



INVESTOR PRESENTATION FY 2018 RESULTS

16th May 2019

PRESENTATION AGENDA

David Barrett - Chairman	●	Introduction
Garth Palmer - CFO	●	Financial Review
Max Vermorken - CEO	●	Operational Review
Max Vermorken - CEO	●	Invest & Improve
	●	Q&A



INTRODUCTION

David Barrett

Executive Chairman

**Sigma
Roc**

FY 2018 INVEST, IMPROVE, INTEGRATE

Solid performance for the year and a solid base to grow from



OPERATIONS

Solid performance for a second year in a row, hitting our sales and EBITDA targets. Volumes in line with expectations in the UK and the Islands after a slower start due to weather.



FINANCIALS

Solid financial performance, nearly doubling EPS for similar debt levels primarily delivered through business improvement initiatives and continued focus on delivering solid results.



ACQUISITIONS

Two significant post period acquisitions, CCP and GDH as well as two smaller acquisitions, Foelfach and Poundfield land, have allowed us to grow the business significantly.



IMPROVEMENTS AND INTEGRATION

Further investment into the business including a new RMX Concrete plant in Jersey, additional land for Poundfield. Integration of PPG progressing well under single MD.



HEALTH AND SAFETY

Excellent performance at the Channel Islands Platform. Encouraging evolution at the PPG business with increased reporting and decreased incident rates.



OUTLOOK

Good outlook for the year with much widened footprint in the UK and prospects of further expansion in regions beyond.



FY18 FINANCIALS

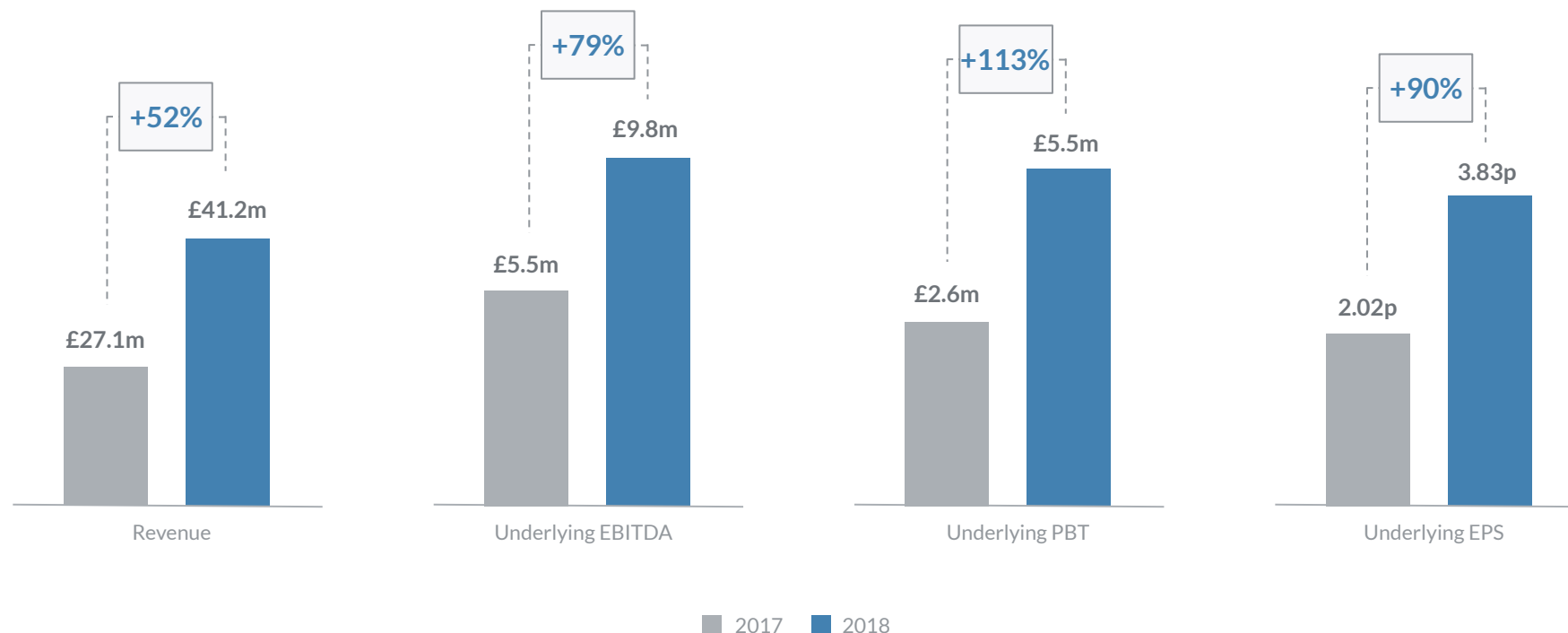
Garth Palmer

Chief Financial Officer

**Sigma
Roc**

SUBSTANTIAL YEAR-ON-YEAR GROWTH IN FY 2018

Strong year with excellent execution of operational improvements and business' integration



INCOME STATEMENT FOR FY 2018

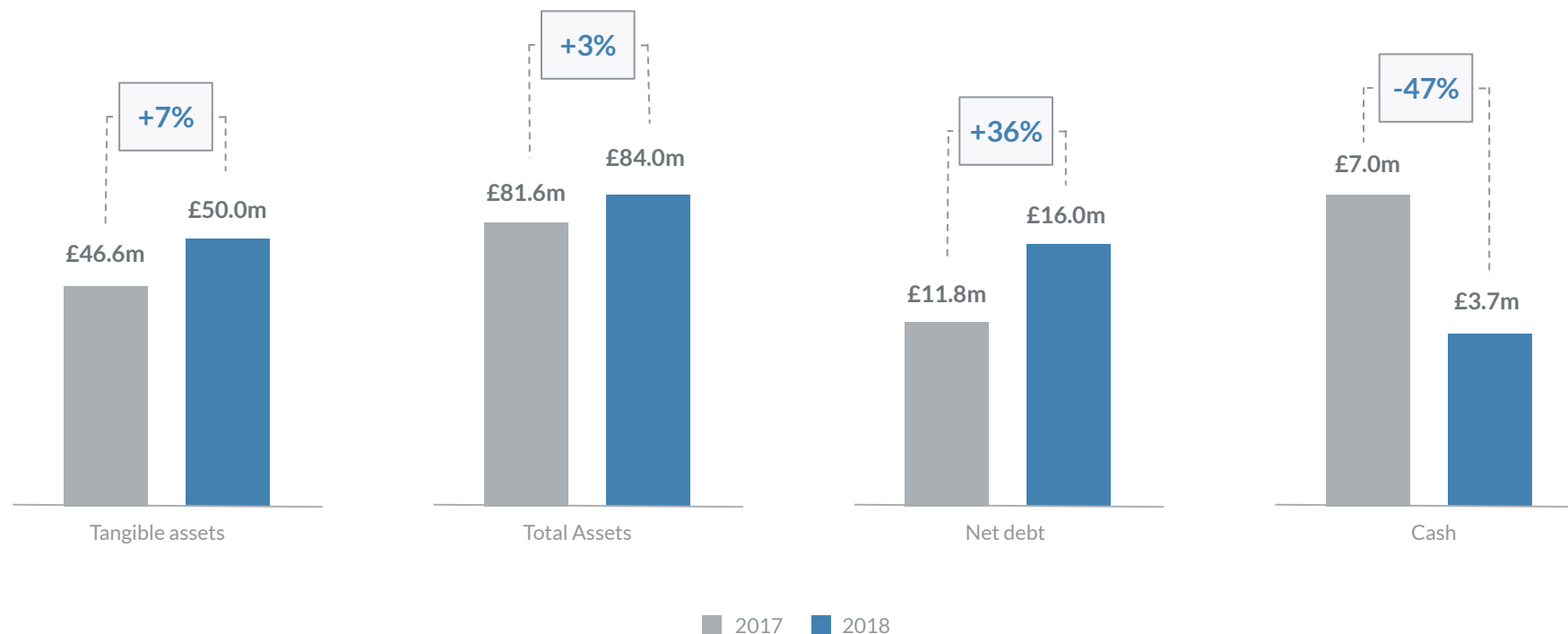
Two newly acquired businesses, Allen Concrete and Poundfield Products, contributing to the 2018 income statement

	FY 2018 £	FY 2017 £	Variance %
Revenue	41,241,673	27,073,686	+52.3%
Cost of sales	(29,805,080)	(21,120,246)	+41.1%
Profit from operations	11,436,593	5,953,440	+92.1%
Administrative expenses	(4,899,620)	(2,593,628)	+88.9%
Net finance (expense)/income	(1,047,670)	(704,816)	+48.6%
Other net (loss)/gain	48,308	(70,088)	+168.9%
Foreign exchange (loss)/gain	(16,934)	(2,724)	+521.7%
Profit before underlying items and tax	5,520,677	2,582,184	+113.8%
Non-underlying items	(1,622,778)	(1,732,690)	-6.3%
Profit before tax	3,897,899	849,494	+358.8%
Tax expense	(278,755)	(494,036)	-43.6%
Profit after tax	3,619,144	355,458	+918.2%
Underlying EPS	3.83	2.02	+89.6%

Underlying results are stated before holding company costs, acquisition-related expenses, redundancy and reorganisation costs, property items, amortisation of acquisition intangibles and related tax items. References to an underlying measure throughout this presentation are defined on this basis.

KEY BALANCE SHEET STATISTICS IN FY 2018

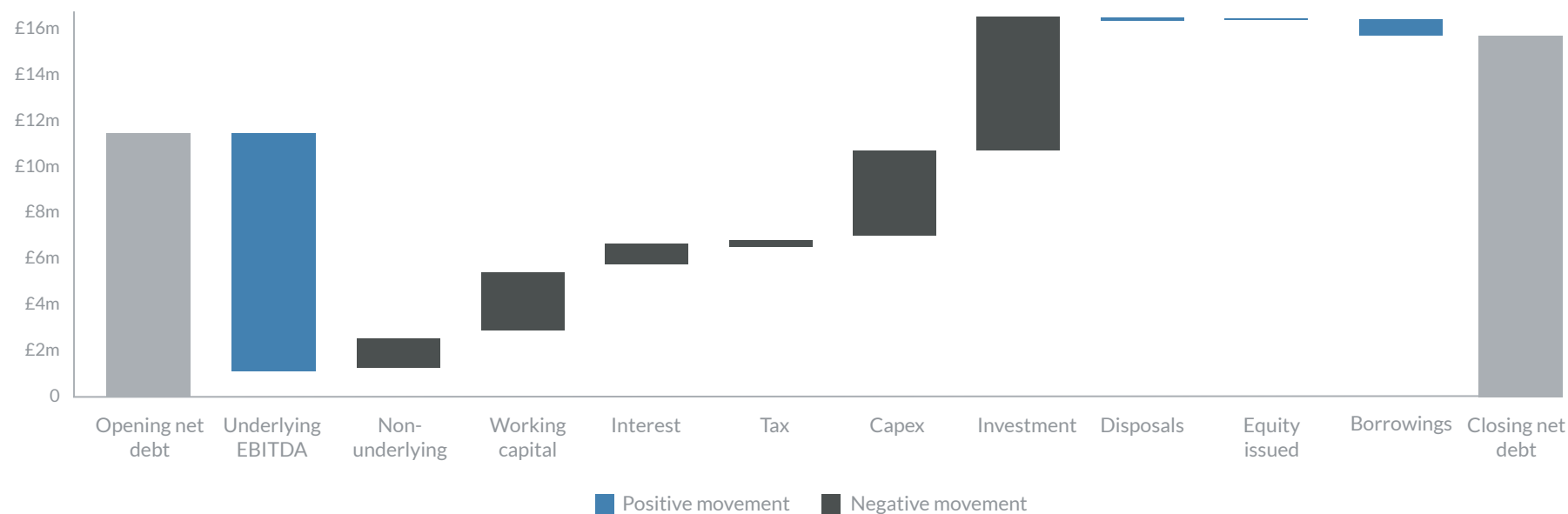
Clear picture of investment in our businesses while maintaining a solid balance sheet



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NET DEBT MOVEMENT FOR FY 2018

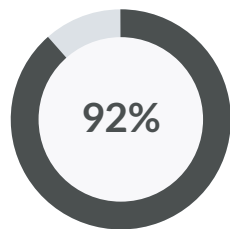
Healthy looking debt movement, inline with our internal controls and gearing ratio target



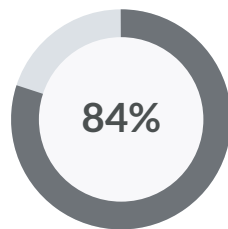
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KEY RATIOS FOR FY 2018

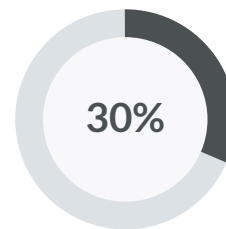
SigmaRoc proves to be a solid, asset-backed business with well structured debt and stable return



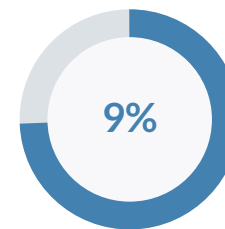
**Tangible assets /
net assets**



**Non-current assets /
market capitalisation**
(on 8th May 2019)



**Gearing
ratio**



**Return on
Invested Capital**

“ **1.63**

1.63 times net debt to underlying EBITDA at the year end, in line with our targets in terms of leverage, giving us enough freedom to continue our progress as a buy-and-build company.

”



FY 18 OPERATIONS Max Vermorken

Chief Executive Officer

**Sigma
Roc**

CHANNEL ISLAND PLATFORM **DELIVERING AT RONEZ**

Comprising of the Ronez Jersey, Ronez Guernsey and the shipping business SigmaGsy



OPERATIONS

Good plant availability throughout the year. Strong performance from the contracting division as well as a rebound in block sales. Continued focus on further improvements.



FINANCIALS

Good performance versus 2017 further benefiting from the improvements made the year before. Results slightly ahead of the year prior with revenues just over £27m.



HEALTH AND SAFETY

Another year without Lost Time Injury for the entire Platform and breaking a new record of 1,000 days without incident in February 2019.



IMPROVEMENTS AND INTEGRATION

Further benefits crystallised from improvement programmes launched in 2017. Shipping business well integrated and delivering value for the Platform.



ACQUISITIONS AND INVESTMENT

New Readymix Concrete plant ordered in 2018 and delivered in 2019 to the satisfaction of staff and customers. Excellent availability and setup, with renewed truck fleet.



OUTLOOK

Healthy outlook for the Jersey market with continued hope for improvement in the Guernsey market which still remains somewhat behind historic trends.

PRECAST PLATFORM **INTEGRATING SIGMAPPG**

Comprising of Allen Concrete and Poundfield Products



OPERATIONS

Stable performance from Allen Concrete delivering expected results. Slow start of the year for Poundfield after intensive restructuring work, but delivered good result for the full year.



FINANCIALS

Strong performance for the year in tougher markets at the start of 2018. Significant improvement from downtrend in 2017 as former owners probably lost focus.



HEALTH AND SAFETY

Significant effort invested to improve this legacy situation primarily through cultural change. 10% year on year improvement in total Harm Incidents across the platform.



IMPROVEMENTS AND INTEGRATION

Significant operational and production overhaul at Poundfield Products with focus on safety and efficiency. Results immediately visible and excellent moral in the business.



ACQUISITIONS AND INVESTMENT

Investment in further land to allow Poundfield to expand beyond its current footprint and for it to become a safer business. Investment in plant and machinery.



OUTLOOK

Positive outlook for both businesses with integration work continuing in terms of cross-stocking, cross selling and integration of customer base.

SOUTH WALES PLATFORM **STARTING FROM FOELFACH**

Launch pad from which to start a new platform across South Wales and the South West



OPERATIONS

Small initial footprint in South Wales through Foelfach quarry a high PSV stone quarry specialised in high specification aggregate. Significant work conducted to establish quarry as operation.



FINANCIALS

Marginal impact in 2018 as most focus put on development work in the quarry as a base from which to expand in the South Wales region.



HEALTH AND SAFETY

Good record across the first six months of operations. Most work at the quarry focussed on developing it into a viable setup.



IMPROVEMENTS AND INTEGRATION

Significant improvement in reserve picture by 120% to 4mt of reserves and resources of HPSV material. Further work is being conducted to establish the quarry as a reliable source of HPSV.



ACQUISITIONS AND INVESTMENT

Investment focussed around establishing the quarry as a hub in South Wales to create a third platform from.



OUTLOOK

Very positive given the reserve picture and the compatibility of the quarry with other operations in the South Wales market.



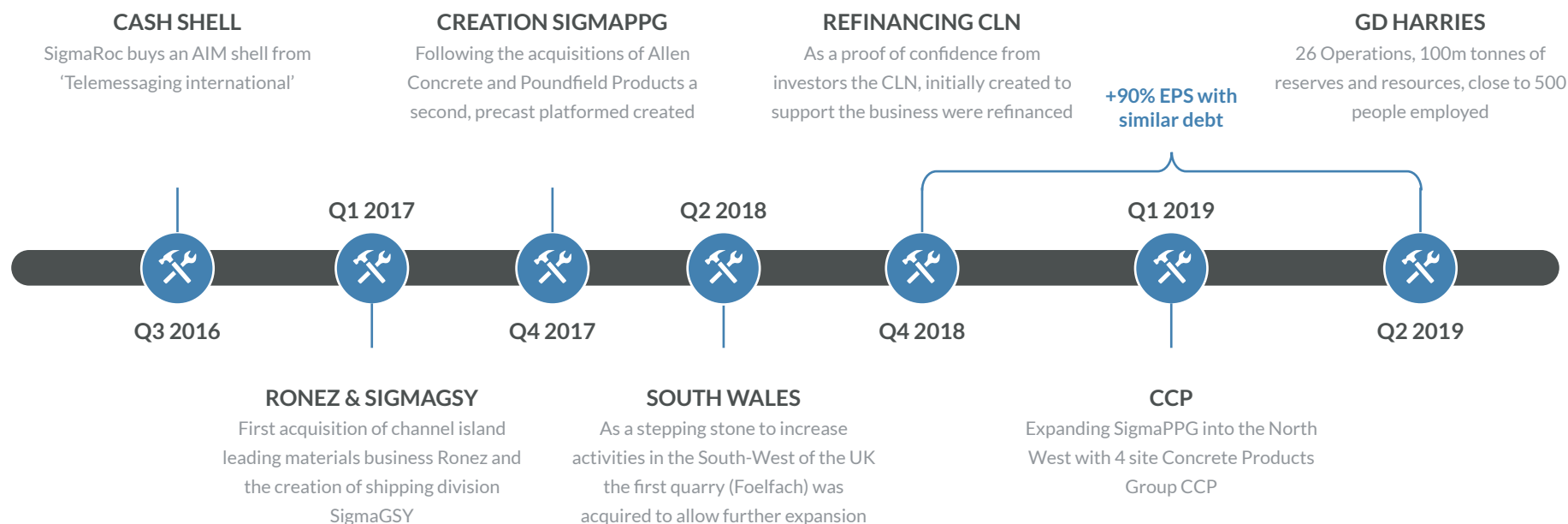
INVEST & IMPROVE Max Vermorken

Chief Executive Officer

Sigma
Roc

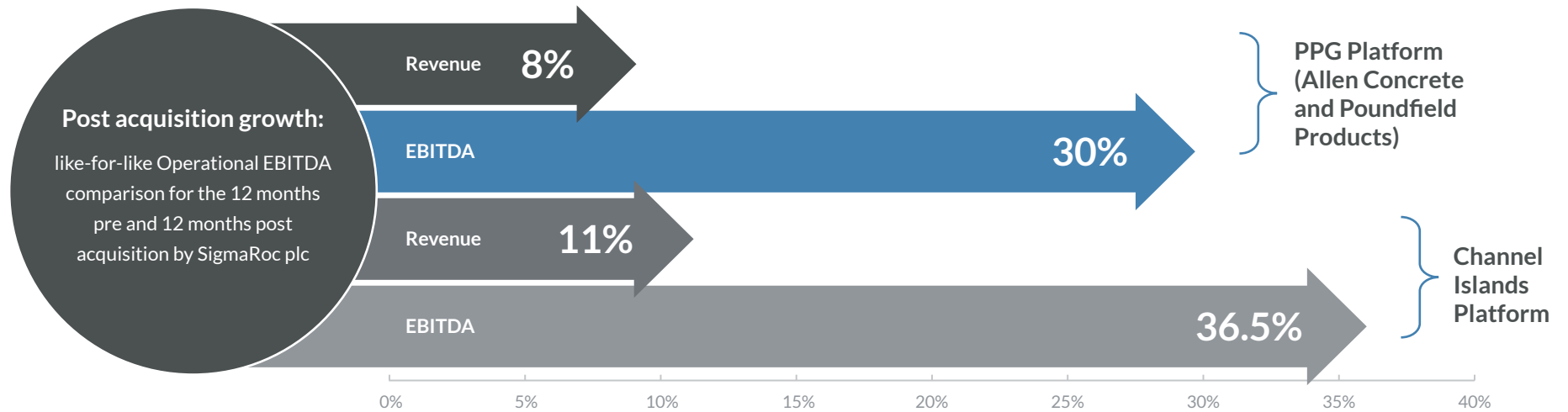
A BRIEF COMPANY HISTORY

Seven acquisitions in 30 months to build a solid construction materials business



INTERNAL IMPROVEMENTS 12 MONTHS OWNERSHIP

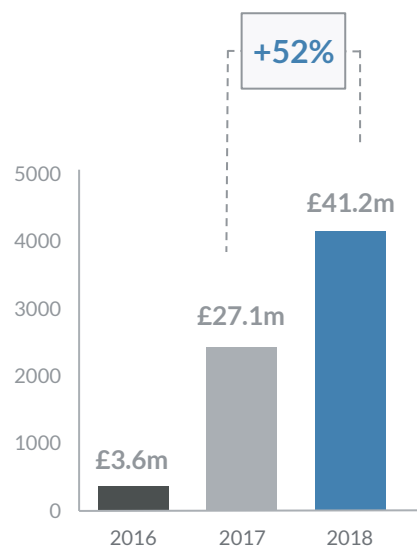
Revenue and EBITDA change in the 12 months after acquisition



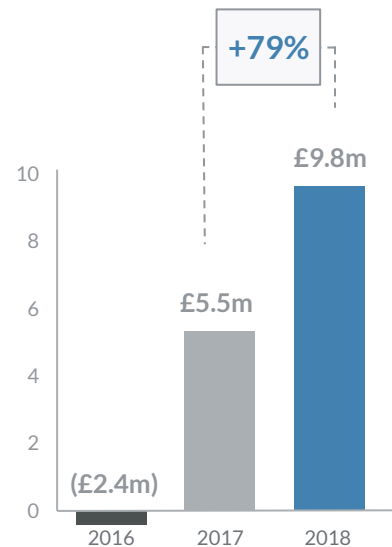
Comparison based on revenue and like-for-like underlying EBITDA using 12 months pre and 12 months post acquisition by SigmaRoc, aiming to show the growth in profitability achieved within 12 months ownership driven by operational rather than sales initiatives.

STRONG TRACK RECORD EBITDA AND EPS GROWTH

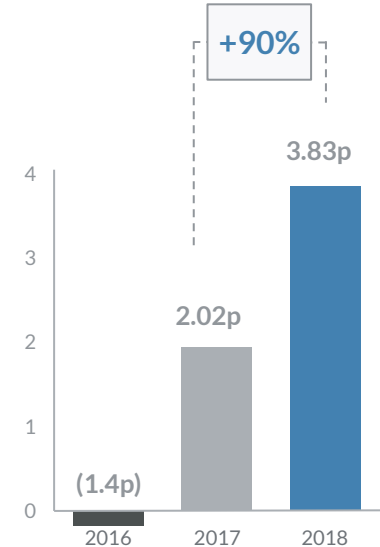
Revenue, Underlying EBITDA and EPS growth since inception



REVENUE



Underlying EBITDA

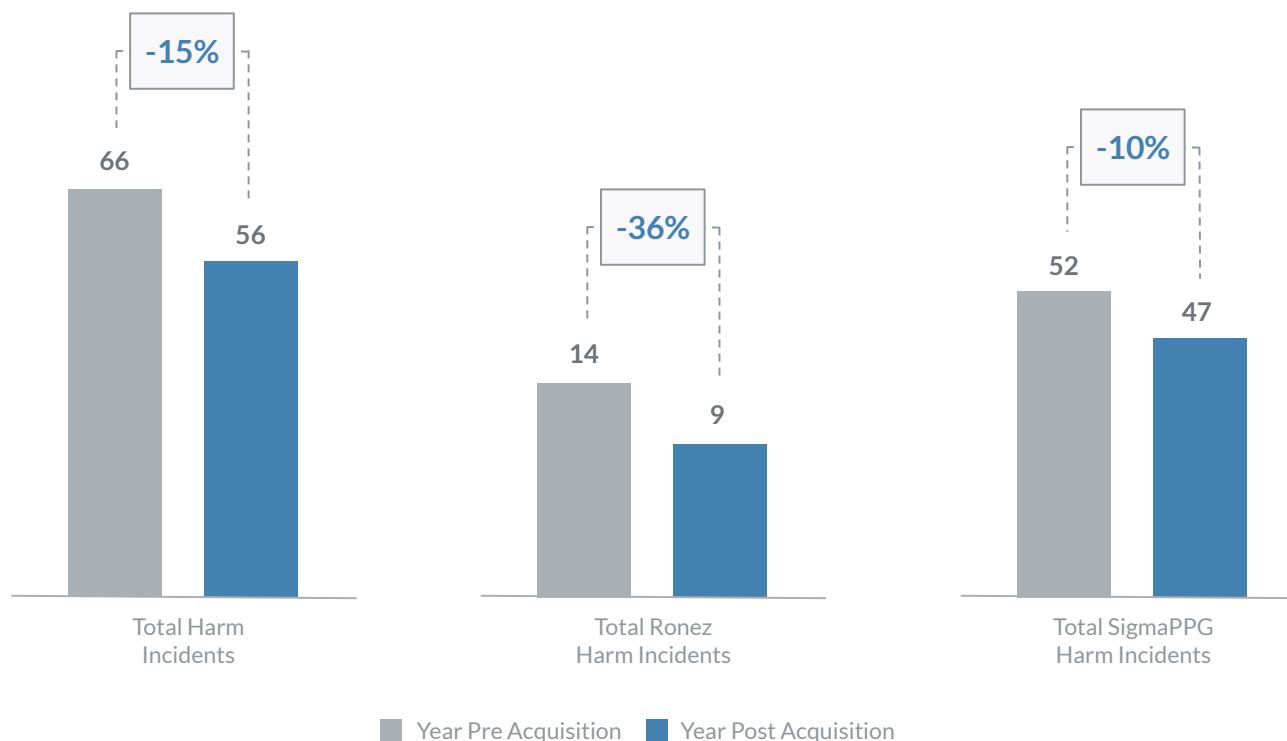


Underlying EPS

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YEAR ON YEAR IMPROVEMENT HEALTH AND SAFETY

Strong year on year improvement in Health and Safety for all businesses since acquisition



Total Harm Incidents is defined as all incidents that have caused harm on our operational sites. Data pre acquisition based on companies records, which may vary in accuracy and detail versus SigmaRoc Incident reporting standards and protocols.

ACQUISITION Q1 2019 CCP BUILDING PRODUCTS

Quarrying and concrete products group with solid footprint in North West UK

Middlewich plant:

Located outside Manchester this block plant spans across 11,000 sqm with 96% production efficiency



COMPANY PROFILE: SUMMARY

CCP was Acquired in January 2019 for an initial cash consideration of £15.2m. CCP is part of SigmaPPG platform which specialises in precast products.



Operations: CCP operates 5 sites including 1 quarry, 3 plants and a trading business. It produces 600k flags and 18m blocks per year;



Financials: £20.9m revenue with £2.6m adj. EBITDA at the time of acquisition with a clear, growth oriented 3 year budget;



Assets: Two main sites formerly owned by majors (Pochin and Marshalls) resulting in c.£22m old to new plant replacement value;



Forward outlook: Solid sales in first quarter. Quarry optimisation, expansion of market offering via the PPG platform and continual market share increase;

ACQUISITION Q2 2019 GERALD D HARRIES

Leading quarrying, asphalt and concrete group in South Wales with soldi footprint

FEATURES:

An aerial shot of GDH's quarry is Bolton Hill. GDH owns and operates 7 quarries across the South-West of Wales.



COMPANY PROFILE: SUMMARY

Leading quarrying, asphalt, concrete and contracting group in South Wales, with 17 operational sites and 80mt of reserves and resources.



Operations: Operations includes 7 quarries, 6 concrete plants, 3 asphalt plants and one operation wharf;



Financials: 3 years average revenue of £23.4m and £3.4m EBITDA at the time of acquisition;



Assets: £26m tangible assets. 80mt tonnes of reserves and resources, 17 operational sites;



Forward outlook: Solid sales in first quarter. Sourcing lower cost raw materials, operational improvements and IT and reporting systems overhaul;

THREE PLATFORMS THREE MANAGING DIRECTORS



Mike Osborne - MD Channel Islands

Platform includes: Ronez Jersey, Ronez Guernsey, SigmaGSY (Shipping division)

Managing Director of Ronez since 2006 where he has been responsible for Ronez's strategic direction and operational management. Prior to this, he spent four years as director of Aggregate Industries' overseas operations, reporting directly to the Aggregate Industries' chief executive officer.



Michael Roddy - MD SigmaPPG

Platform includes: Poundfield Products, Allen Concrete, Cheshire Concrete Products

Managing Director of SigmaPPG since December 2017, he has been working within the building materials / products sector for 16 years. Previously Michael worked at the Hilti Group, Lagan Building Solutions and U Value Insulation.



David McClelland - MD West/South West

Platform includes: GD Harries, Foel Fach

Managing Director of SigmaRoc SW since December 2018 and is responsible for the strategic development of the region. Prior to this, he was Managing Director of Tarmac Trading Limited's central region's aggregates, asphalt and concrete business. Between 2013 and 2016 David held the role of Regional Director for Lafarge Tarmac & Tarmac Trading Limited.

A FOCUS ON NORTHERN EUROPE EMMANUEL MAES

Former Group De Cloedt CEO joins the team with a focus on Northern Europe

Emmanuel Maes:

Emmanuel is the most recent addition to SigmaRoc's management team. He joins as MD Europe and is based in Belgium



MANAGING DIRECTOR EUROPE

Emmanuel Maes has joined SigmaRoc to help build a European footprint with a focus on countries around the North Sea:



Background: Emmanuel holds degrees in law and economist with a career spanning three decades in PE and construction materials.



Group De Cloedt: From 2004 to 2018 Emmanuel served as CEO of Group De Cloedt, building the business from €40m to €240m turnover through organic growth and acquisitions.



ExCo Member: Emmanuel joins the Executive Committee and will bring extensive knowledge of European markets.



Focus: Emmanuel's focus will be on Northern European aggregates producers with the aim to build a footprint in these markets.

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QUESTIONS & ANSWERS

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