2022 FULL YEAR RESULTS

8 March 2023

Ibstock Employees, Eclipse Factory, Leicester

Disclaimer

The information contained in this presentation has not been independently verified and this presentation contains various forward-looking statements that reflect management's current views with respect to future events and financial and operational performance. The words "growing", "scope", "platform", "future", "expected", "estimated", "accelerating", "expanding", "continuing", "potential" and "sustainable" and similar expressions or variations on such expressions identify certain of these forward-looking statements. Others can be identified from the context in which the statements are made.

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Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Agenda

Overview	Joe Hudson
Financial review	Chris McLeish
Market update	Joe Hudson
Strategic progress	Joe Hudson
Summary & outlook	Joe Hudson
Q&A	

Overview

- Strong performance for the year with EBITDA up 36% and EPS up 63%
- Growth, margin and return measures all showed substantial progress towards our medium-term targets
- Excellent operating cash flow performance funded significant growth investments alongside £30m share buy back
- Continued strong progress towards our 2030 ESG targets
- Focus this year will balance disciplined management of performance with sustained strategic delivery
- Strong strategic platform provides confidence in our ability to deliver significant growth over the medium term

Project name: St Hilda's College, Oxford
Product used: Ivanhoe Cream bricks

FINANCIAL REVIEW

Project name: 79 Fitzjohn's Avenue, London
Product used: Olde English Grey bricks

Financial summary

Strong performance across all key financial metrics

Revenue

£513m

FY 2021: £409m (+26%)

Adjusted EBITDA

£140m

FY 2021: £103m (+36%)

Group EBITDA Margins

27.2%

FY 2021: 25.2% (+200bps)

Adjusted EPS

22.7p

FY 2021: 13.9p (+63%)

EBITDA: Net debt

0.4x

FY 2021: 0.4x

Return on Capital Employed

23.4%

FY 2021: 15.8% (+760bps)

Dividend per share

8.8p

FY 2021: 7.5p (+17%)

Revenue bridge

Revenues increased by 26% vs FY 2021

- Strong performance with Group revenues increasing 26% on FY 2021
- Clay revenues up 32% driven by strong pricing benefit, with volumes in line with prior year; £4 million generated from Telling and Generix
- Concrete revenues 12% ahead of FY 2021 driven by strong pricing benefit more than offsetting modest volume decline

Clay

Performance was materially above FY 2021, and ahead of expectations set at the start of the year

Year ended 31st December 2022 (£m)	2022	2021
Total Revenue	**369**	**280**
Adjusted EBITDA	**127**	**91**
Margin	***34.3%***	***32.3%***

Revenue increased by 32% year-on-year

- Volumes in line with prior year
- Strong commercial performance, with material price benefit contributing to significant growth

Adjusted EBITDA of £127m, 40% up on FY 2021

- EBITDA margin moved forward to 34.3% (FY 2021: 32.3%) with strong cost discipline, mix and margin management

- Current year included operating investment of £5m in Futures and £2.5m one-off cost of living payment

Project name: The Department Store Studios
Product used: Ravenhead Tradesman bricks

Concrete

EBITDA margin % moved towards our medium-term ambition for the division during H2

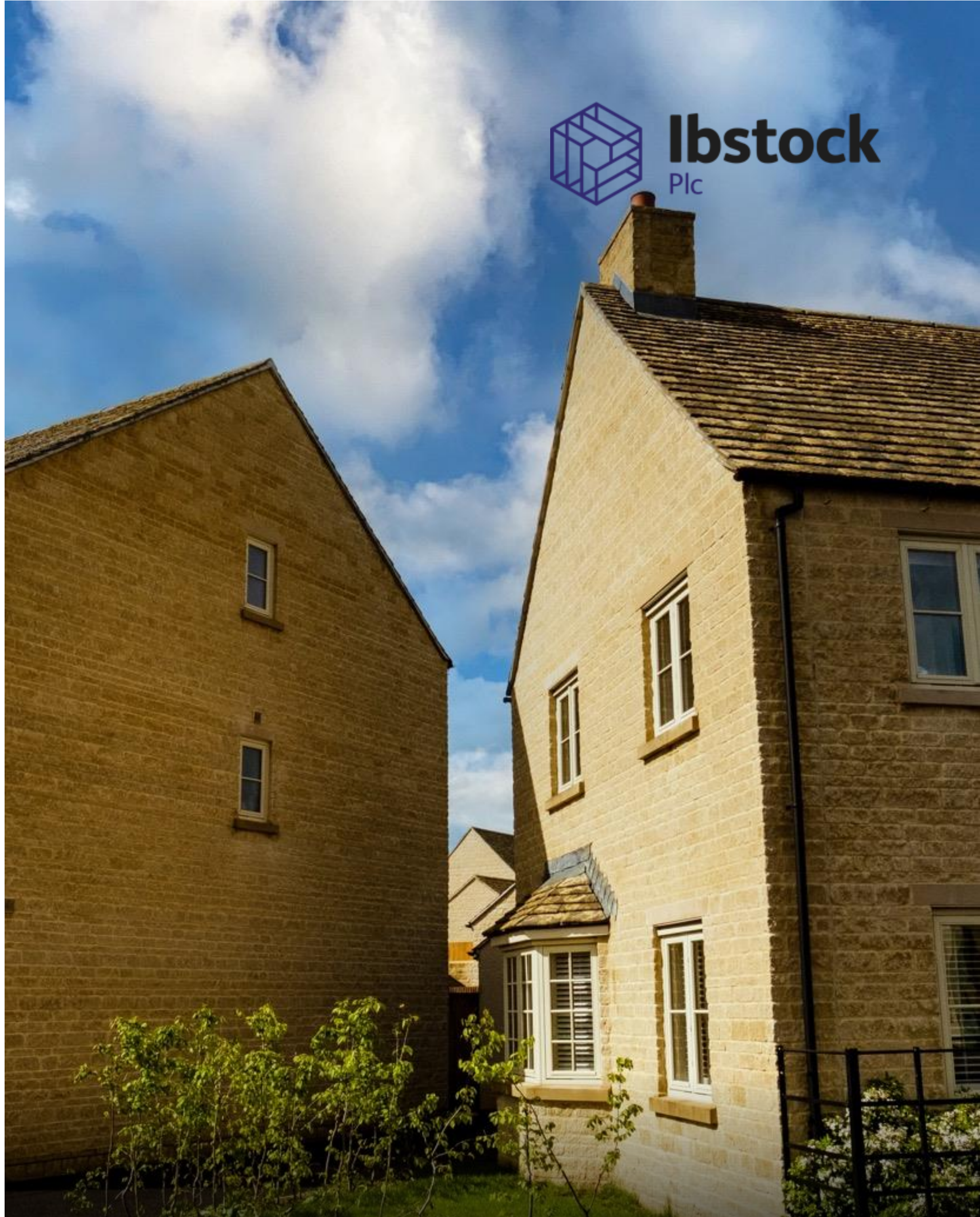
Year ended 31st December 2022 (£m)	2022	2021
Total Revenue	**144**	**128**
Adjusted EBITDA	**24**	**22**
Margin	***16.4%***	***16.9%***

Revenue increased by £16m, up 12% on FY 2021

- Volumes modestly down versus comparative period
  - Growth in walling, rail and structural product categories
  - Roofing volumes held back by plant output in the early part of the year
  - Pricing benefit driven by dynamic commercial strategy

Adjusted EBITDA increased by £2m, up 9% on FY 2021

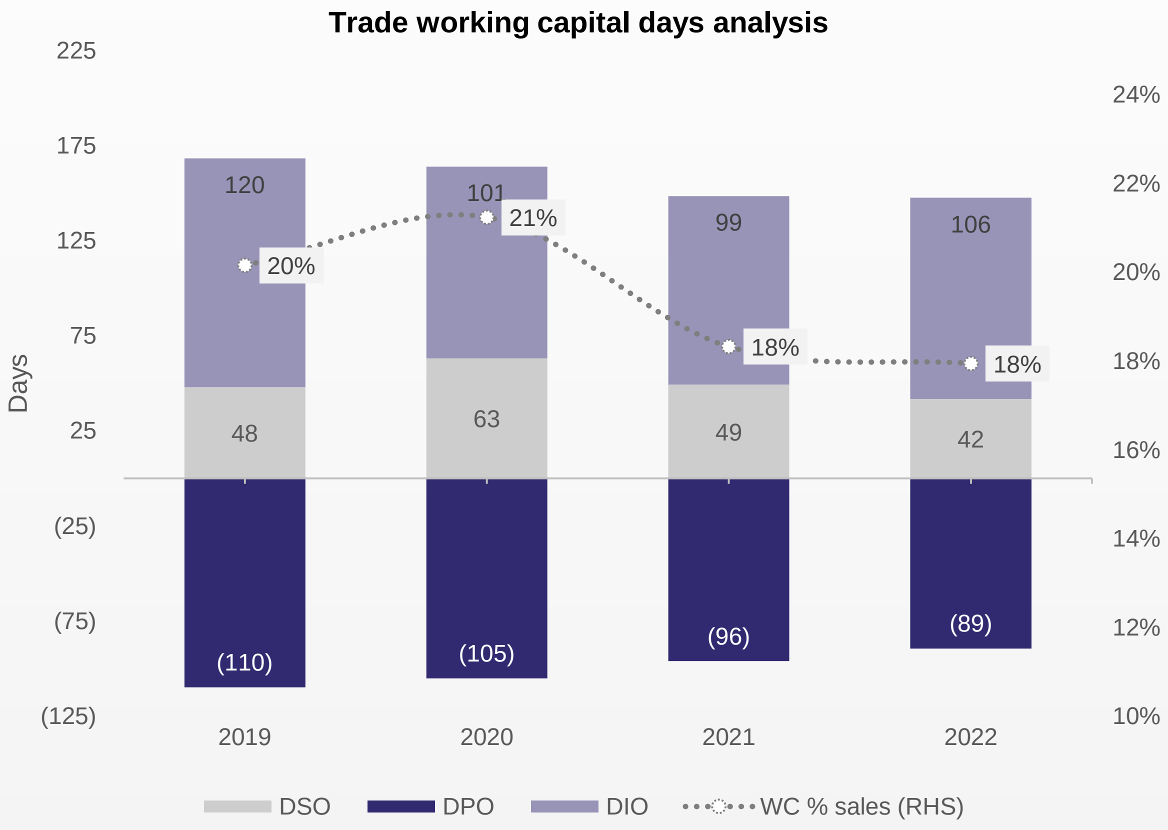
- Strong pricing across all product categories
- Cost of living one-off payment of around £1.5m recognised in the year
- H2 margin percentage increased to 17.6%, delivering strong progress versus H1 and prior year



Project name: Miller Homes, Tetbury
Product used: Shearstone Cotswold Village Cottage Walling Stone

Disciplined working capital management

Tight focus on working capital delivered strong performance against comparators



Strong working capital focus during the year

- Working capital as percentage of sales remained at 18%, driven by strong receivables performance
- Days sales outstanding (DSO) 42 days versus 49 days in the prior year driven by improvements in cash collections
- Days payable outstanding (DPO) reduced to 89 days in 2022
- Days inventory outstanding (DIO) increased to 106 days, as stock levels started to be replenished in Q4

Working capital will remain a key continuing focus for us

Strong cash flow performance

Adjusted operating cash flow £32m (42%) ahead of 2021

Year ended 31st December 2022	2022	2021
Adjusted EBITDA	**140**	**103**
Δ in net working capital	(2)	6
Net interest	(4)	(6)
Tax	(12)	(10)
Post-employment benefits	(2)	(2)
Other[1]	(12)	(15)
Adjusted operating cash flow	**108**	**76**
Cash conversion %	*77%*	*74%*
Capex	(58)	(25)
Adjusted free cash flow	**50**	**51**

Ibstock Plc

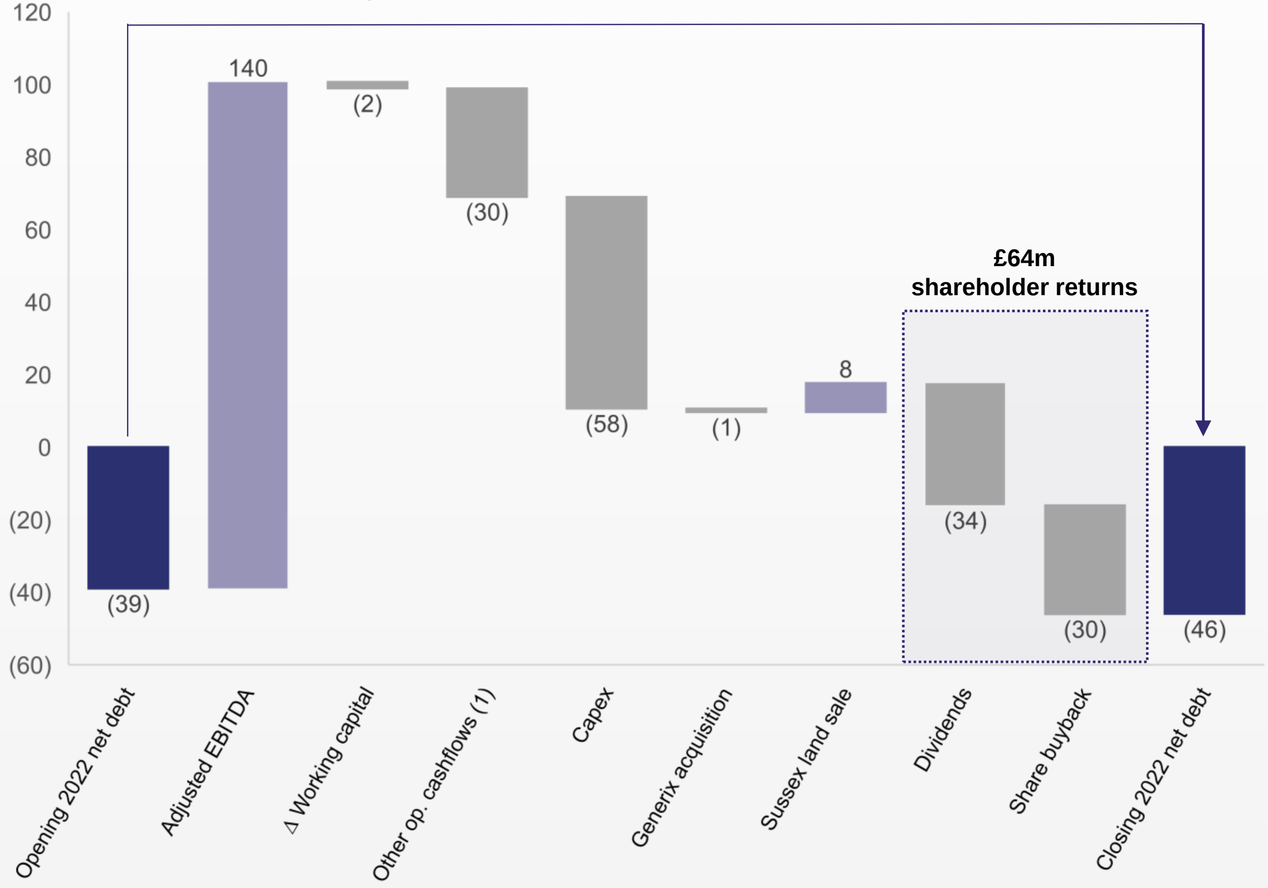
- Continued strong focus on working capital
  - Improvement in cash collections drove DSO lower
  - Initial inventory rebuild from lower 2021 levels
- Cash conversion at 77%, 3 percentage points ahead of 2021 levels
- Capex of £58m:
  - £37m on organic growth projects
    - £33m spend on Atlas/Aldridge
    - £4m other growth projects
  - £21m of sustaining capex

(1) Other includes lease costs, share based payments, carbon emissions credits and R&D tax credits
(2) Excludes exceptional cash flows

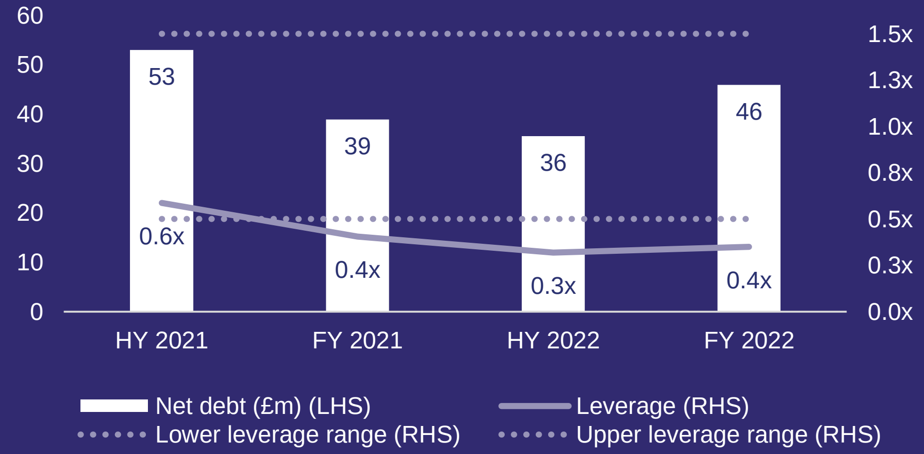
Continued balance sheet strength

Net debt increased modestly in the period after significant growth investments and shareholder returns

Closing net debt increased to £46m at 31 December 2022



- Strong leverage position (staying at 0.4x), after investing £59m in capital and returning £30m to shareholders via share buyback
- Sale of surplus land at West Hoathly, Sussex for cash proceeds of £8m
- Diversified debt funding structure continues to provide efficient financing and mitigation against future interest rate risk
  - Taken option to extend RCF by a further year in 2022



(1) Other operational cash flows include lease cost, share based payments, carbon emissions credits, post employment benefits, R&D tax credits, tax and interest

De-risked pension scheme

Ibstock Plc

Fully insured pension scheme liabilities in December 2022, with Group funding contributions to cease

C.£180M PREMIUM FUNDED BY SCHEME

- Transaction premium paid from Scheme assets (not by Group)
- Attractive pricing achieved with trusted and supportive counterparty

FUTURE COSTS AVOIDED

- Ongoing expenses paid from Scheme assets
- No regular future Group contributions
- Small final contribution to complete

ACCOUNTED FOR VIA OCI

- £23m accounting difference between assets and liabilities recognised through OCI in the 2022 year

KEY BENEFITS

- Fully insured Scheme with attractive pricing
- No Group contribution needed to transact
- Future Group contributions to cease
- Mitigates potential impact of pensions funding legislation
- Reduces management and administration burden

ACTIONS TO REMOVE RESIDUAL RISKS

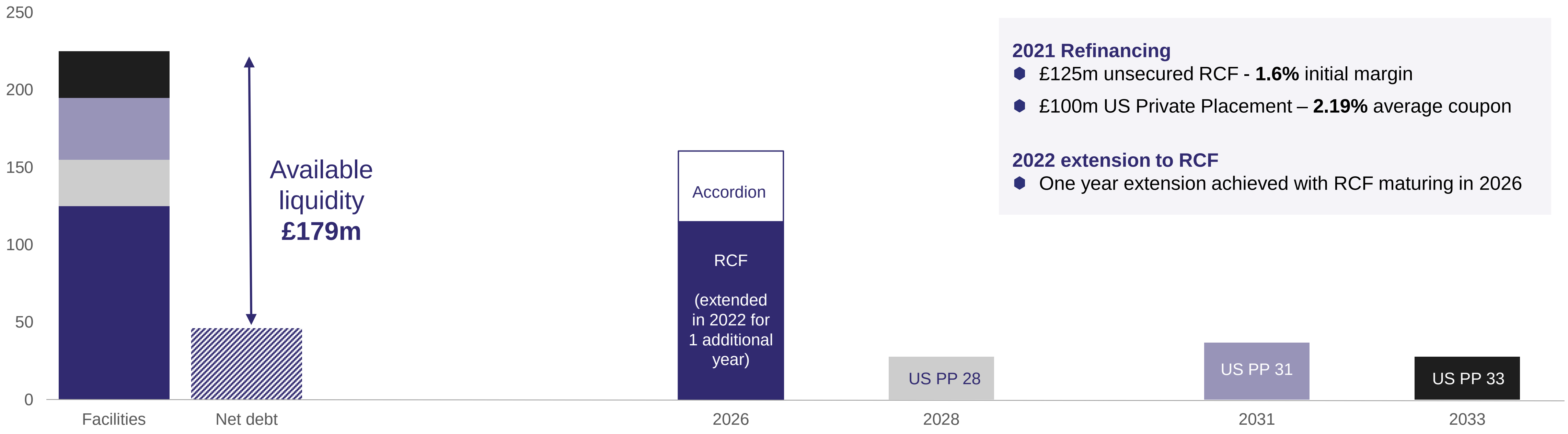
- Monetisation of around £30m of illiquid assets – expect to complete '23
- Data cleanse and other activities to be completed by end of 2024

- In December, the Scheme completed a full buy-in transaction of c.£180m with Just Group plc representing a significant further step in the Group's strategy of de-risking its pensions exposure
- This transaction, together with the partial buy-in transaction in 2020 (£340m) of pensioners will insure all the Group's defined benefit liabilities

Upon completion, Group will have substantially eliminated exposure to pensions risk

Long-term facilities secured at competitive rates

£225m facilities provide an efficient, long-term funding platform to support the Group's investment for growth, at attractive rates



2021 Refinancing
- £125m unsecured RCF - **1.6%** initial margin
- £100m US Private Placement – **2.19%** average coupon

2022 extension to RCF
- One year extension achieved with RCF maturing in 2026

The facilities constitute an efficient, long-term funding platform to support the Group's investment for growth, whilst providing:

- Locked-in coupon on £100m PP at **2.19%**; materially reducing interest rate risk
- Diversified sources of financing
- Long tenor

Technical guidance

Adjusted income statement

- Revenue from Futures operating businesses to approach £20m (2022: £4m)
- Energy cover: over 80% fixed for H1; 65% covered for 2023 year
- Futures and research operating investment of around £5m (in line with 2022)
- Underlying depreciation to increase to around £30m, reflecting Atlas depreciation and haulage leased assets
- Interest to remain broadly in line with 2022 levels
- Tax rate projected to increase to around 23.5%, as the UK corporation tax rate steps up from April 2023

Cash

- Sustaining capital expenditure expected to remain at around £20m
- Growth capital in 2023 on Atlas/Aldridge (£30m) and Slips (£25m)
- Working capital expected to increase as Clay finished goods inventories are rebuilt

Ibstock Apprentice, Eclipse Factory, Leicester

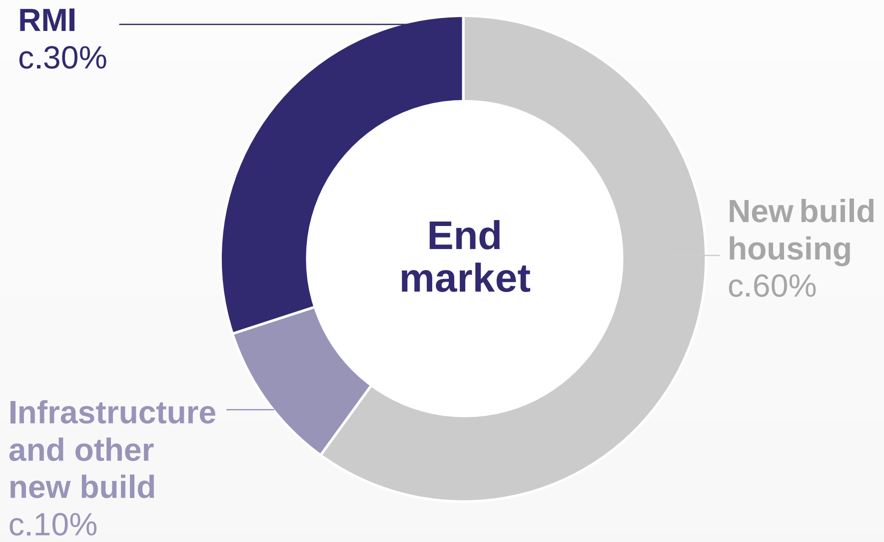
Ibstock Plc

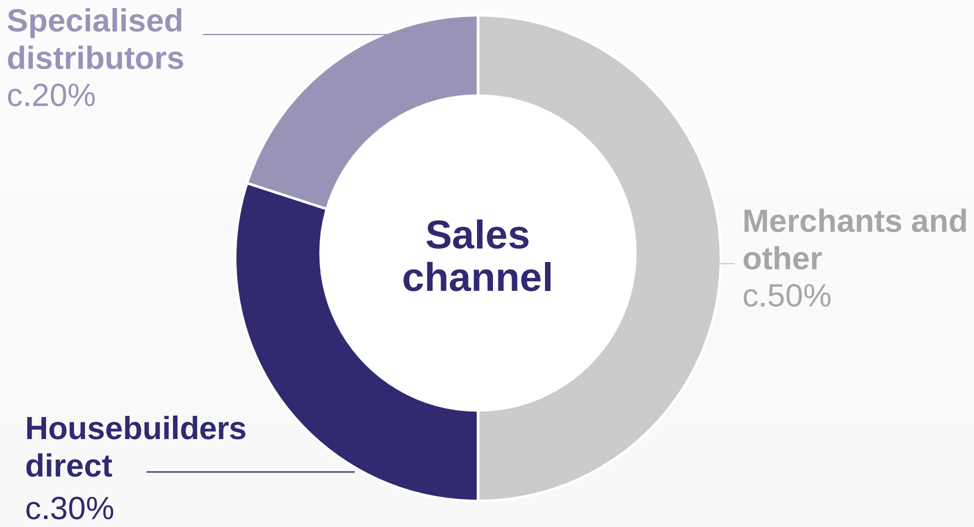
MARKET UPDATE

Project name: Gardenmore Green, Belfast
Product used: Ivanhoe Cream and Staffordshire Blue bricks

A leading provider of clay and concrete building products

Ibstock Plc





Key supplier to the housing sector	**Complementary product offerings**	**Cross-selling opportunities**	**Innovative solutions**	**Opportunity to add new product sectors**	**RMI exposure provides cyclical resilience**

Note
(1) Based on FY22 Group revenues
(2) The sales channel reflected in the pie chart does not always reflect the individuals and organisation that are making the actual 'buying' decision for products. In many cases, the preference of the end customers or their specifier dictates the use of a product rather than the intermediary that actually transacts to purchase products

Core markets update

We are well positioned in markets with positive long term fundamental drivers

Our markets

New housing market

- Housebuilders have seen site reservation rates improve since December 2022
- Anticipate sequential demand improvement as year progresses

Housing RMI

- RMI markets remain relatively strong, with a steady outlook in the medium term

Infrastructure

- We have a growing presence, particularly within the rail sector, which is expected to increase steadily from 2023

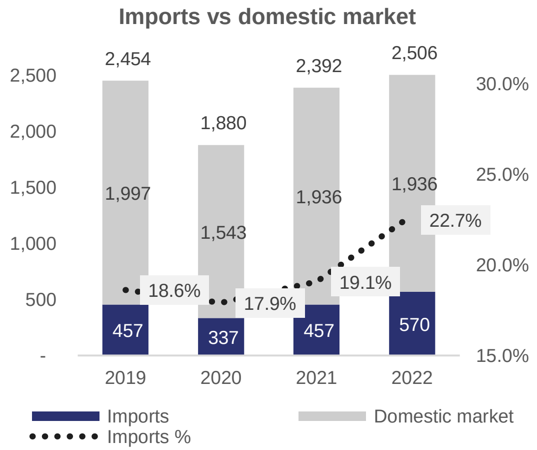
Our markets expected to remain resilient over the medium to long term

End consumer demand

- High employment rates expected to support consumer confidence
- Improvement in mortgage availability and rates in recent months
- Inflation levels appear to have peaked, with government target to halve inflation by end of year
- Anticipate supportive government policy to underpin access to housing market

Mortgage rates have eased and remain affordable, relative to long-term trend

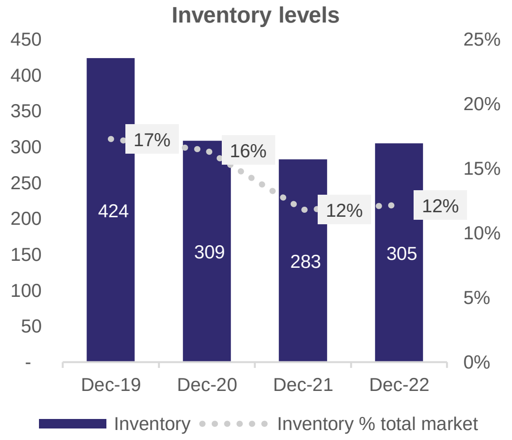
Imports



- Imports as percentage of total brick market have risen to 22.7% due to low domestic inventory levels
- Clear financial and environmental benefits of domestic vs imported bricks

The UK brick industry is ideally placed to displace imported products

Low domestic inventory levels



- Industry inventories now 28% (c.120 million bricks) below peak 2019 levels
- Inventories as % of total market remain at 12%

Industry dynamics remain strong

Diversified markets

We are well positioned to capitalise upon opportunities across the diversified markets in which we operate

Modern Methods of Construction (MMC) is driving capacity and efficiency

- MMC addresses the need for use of sustainable products and also benefits from high levels of quality, reliability and longevity

UK mid to high rise facades market is in excess of £1.5bn

- Mid to high sector pace of growth is faster than conventional brick market
- Sector growth driven by recladding and BTR market
- Sector showing a preference for bricks and other masonry facades which now constitute around 80% of applications

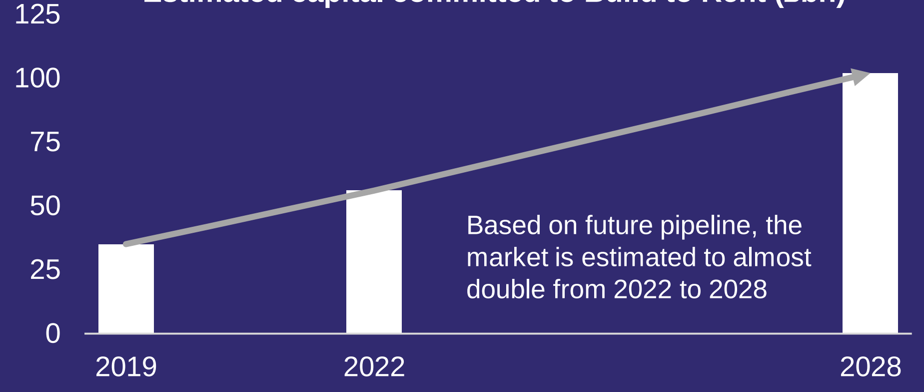
Mid to high rise active projects with approved planning permission ('000)

Ibstock has solutions for these huge addressable markets

Build to rent (BTR) continues to be a driver of growth within the mid to high rise market

- BTR will provide greater choice in a rapidly growing renter population
- The size of developments are increasing, reflecting growing investor confidence and a desire to build large scale portfolios

Estimated capital committed to Build to Rent (£bn)



Source: Knight Frank

Sustainable construction

At the forefront of the accelerating trend towards a sustainable built environment

Regulation and data reporting driving change faster than ever before:

- Future Homes Standard 2025
- Future Homes Hub Implementation Plan 2023 – 2025

Ibstock at the heart of the solution:

- Evolution of our core products
- Product data transparency
- Product diversification
- Social value

BARRATT DEVELOPMENTS PLC

“We are continually striving to improve the energy efficiency and sustainability of our homes and are adapting our home designs in response to both changing homebuyer demands, as well as the Future Homes Standard and other changes to Building Regulations.”

REDROW PLC

“We’re going further than ever before to build better energy efficient homes, which go beyond regulatory requirements, allowing us to future proof our homes and to help our customers lower their energy use and carbon footprint.”

STRATEGIC PROGRESS

Ibstock Employees at the I-STUDIO, London

A stronger platform for growth

Positioned well to navigate short term challenges and deliver strong growth

INVESTMENT IN ASSETS

STRATEGY
- Resilience and innovation in core
- Growth in core and diversified markets

CULTURE AND CAPABILITY

LEADERSHIP IN ESG

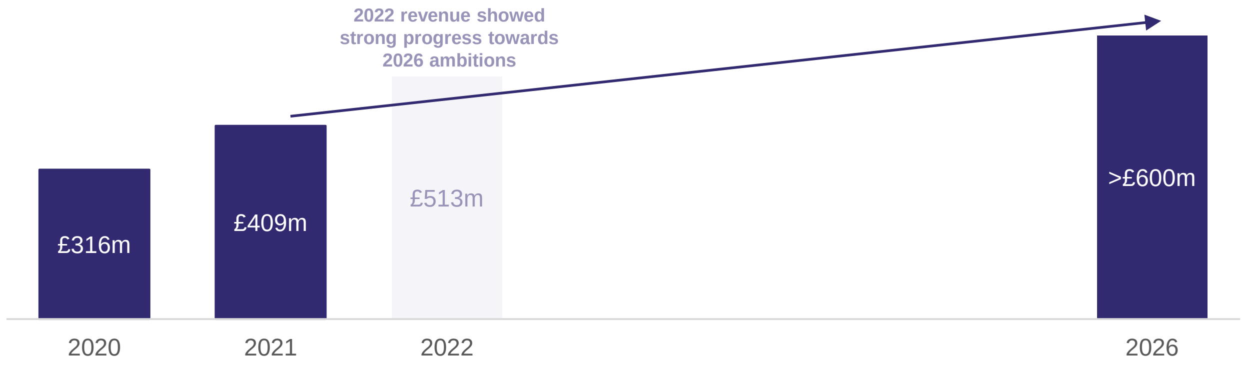
CAPITAL ALLOCATION AND RETURNS

Our strategy has built a much stronger business, with improved execution and a bigger growth opportunity

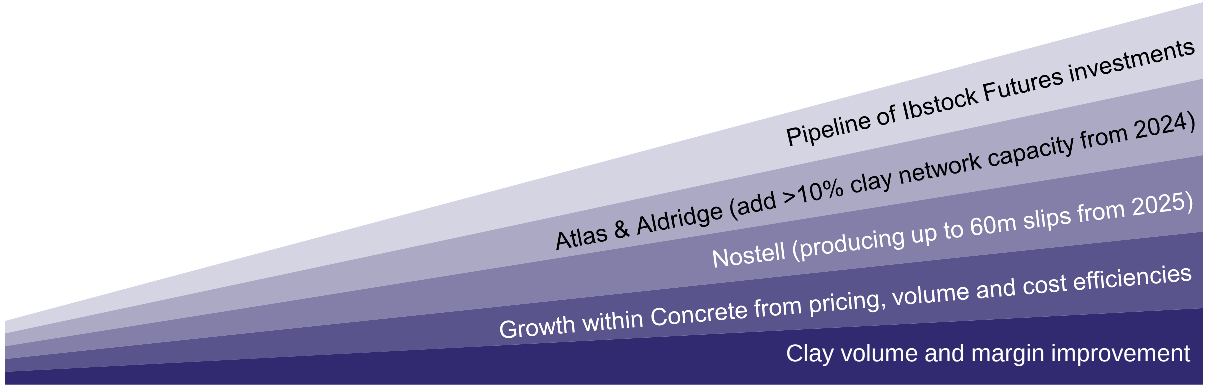
Medium term targets

On track to deliver strong growth and returns over the period to 2026

Revenue growth target



Sources of growth and margin improvement: 2022 to 2026*



Illustrative and not to scale. Excludes potential core M&A

Ibstock Plc

1. Target to grow revenues to >£600m by 2026 with an ambition to grow beyond this
2. Medium term profitability targets:
   - EBITDA Margins in core Clay business of >35%
   - Overall Group margins of at least 28%
3. Targeting revenues outside of traditional clay brick to represent >40% of the Group by 2026
4. Committed to retaining our capital discipline with ROCE at >20% in medium term

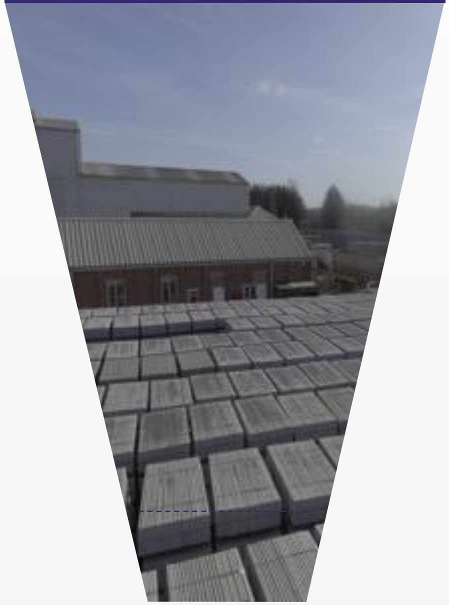
Grow

Multiple initiatives will drive near-term performance and underpin our medium term progress

Atlas & Aldridge (add >10% clay network capacity from 2024)

Clay incremental volume and margin enhancement

Concrete growth through automation and new market segments



Pipeline of **Ibstock Futures** investments

Brick slips investments

Grow

***Appendix for 2022 strategy in action and environmental performance**

Grow

Huge potential to unlock more growth, across sustainable building and the industrialisation of the construction industry

- Leveraging our unrivalled clay reserves to create more sustainable building materials for the UK construction industry:
  - Expanded Clay
  - Calcined Clay

- Pioneering the use of more sustainable sources of energy to deliver a step change in our carbon footprint

- Further investment opportunities in MMC (modern methods of construction)


Examples of expanded clay


Trials for alternative sources of fuel

Example of construction tech in MMC

Example of an Ibstock quarry

Grow

Sustain and Innovate

Ibstock Plc

Our relentless focus on sustainable performance and innovation has built a more resilient and efficient business

OPERATIONAL EXCELLENCE	FIXED COST & FACTORY FOOTPRINT IMROVEMENTS	ENVIRONMENTAL EFFICIENCY	INNOVATIVE PRODUCTS & PARTNERSHIPS	CUSTOMER EXPERIENCE

Sustain

Innnovate

*Appendix for 2022 strategy in action and environmental performance

SUMMARY & OUTLOOK

Ibstock Apprentices, Make UK, Birmingham

Summary & Outlook

- Strong performance of the business reflects the strategic progress we have made over recent years
- Our balance sheet provides resilience and optionality to invest further for growth and return additional capital to shareholders
- Core business will commission Atlas and Aldridge factories by year end, providing over 100m of lower-cost capacity, with the whole Atlas range to be externally verified as carbon neutral
- Pipeline of strategic acquisitions and investments in fast-growth areas of construction markets will support accelerated growth through Ibstock Futures
- Activity in early weeks of 2023 has continued to reflect more cautious demand environment. We expect this to improve as the year progresses, supported by sequential demand improvement
- With strong strategic platform in place, we are confident in ability to deliver significant growth over the medium term

Board's expectations for the 2023 year are unchanged

Employee at the Lake, Ibstock Leicester

Architects discuss an Ibstock Glazed brick for their project

APPENDICES

Solar Park for our Leicester Factory

Ibstock at a glance

Ibstock plc is a leading UK manufacturer of clay and concrete building products and solutions

Key facts

200 Over 200 years of experience	**40** Manufacturing sites across the UK
c.2,300 Employees across the UK	**95%** Raw materials sourced in UK
300+ Different brick products	**c.74m** Tonnes of consented clay reserves

No.1

Manufacturer of clay bricks in the UK by production capacity

Our business

Ibstock comprises of two core business divisions, Ibstock Clay and Ibstock Concrete. Ibstock Futures has been established to accelerate diversified growth opportunities to address construction megatrends of sustainability and industrialisation (modern methods of construction, with a focus on off-site construction techniques)

Our brands

Ibstock Brick, Anderton, Supreme, Ibstock Telling, Ibstock Kevington, Forticrete, Longley, generix

Our products

Bricks and Masonry, Façade Systems, Roofing, Retaining Walls

Fencing and Landscaping, Flooring, Staircases and Liftshafts, Rail and Infrastructure, Services

Building from a strengthened platform

Ibstock Plc

Our Business

Ibstock Clay

Ibstock Concrete

Ibstock Futures

Strong, advantaged core business:

1. Leadership position in growth markets
2. Significant, diversified asset base
3. Industry leading margins and returns
4. Highly cash generative model

Strategy Pillars

Sustain
Sustainable performance

Innovate
Market led innovation

Grow
Well positioned to invest in
Further growth projects & our people

ESG
At the heart of everything we do

Investment Levers

Investment driven growth through two areas of focus:

GROW CORE	DIVERSIFIED GROWTH
Grow our existing core business (capacity, efficiency, sustainability)	Diversify the revenue base; focused on faster-growth construction markets

Clear, consistent investment criteria

Accelerating Megatrends

Sustainability

Industrialisation

Strategy in action

Continued momentum in strategic delivery in 2022

Sustain

Health, safety & wellbeing:
- Further progress on safety roadmap, with delivery of several key projects and wellbeing acting as a strong cultural catalyst
- Tracking ahead of achieving reduction in LTIFR by 2030

Operational & commercial excellence:
- Continued focus on strong operational and commercial execution – enabling significant growth and improved returns
- Enhanced operational performance driving a cost competitive footprint, through asset transformation, completion of enhancement projects and automation

Environmental performance:
- Awarded ‘Manufacturer of the Year’ by Business Green awards in recognition of our industry leadership in sustainability.
- Continued progress in delivery of our 2030 ESG strategy

Innovate

Product Innovation:
- A focus on dematerialisation of projects (voids), a new partnership with Earth Friendly Concrete and new product ranges are some examples of how we are continuing to differentiate our customer proposition and diversify.

Customer experience:
- Continued focus on enhancing customer experience at every touch point – 2022 focused on strengthening nationwide distribution capabilities and initial development of customer service portal
- Achieved significant improvement in 2022 Net Promoter Score to +45 (2021: +33)

Digital transformation:
- A key strategic enabler over the coming years – with the appointment of a new Chief Information & Digital Officer focused on further developing technology roadmap and accelerating digital enablement plans

Grow

Grow the core business:
- Targeted investment projects creating value and capacity – Atlas and Aldridge progressing to schedule

Diversified growth:
- Ibstock Futures accelerating strategic ambition to grow through the introduction of products, solutions and technologies to benefit megatrends of sustainability and industrialisation of construction methods (MMC) with two strategically important acquisitions in year, with further development of brick slips strategy and strong pipeline of opportunities in the near term

Grow our people:
- A real focus on our people and investment in culture and capability - emerging us as a stronger business and leadership team
- Female Leadership representation increased in year to 27%

ESG progress

Progress against our ESG 2030 strategy

Ibstock Plc

		2030 ESG Strategy KPIs	2022	Target
Addressing Climate Change	**Carbon (Scope 1 and 2)**	% Absolute carbon reduction Tonnes CO_2 (relative to 2019 baseline)	13%	40% by 2030 Net Zero by 2040
		% reduction in CO_2 per tonne of production (relative to 2019 baseline)	9%	15% by 2025
	Water	% reduction in mains water use per tonne of production (relative to 2019 baseline)	31%	25% by 2030
Manufacturing Materials for Life	**Product innovation**	% of sales turnover from new and sustainable products	13%	20% by 2030
	Waste	% general waste to landfill (relative to 2019 baseline)	90%	Zero by 2025
	Plastic packaging	% reduction in preventable plastic packaging (relative to 2019 baseline)	16%	40% by 2025
Improving Lives	**Health and Safety**	% reduction in LTIFR (relative to 2016 baseline)	61%	50% by 2023
	Earn and Learn positions	% of colleagues in earn and learn positions	7.5%	10% by 2030
	Women in senior leadership	% of women in senior leadership positions	27%	40% by 2027

CDP
DISCLOSURE INSIGHT ACTION

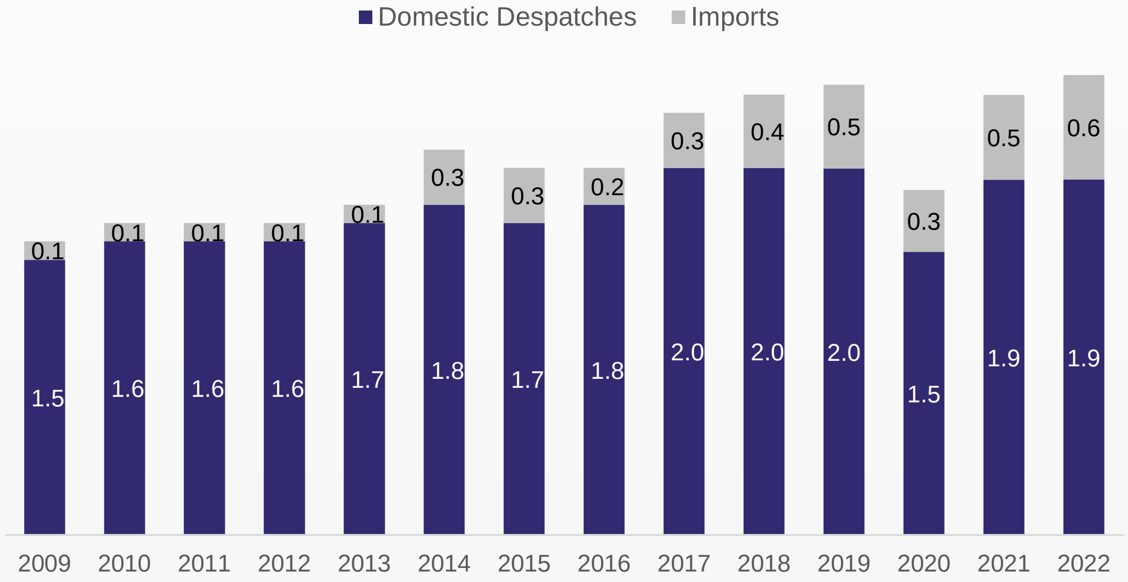
Committed to leading our sector in transparency & disclosure

MSCI ESG RATINGS AA
CCC | B | BB | BBB | A | AA | AAA

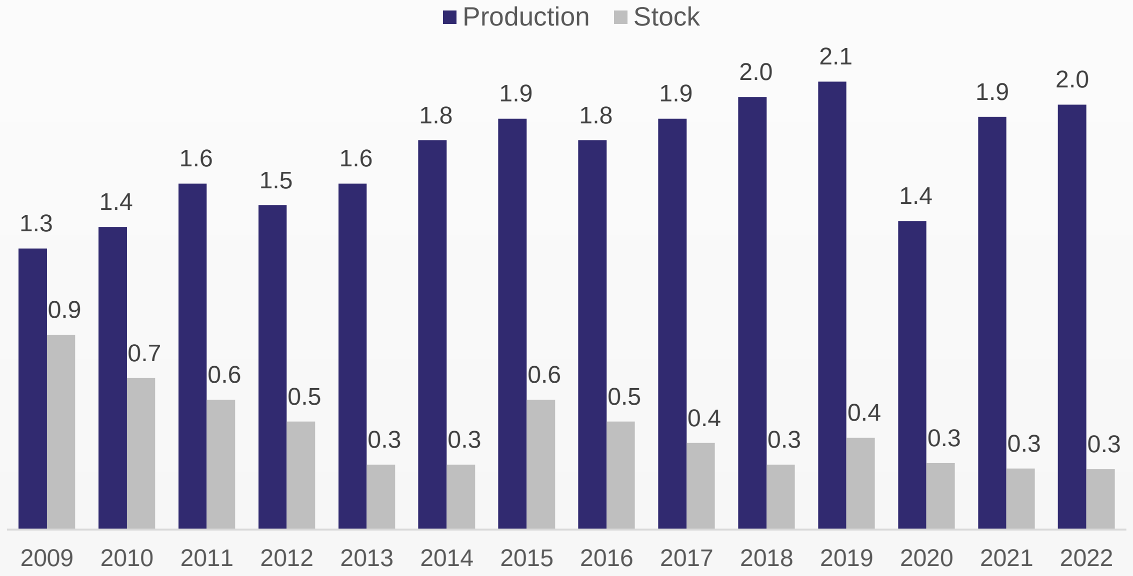
Brick market dynamics

Balancing supply and demand

Brick Consumption (billions of bricks)



Brick Production and Stock (billions of bricks)



The UK market consumed around 2.51 billion bricks, compared to 2.40 billion in 2021

Private housing forecasted to fall around 11% in 2023 and by 1% in 2024

Imports in 2022 reached 0.57 billion bricks, representing around 23% of the total brick market, an increase over 2021 (19%)

Domestic brick production in 2022 of around 2.0 billion - around 3% higher than 2021 levels

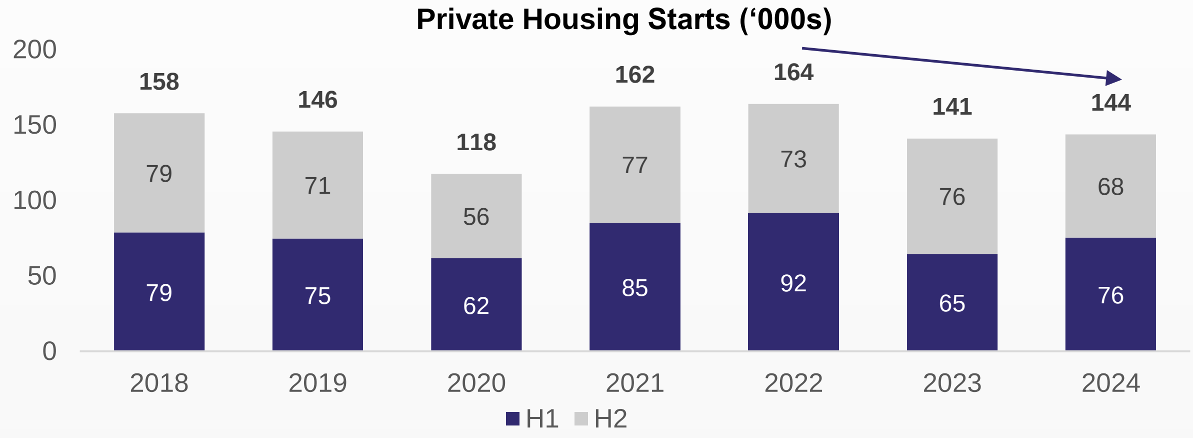
Industry inventories remain at historically low levels

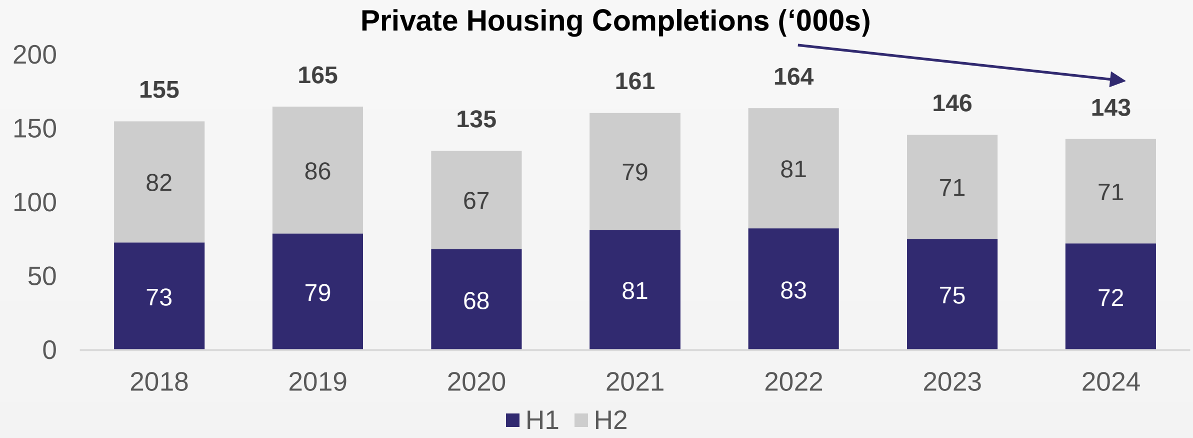
Overall, industry dynamics remain positive despite uncertainties in the current environment

Source: The Department for Business, Energy & Industrial Strategy (BEIS) and HM Customs and Excise

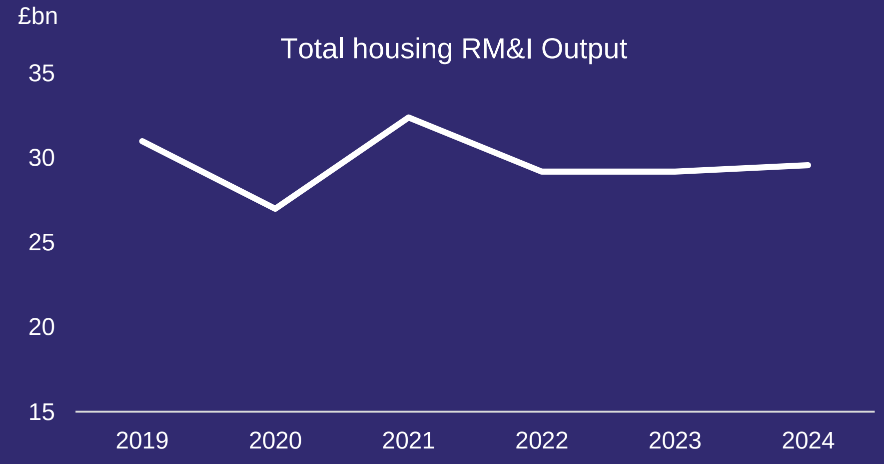
Core residential markets update

Falling demand in new build and RMI markets



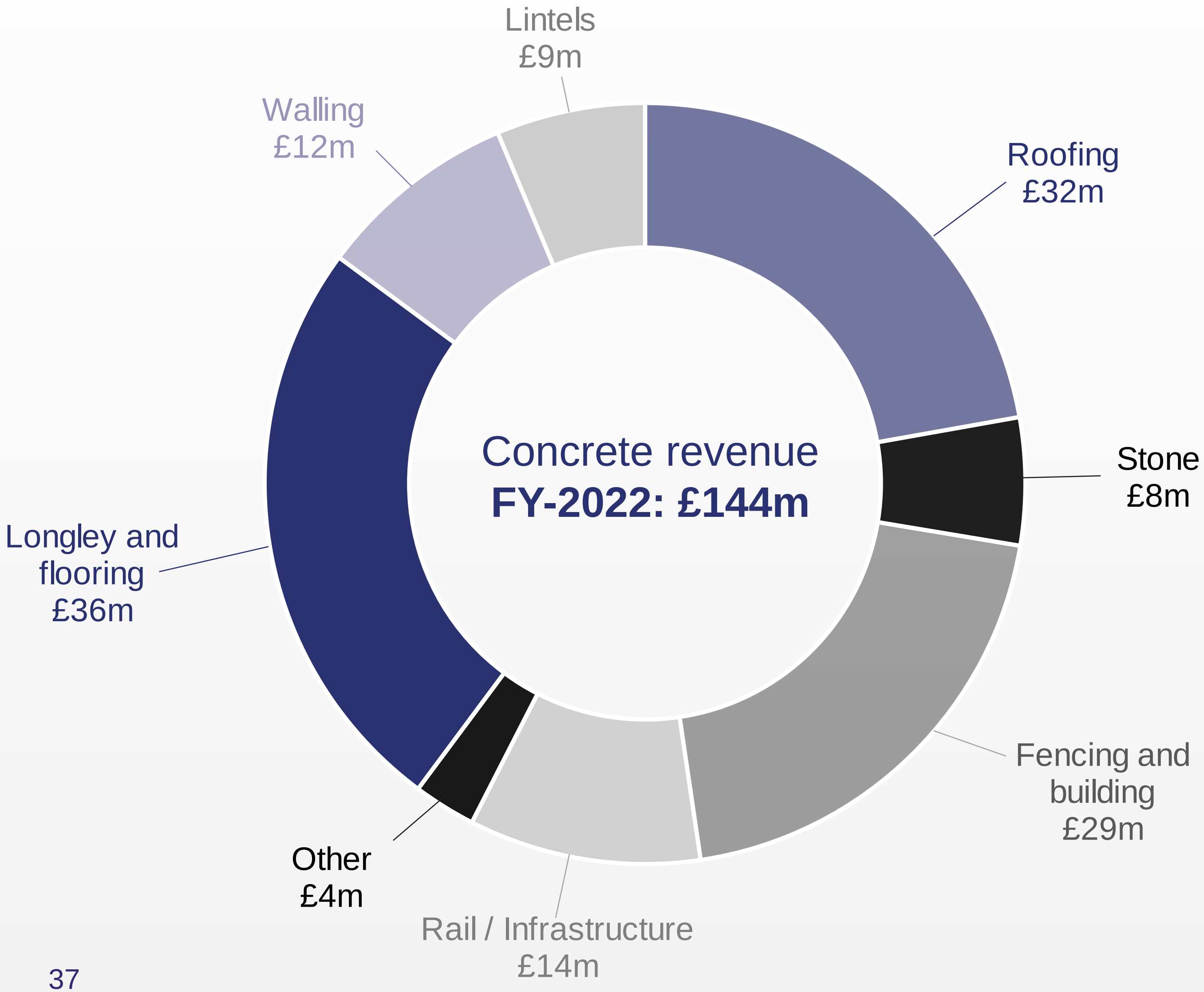


- Since the end of 2022, mortgage rates have eased and remain affordable relative to long-term trend
- Elevated household energy bills driving preference for more efficient new build (typically EPC A-C) versus second hand stock (typically EPC D or lower)
- Starts and completions projected to modestly decrease over the next two years
- RMI remains relatively strong and comparable to 2022 levels, with a steady outlook for medium term



Source: CPA Winter 2022 update

Concrete revenue analysis



- Concrete delivered a solid performance in 2022, despite macroeconomic uncertainty with slowing markets and contraction in economic activity towards the end of the year
- The division continued to benefit from strong commercial execution
- Overall Concrete revenue increased by £16m, an increase of 12% on 2021
- Volume growth across fencing & building, walling and rail infrastructure offset by lower flooring and roofing volumes

Income statement

Strong growth in performance with EPS up by 63%

Year ended 31st December 2022	2022	2021
Revenue	**£513m**	**£409m**
Adjusted EBITDA	**£140m**	**£103m**
Normal depreciation	(£26m)	(£28m)
Adjusted profit before interest and tax	**£113m**	**£75m**
Cash interest	(£4m)	(£6m)
Adjusted profit before tax	**£109m**	**£69m**
Taxation - at effective rate	(£18m)	(£13m)
Adjusted profit for the period	**£91m**	**£57m**
Basic adjusted EPS	**22.7p**	**13.9p**
Exceptional income	£6m	£5m
Net debt	**£46m**	**£39m**
Net debt to Adjusted EBITDA (pre IFRS-16)	0.4x	0.4x
Total ordinary dividend	8.8p	7.5p

Adjusted income statement reconciliation

Year ended 31st December 2022	Adjusted	Depreciation and amortisation	Exceptional items	Non-cash interest	Deferred tax rate change	Reported
Revenue	**£513m**	**-**	**-**	**-**	**-**	**£513m**
Costs	(£373m)	(£39m)	£6m	-	-	(£405m)
EBITDA	**£140m**	**(£39m)**	**£6m**	**-**	**-**	**£107m**
Depreciation and amortisation	(£26m)	£26m	-	-	-	-
EBIT	**£113m**	**(£12m)**	**£6m**	**-**	**-**	**£107m**
Finance	(£4m)	-	-	£1m	-	(£3m)
Tax	(£18m)	£2m	-	-	(£2m)	(£18m)
Profit after tax	**£91m**	**(£10m)**	**£7m**	**£1m**	**(£2m)**	**£87m**
EPS (pence per share)	**22.7 p**	**(2.5p)**	**1.6p**	**0.3p**	**(0.5p)**	**21.6 p**

Note
(1) Adjusted EBITDA is earnings before interest, taxation, depreciation and amortisation after adjusting for exceptional items
(2) Adjusted EPS is calculated on the basis of adjusted earnings after tax. Adjusted earnings after tax exclude fair value depreciation and amortisation as well as exceptional items
(3) The fair value adjustments arose as a result of the 2015 disposal of the Group by CRH plc

Balance sheet

Ibstock Plc

Year ended 31st December 2022	2022	2021
Property, plant and equipment	£409m	£376m
Right of Use assets	£31m	£25m
Intangible fixed assets & Goodwill	£90m	£95m
Non-current assets	**£531m**	**£496m**
Inventories	£94m	£73m
Trade and other receivables	£66m	£65m
Assets held for sale	£0m	£1m
Current assets	**£160m**	**£138m**
Total assets	**£691m**	**£634m**
Payables	(£120m)	(£103m)
Lease liabilities	(£33m)	(£27m)
Other liabilities excluding debt & pension	(£91m)	(£99m)
Net assets excluding debt & pension	**£447m**	**£404m**
Net debt	(£46m)	(£39m)
Pension	£15m	£58m
Net assets	**£416m**	**£423m**

Cash flow

Year ended 31st December 2022	2022	2021
Cash flow from operating activities	**£138m**	**£101m**
Cash generated from operations		
Interest paid	(£3m)	(£3m)
Other interest paid - lease liabilities	(£1m)	(£1m)
Tax paid	(£12m)	(£10m)
Net cash flow from operating activities	**£122m**	**£87m**
Cash flows from investing activities		
Purchase of property, plant and equipment	(£58m)	(£25m)
Proceeds from sale of property plant and equipment	£0m	£1m
Proceeds from sale of property plant and equipment - exceptional	£8m	£3m
Purchase of intangible assets	(£6m)	(£6m)
Settlement of deferred consideration	(£0m)	(£0m)
Payment for acquisition of subsidiary undertaking, net of cash acquired	(£1m)	(£1m)
Interest received	£0m	£0m
Net cash flow from investing activities	**(£57m)**	**(£28m)**
Cash flows from financing activities		
Dividends paid	(£34m)	(£17m)
Drawdown of borrowings	(£0m)	£170m
Repayment of borrowings	(£0m)	(£160m)
Debt issue costs	(£0m)	(£2m)
Cash payments for the principal portion of lease liabilities	(£8m)	(£8m)
Proceeds from issuance of equity shares	£0m	£1m
Purchase of own shares by Employee Benefit Trust	£0m	(£1m)
Cash outflow from purchase of shares	(£30m)	(£0m)
Net cash outflow from financing activities	**(£72m)**	**(£17m)**
Net (decrease)/increase in cash and cash equivalents	**(£7m)**	**£42m**
Cash and cash equivalents at beginning of the year	£61m	£19m
Exchange gains/(losses) on cash and cash equivalents	£0m	(£0m)
Cash and cash equivalents at end of the year	**£54m**	**£61m**

Total cash flows since IPO

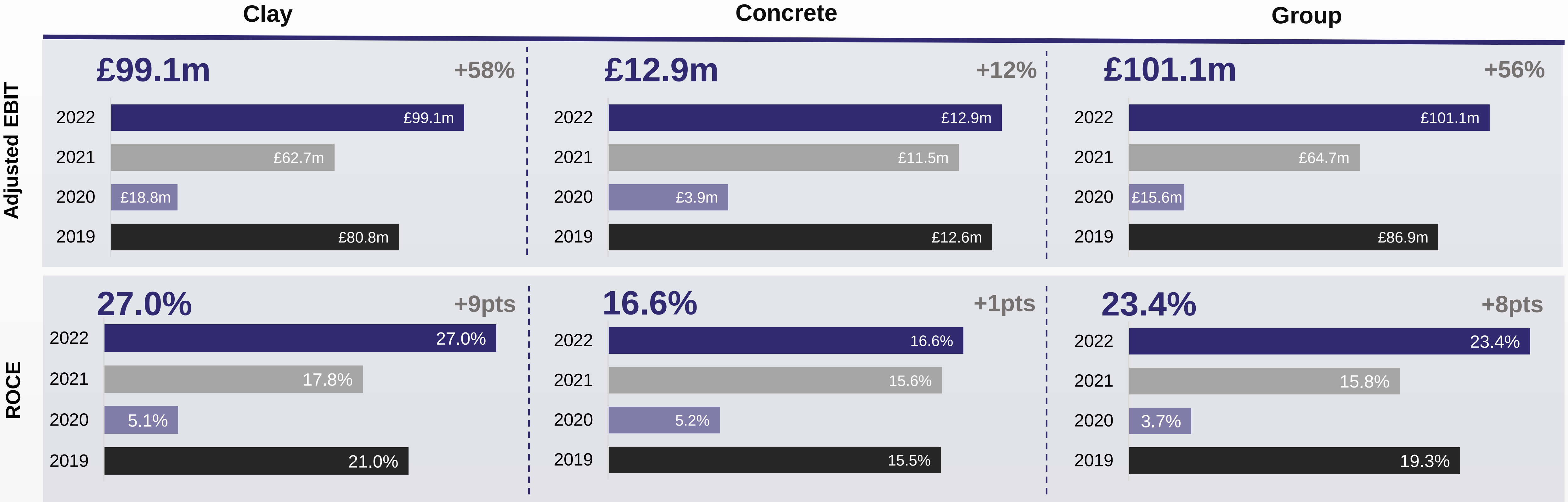
The Group has returned £265m to shareholders since IPO

	2016	2017	2018	2019	2020	2021	2022	Total
Adjusted operating cash flow	**£96m**	**£97m**	**£84m**	**£72m**	**£50m**	**£76m**	**£108m**	**£584m**
Capital invested	(£59m)	(£38m)	(£31m)	(£39m)	(£24m)	(£25m)	(£58m)	(£274m)
Adjusted free cash flow	**£38m**	**£59m**	**£53m**	**£33m**	**£26m**	**£51m**	**£50m**	**£310m**
Ordinary dividend	(£28m)	(£32m)	(£39m)	(£40m)	£0m	(£17m)	(£34m)	(£188m)
Supplementary dividend	£0m	£0m	(£26m)	(£20m)	£0m	£0m	£0m	(£47m)
Share buy-back	£0m	£0m	£0m	£0m	£0m	£0m	(£30m)	(£30m)
Total capital returned	**(£28m)**	**(£32m)**	**(£65m)**	**(£60m)**	**£0m**	**(£17m)**	**(£64m)**	**(£265m)**
Disposal of Glen Gery	£0m	£0m	£76m	£0m	£0m	£0m	£0m	£76m
Acquisitions	£0m	£0m	£0m	(£13m)	£0m	£0m	(£1m)	(£14m)
Exceptional items	£0m	(£7m)	(£1m)	£0m	(£10m)	(£2m)	£7m	(£13m)
Other	£2m	(£4m)	£5m	£4m	(£1m)	(£2m)	£1m	£5m
Other cash flows	**£2m**	**(£11m)**	**£80m**	**(£9m)**	**(£11m)**	**(£4m)**	**£7m**	**£54m**
Opening net debt	**(£145m)**	**(£133m)**	**(£117m)**	**(£48m)**	**(£85m)**	**(£69m)**	**(£39m)**	**(£145m)**
Total movement in net debt	£12m	£16m	£69m	(£36m)	£15m	£30m	(£7m)	£99m
Closing net debt	**(£133m)**	**(£117m)**	**(£48m)**	**(£85m)**	**(£69m)**	**(£39m)**	**(£46m)**	**(£46m)**

ROCE - delivering on our medium-term target

Ibstock Plc

Strong 2022 return on capital employed (ROCE) ahead of internal hurdle rate of 20%



Strong ROCE performance throughout the Group, driven by higher earnings

- Group ROCE almost 800 bps ahead of prior year driven by solid growth in earnings and intense management of invested capital
- Clay adjusted EBIT grew 58% versus prior year
- Concrete adjusted EBIT grew 12% versus prior year
- Anticipate ROCE to moderate in 2023 with moderating profit and investment of in-flight growth projects
- On an historic cost basis (i.e excluding fair value uplifts) Group ROCE in 2023 would have been in excess of 35%

1. ROCE includes around £40m of capital within the closing balance sheet not yet delivering a return (e.g. Atlas)