Scott Einberger, Investor Relations Officer:

Good morning.

It's nice to see so many of you here with us today. I'm Scott Einberger. I'm the Investor Relations Officer for Amrize. We would like to welcome you all to Amrize's first Investor Day. Thank you to everyone who's joining us on the webcast. It's nice to have you with us today.

Before we get started, I have a few items that I would like to cover. First, for those of you joining us in the room, there are emergency exits to the back here. In the unlikely event that there is an emergency, the event staff will help direct people.

I would also like to remind everyone that as part of today's presentation and commentary, we have forward-looking statements with respect to Amrize's future financial and business performance strategies and expectations. These forward-looking statements in the presentation may involve known or unknown risks, uncertainties, and other factors which may cause Amrize's actual results, performance, achievements, plans, and objectives to be materially different from our current expectations.

In addition to these slides, please refer to the Form 10 as filed with the Securities and Exchange Commission for a more thorough description of these risk factors. Also, during this presentation, we will discuss several non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures to the closest comparable GAAP measure, please refer to the tables at the end of our presentation.

As a reminder, today's event is being webcast live and recorded. The slide deck, along with a transcript of the recording in today's presentation, will be available on our website at the conclusion of today's event.

Now, with that out of the way, we have a very exciting agenda for you today. To open, our Chairman and CEO, Jan Jenisch, will discuss our business, our strategy, and why we believe Amrize is a unique investment opportunity. Then we will hear from Jaime Hill, the President of our Building Materials business, and why we believe we are a market leader in this segment.

Following Jaime, Jake Gosa, our President of Building Envelope, will cover the accelerated expansion opportunities in this part of our business. Then Ian Johnston, our CFO, will detail our impressive track record of growth before covering synergy opportunities, our capital allocation strategy, and why we are confident in achieving our mid-term targets. Then we will be happy to take questions.

For those of you joining us here in the room today, we will put a QR code on the screen. You can use that to submit your questions. For those of you joining us on the webcast, there is an Ask a Question button. Please submit your question using that button, and we will take those questions also.

I would now like to welcome to the stage Amrize's Chairman and CEO, Jan Jenisch.

Jan Jenisch, Chairman and CEO:

Hello. Welcome. Good morning, and thank you for joining us here today in New York. Welcome to all of you joining on the webcast, and welcome to Amrize.

I have been part of Holcim since 2017, and I'm very proud that we have established a world-class company from our business, our returns from the talented teams we have put in place, and then especially proud of the financial performance and the significant shareholder performance we have delivered over the past years.

Myself, I was over the past 13 years leading two building material companies, from developing and executing winning strategies to growing talent and to appointing outstanding leadership teams. Both companies are winners in the market and have realized significant shareholder returns well ahead of the correspondent indices.

Now I'm proud to lead Amrize and make Amrize a winning company in Building Materials, execute the winning strategy we talk about today, and to drive shareholder value. You can expect for me to do this with all my energy, all my passion, and that's what you can hold me accountable for.

So exciting day today, the future of our new company, Amrize. As you know, in early 2024, we announced our intention to list Holcim's North American business with a full capital market separation to unlock our full potential. This new chapter of value creation has been made possible thanks to our outstanding leadership, our empowered teams, and our record results year after year.

We have brought Holcim's North American business to a new level of financial performance, almost double the business in the past four years, and this has given us the strength and the opportunity to create this new independent champion, Amrize. We have made substantial progress towards our spin-off and are confident to complete it in the first half of this year.

Today, we are excited to share our business with you, our strategies, and why we believe Amrize is a unique investment opportunity. Let's start to talk about Amrize and overview on the business.

We have played a critical role in North America's construction industry, and we have established ourselves as a leader, improving our performance and our competitive position year after year. As a standalone company, Amrize will benefit from our 100% focus on North America. We are able to set out our strategy, capitalize on the unique opportunities in one of the world's most attractive construction markets.

Today, we are 19,000 colleagues across North America. We are the number one company in cement. We are the number two in commercial roofing, and we are the number one or number two position in 85% of the aggregates markets we serve. These leading positions enabled us to deliver exceptional performance, from growth, from margins, and especially for cash generation.

Today, we are the largest building solutions company focused on North America's growing market, and we start our journey as Amrize in a position of strength. We have a broad range of advanced solutions, from foundation to rooftop. We operated two segments, Building Materials and Building Envelope, and our portfolio covers all construction markets.

From bridges, roads, and tunnels to data centers, schools, offices, and homes, our solutions are inside all of the essential buildings and infrastructure that connect people and advance how we live in North America. Our business has played a key role in building North America and will play a key role to build North America.

We are a trusted partner for builders, contractors, architects, engineers, public authorities, and cities across North America. Our footprint is unparalleled in North America. We have over 1,000 sites, a network of manufacturing, excellence, and a highly efficient and extensive distribution and logistics network to best serve customers in every US state and every Canadian province.

The footprint is unparalleled and is our true competitive advantage and is our platform for the next era of growth and value creation.

We have a unique investment opportunity.

We have five strategic drivers. First, we are 100% focused on North America. We can set the right priorities strategically and operationally. All our investments are focused on North America, and we can capitalize on the growth opportunities expected across all segments of the construction markets.

Second, we have this unparalleled operational footprint and resources that will enable us to be the partner of choice for all our customers and serve the most attractive markets.

Thirdly, we have an amazing proven business track record of value creation. You've seen we have EBITDA margins already above 27% growing, and we are able to generate a lot of cash with yearly cash conversion more than 50%, a very strong high-performance company we have established. We are looking now to the next phase of growth with the right strategy and the right leadership in place.

Lastly, we have a very attractive capital structure, growth-focused capital allocation that will further drive our shareholder value. These five drivers position Amrize as a truly unique investment opportunity in North America.

Exciting times to be a builder. We are addressing a market of more than 200 billion US dollars. In the United States and Canada, we are modernizing the infrastructure. We have businesses investing again domestically in advanced manufacturing with onshoring of supply chains.

I'm very excited about the digital economy driving demand with data centers and also with supporting infrastructure for the data centers. Cities are being modernized for greater efficiency and resilience. Home builders are getting ready to bridge the massive housing gap. So all in all, zooming in from the total market, we have substantial and growing and addressable markets within all our segments.

Both markets, Building Materials, over 140 billion per year, Building Envelope, over 60 billion addressable market, and we have additional market potential by adding complementary technologies and solutions. We are ready to play a leading role in building that future in North America.

I'm most excited about our ability to serve all construction segments. If you look at the chart, we have strong and resilient market coverage for all the segments. We are positioned in commercial construction, in infrastructure, and in residential construction. And we have an almost perfect balance of 50/50 when it comes to new construction and repair and refurbishment.

This is very important for us. We want to get the growth and the excitement from new construction with all the opportunities ahead. At the same time, we want the constant flow and the growing flow of repair and refurbishment. So very attractively positioned, leading company serving all segments in our markets and with a perfect balance of new construction and repair and refurbishment.

We come to the unparalleled footprint and resources. We are the number one cement company and number one or number two in all the aggregates markets we are serving. We have mineral reserves in both segments to enable our long-term growth. We have established the leading manufacturing capabilities and the winning distribution network with the scale that enables us to serve our customers reliably and meet growing demand.

Our sites are strategically positioned in the fastest-growing markets, Central and Southern regions, which are both projected to have the highest growth in construction spend over the next three years. Our largest operating footprint is along the Mississippi River and the Great Lakes, which gives us access to the attractive heartland markets with strong pricing dynamics and simplified distribution with well-established rail and barge connectivity.

This scale and best-in-class distribution enables us to deliver reliably for our customers and provide the flexibility and capacity to meet demand.

In Building Envelope, we have built an extensive footprint with state-of-the-art facilities across North America in just the past four years. We built this $3.4 billion business with value-accretive acquisitions, bringing in iconic brands with high customer loyalty and significant manufacturing and distribution capabilities. Today, we already have 45 Building Envelope facilities and are serving customers across all North America.

Complementing our M&A, we deployed over $200 million in capital in the past four years for growth and efficiency initiatives to optimize our operational footprint to best support our customers, drive efficiencies, and grow the business. Moving forward, you can expect from us to continue to add complementary technologies and solutions to expand our market positions.

In the past five years, we almost doubled our North American business. I am very proud of what the team has done in North America. Amrize is a high-performing company with a track record of above-market profitable growth and leading cash generation.

We grew our sales and EBITDA double digits annually since 2021, and we have consistently achieved greater than 50% of cash conversion for all years since 2021. In the same time span, we successfully expanded our margins. In Building Materials, we expanded by 180 basis points. And in Building Envelope, we grew by 790 basis points due to our ability to improve the acquired businesses in a very short period of time.

When we talk about M&A, our strong financial performance has driven to some part by successful M&A. We have since 2018 completed 35 acquisitions that have added $3.8 billion of annual revenue. We just built the Building Envelope segment over the past four years through seven acquisitions, and now this business is already 29% of our sales at Amrize.

The acquisitions include iconic brands, high customer loyalty, and most importantly, market positions that give us a platform for future growth. Within Building Materials, we pursue a bolt-on acquisition strategy in the highly fragmented market, locally driven, and particularly for aggregates and for concrete, where we see significant synergy upsides.

From identifying, assessing, and acquiring to integrating and driving synergies at the local level, we have a proven, disciplined M&A process. Across all these transactions, we have generated significant synergies driving strong value creation for our shareholders. At Amrize, we will continue this disciplined M&A process to grow the business and generate value.

Our portfolio products and footprint are well positioned across all markets like I shared with you, and now we are unlocking the next phase of growth by capitalizing on the major trends in the industry, including mega projects.

I like to share with you two examples here in Texas, where we have massive LNG projects showing our capability to service such mega projects with 300,000 tons of cement, 2 million tons of aggregates, and 1 million cubic yards of ready-mix concrete.

These two projects alone are generating more than $300 million of revenue for Amrize. More importantly, it demonstrates the opportunity we have for mega projects and our capability to service such demanding projects also in the future.

As we step back and look at the opportunities ahead, we have a great growth focus strategy in place to sustain our outperformance. We will continue to focus and serve the most attractive market segments and to drive above market growth. We aim to be the partner of choice for our customers with value-added solutions from foundation to rooftop, and we will apply market-based pricing strategies and further drive operational synergies to deliver further margin expansion.

We have a lot of opportunities to invest for long-term growth, and we will maintain a growth-focused capital allocation strategy to sustain our outperformance.

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Our leadership team, I'm very proud, we almost doubled the company in the past five years. Very successful team. And thanks to this leadership, we are now here today and start the new chapter of Amrize.

We have a world-class executive team with deep expertise and a proven track record of performance. A fantastic team, and I know together we will lead Amrize for the next era of growth and a new level of value creation.

Driving shareholder value is our key priority and to start properly, we are well-equipped with a growth-focused capital structure, and we have a capital education strategy in place with a strong balance sheet and significant liquidity.

We expect a solid investment credit rating, and of course, a continued strong Cash Flow generation so that we expect to have substantial firepower to invest into growth and into our future.

We will invest in our business. We have a lot of exciting CAPEX going forward to grow the business, to expand the footprint further, increase our capacities, and reach new markets.

Then, as I shared with you, we will focus on M&A, from bolt-on opportunities to targeting significant opportunities to especially expand our Building Envelope segment.

We will deliver shareholder returns through dividend payments and through opportunistic share buybacks.

With this capital allocation strategy, I'm confident we will drive performance and accelerate shareholder value.

Our targets for the next four years with all the strengths we are having, the competitive advantage we are having, we set an ambitious set of targets.

We want to grow the revenue 5% to 8% annually. We believe we can over proportionally increase the EBITDA, expand the margins and have an EBITDA growth of 8% to 11% annually for the next four years.

Then we want to deliver strong Cash Flow, over 50% cash conversion, coming up to over 8 billion free Cash Flow over the next four years.

This is just the beginning. We are confident in the future and excited to get started as Amrize.

With that, I would like to welcome Jaime Hill on stage. He is the President of our Building Materials segment, and he will give us more details on his business and how much opportunity we have to grow.

Thank you.

Jaime Hill, President, Building Materials:

Thank you, Jan.

I've been with Holcim for over 28 years and in this role for six months. Prior to leading our Building Materials business, I served as CEO and President of our Mexico business, and in a variety of leadership roles in Latin America.

Over the last six months, I visited many of our operations throughout the US and Canada. I'm very excited to be here with you today to talk about our Building Materials business and the growth opportunities we have in front of us.

First, let me provide a high-level overview of our segment.

We generated $8.3 billion in revenues in 2024. Our segment includes our industry-leading cement business, which accounted for roughly half of our revenues in 2024.

We have a market-leading cement footprint with 18 plants strategically located across North America.

Aggregates and other construction materials, such as ready-mix, concrete and asphalt, make up the other half of our business. And we have 462 aggregate operations and 269 ready-mix concrete plants throughout the US and Canada.

We have multiple leadership positions across our product portfolio and have a broad geographic and end market exposure.

So, why are we so excited about this business?

There are four key messages I would like to highlight for you today.

First, we have an unparalleled scale in the North American market and operate in an industry with attractive fundamentals.

Second, we have a leading cement position across North America, a strong pipeline of mineral reserves, and a leading logistics and distribution network.

Third, we have strong aggregate positions with scale in local markets. These positions are complemented by our ready-mix concrete footprint.

And fourth, we have a superior track record of profitable growth and are well-positioned to continue this growth in the future.

Let's start with our footprint.

We are the market leader in North American Building Materials. We are the number one cement company with a highly efficient and extensive logistics network. And we are number one or number two in 85% of the aggregate markets we serve.

Across both these segments, we have significant reserves and resources, including 71 years of limestone reserves and 46 years of aggregate mineral reserves.

We have leading manufacturing capabilities with the scale and reliability to serve the fast-growing North American market.

And our positions are strategically located in the most attractive and fastest-growing markets, and these markets benefit from favorable supply-demand dynamics.

Which leads us nicely into the next slide, pricing.

When you combine our scale, market-leading positions, and our ability to serve customers with the attractive industry backdrop that Jan just described, you get consistent pricing growth in our cement and aggregates businesses.

Our average selling price for cement has grown at an annual growth rate of 9.4% since 2021. Similar to cement, the average selling price for aggregates has grown over 8%, also since 2021.

Cement and aggregates require the use of non-renewable resources that are increasingly in demand. In addition, we operate in a highly regulated industry that has strict permitting requirements and limited raw material access.

Our customers value local suppliers, given the high cost of transporting heavy materials long distances.

Our unparalleled footprint provides scale in these local markets. And finally, we have deployed a local leadership model that ensures superior customer service and quality of supply.

We believe customers will continue to seek out reliable operators with scale, like Amrize, to deliver upon their most complex construction needs.

This, coupled with the attractive market structure, provides a strong backdrop for sustainable pricing growth in the coming years.

The construction in North America is poised for outsized growth, and mega projects are a key part of this growth story.

Builders and developers of mega projects are looking for a reliable partner that can provide solutions through each phase of the project.

We are uniquely positioned to fill this need. With our comprehensive product offering, including cement, aggregates, and ready-mix concrete, we can win complex mega project bids.

Golden Pass and Port Arthur are two examples of our proven track record of winning mega projects, with each project producing more than $140 million of revenue.

With these two projects, we used over 300,000 tons of cement, 1 million cubic yards of concrete, and 2 million tons of our aggregates.

We are one of the few providers in North America that have the scale and footprint to serve these mega projects. And we believe we are well positioned to continue winning and executing our future mega and infrastructure projects in the coming years.

Let's take a closer look at our leading cement business.

With a network that spans the US and Canada, this is a business that benefits from our strong inland footprint and unrivaled distribution network centered along the Mississippi River and the Great Lakes area.

In North America, we operate 18 cement plants, which produce 25 million tons of cement per year, and we distribute this product to customers through more than 140 terminals.

With 71 years of reserves, Amrize is positioned to drive growth well into the future.

With the size and scale of our business, we've also been laser-focused on maximizing the benefits of the industry's most efficient and extensive distribution network.

Our leading water and rail network provides unrivaled flexibility and reliability of supply. We strategically build our plants and terminals near major waterways and railways, shipping over 60% of our product by barge and rail.

Amrize's cement footprint is also largely inland, which insulates us from imports as it is difficult and expensive to ship imported cement long distances.

Overall, our inland footprint ensures lower cost distribution across our network and ease of access to customers and suppliers.

It's worth calling out a specific example as well. Our flagship cement plant, south of St. Louis, Missouri, benefits from this network.

Located along the Mississippi River and near major rail lines, our Ste. Genevieve plant is at the heart of our distribution network.

The plant currently produces 5 million tons of cement per year and will soon unlock over 600,000 tons of additional capacity to serve our customers throughout the Central and Southern US regions.

Our network puts us in close proximity to our customers, providing an unparalleled level of service and reliability of supply. That is key to our value proposition, and that's why we're a trusted partner.

One of the major reasons we are the clear leader in cement is our extensive scale in North America. The best way to highlight this is our cement production capacity, which is 1.7 times the size of our closest competitor.

Also, as I mentioned earlier, we are focused on the most attractive inland markets across the US and Canada, which are more insulated from imports and are located along key water and railways.

Our scale ensures cost-effective delivery and reliability of supply to our customers, allowing us to deliver the right products to our clients when and where they need them the most.

Now, let's talk about the North American cement industry structure. A key driver of our own network design and critical driver of supply, demand, and pricing across the industry.

First and foremost, this is a highly attractive market with US domestic demand forecasted to outpace supply.

Limited increases in production capacity support a continued gap between supply and demand. Opening a new cement plant takes time and has significant regulatory hurdles.

Companies also need to dedicate large amounts of capital to build a new plant, which benefits larger players who have the means to build and maintain these plants.

Imports are needed to satisfy demand. 75% of cement imports are from established producers that also have domestic production. These producers tend to act rationally in the market.

Cement is also an important product for all construction and markets, many of which have been under-invested in.

Given the increasing market demand and the need for reinvestment in aging infrastructure and buildings, we see a runway of long-term growth in our cement business.

The supply-demand dynamics and the attractive industry structure for cement are expected to continue well into the future, and we are excited to be a part of it.

To take advantage of these attractive industry fundamentals, we are investing to expand capacity at existing cement facilities.

These are four examples:

At our Hagerstown plant in Maryland, we implemented a new alternative fuel system which has saved us $4 per ton since the project was completed last year.

And at our flagship Ste. Gen plant, we are strategically increasing capacity with the addition of a fifth cement mill. When this expansion is complete, our Ste. Gen plan will produce more than 5.5 million tons of cement per year.

At our Skippers plant in Virginia, we will be benefiting landfill ash to use as a replacement material in our cement and concrete production.

And finally, at St. Constant plant in Quebec, as part of a modernization project, we will install a new clinker line, which will increase cement production capacity approximately 30% and reduce our production cost by 35%.

These projects, which are just a few of our projects in our pipeline, not only add capacity but also help reduce cost and debottleneck our network, ensuring that we continue to be the reliable partner of choice for our cement customers for years to come.

Let's now spend a few minutes discussing our aggregates and other construction material businesses.

In our aggregate businesses, we have leading positions in the markets we serve with over 462 aggregate operations, backed by 11 billion tons of mineral reserves.

Our 269 ready-mixed concrete plants provide a complementary footprint to our aggregates business.

Aggregates is a local business, with products shipped in a small geographic area around the quarry, and we have a local scale across our aggregate business, as evidenced by our number one or number two market positions in 85% of the aggregate markets we serve.

By building scale in the local markets, we can unlock synergies, which in turn enable margin expansion opportunities.

Our aggregate footprint is highly attractive and supported by our extensive logistic network, which provides cost-effective distribution to our customers.

We are located in close proximity to population centers in the Northeast and Midwest part of the United States.

Another key strength of our aggregate business is the reserve and resource base. As stated before, in our business, we have approximately 11 billion tons of reserves and resources, with 46 years' worth of reserves and 5.4 billion tons of resources, which can be converted to reserves in the future supporting our long-term growth.

The size and scale of our reserve base is difficult to replicate given limited natural resources and the process required to open a new quarry.

We are already in the process of converting some of our resources to reserves, and we plan to continue this process in the years to come.

In addition, we expect expansion projects to add to our already strong reserve and resource base.

To wrap up the portfolio, let's touch on our ready-mix offering.

We are the ready-mix partner of choice for customers across North America due to our extensive footprint and also our reliable service offering.

Our other construction materials products are highly complementary to our upstream products and allow us to be a provider of choice for larger customers.

Our ready-mix footprint, as stated before, includes 269 permanent plants and 26 portable plants.

Our technology in ready-mix offers and allows our customers to place orders and track their deliveries right from their phones, limiting downtime on projects and driving customer loyalty.

With our state-of-the-art solutions and product innovations, we are able to provide tailored solutions to our customers and help them achieve their ambitions.

Put simply, we add value for customers looking, making us the ready-mix partner of choice.

The aggregates and ready-mix industries remain highly fragmented with the top five operators in the aggregate space making up only 37% of the market, and the top five operators in the ready-mix space making up only 19% of the market.

This creates very attractive acquisition opportunities. These opportunities can be bolt-ons, where we can continue to build scale in markets we already serve or larger acquisitions that allow us to enter new markets.

At Amrize, we have an excellent track record of acquiring and integrating aggregates and ready-mix businesses into our existing network, with 28 businesses acquired since 2018.

We will continue to deploy a disciplined value accretive M&A process and expect this to be a key part of our growth strategy in our aggregates and other construction material businesses.

Similar to our cement story, investments in our aggregates business is another key aspect to our growth strategy.

In Ontario, we are expanding a quarry to unlock 75 million tons of new reserves in the Toronto market. And in Oklahoma, we are greenfielding a quarry that will provide 200 million tons of permitted reserves for the fast-growing Dallas-Fort Worth market.

We are also installing a new greenfield ready-mix plant in Texas that would also support the Dallas market and provide 120,000 cubic yards of ready-mix concrete.

And finally, our plant upgrades to our aggregate site in West Virginia will expand production and rail efficiency that will better serve the DC market with 4 million tons of aggregates.

These are just a few examples of what's to come. We believe investments in our business through expansion projects will continue to supplement our growth algorithm and expand our available reserve base.

Now, let's talk about Building Materials' strong track record of growth.

Our business has delivered strong growth over the last several years. Revenue has grown at an 8% annual growth rate since 2021, and adjusted EBITDA has grown at a 10% annual growth rate over the same time period.

This excellent track record has been supported by attractive industry dynamics, consistent pricing growth, and a focus on serving our customers.

The long-term fundamentals across infrastructure, commercial, and residential construction remain strong. Our unparalleled footprint and unique logistic capabilities position us to take advantage of growth opportunities in each of these end markets.

As I highlighted earlier, growth in our cement business is expected to be mostly driven by investments in our business to expand capacity and through pricing growth.

In our aggregates and other construction material businesses, we see opportunities for growth, both from investments in our existing business and value accretive acquisitions.

When combined together, these lead to a very strong mid-term growth for our business.

Many of the same factors that have led to our strong revenue growth have also resulted in adjusted EBITDA growth and margin expansion, including our focus on driving value and serving our customers.

In addition, we have been successful in realizing supply chain synergies and operational efficiencies in our business, which is helping to drive margin expansion.

And finally, as Jan mentioned in his remarks, our performance culture and local P&L leadership is key to Building Materials' consistent ability to drive profitable growth.

To recap, we believe our Building Materials segment is poised to deliver above-market revenue growth and margin expansion over the next several years.

Our unparalleled scale and the attractive industry fundamentals provide the foundation for our growth.

Our leading cement position, strong mineral reserve base, and unique logistic network position us to serve customers across North America and capitalize on the supply-demand imbalance in the US cement market.

Our strong aggregates position with complementary ready-mix footprint allows us to invest in this business from a position of strength while also pursuing value at accretive bolt-on M&A opportunities.

Finally, we have shown a clear track record of profitable growth, which we expect to continue moving forward.

I believe that Amrize will unleash this potential to meet and exceed the increasing demand that the North America market is just beginning to realize.

With that, I will turn it over to my colleague, Jake, to discuss our Building Envelope business. Thank you.

Jake Gosa, President, Building Envelope:

Good morning.

First, I just want to start off by acknowledging this is a very special day in the history of the company. So I want to thank all of you for being here and joining us.

I'm thrilled to be a part of this team and have an opportunity to present to you today.

I've been a part of this industry for 27 years. I started out at Elk Building Products, which is now GAF, and I spent the last 18 years with Beacon Building Products.

I've experienced this company's impact in the industry firsthand. Amrize has built a truly special business, iconic brands, advanced solutions that have high customer loyalty.

I'm here because I believe in the company and I believe in our future. This is a strong business. We serve a growing market. Our products are well positioned, and we have the right strategy, I believe, to unleash the next era of growth.

We have a unique opportunity at Amrize, and I'm thrilled to be a part of it.

As Jan mentioned earlier, we built this business through value accretive acquisitions, and today, we are a $3.4 billion segment, offering advanced roofing and wall systems across commercial, residential, new construction, and repair and refurbishment markets.

In just four short years, we've established a strong business and a platform for significant future growth.

I'm going to cover four main topics with you today.

The first, we have advanced Building Envelope systems with iconic brands that have high customer loyalty.

Two, we have built a state-of-the-art operational platform.

Third, we have unique innovative solutions across construction markets that meet our customers' needs.

And fourth, we're really well positioned for above-market growth and margin expansion, both through organic investments and continued M&A.

We started this journey in 2021 with the acquisition of Firestone Building Products. Now, Elevate, this business catapulted us into a leading position in commercial roofing and became an excellent platform for us to build from.

Then following on in 2022, we acquired Malarkey Roofing Products. Malarkey brought us into the residential roofing space with a unique high-performance portfolio of 100% polymer-modified asphalt shingles.

We followed that up with the acquisition of SES Spray Foam. That's an insulation business that complements our existing spray foam line and provides improved technology and market reach.

And then we wrapped up 2022 with the addition of Polymer and Sealants North America. That's an adhesives, coatings, and sealants business that complements the portfolio.

Moving to 2023, we added Duro-Last, a vertically integrated leader in PVC roofing systems, advancing our portfolio with the fastest-growing membrane in commercial roofing, and bringing a unique go-to-market strategy with a direct-to-contractor and prefabrication model.

And then recently, we acquired Ox Engineered Products. This latest addition complements our Building Envelope offering with differentiated wall systems.

We have extensive reach across multiple markets, serving a diverse customer base that trusts our solutions for their durability, performance, and innovation.

All of our business lines have a history of excellence and have built strong customer loyalty and brand recognition, and I really believe this sets us apart.

Now, we can go to market with a systems approach to drive value and increase customer loyalty.

Let me give you an example which you can see on the screen.

First, we have a vapor barrier, followed by polyiso insulation, a layer of high-density insulation, fasteners, adhesives. You can see the buildup. The final component is the membrane.

The membrane is what most people think of when they see a roof, but it's actually only one-third of the sale. Those other components make up two-thirds. Together, these products make up a system.

They're specified, sold together, increasing our revenue per square foot.

In order to install one of our systems, a contractor must be trained and certified by our technical team. This team works side by side with the contractor on a daily basis to support their business, think about it as a partnership, and ensure quality work.

When a licensed contractor installs one of our roofs, we inspect it, and we provide a warranty to the building owner.

These warranties create a tie and loyalty with both the contractors and the building owners for the lifetime of the roof and even beyond.

This is a long-standing relationship business that is built on quality and partnership, and that's exactly how we go to market.

Our systems approach provides value for us through increased revenue and customer connectivity, but also for our stakeholders who can trust that our systems have been tested, that they will perform, and that we'll stand behind them.

In just four years, we built this $3.4 billion business through acquisitions. Through each acquisition, our footprint has continued to improve and expand.

We now have 45 manufacturing and distribution locations across North America that allow us to efficiently and effectively service our customer base.

And since 2021, we have deployed over $200 million in capital to grow capacity, optimize our operational footprint to better service customers, and of course, to drive efficiency.

Each new business has presented opportunities to invest in growth, but also reach new markets.

Within 60 days of the acquisition of Firestone, we moved forward with greenfielding a new polyiso insulation facility out in Salt Lake City, Utah.

This more than doubled our capacity in the West, gave us access to rail, added metal production, and we actually consolidated three facilities into one.

Looking at Duro-Last, a leading PVC systems provider, we invested in a new facility in North Carolina recently that has expanded our reach into the fast-growing Southeastern markets.

And then at Malarkey, we have a big project underway. Our fourth shingle plant is under construction in Franklin, Indiana, and it's slated to open next year.

This plant will expand our capacity by 50% and enable us to deliver more product to the growing Midwest and, of course, the Eastern markets.

We're also focused on investing in our supply chain and manufacturing automation to improve capacity, efficiency, and product quality.

I want to highlight three recent successes for you that I think really illustrate this.

When we acquired Malarkey, their glass mat capacity was limited to 40% of their shingle production. As a result, we acquired a Glassmat plant, and that capacity has now increased to 90%.

At our Elevate EPDM facility in Arkansas, we invested in a fully automated packaging line that resulted in higher quality and improved speed.

And then third, self-adhered products are a fast-growing segment in roofing because they reduce installation and labor costs for the contractor.

These products are traditionally produced in a two-step process that results in very high scrap rates. Our team developed an in-line solution, it's the first of its kind, that has resulted in reduced cost, a better quality product, and increased our capacity significantly.

Our entrance into the roofing sector was purposeful and strategic to capitalize on mega trends driving growth.

Not only is this market driven by re-roofing, which is largely non-discretionary, but the building stock is aging, and we are entering a prime replacement period that stems from the boom construction that took place nearly 20 years ago.

As it stands today, 75% of commercial buildings are 25 plus years old. A strong re-roofing demand is expected to continue.

Also, we see an increase in severe weather events. There's an increase in demand for more resilient, functional product solutions that are wind and hail resistant and also enable green and solar solutions.

Furthermore, we're seeing an increase in demand for products across the Building Envelope markets that deliver improved energy efficiency.

We're uniquely positioned to capitalize on megatrends driving growth. When we think about it, we focus our development work to meet three key market needs: faster, stronger, greener solutions.

So first, let me take faster. We have a tight labor market in this country, and it's driving demand for solutions that are quicker, easier to install. Our Duro-Last deck sheets allow a significant portion of a roof, especially the more complex areas, to be pre-fabricated, which reduces labor time by approximately 50% and actually improves the performance of the roof.

Stronger. As I mentioned earlier, more frequent severe weather events are driving demand for stronger, more resilient, longer lasting products. Malarkey's entire shingle line is made up of 100% polymer-modified asphalt. That outperforms an impact rating, tear-resistant, granule adhesion, and an overall severe weather performance.

Greener. The market continues to trend toward higher energy efficiency. Our patented IsoGuard insulation has the highest performance per square inch in the entire industry. We've expanded this offering across our roofing solutions and have the same opportunity with vertical walls through our Ox Engineered Products.

These examples highlight how our innovation strategy is focused on the biggest opportunities driving growth in the market. These strategies have led to strong performance, and we have a track record of revenue growth and margin expansion.

If you take our full-year 2024 results versus 2021, we've generated $3.4 billion in revenue last year. That's a 32% compounded annual growth rate. We delivered $770 million in adjusted EBITDA. That's a 52% compounded annual growth rate. And we expanded our margins to 22.8% last year. Since 2021, that's a nearly 800 basis point improvement.

Clearly, we have good momentum behind us, and we're well positioned to grow above market while continuing to deliver margin expansion.

As I mentioned, we have completed seven acquisitions in the Building Envelope since 2021 and created a strong platform for growth while enabling the significant margin expansion that I just referenced.

We have made strong progress, but what is most exciting are the significant opportunities for additional growth with complementary solutions. Our total addressable market is $60 billion, and we have a strong path to capturing that opportunity with complementary solutions as well as M&A.

Let me summarize this session for you with four key points.

I'll start with, Amrize has advanced Building Envelope systems with iconic brands.

Number two, we have built a state-of-the-art operational platform.

Three, we have unique innovative solutions that meet our customers' growing needs.

And four, we are well positioned for above-market growth.

And with that, I want to end where I started. I joined this company, as you know, just recently, and I'm here because I believe in it. We have a track record for success and are ideally positioned to capitalize on the mega trends that drive growth in the industry.

I'm really proud to be a part of the team, and I couldn't be more excited about our future. Thanks for your time. And once again, I appreciate you being here.

I'm going to turn it over to our CFO, Ian Johnston.

Ian Johnston, Chief Financial Officer:

Good morning.

I'm Ian Johnston, Chief Financial Officer of Amrize.

I've had the good fortune of working within the Holcim team for over 26 years in a variety of financial roles and locations, both in Canada and the United States.

This past year has been very exciting as we prepare our journey to become an independent public company as Amrize. I'm excited to be here, and thank you again for joining us for our inaugural Investor Day.

Earlier, you heard Jan outline Amrize's strategy and differentiation points, and Jaime and Jake discuss our leadership positions in both Building Materials and Building Envelope.

During our time together, I would like to review our strong track record of financial performance, the synergy opportunities in our business, our investment opportunities, and our growth-focused approach to capital allocation.

Let's begin by taking a look back at Amrize's strong 2024 financial performance.

Despite a softer volume year, our business delivered double-digit adjusted EBITDA growth for the year while expanding margins by 280 basis points. We generated $1.7 billion of Free Cash Flow, resulting in a cash conversion of over 50% of adjusted EBITDA.

These results highlight the strength of our unparalleled footprint and the value of our advanced building solutions provided to our customers, as well as our focus on creating shareholder value and driving bottom-line profitability.

I'd like to take a moment to thank our talented, local, and empowered 125 P&L leaders for these amazing results.

Our business is well positioned to continue driving above-market growth.

By the end of my discussion today, I will cover the following key takeaways:

First, Amrize has a strong track record of value creation and growth.

Second, we have significant opportunities to realize synergies across our supply chain and throughout our business.

Third, the significant Cash Flow our businesses generate enables us to invest for long-term growth.

Similarly, our strong cash generation supports our growth-focused capital allocation strategy.

And finally, we are highly confident in achieving our mid-term targets.

Let's start by taking a look at Amrize's track record of profitable growth.

Over the past four years, Amrize has delivered double-digit revenue and profit growth.

Since 2021, revenues have grown at an annualized rate of 13%, reaching $11.7 billion in 2024, while adjusted EBITDA grew at an annual rate of 16% to $3.2 billion.

This resulted in an adjusted EBITDA margin of 27.2%, an impressive expansion of 220 basis points over the last four years.

We have significantly grown our revenue over the last few years by leveraging our unique footprint and distribution network to serve our customers while also investing in our business.

Our disciplined approach to pricing, a strict focus on cost control, and our ability to drive synergies in our business will continue to be key contributors to growth and margin expansion.

Amrize also has a remarkable track record of cash generation and cash conversion.

Free Cash Flow grew 15% to $1.7 billion from 2021 to 2024.

We've consistently converted more than 50% of our earnings to EBITDA, and we have more than 100% versus net income.

We do this by investing in our business, leveraging our scale, and unique distribution footprint to maximize cash generation.

Our 125 local P&L leaders are measured on these same key metrics: adjusted EBITDA growth and Free Cash Flow generation.

Our local leadership model is a powerful way to ensure that all our P&L leaders are aligned to these same performance metrics.

Everyone, from plant managers to regional and corporate leaders, is measured on these same metrics.

This simple but highly effective strategy is a key reason we have been able to achieve these fantastic results over the past four years.

In 2024, our third-party spend was over $7 billion.

We see significant opportunities to optimize and reduce this spend over time.

Our largest spend categories are raw materials, services, and logistics, which together account for approximately 80% of our third-party spend.

In the raw materials category, we have opportunities to drive efficiencies through joint sourcing between Building Materials and Building Envelope segments and by insourcing materials that are used in our Building Envelope business.

In the services category, the implementation of technology tools in procurement and cost benchmarking between sites will drive further synergies.

And in our logistics category, we are leveraging our scale to become a cost leader in inbound and outbound freight.

Finally, we see additional opportunities to invest in manufacturing technologies to make our equipment and plants more efficient.

There are further opportunities to capitalize on synergies between our two business segments.

Through the implementation of operational efficiencies, synergies, and competitive sourcing, we expect to generate over $250 million of cumulative savings between 2025 and 2028.

This would translate into more than 50 basis points of margin expansion on an annualized basis.

When we combine the margin expansion opportunities that Jaime and Jake spoke about earlier with additional opportunities from our synergy programs, we believe we have a very compelling margin expansion story that will play out in the next four years.

Let's now shift our focus to the third key takeaway, how we are investing for long-term growth.

Over the past four years, we have been increasing our CAPEX spend.

On the growth CAPEX side, we have deployed capital on projects to expand our footprint and add capacity to develop innovative products and create additional operational efficiencies.

We have been investing in our supply chain capabilities and automation, which we just highlighted.

We're also focused on managing our current facilities and capacity.

Our well-maintained and efficient plants have resulted in a stable range of maintenance CAPEX over the past four years, which has been between 2%-3% of revenue.

As we look to the future, we see attractive opportunities to deploy CAPEX in high-return projects and expect to increase the amount of growth CAPEX invested in our business.

Growth CAPEX has traditionally been in the range of 1-2% of revenue. We expect to increase this to approximately 3%-4% of revenue in the coming years.

Our growth CAPEX will be deployed in high-return projects similar to the investments we are making in our flagship cement plant in Ste. Genevieve.

As Jaime indicated earlier, this plant is located along the Mississippi River, allowing us to efficiently ship products all the way from the Great Lakes to the Gulf Coast.

We are investing to expand the Ste. Genevieve plant, which already produces 5 million tons of cement.

Once the expansion is complete later this year, we'll be able to produce more than 5.6 million tons of cement from this highly profitable plant.

Meanwhile, our St. Constant plant in Québec, we are adding grinding capacity that will allow for an additional 300,000 tons of cement to be produced annually.

The investment in this plant will also reduce our operating costs, making each ton of cement we produce more profitable.

And in our Building Envelope business, we are building a new Malarkey shingles plant in Indiana.

Our Malarkey business started on the West Coast, and we see opportunities to expand eastward.

Currently, our Malarkey business is sold out, and we continue to see strong demand for the high-quality polymer-modified shingles we produce.

The new plant in Indiana will add a 50% increase to our capacity production on an annual basis.

These are just a few of the projects that we have in our long pipeline.

As Jan highlighted previously, our strong financial performance is driven by both organic growth opportunities and a disciplined value accretive M&A strategy.

Since 2018, we've completed 35 acquisitions that have added 3.8 billion of annualized revenue and established our Building Envelope segment, accounting for approximately 29% of our revenues in 2024.

These acquisitions include iconic brands with high customer loyalty and important market positions that give us a platform for future growth.

Within Building Materials, we have pursued an active strategy of bolt-on acquisitions in a highly fragmented segment, locally driven Building Materials segment.

Across all these transactions, we have realized synergies, lowering the average EBITDA multiple paid from 12 times to 8 times and driving significant value for our shareholders.

We will continue our disciplined M&A process and will pursue companies with strong local brands and synergy upside.

It's clear that as we begin this journey, we are in a position of financial strength.

These types of investments in our business are enabled by our strong balance sheet and strong investment-grade ratings.

We have previously communicated that we anticipate an investment-grade credit rating.

We are committed to maintaining these investment-grade ratings and plan to operate with a net leverage ratio under two times.

Our proposed initial capital structure includes a committed Revolving Credit Facility of $2 billion and a $2 billion Commercial Paper program.

We will also have access to a $5.1 billion bridge loan.

While we don't anticipate needing to utilize the bridge loan, this gives us added flexibility as we work through the various financing actions that will need to occur prior to our separation.

At the end of 2025, we expect to have a net leverage ratio of less than 1.5 times and strong liquidity available, putting us in a favorable position to continue investing to drive growth.

As Jan highlighted earlier, the capital allocation policy will reflect our growth strategy.

Our first priority will always be to ensure that we continue the strong cash generation of our business.

This enables us to prioritize investing in the business, pursue M&A opportunities, and return capital to shareholders.

The significant amount of Free Cash Flow that we generate, combined with the strength of our balance sheet, allows us to pursue all three priorities at the same time.

Looking across our portfolio, we see different capital needs in each of our businesses.

On the cement side, we view capacity expansion and debottlenecking projects as the primary use of our capital.

In our aggregates business, the market remains fragmented, and there are significant opportunities for bolt-on acquisitions to strengthen our scale in existing markets and expand into new opportunities.

And in our Building Envelope segment, we see a long runway of expansion opportunities for both greenfield development projects and acquisitions that provide entry into the complementary segments within Building Envelope.

We will focus on returning cash to our shareholders through an appropriate dividend policy in consultation with our Board, and we will consider opportunistic share buybacks, allowing us the flexibility to return capital to shareholders through a dividend payment and share repurchases.

Every use of capital will be evaluated on a risk-adjusted return basis with capital allocated to the highest projects.

Before discussing our mid-term financial targets, I would like to recap the growth drivers for our business.

We see strong end market demand across the diverse markets that we operate in.

Aging infrastructure in North America will require additional investments over the next decade, and our product offering and footprint uniquely position us to capitalize on this spend.

In the commercial market, recent onshoring trends are expected to continue, new data center construction is accelerating, and domestic manufacturing is rebounding.

And in the residential market, the historic underinvestment in housing has created a backlog of new construction demand that will be a tailwind in the coming years.

As we've also highlighted throughout this presentation, we operate in an industry with attractive pricing dynamics, largely driven by favorable supply-demand dynamics across both cement and aggregates.

We have experienced strong pricing growth in our business over the last several years and believe the market structure, combined with limited natural resources, will drive long-term pricing growth.

As I just mentioned, our strong cash generation and solid balance sheet enable us to invest in the growth opportunities we have at hand.

Our footprint will expand our existing facilities, and we will develop new solutions.

And finally, we see compelling opportunities for value-accretive M&A in both segments of our business.

These key growth drivers give us confidence in our ability to achieve our mid-term financial targets.

We have a strong track record of delivering above-market growth and expanding margins, and we expect these trends to continue.

Today, we are providing mid-term financial targets for Amrize that cover the 2025 through 2028 fiscal years.

Over the next four years, we expect Revenue to grow in the range of 5% to 8% annually, with Adjusted EBITDA growing 8% to 11% annualized.

We expect to continue converting more than 50% of our adjusted Free Cash Flow into EBITDA, with more than $8 billion of cumulative Free Cash Flow over the next four years.

In addition, we are providing modeling assumptions for our expected effective tax rate and CAPEX spend.

We are confident that our business is well positioned to achieve these mid-term targets, creating long-term value for shareholders.

And with that, I'll hand over to Jan for a few remarks before we begin our Q&A session.

Jan Jenisch, Chairman and CEO:

Thank you, Ian.

Before we start the Q&A session, I would like to provide an update on the progress we are making towards the planned US listing. You see here the main steps. We are on track. We have achieved several very important milestones.

Maybe one of the biggest ones involving Ian and the team, we were able to do the Form 10 public flip already with our full year results on February 28. That was a real milestone. You have to imagine we have to transit from IFRS European accounting into US GAAP accounting in one step. It's a very ambitious and challenging task. Not many companies are doing that. We have done it, we have completed it. It shows how strong the business is. We had no issues in the process.

We started to engage with the Stock Exchange Commission in September last year, had a few interactions with them, and they cleared us basically at the beginning of the year to flip the Form 10. That's a huge achievement. We are very comfortable now going forward.

Important, we have appointed a great Board. We recruited nine independent Board members who will serve on the Board once we are listed. We have the leadership team you're meeting today in place already and working on the future of the company.

Today is the first time now we talk about the company, and we are very happy to start this new chapter with all of you together. Now we only have the Annual General Meeting left this May, where we ask our shareholders to approve the US listing. Then we are all ready to go, and we expect towards the end of H1 to list the company at the New York Stock Exchange.

Scott Einberger, Investor Relations Officer:

Welcome back to Amrize's first Investor Day. I hope you all enjoyed the presentations from our management team this morning. We would now like to take a few of your questions. Joining me on stage are Jan, Jaime, Jake, and Ian.

Before we get started, just a reminder, there's a QR code on the screen for those in the room to ask questions, and those on the webcast can use the Ask a Question button to submit your questions. We'll get those here on the iPad, and then I will read them and we'll provide answers.

With that, we'll get started.

Our first question: What is the core vision behind bringing Amrize to North America, and how will you measure success in this market?

Jan Jenisch, Chairman and CEO:

Look, I think North America is just too successful to be a subsidiary of Holcim. We're very happy we start this new Amrize chapter right now. We will be able now to accelerate growth. You have to imagine in the future, the Board of Directors, the leadership team, they just talk about North America, what is the best next investment, what is the M&A.

We will have exciting programs for all employees. We have our own stock program. We have a very simple operating model with the US dollar, basically from the customer to the supplier, from financing to M&A, and to all the shareholder value we want to create.

This is very exciting. You can already see from our story we shared with you today that we have now different priorities from Holcim before, and we will be able now to really accelerate this huge growth potential in this market. We talked about it from infrastructure to commercial and residential construction. Huge opportunities for us, just super well positioned, and I really look forward to this next era of growth for the company with this strong North American focus.

Ian Johnston, Chief Financial Officer:

Maybe, Scott, if I can add to that, really, as we discussed and outlined today, I think we have a great underlying business here today. We have all of the building blocks. We're adding now complementary items. We're building a Board, we're building a corporate structure. So some small elements to be added, but the business is largely local here in North America to begin with.

We have a very strong financial position. We have great cash generation and a very good balance sheet to be able to deliver on all of the opportunities that we have. I think it's going to be a very exciting period of time.

And I think for us, all of our leaders, again, are focused on very simple measures and metrics that go all the way through the organization in terms of recurring EBITDA growth or adjusted EBITDA growth and Free Cash Flow. These are very simple metrics that have driven and built the success of where we are today.

Jaime Hill, President, Building Materials:

And from a building materials customer perspective, we want to continue being the partner of choice on all these projects that are coming, whether it's housing, commercial, or infrastructure.

Scott Einberger, Investor Relations Officer:

Excellent. Thank you.

Our next question: How do you view your geographic footprint in aggregates and cement? Are there any regions you would like to increase a presence in, or would you focus on further consolidating any current markets?

Jaime Hill, President, Building Materials:

We believe we have an unparalleled footprint in cement and aggregates. You saw our 18 cement plants, our Ste. Gen operation, which in November will have 5.6 million tons. And we mentioned how the ready-mix and aggregates segments are extremely fragmented. There are numerous opportunities for acquisitions, and of course, we're looking into them, as we mentioned in our presentation.

Numerous thousands of family-owned businesses, and of course, Amrize will look at those and make the best decision in the most attractive markets for future growth.

Ian Johnston, Chief Financial Officer:

Maybe, Scott, if I can add, I think when we look at our aggregates positions, we're the top one or two player in 85% of our markets, and we have a great footprint to build upon. And as Jaime outlined in his presentation, the market is highly fragmented.

There's lots of opportunities, and we have the balance sheet and the financial ability to continue to consolidate in that market.

So we have great opportunities for growth in this business, and that's going to be a key lever for us going forward.

Scott Einberger, Investor Relations Officer:

Thank you both.

This next question dovetails on the previous question, but how should we look at the valuation of your cement business? Why would it be worth a multiple that's similar to aggregates?

Jaime Hill, President, Building Materials:

We are the clear leader in cement by far, 1.7 times in capacity to the nearest competitor. At the same time, cement and aggregates, limited natural resources, attractive pricing, our inland distribution and an inland presence makes it very attractive. That's why we believe the cement and aggs [aggregate] business should be where it is.

Jan Jenisch, Chairman and CEO:

I think it also was important what we saw today from you, Jaime. I mean, this largely undersupplied cement market in the US. And this is for a reason. It's very challenging to add new capacities for this market. This is why it's under-supplied and still relying so much on imports. When you see the trends for the future, this is not going to improve from there.

Our plan is to move into this under-supplied market with smart investments for some growth expansion. Then, of course, you saw the very positive pricing momentum we could realize in the past years, and we also expect that this will continue. Very attractive and based on this undersupplied market, limited capacities, and very challenging to add capacities in this market.

Jaime Hill, President, Building Materials:

And both with optimal distribution networks, 60% via rail in March. It's very competitive.

Scott Einberger, Investor Relations Officer:

Thank you both.

What do you expect the cadence of price increases to be for both cement and aggregates going forward? Does the spin unlock any opportunities for further price increases that you are unable to pursue as part of Holcim?

Jan Jenisch, Chairman and CEO:

No, I would not say this. First of all, we price very responsibly and while I know the financial community is very much focused on pricing and margins, for the right reasons, we run the business, of course, to provide the best value for the customers. When we talk about capacity constraints or this very logistics network. We are operating with more than 140 terminals and a lot of our volumes ship by our own barges or by rail. This is also an investment to service the customer. We at Amrize, we talk a lot about providing the best service for the customer, and then this comes with a responsible pricing.

Scott Einberger, Investor Relations Officer:

Thank you. That makes a lot of sense.

For our next question, can you provide some details around our assumptions for the end market? Are we confident that there will be a recovery in residential in the coming year?

Jan Jenisch, Chairman and CEO:

Let me start, and then we're going to hear more details here from Jake and from Jaime. We are in a very unique position at Amrize as we supply and service all construction segments. I talked about this briefly in the beginning of my presentation that we service infrastructure, commercial and residential. Then more important than that, we have an ideal balance between new construction and repair and refurbishment. We're really active in all those segments. This is, I think, a huge growth platform for us going forward.

Now, we saw last year we had unexpected or many people didn't expect the markets to be rather on lower volumes in 2024 and if I go through roughly, we saw an infrastructure. We have big projects coming. We shared two examples from Amrize with you, how we supply mega projects in Texas, and we have a lot of projects starting. We have secured supply for more than 200 infrastructure projects.

These projects always come a little more delayed than people are hoping for. Your own sales force gets excited and they are thinking supply starts in Q2, and then maybe it starts in Q4 or Q1 next year. But that's the natural course of business. For me, nothing to worry. We will have a lot of momentum from infrastructure at Holcim and Amrize.

Then we have when you look at commercial, I think the whole reshoring or onshoring and re-establishing supply chains in North America, this will happen. This will happen a bit faster on data centers, and maybe it needs more time to plan properly for other engineered products. But we are in a very good spot. We see already data centers are coming everywhere. You should imagine that a data center is already a nice piece of business for us, from foundation to rooftop, so from Jaime's business to Jake's business.

But more important, a data center needs a lot of infrastructure. They need a lot of power supply, they need water supply, they need all the data connectivity, they need roads and parking, and that is even a bigger business for us. We're very excited for commercial construction going forward in the future.

I think last year we were a bit slowed down by uncertainty from the election and maybe also by higher interest rates, but I'm very confident this will come very strongly in the future, in the years to come. I think already for our second half this year, we expect quite some good momentum from the commercial segment.

Also important for the commercial segment is, you saw that in the presentation from Jake, we have not only an aging housing stock in residential, we have also continued aging in commercial. This is very attractive for us for re-roofing and in general, for repair and refurbishment, which already makes us busy this year.

Residential is now the segment which we believe is probably the slowest this year and next year, reasons are clear, mortgage rates are at a point where houses are not affordable. At the same time, we still have a huge cost inflation on the land side. Since the Corona crisis, the land prices went up. Now, the land prices are not really supported by demand as the number of units produced is actually too low.

We will see some recalibration on this, not this year. We will have, I talk to the biggest residential house builder in February. I think they are happy to have the same number of units as last year. But this is something that needs to come. We have all these reports of housing shortage, 4-5 million. That will come in the future once the parameters are more positive.

However, what's important to us in the roofing residential market is the re-roofing. I think Jake mentioned, we sold out in our three shingle plants because we are busy with re-roofing the houses, and this is a strong thing going forward. This is why we are really so strongly positioned from new construction to repair and refurbishment. So residential, I'm very happy we have increased actually our exposure to residential construction, largely by the acquisition of Malarkey, also by our strategy.

I think we are now a bit over 20% of our sales in residential, and this is an area we love to grow also in the future.

Jake Gosa, President, Building Envelope:

Scott, I'll add to that. A couple of points, I think, worth just highlighting. I think Jan really gave you a good summary. Speaking specifically to Building Envelope, and the majority of our business right now is obviously roofing.

In the roofing space, if you put commercial and residential together, the R&R rate is about the same. They're close. Let's put them together. You call it 80% preparing for refurbishment. So it's a very resilient business.

And so when we have times of challenges, cyclical challenges, like interest rates, elections, et cetera, it's important to remember, that doesn't remove or eliminate demand. It just may impact the timing of it.

So it's a very robust market, and it's very resilient. As Jan just touched on, and you saw on the slide deck, you've got an aging commercial building stock. Same in residential. Jan mentioned the shortage of homes. You can point to any of the reputable studies out there, you're going to land on about a $4-$5 million shortage of homes.

So the underlying demand fundamentals are outstanding. So that demand is going to come through. It's really inevitable. There could be some question around timing here and there. And that's why the prospects for our company, the prospects for our company and growth over the next 7-10 years is so bright.

Jaime Hill, President, Building Materials:

And one final comment, we are present in the fast-growing states. Texas, we have a very nice operation north of Dallas. Fast-growing Virginia market will be supplied from our Hagerstown plant in Maryland, so we're ready for what's coming.

Scott Einberger, Investor Relations Officer:

All right. Thank you all. We have a couple of questions around the mid-term targets.

The first is, how much of the overall 5%-8% revenue growth would you expect to come from volume, price, and then acquisitions?

Ian Johnston, Chief Financial Officer:

I guess I'll take that one, Scott, or at least I'll start. I think maybe first point, we've really guided on the revenue annualized growth rates here over the next several years. We haven't broken it down by volumes or pricing. That's really overall top-line growth.

What you would see is probably a combination of factors. We see, as pointed out earlier from all of my colleagues here, the volumes were slow in 2024. We do see that perhaps there's going to be a little bit of an uptick coming here in the coming years.

We think there's strong underlying demand. We haven't built a very robust outlook on terms of volume, just modest growth going forward. I think that's reasonable to assume.

In terms of revenue and pricing, we had demonstrated our ability over the last several years to price very competitively in the market. Aggregates over 8%, cement over 9%. We don't anticipate that the growth rates will be quite as high. In the future, we do expect that we'll probably moderate a little bit, but we have strong underlying demand in all of our marketplaces, so we will see that growth materialize.

Lastly, when we talk about our balance sheet and our financial capacity to do transactions, we do see bolt-ons as a significant part of our growth strategy going forward. So when we have opportunities, that will be part of the underlying strategy to develop our business and continue to add to it.

So overall, we have a combination of factors. We haven't heavily leaned into any one of those, but we think the combination of those will give us solid 5% - 8% revenue growth going forward.

Scott Einberger, Investor Relations Officer:

Thank you, Ian.

And then as a follow-up to the mid-term targets, should we expect Building Envelope or Building Materials either one of those segments to grow faster than the other? What is our outlook and how are we thinking about growth across those segments?

Jan Jenisch, Chairman and CEO:

I think outlined today, we have significant growth opportunities in both of our segments and also both organic investments and also M&A.

Now to the question, that's a question related to the opportunity and to valuations and being financially disciplined. This is why we don't give a target on the two segments.

Maybe we love to let them race a little bit who is expanding faster because they have the opportunities and what is very important at our company that we do discipline decisions.

When we do M&A, we do this on discounted Cash Flow calculations from standalone to integrated versions. While the integrated version will be the business plan to be executed, we of course try to pay closer to the stand-alone value.

We are very disciplined. You will be surprised that when we enter into a new project, we are defining our walk-away price from the beginning so that we don't get emotionally attached or excited throughout the process.

This is something which makes it difficult to project and say, now we want Jake to grow to 40% of the business or something. We hope that, but that depends on the opportunity and then how much value we can extract.

Then Jaime is having the Building Materials, plenty of opportunities. We saw it, strong pricing. He has very important CAPEX projects going forward. Then also we hope that we can further accelerate the M&A in his area, especially the bolt-on.

That's a bit my long answer to a simple question. The reason is we don't give targets for the two segment growths because we need to do this in the smartest possible way.

Ian Johnston, Chief Financial Officer:

Maybe, Scott, I would add, we won't let either one of them see the other's financial results, and we're going to tell them that they're both behind the other one.

Scott Einberger, Investor Relations Officer:

That sounds like a smart strategy.

All right, our next question is around the Building Envelope. What are the main distribution channels for the roofing business, and how do these differ between residential and non-residential segments?

Jake Gosa, President, Building Envelope:

Sure. Let me take the residential space first. The residential roofing market runs primarily through what I would refer to as one-step specialty distribution. The industry refers to it as one-step because we're selling to a distributor who is then selling to the contractor/applicator.

And that is the bulk of the market. I would call it 75%. Then you have the balance of it, which is split somewhat evenly between retail, so think big box, and two-step.

We refer to two-step because we're selling to a distributor who then provides materials to lumber yards, so you're accessing more rural markets. It's a smaller component.

And then in commercial, it's a bit different, however, similarly, it's still primarily commercial is still primarily sold through specialty one-step distribution. And then the other, roughly 75%, and then the balance is direct to contractor.

They're certainly a little bit sold, some small amounts may be sold, through two-stepper retail, but it's nominal. And what I want to highlight there is that the majority of roofing materials are sold to specialty one-step distributors.

When you think about the services that distributor provides, that distributor is specializing in a smaller set of products because of their technical nature, and oftentimes because of the services that are required to deliver the product.

Why is that important? We talked a lot in the presentation about innovation, meeting customers' needs. Often times, we field questions about barrier to entry, those kinds of things.

And the barriers to entry in the manufacturing space are challenging for that reason. It's a very technical space. It's a relationship-driven business, product quality, time in the market. We talk about iconic brands, connectivity to the customer. All of those things matter.

And so that's why you see so much of the material sold through these specialty houses.

Scott Einberger, Investor Relations Officer:

Thank you, Jake.

We have a strong track record of value adds in M&A, and we've been able to allocate over 80% of Free Cash Flow to M&A over the past three years.

Out of the 8 billion of projected Free Cash Flow in the future, how are we thinking about the range of outcomes of how that would be allocated between organic M&A and other opportunities?

Jaime Hill, President, Building Materials:

I'll start with a Building Materials M&A part. 80% of the ready-mix segment is fragmented. I mean, five players have 19% - 20% of the market. Huge opportunities there. The same for aggregates. The top five players have 37% of market share. We're going to focus on those segments for the most attractive M&As.

Ian Johnston, Chief Financial Officer:

What I would add, Scott, to it is when we look at our overall cash, we step back. The starting point is cash generation. We need to make sure that our businesses continue to deliver the cash so that we earn the right to compete and to possibly reinvest in our business, reward our shareholders, and so forth.

So first, let's make sure that we make the cash. That's the key point, and our local leadership is definitely a key driver to that.

Secondly, when we have the cash and our financial flexibility, what we need to be focused on is really, first and foremost, we see a tremendous amount of opportunity inside our own house. So we have lots of opportunities, both outlined by Jaime and Jake. There are tremendous opportunities to invest organically and to invest in development CAPEX within our business. So that will be the first priority.

Second priority is going to be on the M&A side. Bolt-ons, we've outlined that. That's going to be a part of our key growth strategy. We've done many in the past. We will continue to do more in the future and do them for value accretive multiples in our space.

Transformative M&A, we built a complete segment out of transformative M&A. We have the ability to do that. We've been able to demonstrate that and a strong track record. Those opportunities are out there. They will come our way. They come when they come. We can't force those any more than anybody else.

Then we look at how we invest the balance with regards to dividends and/or share buybacks. We don't have that spelled out today. We don't intend to provide guidance today. We're a new company. We're really working through all of that with our Board, so that will come in due course. But those will be the secondary uses of capital.

Overall, this is a starting point, what we've outlined today in terms of how we're going to invest in our business.

Scott Einberger, Investor Relations Officer:

Thank you, Ian and Jaime.

We have two more questions. Will the branded products and ready-mix keep their brand names, or will they be rebranded?

Jan Jenisch, Chairman and CEO:

I have it. That's my favorite question.

No, I love branding. When you see what we have done at Holcim in just a few years, we really established a company with branded solutions. This is the way forward, and you can expect from us more branding in both segments. That's the future. We want to have strong brand names, brand promises, and we want the customer to be attached and trust our brands. In principle, this is very important to us.

Now, when we talk of brand, and I'll let Jaime talk in a moment, the first brand we want to establish is Amrize. The largest US-focused company in the sector. Here we have a great opportunity because at Holcim, we didn't do much branding. We even have different names of the company businesses in Canada. It's a different name than in the US. The US, we have three different names.

It's a great opportunity for us to really now introduce Amrize to our customers, to the stakeholders, also to the investors. This is a big focus I'm having. I'll make Amrize the household name for professional builders. I always say to my team, let's make Amrize the Home Depot for the professional builder. That's my humble ambition, and that's what we're going to start later in the first half of the year.

To continue with branding, we have an ideal split of the branding because our Building Envelope business, we continue with all the brands as this business is 90% North American focus. So from Elevate to Malarkey, from Gaco to Duro-Last, we keep all those brands. This is fantastic.

And then the brands Jaime has, of course, the biggest cement brand in the industry, OneCem. Then we're going to have for concrete, we're going to leave their brands, EcoPact, EcoPlanet, very successful brands, but mostly successful in Europe, they will continue with Holcim, and we will come up with some more customized branding for our North American customers.

Scott Einberger, Investor Relations Officer:

Thank you, Jan.

We have time for one more question, and then we'll have Jan do a short closing for us.

This one is around our overproportional growth in EBITDA. Can we talk a little bit about how we see the opportunity to expand margins in both our Building Materials and our Building Envelope businesses?

Jake Gosa, President, Building Envelope:

Sure, I'll kick it off and then let Jaime pick up on his business.

So as we outlined today, on the Building Envelope side, we've built out this $3.4 billion business through acquisitions. We've added some capacity, so we have room to grow. So I think the first thing to think about when we think about where the margin expansion is going to come from, that as we grow, we'll get a lot of leverage off that growth down to the EBITDA line.

Okay, that's number one. And then number two, this business isn't that old. We gave you some examples about how we're—real tangible examples—about how we're beginning to leverage our opportunities across the footprint to drive efficiencies. We'll continue to do that in two areas of focus: our supply chain and logistics. And so we'll see real margin expansion come from both of those areas as well.

Jaime Hill, President, Building Materials:

From an aggregates perspective, we have healthy margins in aggregates. Yes, we want to expand them, of course. From a cement perspective, given the value proposition that we offer to our customers, our service is optimal, and therefore, our prices are optimal.

Last but not least, our number one or number two aggregates position in 85% of the markets we serve, that can help us have very solid prices.

Scott Einberger, Investor Relations Officer:

Okay, thank you. Jan, we'll turn it over to you for a short closing.

Jan Jenisch, Chairman and CEO:

Okay. Yeah, thank you.

Again, welcome to Amrize, and thank you so much for joining today in person and also on the webcast. We are very excited to start this new era of growth with Amrize.

You have seen we have been building a first-class company over the past years, a company big, a company with expanding margins already at more than 27% EBITDA margins and a DNA of cash generation with very high cash conversion year-on-year.

You have seen the exciting opportunities ahead for both growth and for further margin expansion.

I'm very excited to see all these investment projects we presented today, a few of them, they all come in to work only for the years to come.

Same for the M&A. You have to imagine we have just started. All the acquisitions we have closed the last four years were, I always say, rather a burden for the EBITDA margin than increasing the margins because we have to integrate the business, we have to execute synergies.

You'll see in the great new program Ian is starting on the supply chain side to extract another 200 basis points in the next four years.

We have a lot in the pipeline. We have positioned the business, ideally, to continue growing and expanding the margins.

Think also, we start with a strong balance sheet, very important. Cash generation plus strong balance sheet. We have a lot of firepower to do what we think we need to do to create shareholder value.

Shareholder value, I think you can see throughout all our contributions, that's, of course, our prime focus to be here, the leading company, also when it comes to total shareholder return.

So very excited.

Now, let's be also here clear on the timing. Today is the first day we could unveil our story, our strategy, talk to you. Very exciting day.

Now we have another couple of weeks' time till we actually list. So end of H1 is in three months' time.

Let's use that time to engage. You met Scott, who runs Investor Relations for us. I know you have many questions, and we very much look forward to engaging with you and to welcome you as an Amrize shareholder later this year.

So thank you again for joining, and I wish you a good lunch for the ones here in the room, and goodbye, and see you soon for the ones on the webcast. Thank you very much.

Video Voice-over:

A brand new era is about to begin with Amrize, North America's leading building solutions company, shaping Smart Cities, the future of infrastructure, and thriving communities.

Amrize will rise to the opportunity, with our advanced building solutions, from foundation to rooftop.

The partner of choice to make every job stronger, faster, greener, and smarter.

So builders can go further to advance how we live.

Let's get to it.

Let's build your ambition.