ASX Announcement

22 August 2022

Results Presentation – Half Year ended 30 June 2022

We attach presentation slides being delivered by Adbri's Managing Director and CEO, Nick Miller, and Chief Financial Officer, Theresa Mlikota, during briefings on the Company's financial result for the half year ended 30 June 2022.

Authorised for release by the Board.

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Results presentation

ADBRI
Building Australia since 1882

Half year ended 30 June 2022

22 August 2022

We acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and waters of Australia.

We recognise their continuing custodianship of Country and culture and pay respect to their Elders past, present and emerging.

Agenda

1. Safety & Sustainability
2. Market conditions
3. HY22 results
4. Strategy and outlook
5. Q&A

Executive summary

Financial headlines

- Revenue increased to $812.4 million, up 8.0% on 1H21 driven primarily by strong construction and mining sector demand and improved pricing across most products
- Statutory NPAT decreased 15.0% to $48.1 million
- Underlying NPAT[1] decreased 1.3% to $54.3 million on the prior comparative period. 1H22 was impacted by: operational challenges associated with extreme wet weather events on the east coast of Australia; as anticipated lower lime volumes; higher raw materials, shipping, transport, power and fuel costs; partially offset by out-of-cycle price increases and profit on property, plant and equipment sales
- Underlying net profit after tax[1], excluding property profits[2] on the compulsory sale of the Rosehill land of $8.1 million after tax, totalled $46.2 million
- Cost-out program delivered $7.5 million in gross savings for 1H22, only partially offsetting inflationary pressures
- Robust balance sheet and liquidity during period of significant capital investment to drive future returns – gearing[3] of 43.2% and leverage ratio[4] of 2.0 times
- Fully franked interim dividend of 5.0 cents per share, down from 5.5 cents per share in pcp, equating to 70.6% dividend payout ratio of underlying earnings excluding property profits

Operating and strategic headlines

- Safety performance, TRIFR[5] of 6.4, an 8.6% improvement on 1H21, but up 1.6% from 31 December 2021. Improvement in lead indicators demonstrates proactive safety culture
- Sale volumes increased across many of our product lines as strong demand continued in the construction and mining sectors, despite significant disruption due to severe weather events on the east coast of Australia
- Completion and integration of key acquisitions extending our vertically integrated footprint
- Launch of Net Zero Emissions Roadmap, including new medium-term 2030 targets
- Infrastructure growth journey continues with a 29% win ratio on tenders bid in 1H22 and awarded. Order book increased by circa 30% since 31 December 2021
- Moorebank and Kewdale surplus land sales processes initiated. Rosehill land compulsorily acquired
- Kwinana Upgrade project circa 25% complete, committed procurement is now approximately 75% complete and the project is on schedule for commissioning in mid-2023. Taking into consideration known inflationary and supply chain pressures, the project cost is expected to be circa 15% higher than originally forecast

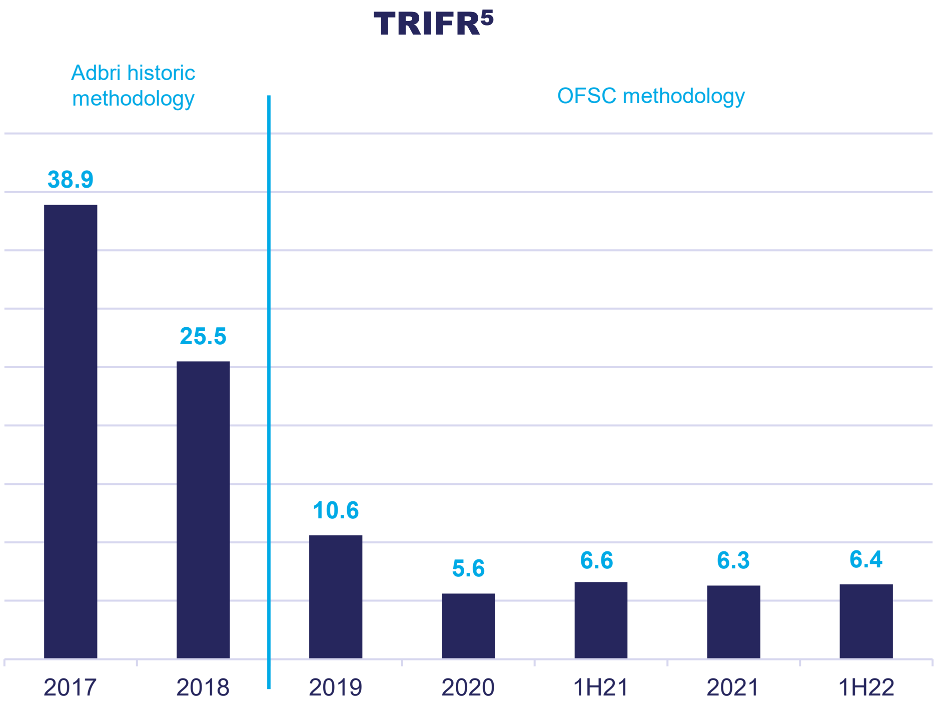
1. Includes property profits and excludes significant items. Property profits relate to gain on Rosehill land compulsorily acquired and excludes post-tax gain on disposal of plant and equipment of $5.9 million, which is included in statutory and underlying profit. Significant items are non-recurring items of revenue and expenses such as restructuring, rationalisation and acquisition costs.
2. Property profits relate to gain on Rosehill land compulsorily acquired and excludes post-tax gain on disposal of plant and equipment of $5.9 million, which is included in statutory and underlying profit
3. Gearing – net debt/equity. Net debt is calculated as total borrowings less cash and cash equivalents. Lease liabilities recognised under AASB 16 are excluded from net debt.
4. Leverage ratio - net debt/rolling 12-month underlying EBITDA (includes property profits and excludes significant items).
5. Total Reportable Injury Frequency Rate (TRIFR) is the number of recordable injuries per million man hours worked. Adbri's TRIFR includes employees and contractors

Safety & Sustainability

Nick Miller

Managing Director and Chief Executive Officer

Safety



Safety

- TRIFR of 6.4, an 8.6% improvement on 1H21, but up 1.6% from 31 December 2021
- Proactive safety culture - lead indicators continued to show promising results with a 67% increase in visible leadership walks

Sustainability

Net Zero Emissions Roadmap

- Launched 2 May 2022
- Net zero emissions by 2050
- Set new medium-term emissions reduction targets for cement, lime and electricity:
    - 20% reduction in cement emissions intensity by FY30*
    - 10% reduction in lime emissions intensity by FY30*
    - 100% zero emissions electricity supply by FY30
- Prioritises three key actions: to reduce emissions; create new products; and collaborate with key partners
- Engaging key stakeholders to build our capability to implement emissions reduction initiatives
- 1H22 collaboration included Calix, the HILT CRC, SmartCrete CRC and a new collaboration with AGL on a green hydrogen energy hub study in South Australia

*FY – refers to the period 1 July to 30 June, which differs to the Company's financial reporting year which is based on calendar year reporting 1 January to 31 December. Targets are measured against baseline year of FY20.

Market conditions

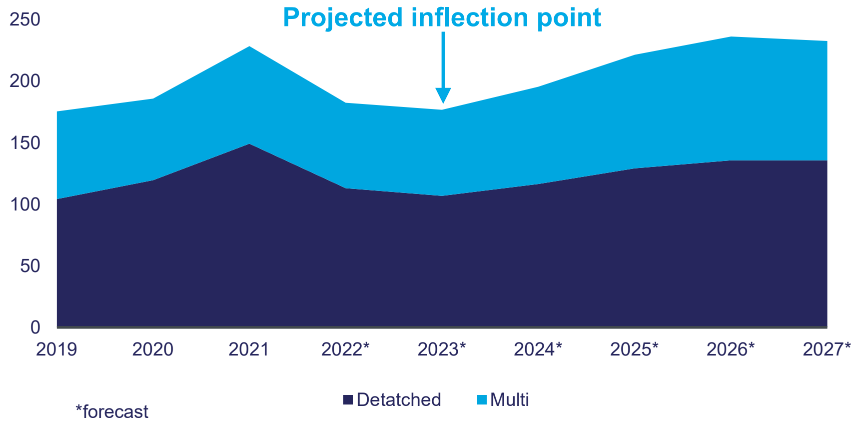
Nick Miller

Managing Director and Chief Executive Officer

Operating conditions – demand environment

ADBRI
Building Australia since 1882

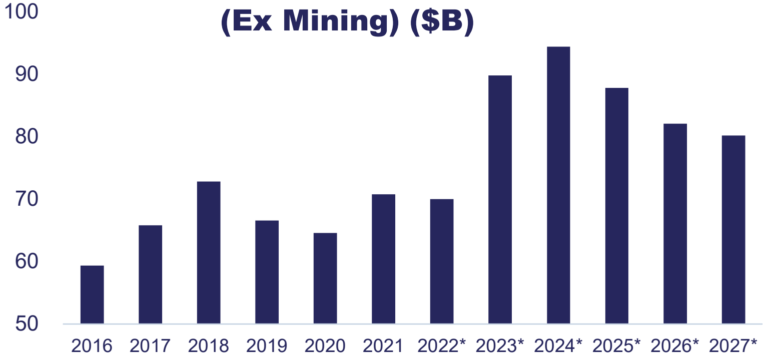
Residential approvals (000's)



*forecast

Source: Macromonitor Australian Construction Outlook' August 2022

Infrastructure Engineering Work Done (Ex Mining) ($B)



*forecast

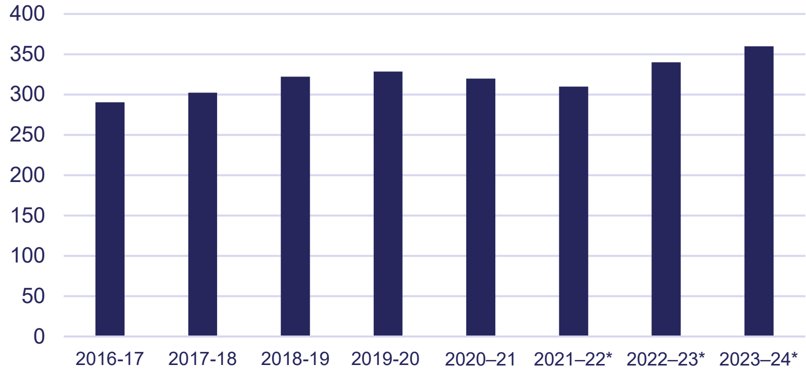
Source: ABS and Macromonitor Australian Construction Outlook August 2022

Construction sector

- HomeBuilder stimulus and state-based Government incentives drove a record number of house starts in 2021. This converted to strong demand in 1H22. However, the short-term outlook sees a decline in the residential sector, reflecting increase in interest rates. Medium-term demand expected to increase with immigration.
- Planned infrastructure spending as part of stimulus measures has resulted in an increase in the tender pipeline. However, material and labour shortages have impacted the speed at which this is coming to market
- Long-term demand for construction materials from infrastructure is expected to grow, remaining at elevated levels until at least 2027

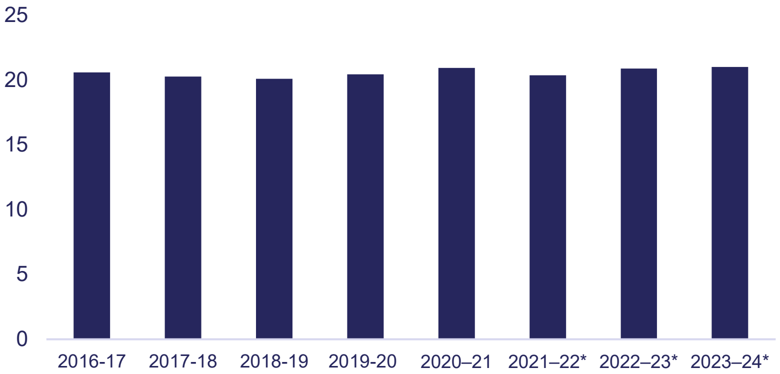
*forecast

Outlook For Gold (Production Tonnes)



Source: Department of Industry, Science, Energy and Resources' "Resource and Energy Quarterly June 2022"

Australia Alumina Production (MT)



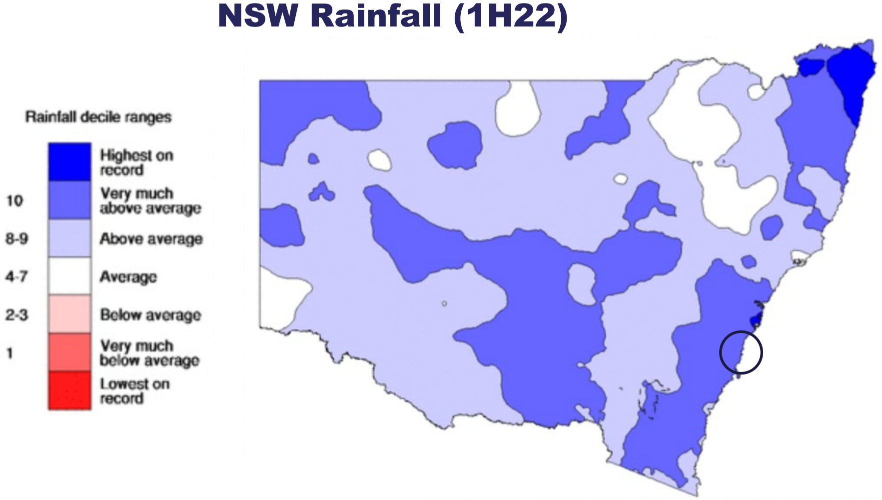
*forecast

Source: Department of Industry, Science, Energy and Resources' "Resource and Energy Quarterly June 2022"; World Bureau of Metals Statistics (2022) Department of Industry, Science, Energy and Resources (2022)

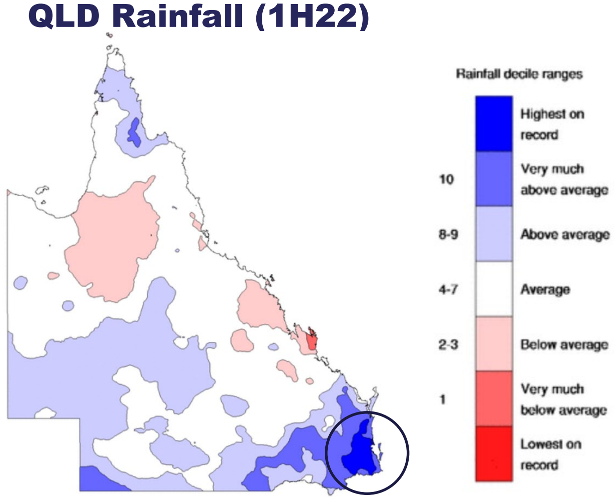
Mining and alumina sector

- Lime demand continued to be buoyed by demand from alumina, gold and nickel producers
- Australian alumina output is expected to be broadly steady through to 2024, at circa 20 million tonnes per annum
- Labour and skills shortages are currently impacting Australian gold production. However, production from new mines and existing mine expansions are expected to boost gold production from 2022 – 2024

Operating conditions – cost drivers



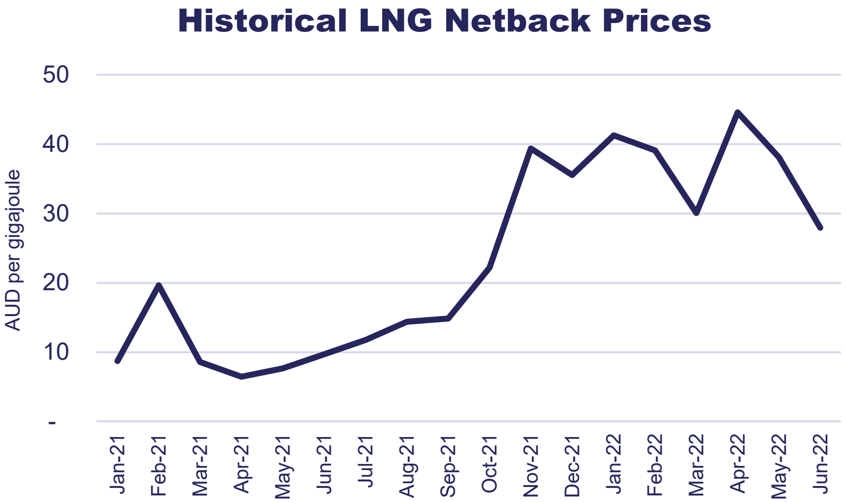
Source: Bureau of Meteorology Base period 1900-Jan 2022



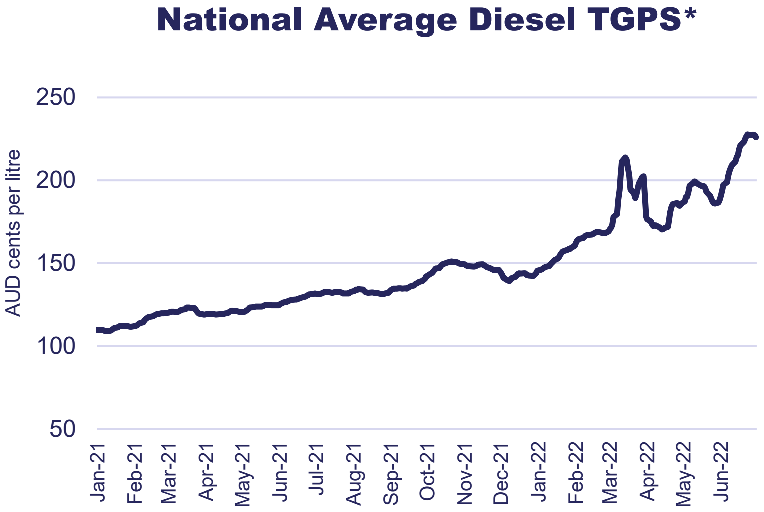
Source: Bureau of Meteorology Base period 1900-Jan 2022

Wet weather

- The eastern seaboard has received unprecedented rain YTD. Adbri's downstream operations in NSW and QLD were significantly impacted
- Rainfall significantly impacted construction activity across all sectors. Despite order books being strong, wet weather curtailed the placement of concrete on NSW and QLD building sites and limited access to quarry sites, including Penrose, Tinda Creek, Scotchy Pocket and Zanows'



Source ACCC 2022 LNG netback price series



Source: AIP historical diesel TGP data August 2022

Inflation and fuel price surge

- Cost inflation impacted margins
- Terminal gate prices for diesel have increased 55% from the start of the year as a result of macroeconomic factors
- Reduction in fuel excise had little impact on mitigating increased freight and logistics expense across all divisions
- Electricity costs, driven by gas pricing, surged during the reporting period. Electricity prices have moderated due to an increase in renewable energy generation and government flagging potential intervention to ensure sufficient domestic gas supply

* TGPS = Terminal Gate Prices

1H22 Results

Nick Miller

Managing Director and Chief Executive Officer

Theresa Mlikota

Chief Financial Officer

1H22 headlines

Revenue

$812.4m

Increased 8.0% from 1H21

Underlying EBIT[6,7,8]

$79.8m

Decreased 7.2% from 1H21

Underlying NPAT[6,7,8]

$54.3m

Decreased 1.3% from 1H21

Underlying ROFE[6,7,8,9]

9.3%

Decreased from 11.0% in 1H21

Underlying EPS[6,7,8]

8.3 cents

Stable with 1H21

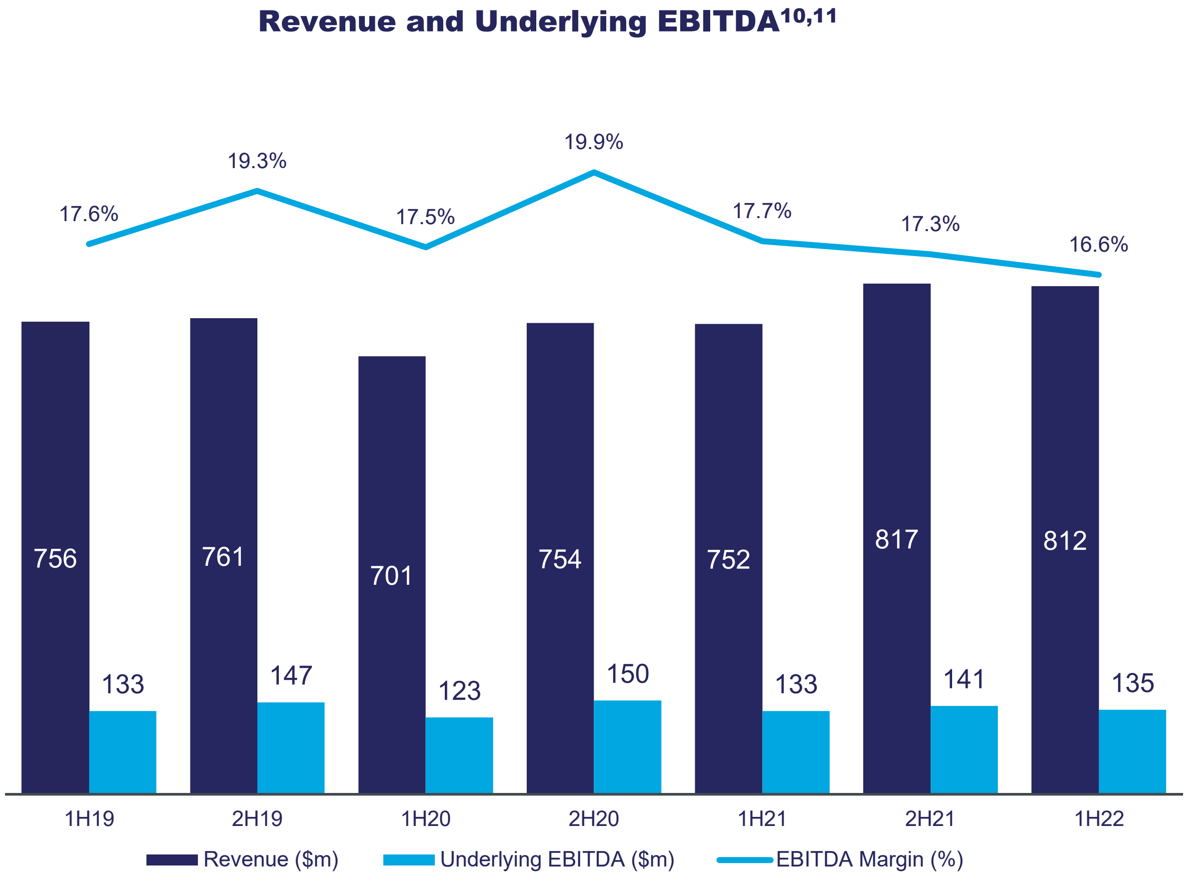
Approved DPS

5.0 cents

Decreased 0.5 cents from 1H21

6. Underlying Earnings before interest and tax (EBIT), Net profit after tax (NPAT), Return on funds employed (ROFE) and Earnings per share (EPS) include property profits and exclude significant items. Refer slide 37 for reconciliation to reported earnings
7. Property profits relate to gain on Rosehill land compulsorily acquired and excludes gain on disposal of plant and equipment of $8.6 million (pre-tax) and $5.9 million (post tax) which is included in statutory and underlying profit
8. Significant items are non-recurring items of revenue and expenses, such as the costs related to restructuring, rationalisation and acquisitions
9. Underlying return on funds employed – 12-month underlying EBIT/average monthly funds employed (net assets excluding cash, borrowings and lease liabilities)

Earnings trend



Robust demand

continued in the construction and mining sectors. Volumes remained strong despite significant disruption from severe weather events on the east coast of Australia

Revenue growth

driven by robust demand across construction and mining sectors and improved pricing

Margin compression

due to wet weather and cost inflation, with price rises lagging cost inflation

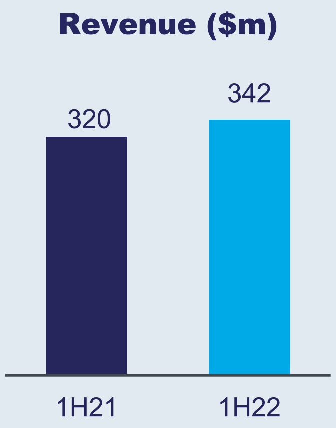
10. Underlying EBITDA and underlying EBITDA margin include property profits and exclude significant items. Significant items are non-recurring items of revenue and expenses, such as the costs related to restructuring, rationalisation and acquisitions.
11. 1H22 property profits included in underlying EBITDA is $11.6 million.

Figures rounded to the nearest $ million

Cementitious materials

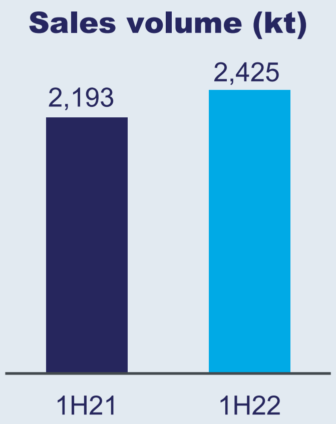
Volume growth driven by strong residential and commercial demand and robust demand in the mining sector

- Cementitious material revenue and sales volume up on pcp driven by:
    - Strong demand for cement and supplementary cementitious materials (SCMs) in Victoria was driven by residential and commercial construction activity
    - Mining supported cement demand in South Australia, Northern Territory and Western Australia, supplemented by demand from the infrastructure and residential sectors
    - Wet weather impacted New South Wales sales volumes
- Earnings were impacted by higher power, transport and demurrage costs
- Out-of-cycle cement price increases were implemented in August to mitigate further cost inflation



7%

Increase on pcp



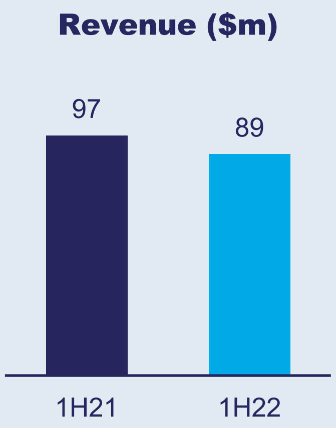
11%

Increase on pcp

Lime

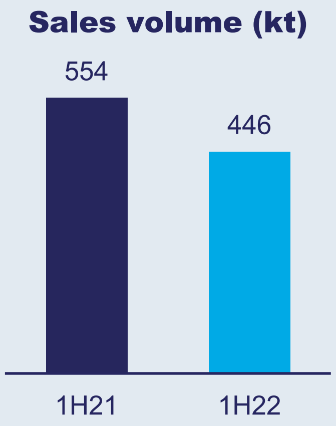
Adbri’s position as a domestic lime manufacturer continues to drive volume recovery

- The lime volume recovery strategy is progressing strongly, with new and renegotiated contracts being secured at improved average selling prices, as customers favour reliable local supply
- Lime revenue decreased by 7.8% versus pcp largely as anticipated, due to reduction in the Alcoa supply arrangement
- 8.7% increase in net selling price versus pcp; partially offsetting lower volumes and higher production costs



8%

Decrease on pcp



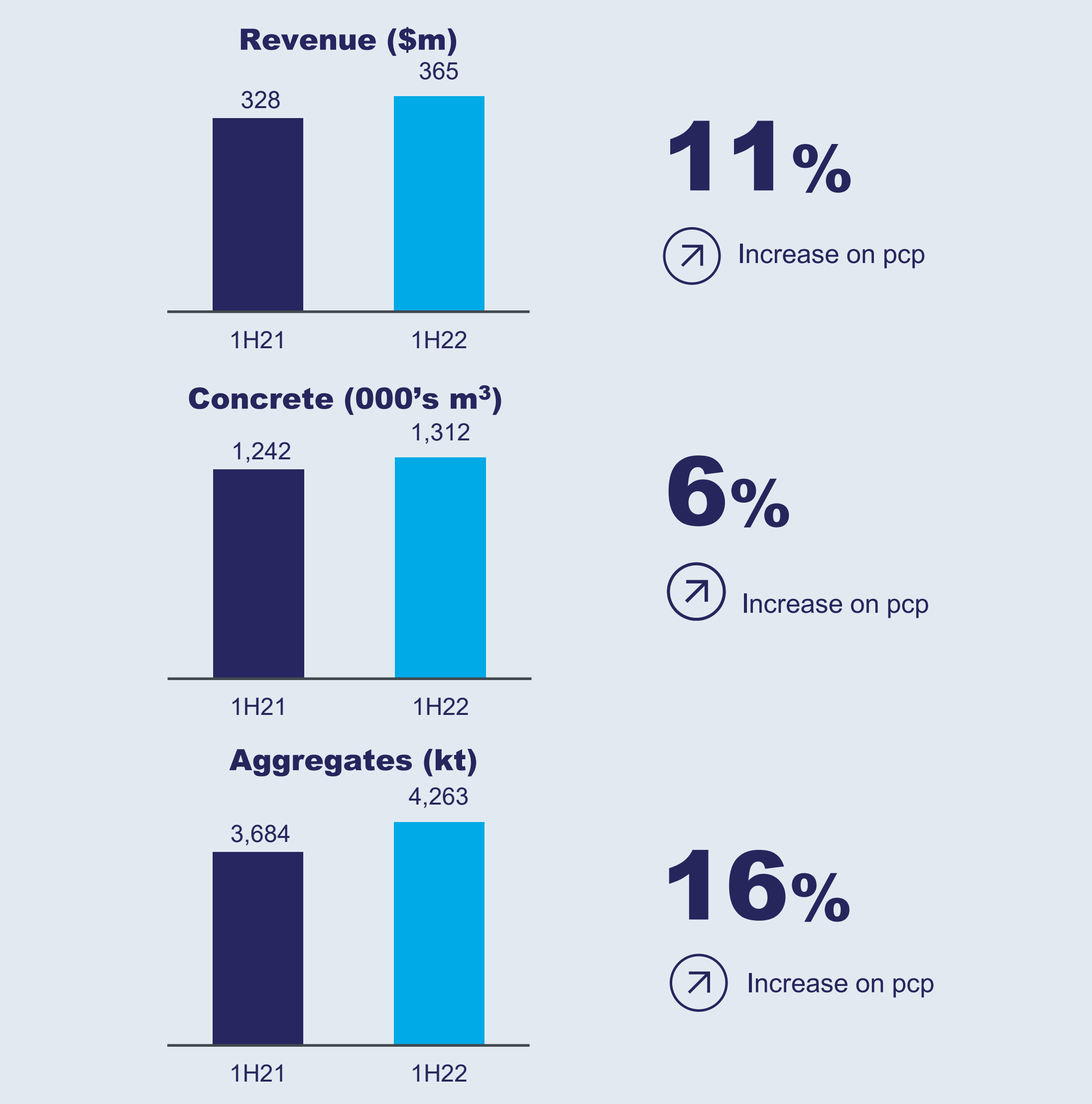
19%

Decrease on pcp

Concrete and Aggregates

Revenue for concrete and aggregates was up 11.3% reflecting strong demand across all sectors and territories, despite wet weather. Out-of-cycle pricing lagged cost inflation during the period

- Concrete sales volumes were up 5.6% on pcp, despite wet weather in New South Wales and Queensland, reflecting very strong demand in residential, commercial and infrastructure sectors across all jurisdictions, excluding NSW. Concrete average selling price up 2.8% on pcp. Out-of-cycle price increases were implemented in June and July to counter rising costs
- Aggregates sales volumes, including joint operations[12], were up 15.7%, while average selling price for aggregates was consistent with 1H21 reflecting higher sales of lower-grade aggregates
- Earnings adversely impacted by wet weather events in New South Wales and Queensland which in turn affected production, transport, labour productivity and fixed cost recovery. Fuel and raw material cost escalation impacted all jurisdictions
- Contribution from newly acquired Zanows' business was impacted by extreme wet weather events in Queensland
- Adbri remains active in its price management strategy, with another out-of-cycle price increase to be implemented in September to mitigate cost inflation
- Demand remains high with a strong forward order book for the remainder of the year across all sectors

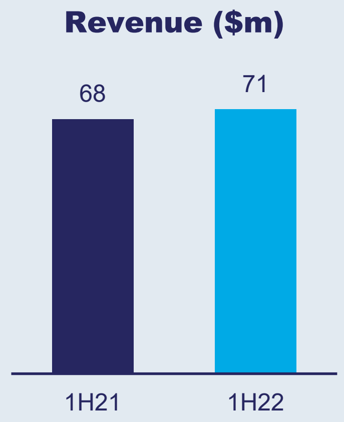


12. Joint operations include 50% of Batesford volumes

Masonry

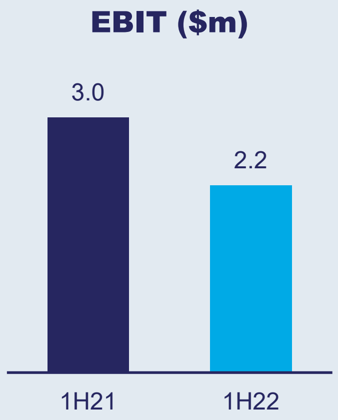
Demand for masonry products was robust across all states and territories, excluding NSW, which was impacted by wet weather

- Masonry revenue was up 3.8%
- Sales volumes in Queensland, Victoria, South Australia, Tasmania and Western Australia were consistent with the comparative period, while wet weather impacted New South Wales where volumes were down 14.8%
- Contracting business has grown strongly, with sales revenue increasing 36.9% versus pcp, driven by residential and infrastructure projects
- Average selling price increased by 4.2%, to partially offset rising fuel, pallet and raw material costs. Future price increases have been communicated to customers to counter cost headwinds



4%

Increase on pcp



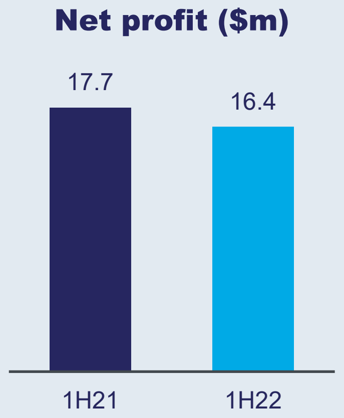
27%

Decrease on pcp

Joint ventures and operations

Lower contributions from Mawsons and ICL, with performance expected to improve in H2

- Joint venture and operations earnings were down on the comparative period by 7.3%, mainly due to lower contributions from Independent Cement and Lime Pty Ltd (ICL) and Mawsons Group (Mawsons)
- ICL's 50% contribution to net profit before tax decreased by 8.1%, with earnings of $7.9 million, mainly due to the impact of wet weather and partial loss of Gunlake volumes in NSW
- Batesford Quarry (50%) contribution to earnings increased by 12.5%, largely due to strong agricultural lime sales
- Sunstate Cement Limited (Sunstate) (50%) contribution to earnings increased 4.2%
- Mawsons (50%) contribution to earnings decreased 17.1% primarily due to higher fuel and repairs and maintenance costs. Recently acquired Milbrae's 1H22 performance was well below projections due to a reduction in mining activity and a backlog of repairs and maintenance work undertaken. An improvement in earnings is expected in 2H22
- B&A Sands (50%), trading as Metro Quarry Sands', contribution to earnings was a loss of $0.3 million largely driven by one-off repairs and maintenance and stripping costs on integration. The joint venture is implementing operational changes to improve productivity and efficiency



7%

Decrease on pcp

Milbrae, Wallerobbie Quarry, NSW

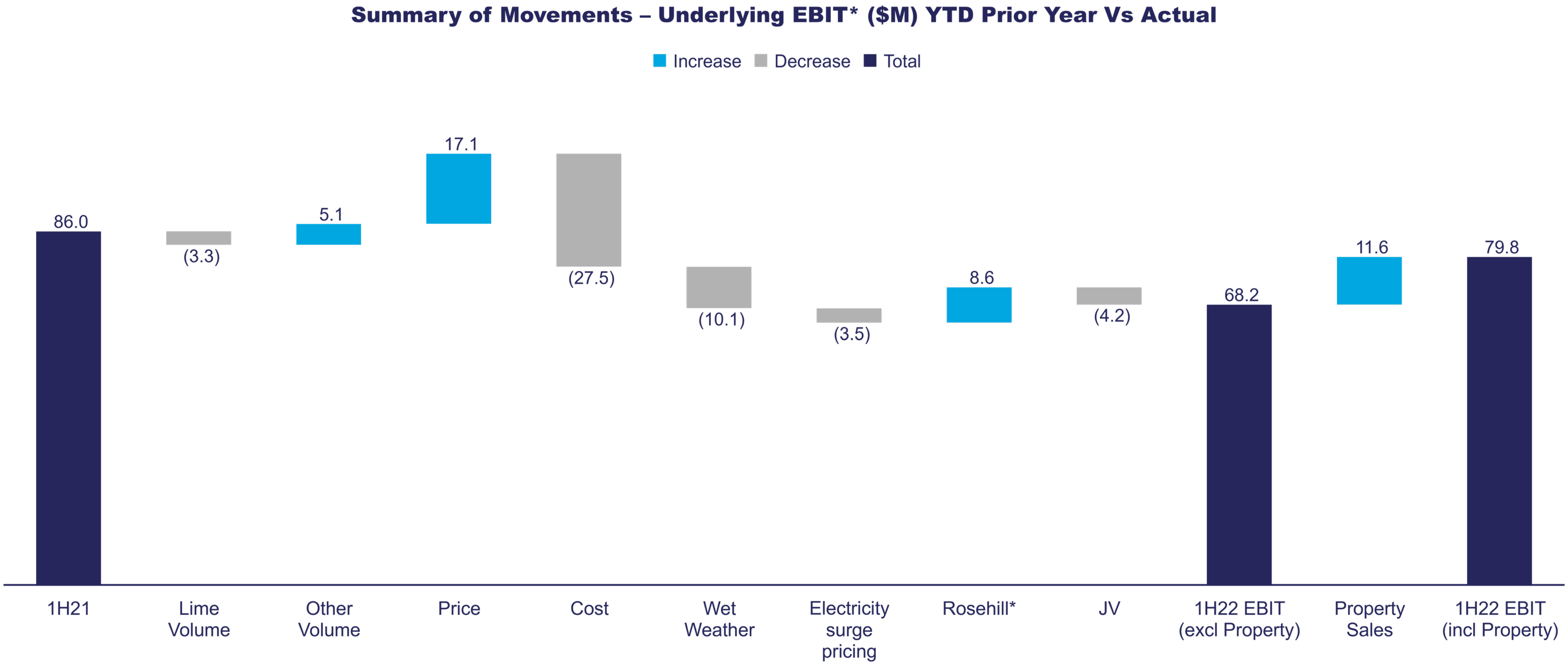
Income statement – Underlying[1]

Resilient business model operating in a challenging and uncertain environment

6 months ended 30 June	2021 ($m)	2022 ($m)	vs. pcp fav/unfav (%)
Revenue	752.3	812.4	8.0
Earnings before depreciation, amortisation, interest and tax	133.1	134.9	1.4
Depreciation, amortisation and impairment	(47.1)	(55.1)	(17.0)
Earnings before interest and tax	86.0	79.8	(7.2)
Net finance cost	(9.6)	(10.1)	(5.2)
Profit before tax	76.4	69.7	(8.8)
Tax (expense)	(21.4)	(15.4)	(28.0)
Minority interest	-	-	
Net profit attributable to members	55.0	54.3	(1.3)
Basic earnings per share (cents)	8.4	8.3	-
EBITDA margin	17.7	16.6	-

- Increase in revenue reflects strong demand from construction and mining sectors and improved pricing across most products
- 1H22 earnings impacted by extreme wet weather, anticipated lower lime sales volumes and cost inflation; partially offset by out-of-cycle price increases, cost reduction program and profit on sale of property, plant and equipment
- EBITDA margin compression reflective of the impact of wet weather and cost inflation
  - Product repricing is lagging cost inflation
  - The cost reduction program has delivered $7.5 million in gross savings for the period, only partially offsetting inflationary pressures
- Depreciation reflects recent uplift in capital investment and acquisitions
- Tax decreased due to lower profit before tax and favourable deferred tax movements on expected property sales

Profit drivers



* Includes property profits and excludes significant items. Property profits relate to gain on Rosehill land compulsorily acquired (pre-tax gain of $11.6 million) and excludes pre-tax tax gain on disposal of plant and equipment of $8.6 million. Significant items are non-recurring items of revenue and expense such as restructuring, rationalisation and acquisition costs.

Balance sheet

As at	Dec 2021 ($m)	Jun 2022 ($m)
Cash and cash equivalents	124.7	77.2
Receivables	223.4	261.1
Inventories	153.9	160.0
Property, plant and equipment	1,088.2	1,181.3
Intangibles	282.1	296.7
Joint arrangements and associate	215.0	225.2
Other assets	195.6	208.0
Total assets	**2,282.9**	**2,409.5**
Payables	187.2	215.1
Borrowings	562.1	631.1
Lease liabilities	81.5	81.9
Provisions	100.5	103.5
Other liabilities	82.6	95.7
Total liabilities	**1,013.9**	**1,127.3**
Shareholders' equity	**1,269.0**	**1,282.2**

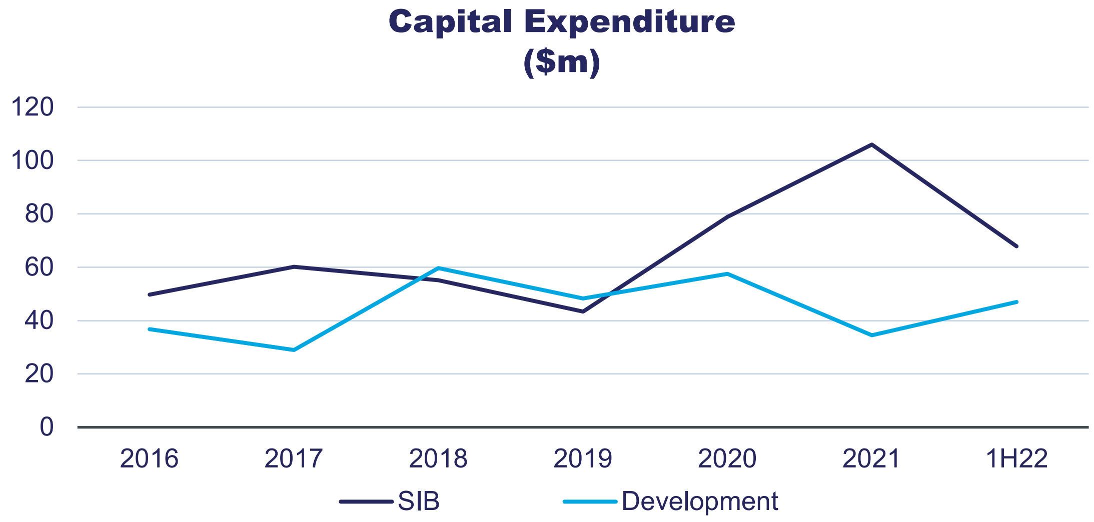
- Robust balance sheet and liquidity during a period of significant capital investment to drive future returns
  - Liquidity of $336.2 million, including undrawn bank facilities of $259.0 million and cash of $77.2 million
- Working capital well managed
  - Increase in receivables is mainly driven by higher revenue
  - Effective credit management has minimised bad debts
- Increase in total assets reflects M&A activity and investment in the business
- Other assets recognises increased value in interest rate swaps
- Increase in other liabilities include deferred tax liabilities which increased due to accelerated depreciation deductions

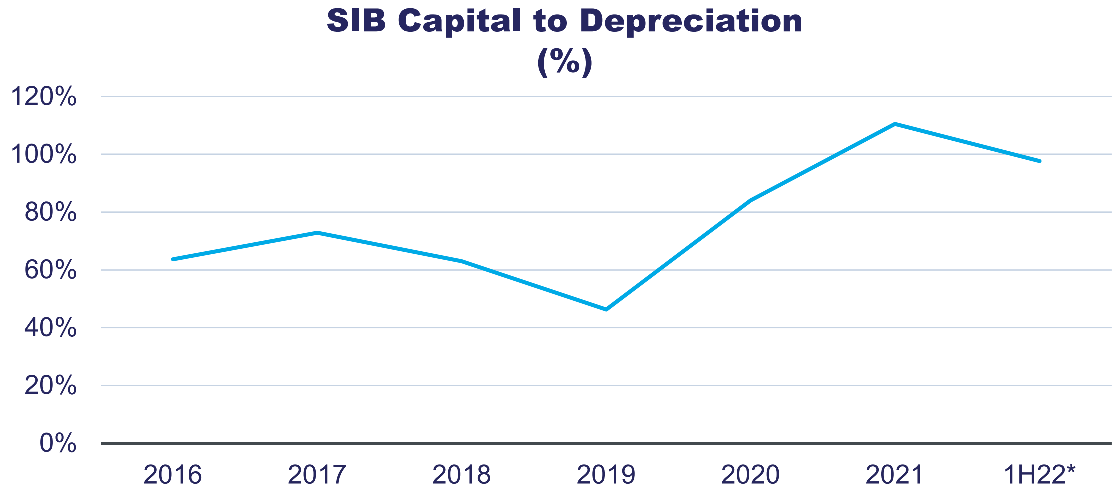
Operating cash flow

6 months ended 30 June	2021 ($m)	2022 ($m)
Net profit / (loss) after tax	**56.6**	**48.1**
Depreciation and amortisation	47.1	55.1
Net income tax payments	(15.0)	(11.0)
Change in working capital / provision / tax	(24.2)	(11.5)
Net loss / (gain) on sale of assets	0.8	(19.3)
Other (non-cash add backs including remediation, capitalised interest)	11.5	6.6
Operating cash flow	**76.8**	**68.0**
Stay-in-business capex	(51.8)	(67.8)
Asset sales/cost reimbursement	1.7	38.2
Development capex	(15.8)	(47.3)
Business acquisition	-	(57.0)
Dividends	(47.3)	(45.7)
Other (lease payments, JV loans, shares issued)	(2.6)	(4.4)
Net cash flow before debt funding	**(39.0)**	**(116.0)**

- Changes in operating cash flow driven by lower earnings and an increase in working capital due to higher revenue levels
- CAPEX comprises of:
  - Stay-in-business capital including a major overhaul carried out at South Australian manufacturing facilities and a replacement concrete plant and land following Rosehill compulsory acquisition
  - Development capital primarily driven by the Kwinana Upgrade Project
- Asset sales includes $37.5 million in compensation received from Sydney Metro following the compulsory acquisition of the Rosehill land and cost reimbursement for plant and equipment
- Business acquisition payment of $57.0 million for Zanows' concrete and quarries completed on 1 April 2022

Capital expenditure





Re-investing in the business

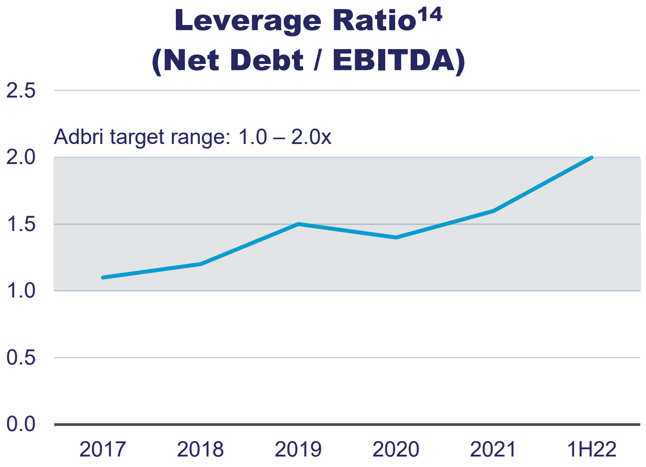
Capital expenditure spend split between:

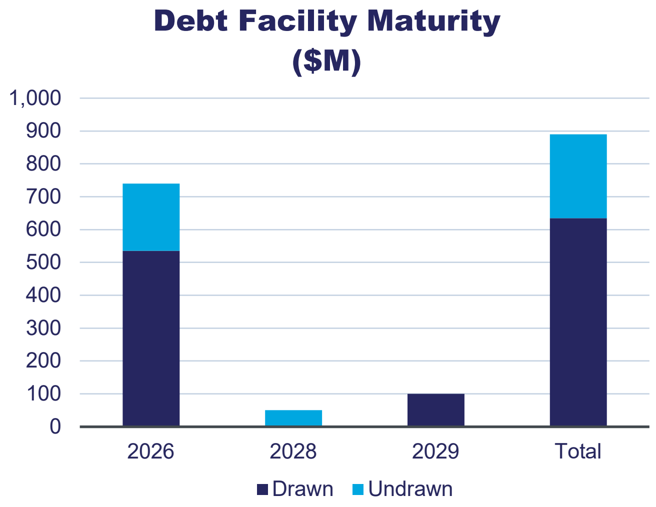
- Stay-in-business capital of $67.8 million, including:
  - Birkenhead maintenance shutdown
  - Rosehill replacement concrete plant and land

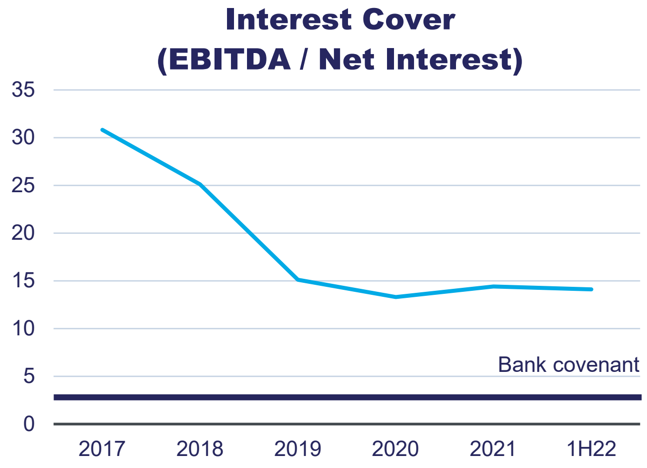
- Development capital of $47.3 million, including:
  - Kwinana Upgrade project $35.1 million

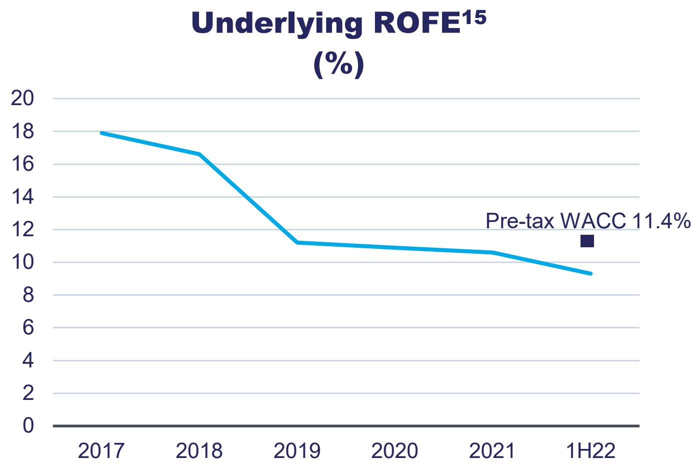
*1H22 stay-in-business capital excludes Rosehill land and plant replacement

Capital management









- Investment grade metrics and balance sheet flexibility continue to be maintained
- Net debt $553.9 million
- Leverage and gearing within Company credit metrics target range
  - Gearing[13] 43.2%
  - Leverage[14] 2.0x
- Interest cover and gearing banking covenants have significant headroom
- In January 2022 debt maturity extended – now 4.6 years
  - $890 million senior debt facility, $60.0 million bank guarantee facility
- Underlying Return on Funds Employed[15] of 9.3% lower as expected with recent investments in Kwinana Upgrade Project and M&A activity
- Long-term ROFE improvement:
  - Kwinana Upgrade Project cost savings
  - Development of downstream land investments
  - Cost-out programs
  - Increased use of RDF
  - Low-cost gas supply
  - Improved returns from newly acquired businesses

13. Gearing defined as net debt/equity. Net debt is calculated as total borrowings less cash and cash equivalents. Lease liabilities recognised under AASB 16 are excluded from net debt.
14. Leverage defined as net debt/rolling 12-month underlying EBITDA.
15. Underlying return on funds employed (ROFE) – 12-month underlying EBIT /average monthly funds employed (net assets excluding cash, borrowings and lease liabilities)

Strategy and Outlook

Nick Miller

Managing Director and Chief Executive Officer

Our strategy and key strategic initiatives

Operate in a **safe and sustainable** manner for the **long-term benefit** of our **shareholders,** our **customers,** our **team members** and the **community**

- Right size, reduce costs and improve operational efficiency
- Transform the Lime business
- Grow Concrete and Aggregates
- Enhance capability in infrastructure
- Actively manage land holdings

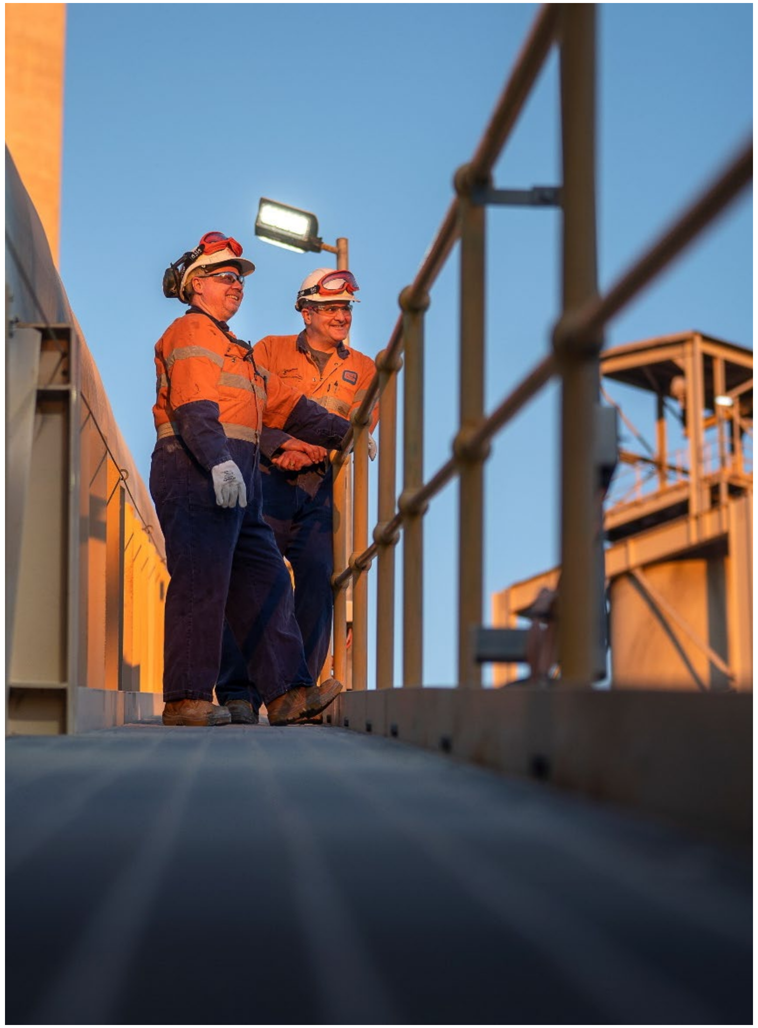
1H22 Strategic milestones

Reduce cost and improve operational efficiency

- The cost reduction program has delivered $7.5 million in gross savings for the period, only partially offsetting inflationary pressures
- Alternative fuel use at Birkenhead has increased, with the substitution rate up to 39% (up from 35% in 2022), reducing reliance on natural gas and exposure to the energy market
- Kwinana Upgrade project circa 25% complete, committed procurement is now approximately 75% complete and the project is on schedule for commissioning in mid-2023. Taking into consideration known inflationary and supply chain pressures, the project cost is expected to be circa 15% higher than originally forecast

Transform the lime business

- Continued execution of the lime recovery strategy, building volumes from new and existing customers. Lime volumes for the half were 446kt, indicating an annual run-rate in the order of 890kt
- Lime pricing is expected to improve as customers, previously reliant on imports, turn to domestic manufacturers for reliable supply and service
- The definitive feasibility study for the Kalgoorlie kiln is progressing, with mine planning and front-end engineering design underway, and on-track for completion in 1H23



1H22 Strategic milestones

Grow concrete and aggregates

- Zanows' acquisition – building out Adbri's sand, gravel and hard rock quarry and concrete plant footprint in the growing South East Queensland market
- Integration of Milbrae operations in regional New South Wales into the Mawsons joint venture progressing
- B&A Sands acquisition in Victoria now providing security of sand supply

Enhance capability in infrastructure

- Completion of the Brisbane International Airport apron concrete works, our first major airside project in recent times and a key part of our expansion into the infrastructure sector
- Initial supply of 230,000t of quarry material and 2,000m^3 of concrete to the Northern Territory RAAF Base Tindal project, with significant volumes to continue
- Infrastructure growth journey continues with a 29% win ratio on tenders bid in 1H22 and awarded. Order book increased by circa 30% since 31 December 2021

Actively manage land holdings

- Rosehill compulsory acquisition completed, while a small parcel of land at Kewdale, Western Australia is anticipated to be settled in 2H22
- The sale process for the Moorebank masonry site in New South Wales initiated
- Rehabilitation of the Batesford quarry in Victoria is progressing in parallel with assessment of development options with the local council and potential partners

2H22 Outlook

The uncertainty in the current economic and operating environment makes it difficult to provide quantitative guidance at this time. Subject to these uncertainties, demand for our products from the residential, infrastructure, commercial and mining sectors is expected to remain strong in 2H22. Further out-of-cycle price increases will assist Adbri in actively managing inflationary pressures, with pricing traction key to our ability to deliver.

- Cement - we anticipate strong demand, although building and project completion timelines are being extended due to materials and labour shortages.
- Lime - sales volumes are anticipated to be stable in H2 versus H1. Lime pricing is expected to improve with new customers seeking reliable domestic supply due to supply chain disruptions experienced by importers.
- Concrete and Aggregates - demand is expected to remain strong to the end of the year, and with weather abating in New South Wales, this will be buoyed by the commencement of delayed projects and flood recovery works.
- Masonry - softness in retail spending is expected to impact demand, with increased interest rates impacting household discretionary spend.
- Gross cost savings of circa $10.0 million for the year, will only partially offset ongoing cost headwinds in areas including pallets, shipping, labour, power, fuel and raw material prices.
- Excluding business acquisitions, 2022 capex investment is estimated to be approximately $300.0 million, including circa 40% for the Kwinana Upgrade project.
- Proceeds from land sales for Rosehill and Kewdale are expected to be in excess of $20.0 million for the year, with the compulsory acquisition of Rosehill now complete. The sale process for Moorebank has commenced.
- We expect growth in underlying earnings for 2H22, driven by increased contributions from cement, concrete, aggregates, masonry, joint ventures and recent business acquisitions, subject to weather, inflationary headwinds and traction with out-of-cycle pricing. This reflects the benefits of a resilient and diversified business model, strong market demand and Adbri's position as a local manufacturer.

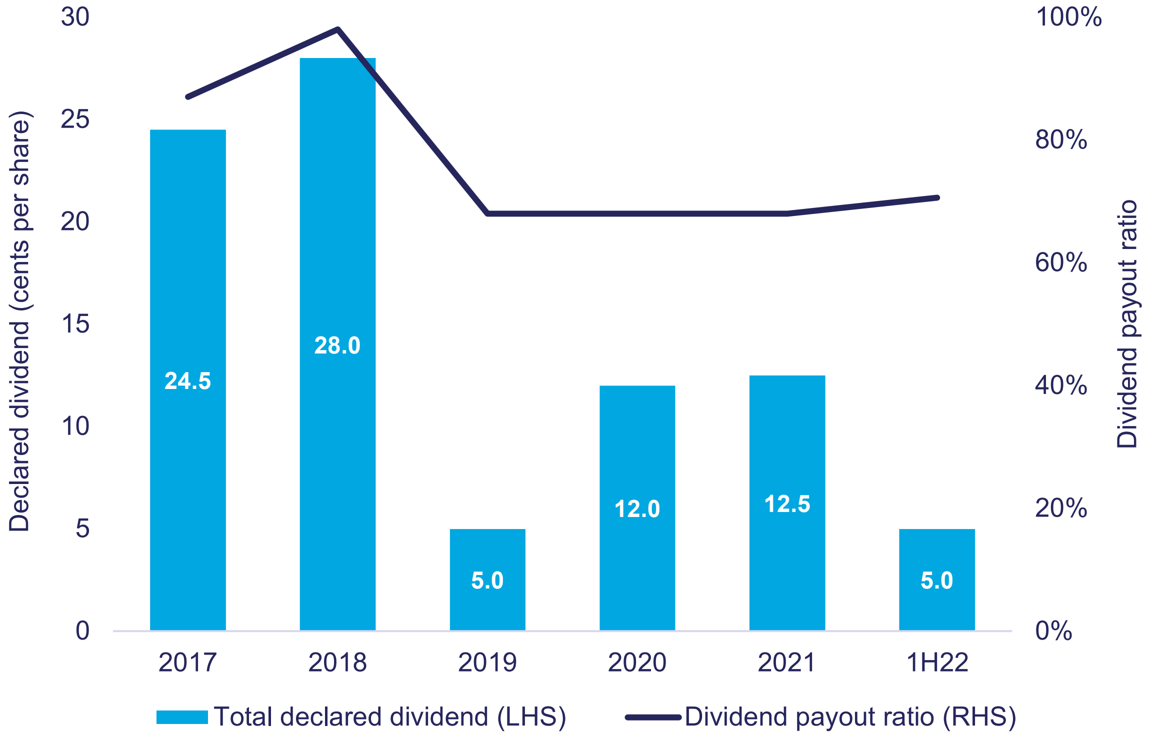
Creating shareholder value

Dividend policy

- The Board maintains a sustainable dividend policy, targeting a payout ratio of 65-75% of underlying earnings (excluding property profits)

Strong execution against long-term growth strategy

- Geographic and product diversity
  - De-risks earnings volatility
- Vertical integration strategy
  - Creating future earnings growth
- Net Zero Emission Roadmap
  - Preparing Adbri for the future and creating a competitive advantage
- Lime strategy
  - Strong growth prospects through gold and rare earths
- Land strategy
  - Maximising value of our landholdings for shareholders through development and divestment



Questions

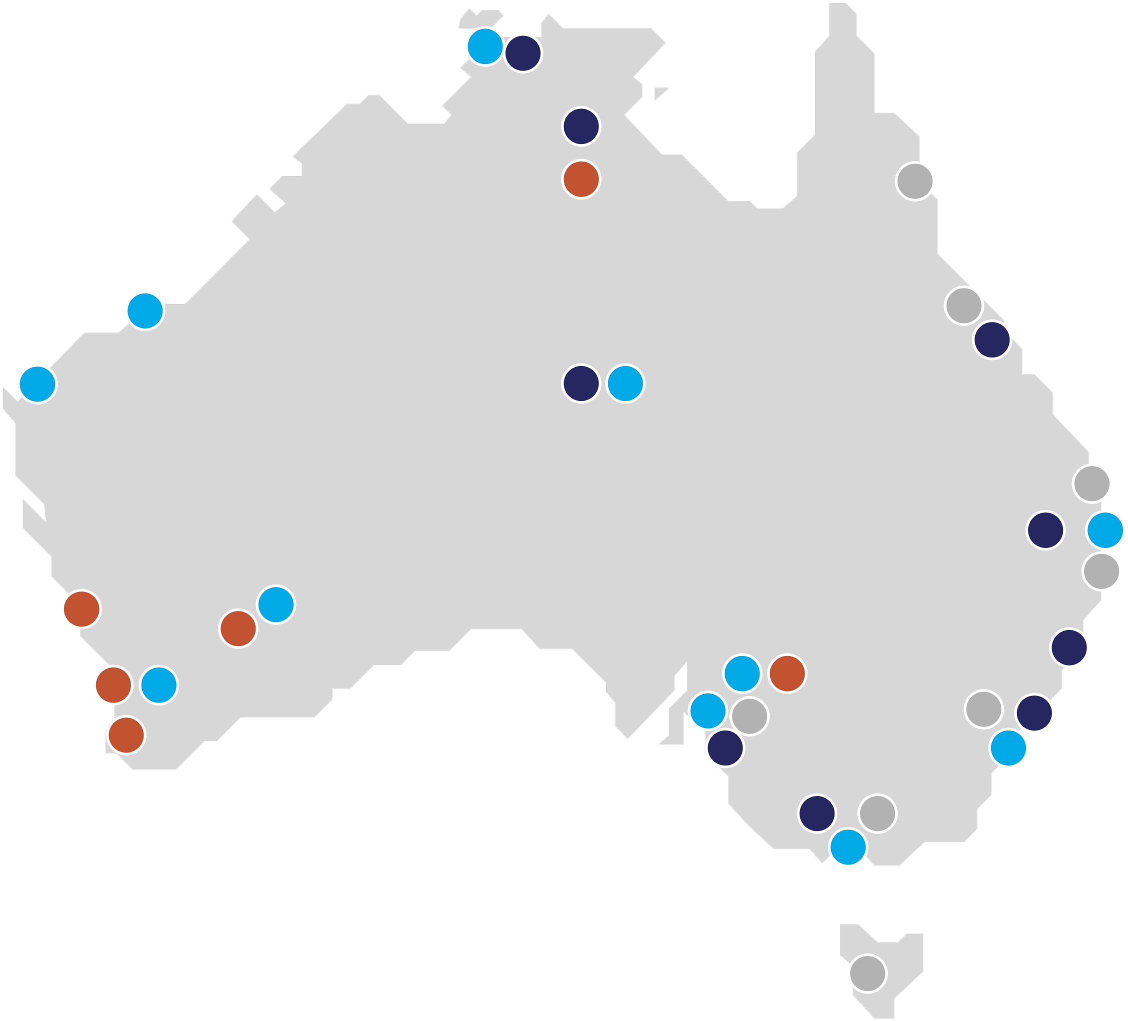
ADBRI
Building Australia since 1882

Appendices

Geographic diversification

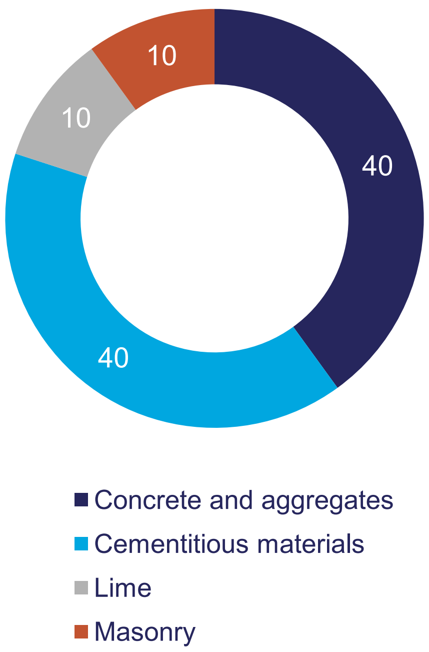
Operations

- Cement
- Lime
- Concrete and aggregates
- Masonry

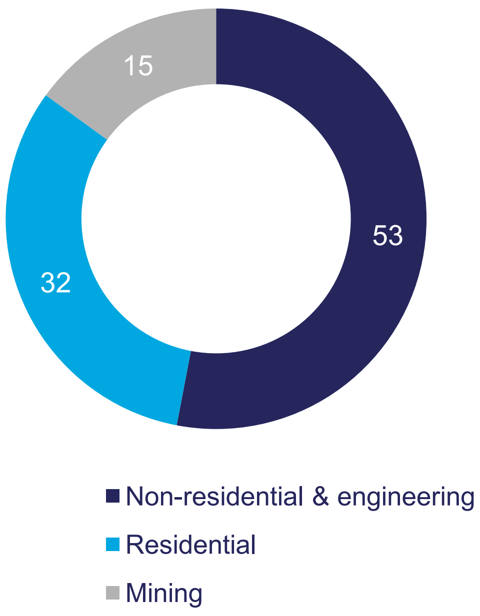


Economic diversification

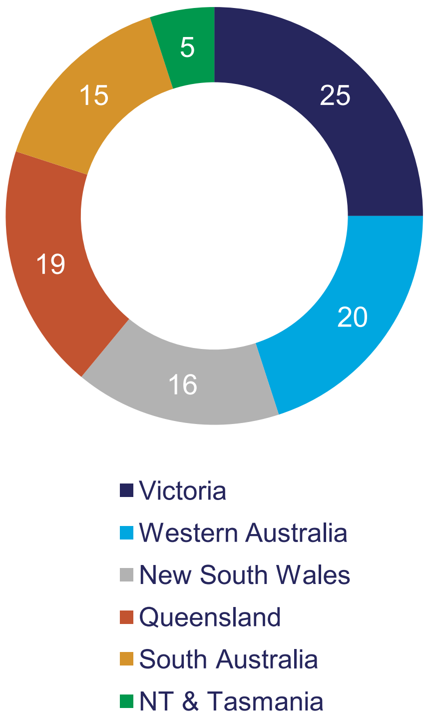
1H22
Revenue by product



1H22
Revenue by market



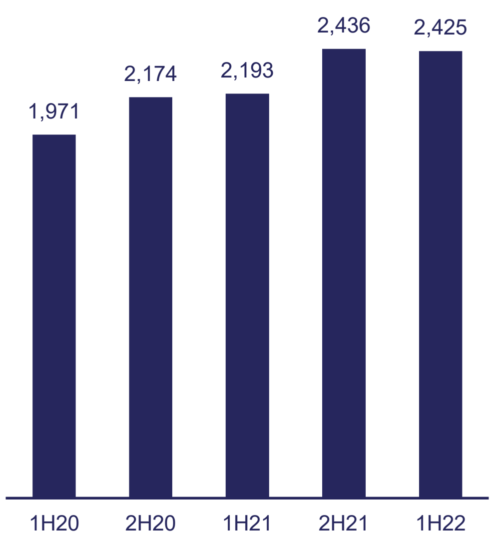
1H22
Revenue by state



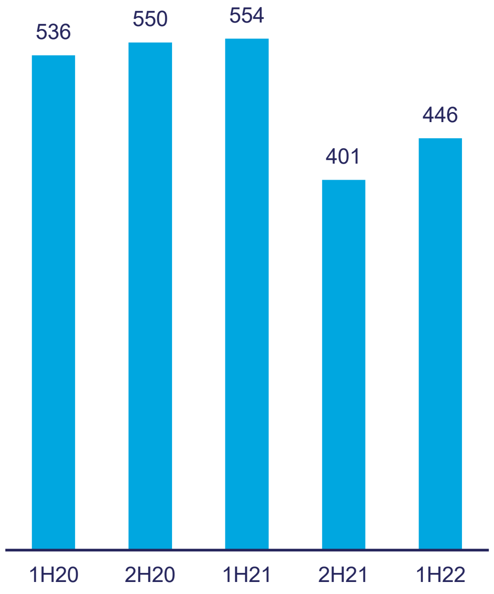
Historical sales volume profile

Sales Volume

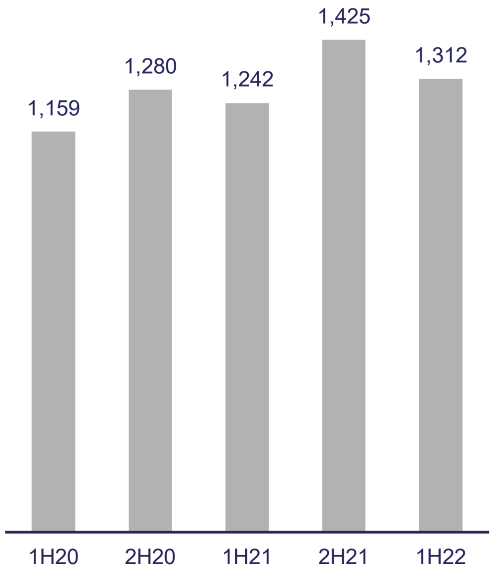
Cementitious materials* (kt)



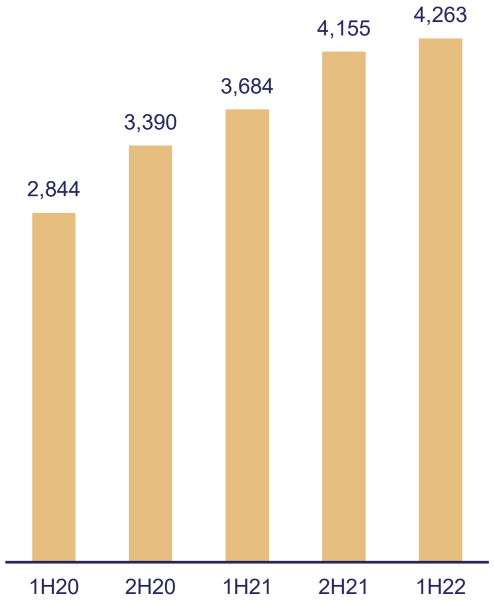
Lime (kt)



Concrete (000's m^3)



Aggregates (kt)



* Cementitious materials includes clinker, cement, blast furnace slag and fly ash

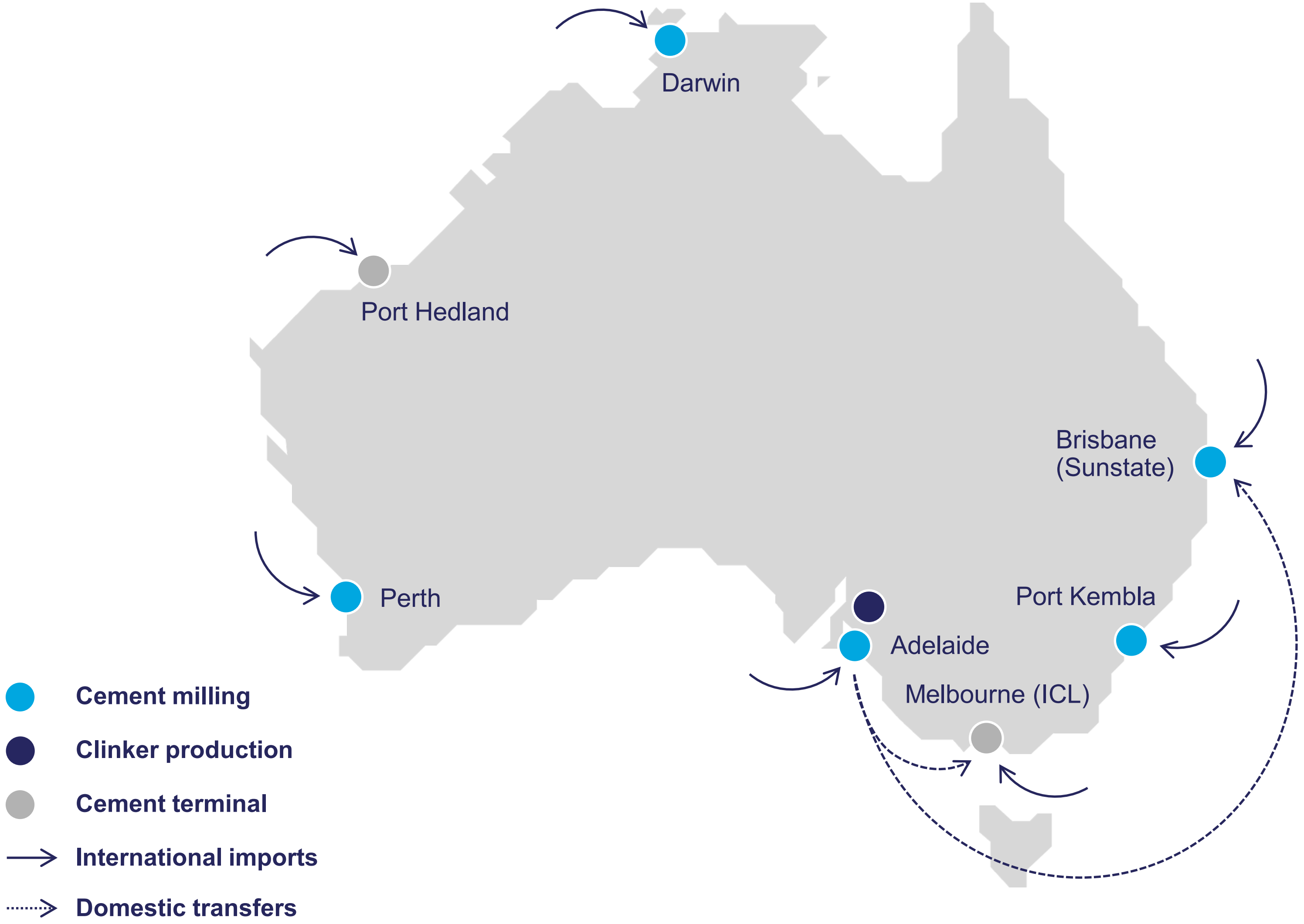
Cementitious materials production, import and distribution

In 2021 Adbri:

- **Imported 2.6 million tonnes of cementitious materials**
- **Sold 4.6 million tonnes of cementitious materials***

In 1H22 Adbri:

- **Imported 1.2 million tonnes of cementitious materials**
- **Sold 2.4 million tonnes of cementitious materials**



* Sale of cementitious materials encompasses both end product and for use in the production of clinker and cement to both joint ventures and third parties

Reconciliation of underlying profit measures to statutory results

6 months ended 30 June	2021 ($m)			2022 ($m)		
	Profit before tax	Income tax	Profit after tax	Profit before tax	Income tax	Profit after tax
Statutory profit	78.7	(22.1)	56.6	60.9	(12.8)	48.1
Change in loss provision	(4.4)	1.3	(3.1)	0.1	-	0.1
Corporate restructuring & strategy costs	2.1	(0.6)	1.5	4.1	(1.2)	2.9
Acquisition expenses	-	-	-	4.6	(1.4)	3.2
Underlying profit (including property profits)	76.4	(21.4)	55.0	69.7	(15.4)	54.3
Property profits*	-	-	-	(11.6)	3.5	(8.1)
Underlying profit (excluding property profits)	76.4	(21.4)	55.0	58.1	(11.9)	46.2

* Property profits relate to gain on Rosehill land compulsorily acquired and exclude gain on disposal of plant and equipment of $8.4 million (pre-tax), $5.9 million (post-tax) which is included in statutory and underlying profit

- **Corporate restructuring and strategy costs –** include redundancy costs and costs related to strategic projects including our land, lime and Net Zero strategy initiatives
- **Acquisition expenses -** These costs relate to one-off stamp duty and incidental costs on acquisitions during the period.

Finance costs

6 months ended 30 June	2021 ($m)	2022 ($m)
Interest expense	8.0	9.2
Unwinding of discount on leases	1.5	1.0
Unwinding of the discount on restoration provisions and retirement benefit obligation	0.6	1.3
Interest capitalised in respect of qualifying assets	(0.3)	(0.7)
Total finance expense	**9.8**	**10.8**
Interest income	(0.2)	(0.7)
Net finance expense	**9.6**	**10.1**
Interest cover (underlying EBITDA[1] times)	14.1	14.1
Interest cover (underlying EBITDA[1] times excl property)	14.0	13.1

- Interest expense increased by $1.2 million as a result of higher borrowings, compared to the pcp, and interest rate increases in the second quarter
- Interest income increased generally in line with the increased interest rates in the second quarter

Working capital

As at		Dec 2021 ($m)	Jun 2022 ($m)	Increase/ (Decrease) (%)
Trade and other receivables (including JV's)		223.4	261.1	16.9
Inventories:	Cement and Lime	99.5	102.4	2.9
	Concrete and Aggregates	24.5	25.9	5.7
	Masonry	29.9	31.7	6.0
Total inventory		153.9	160.0	4.0
6 months ended 30 June		**2021 ($m)**	**2022 ($m)**	
Bad debt expense		1.3	0.3	(76.9%)

- Increase in trade and other receivables is mainly driven by higher revenue
- Focus on credit management has resulted in excellent collection rates and lower bad debt expense
- Increase in inventory is in line with operational requirements and reflects increased valuation for raw materials due to increased input costs, as well as the Zanows' acquisition

Adbri brands

Concrete, Aggregates and Masonry

Cement and Lime

Joint ventures

Joint ventures

Joint ventures

adbri.com.au

ADBRI
Building Australia since 1882

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