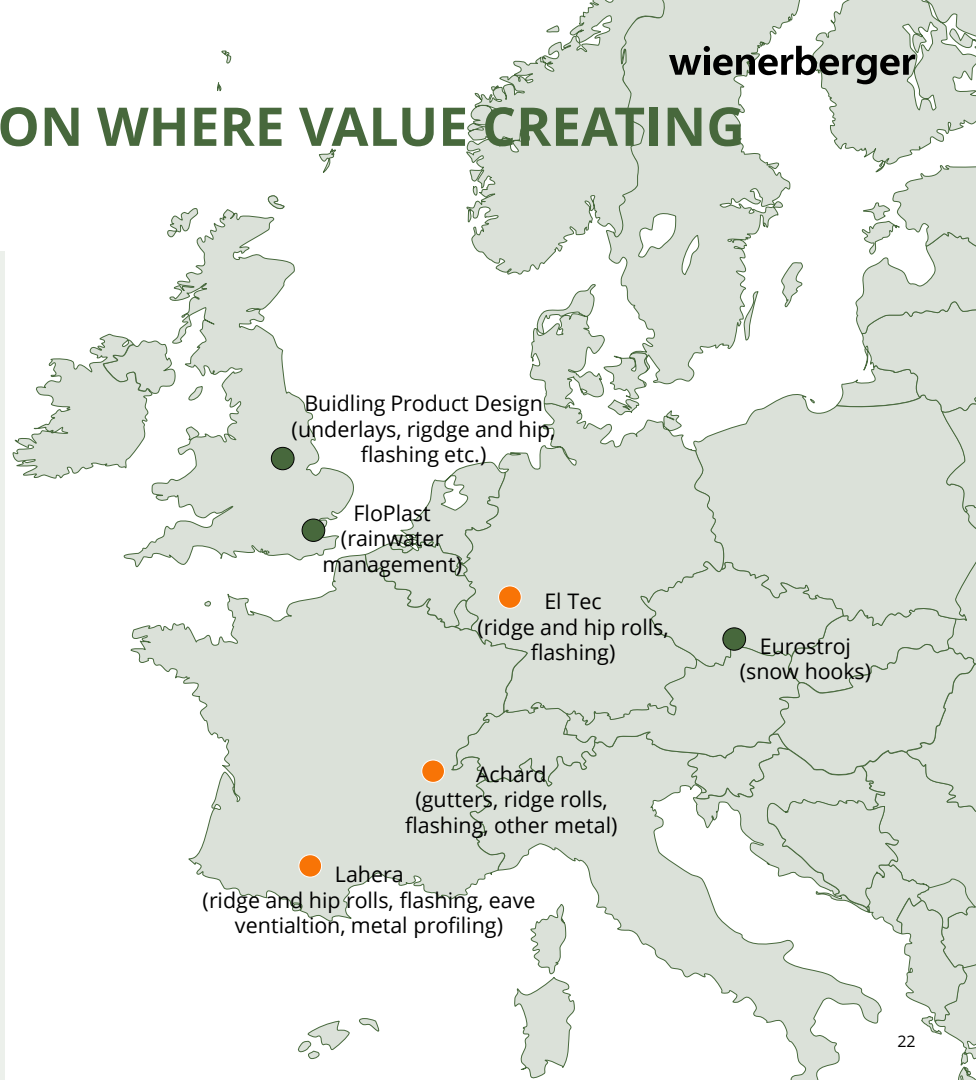
Revenue Split 2023



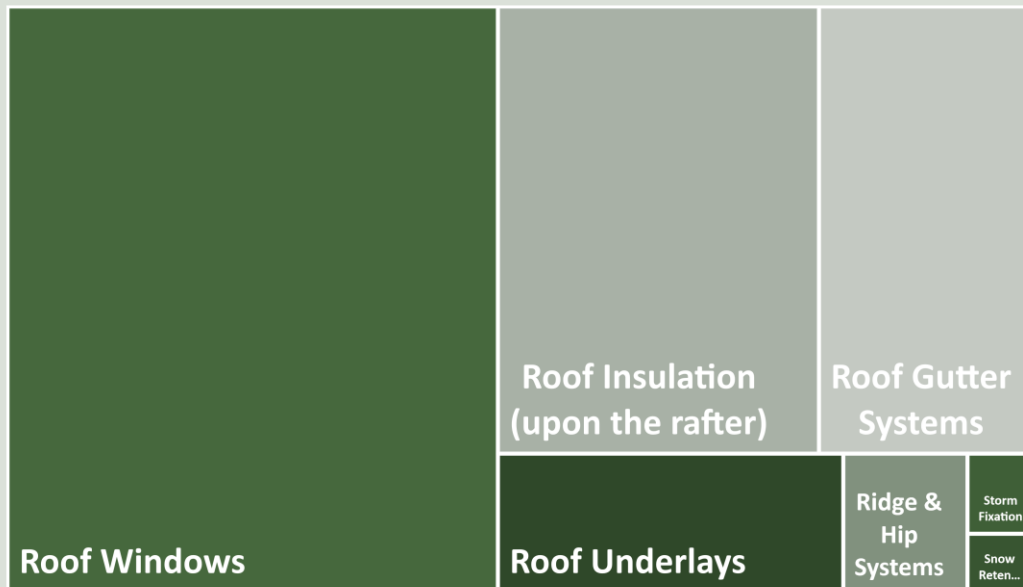
INCREASING VERTICAL INTEGRATION WHERE VALUE CREATING



- › Inhouse production is sold through wienerberger entities as well as other customers



SIGNIFICANT GROWTH POTENTIAL IN PITCHED ROOF COMPONENTS FOR WIENERBERGER



Total market potential revenue ~ EUR 6bn

Potential to leverage wienerberger's strong market access

- › Increasing sales in complementary products
- › Intensify solutions selling through higher sales focus
- › Bolt-on acquisitions

EXAMPLE RAINWATER MANAGEMENT: FLOPLAST AND ACHARD COMPLEMENTING OUR ROOF COMPONENTS OFFERING



- › Provider of PVC rainwater systems in UK and Ireland
- › Wide choice of profile design, both traditional and modern, in a range of colours



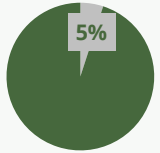
- › Specialist of steel and aluminum rainwater management solutions in France
- › Market leader in the region Rhone-Alpe, expansion potential in France and internationally



SOLAR

Market share Residential PV

wienerberger



PV systems and
services to
become a full
energy solution
provider



Focus on in-roof solutions

- Mounting systems
- Custom & standard modules
- Inverters & storage
- Flashing
- Services





IN ROOF SOLUTIONS: AESTHETICAL ADVANTAGE AND BETTER UTILIZATION OF ROOF SPACE

On-roof solutions



- › Cost effective
- › Low margins
- › Artificial
- › Tetris effect
- › Solar installer



In-roof solutions



- › Higher price
- › Higher margins
- › Aesthetically superior
- › Better utilization of roof space
- › Roofer

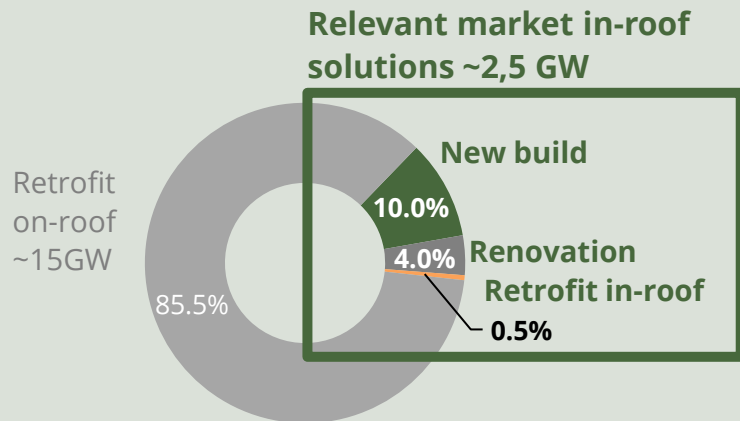
WIENERBERGER VISION SOLAR

- › No° 1 authority for photovoltaic as fully functional and aesthetic building material
- › Leader in In-Roof PV in Europe
- › Focus on roofers and solar installers as the main target groups



IN-ROOF: A NICHE PRODUCT TODAY, BUT SIGNIFICANT GROWTH POTENTIAL IN RENOVATION AND NEW BUILD

EU Residential Solar Market



Total market: ~17 GW

The EU's Energy Performance of Buildings Directive (EPBD) defines the path for solar energy installation deployment on public and residential buildings until 2030.

Source: external market data and internal estimates



WIENERBERGER TARGETING TO BECOME A FULL ENERGY SOLUTION PROVIDER



On-roof
Standard Modules

Focus:

- Mounting systems



In-roof
Standard Modules



In-roof
Custom Modules

- Focus complete package:
- Mounting system, modules, inverters, services

Main commercial focus



In-roof
Solar Roof Tiles

Focus:

- Complete package

- › **Differentiated offering** depending on market requirements
- › **Complement system** with inverters, batteries, energy management system
- › **One stop shop** for PV energy solutions
- › Strong **support and service** to our roofers and other customers

Good

Better

Best

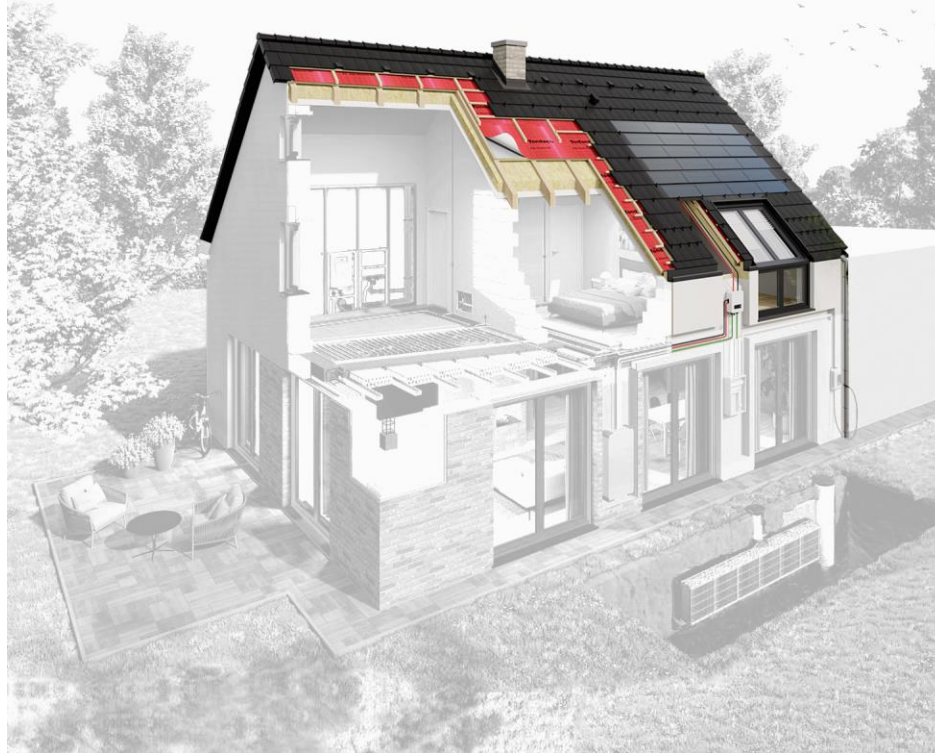
Price

Aesthetics

CONCLUSIONS



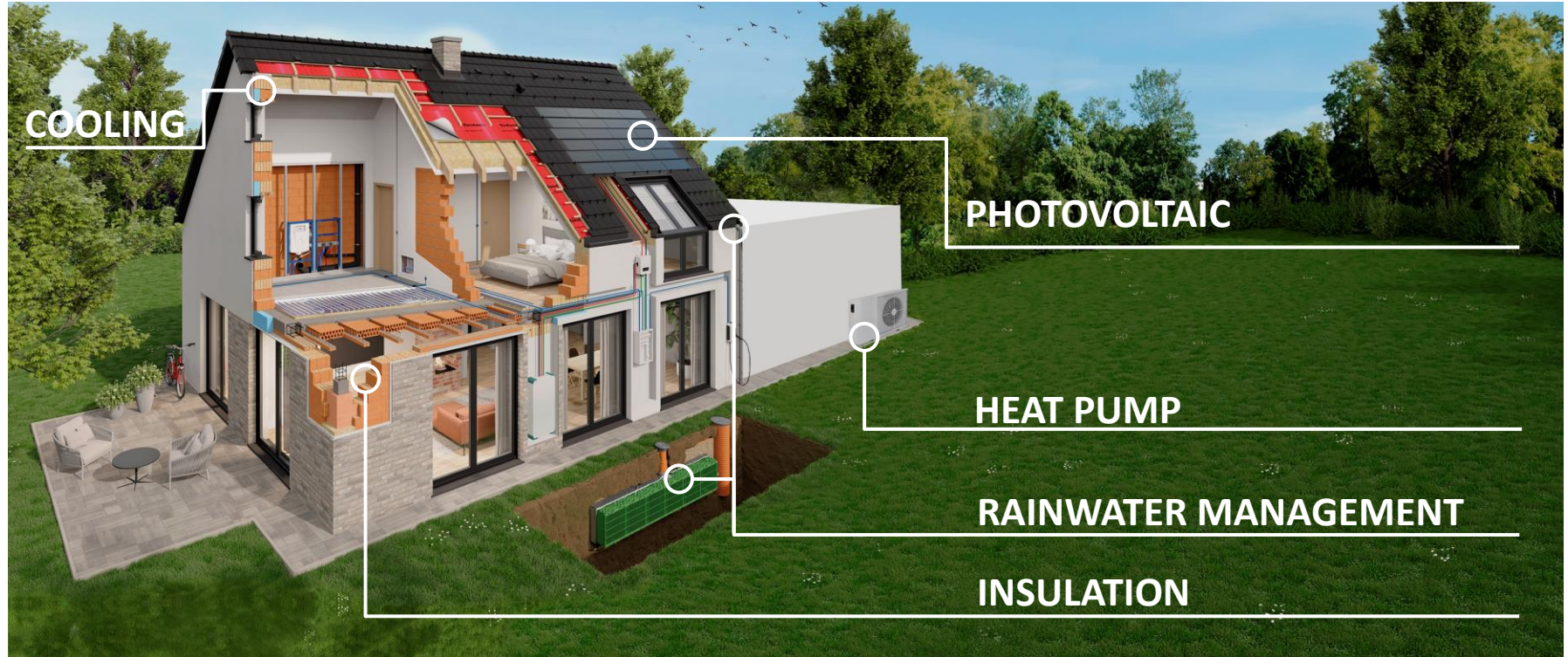
SUSTAINABLE ROOF SOLUTIONS: FROM PROTECTION TO MULTI-FUNCTION



Optimally using the surface on the roof - from electricity generation to rainwater collection and storage

- › **Increasing regulatory pressure** for energy neutral buildings and rainwater retention/seeping
- › **Economic and sustainability** benefits to generate electricity and utilize rainwater

IDEALLY POSITIONED TO PROVIDE SOLUTIONS FOR TOTAL ENERGY AND RAINWATER MANAGEMENT CONCEPTS



OUTPERFORMING THE MARKET THROUGH ORGANIC GROWTH AND ACQUISITIONS...

	ROOF TILES	ROOF COMPONENTS	SOLAR
ORGANIC GROWTH	<ul style="list-style-type: none"> › Utilizing existing capacities, optimizing industrial footprint › Greenfield/brownfield concrete roof tile plants 	<ul style="list-style-type: none"> › Increase turnover by leveraging our market access › Commercial focus throughout the organization 	<ul style="list-style-type: none"> › Roll-out of existing solar offering in in-roof PV › Complete solutions with inverters, batteries and services
M&A	<ul style="list-style-type: none"> › Further consolidation, if profitable opportunities arise › Evaluate geographic expansion 	<ul style="list-style-type: none"> › Vertical integration & extension of existing solutions 	<ul style="list-style-type: none"> › Extension of existing solutions
	<p>Focus on organic growth in clay and concrete roof tiles</p>	<p>Driving organic growth through commercial excellence</p> <p>Vertical integration - M&A</p>	<p>Focus on organic growth by utilizing existing systems and commercial organization</p>

...SUPPORTED BY MEGATRENDS AND REGULATORY CHANGES

MEGA-TRENDS

CLIMATE CHANGE



DECARBONISATION



SOLUTIONS

STORM/HAIL PROTECTION

RAINWATER MANAGEMENT

ROOF RENOVATION

ENERGY TRANSITION

ROOF SYSTEM OFFER

ROOF TILES

ROOF TILES

ROOF COMPONENTS

STORAGE/INFILTRATION

DRAIN/SEWAGE PIPES

PV MOUNTING/MODULES

ELECTRO/CABLING

HEATING/COOLING

PIPES SYSTEM OFFER

ROOF SOLUTIONS GROWTH AMBITION

