



OPPORTUNITIES FOR CONSTRUCTION MATERIALS INDUSTRY IN CENTRAL EASTERN EUROPE

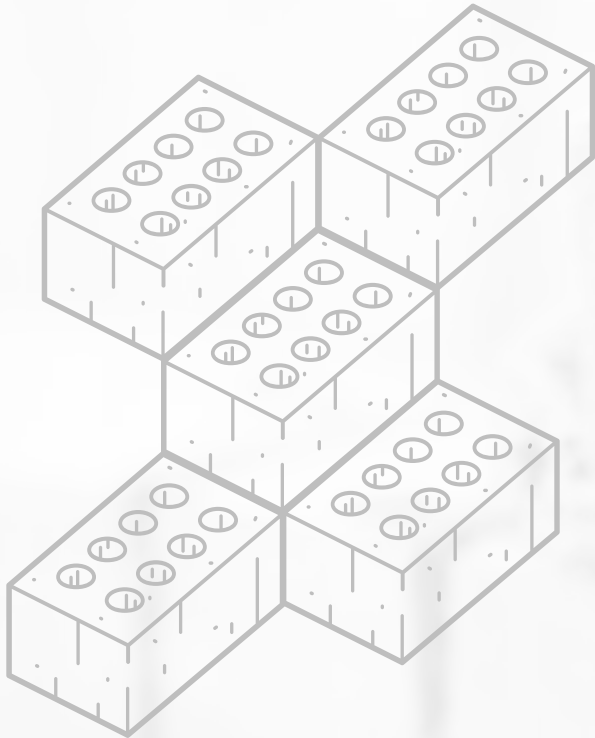
Market dynamics indicate a booming demand for construction materials

 **EFESO**
MANAGEMENT CONSULTANTS

DIGITAL TRANSFORMATION &
MANUFACTURING

INSIGHT

Overview of construction material industry in Central Eastern Europa



- 1** *EFESO experience*
- 2** *Market insights*
- 3** *Industries major challenges*
- 4** *Our approach*
- 5** *How we support our clients*

The **construction materials industry in Central and Eastern Europe (CEE)** is booming, with projected revenues **exceeding \$800 billion** in 2024 and growth outpacing the EU average



Construction material industry – Europe

+ 1.5%
GDP growth

Estimated for 2025

+ \$2.2 trillion
Turnover

Construction industry globally in 2024

~ \$0.15 trillion
Generated revenue

Construction material industry in 2023 in EU

~ 3.6%
Expected CAGR

Construction material industry 2026-2032



Construction material industry – Central Eastern Europe

+ 2.8%
GDP growth

Estimated for 2025

+ \$800 billion
Turnover

Construction industry CEE in 2024

~ \$45 billion
Generated revenue

Construction material industry in 2023 in CEE

~ 6.2%
Expected CAGR

Construction material industry 2026-2032



The figures show the increasing demand for building materials across the CEE region.



Shifting demands are driving the construction materials sector to scale smarter, go greener, and build resilience – EFESO supports from strategy to ramp-up

Current industry challenges



Expanding production capacity:
Boost capacity via technology, efficiency, flexibility, and collaboration



Supply chain resilience:
Export restrictions require resilient supply chains to handle disruptions and policy shifts



Labour force:
Stabilize workforce and streamline production/logistics through automation to offset rising costs



Strategic location planning:
Conduct location checks to optimize manufacturing and R&D for regional benefits



Sustainability & energy security:
Prioritize green energy in CEE to fulfill regulatory and consumer needs



Energy & raw materials:
Enhance efficiency and material use through innovation to counter rising costs



Our approach and offerings

STRATEGY &
FOOTPRINT



PLANT
CONCEPT



FACTORY
DESIGN



REALIZATION
SUPERVISION

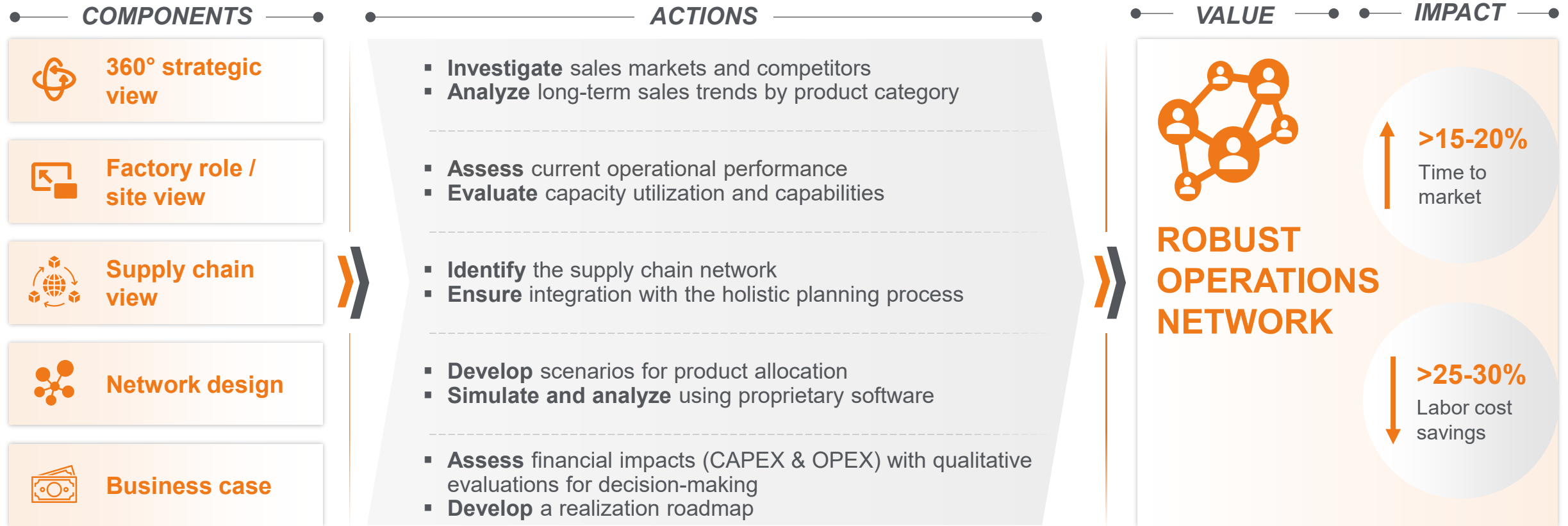



RAMP-UP &
INDUSTRIALIZATION



STRATEGY & FOOTPRINT a full market, plant, and supply chain analysis to refine strategy and decision-making with a strong business case

I. The five components of the 'STRATEGY & FOOTPRINT' phase



 The 'STRATEGY & FOOTPRINT' phase ends with a clear recommendation in the form of a business case.

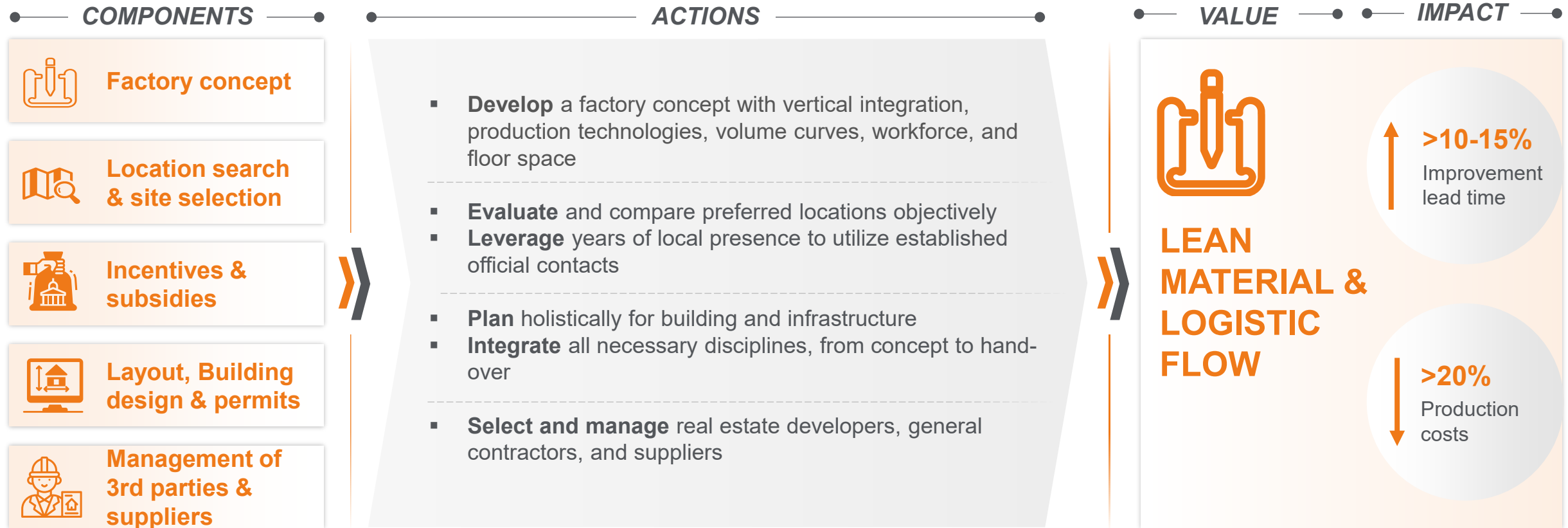


CAPEX = Capital expenditure; OPEX = Operational expenditures

PLANT CONCEPT

developing the concept framework – initiating the factory conceptualization process, scouting for locations, and selecting contractor(s)

II. The five components of the 'PLANT CONCEPT' phase

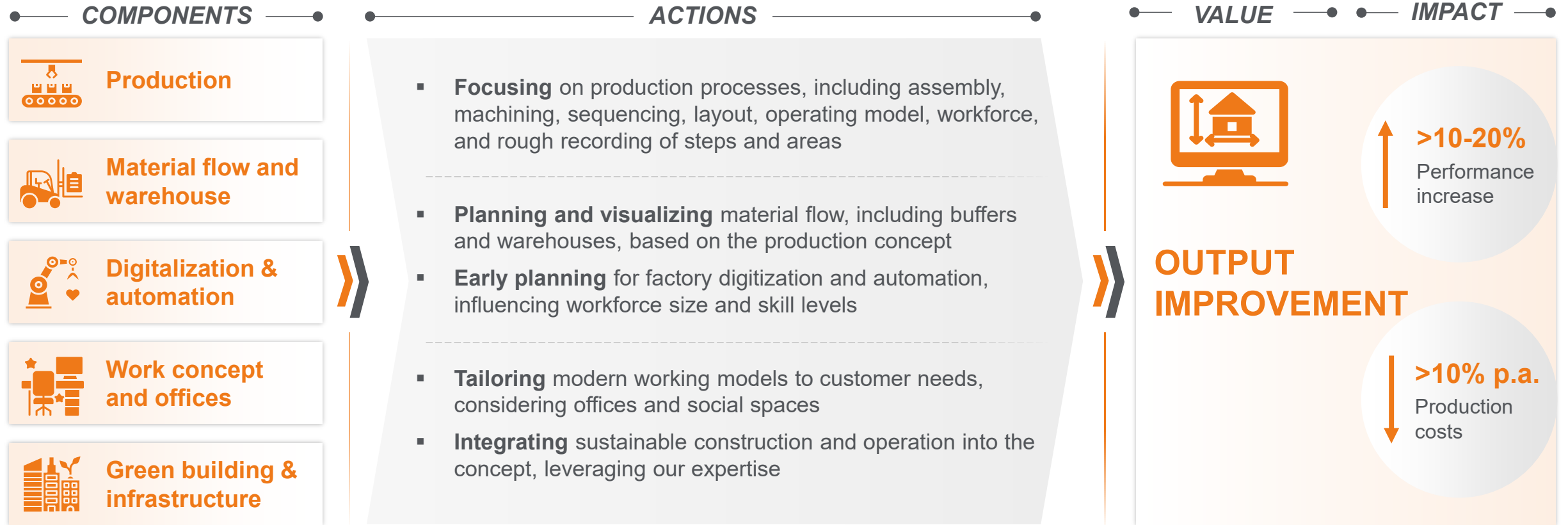


The 'PLANT CONCEPT' stage result is used to identify specific possible locations / sites in the target region.



FACTORY DESIGN based on the planned production concept, the support areas are specified according to requirements

III. The five components of the 'FACTORY DESIGN' phase

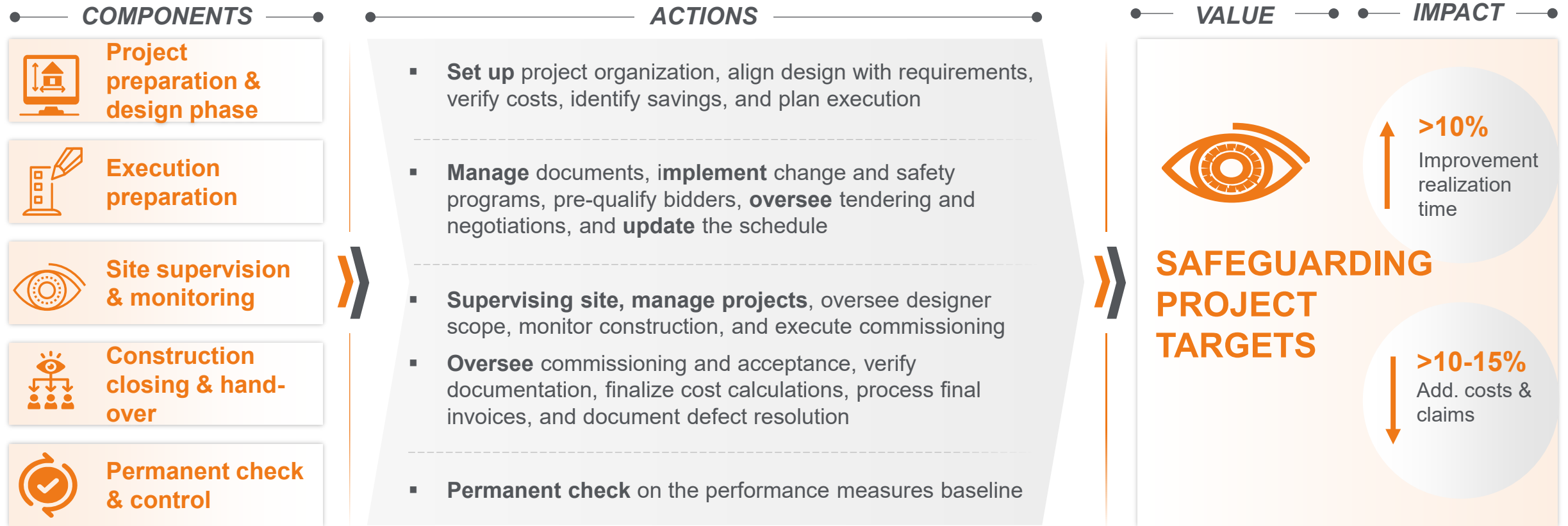


After the 'FACTORY DESIGN' phase, the factory is ready for realization - requirements, schedule and costs are now known.



REALIZATION SUPERVISION our strength is in crafting strategies, developing concepts, and executing them on time and within budget

IV. The five components of the 'REALIZATION SUPERVISION' phase

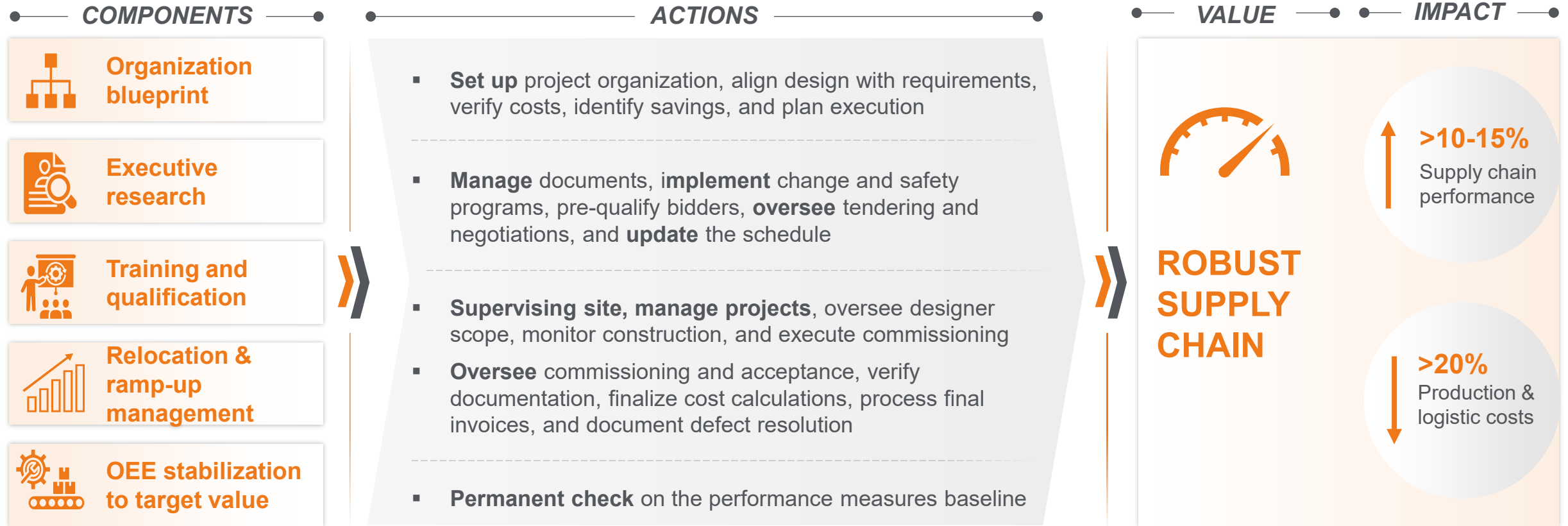


We safeguard our client's timescales and budgets by providing management and coordination of the entire project with our 'REALIZATION SUPERVISION' concept.



INDUSTRIALIZATION & RAMP-UP is essential for streamlining production, reducing time to market, and ensuring scalable and reliable manufacturing processes

V. The five components of the 'INDUSTRIALIZATION & RAMP-UP' phase

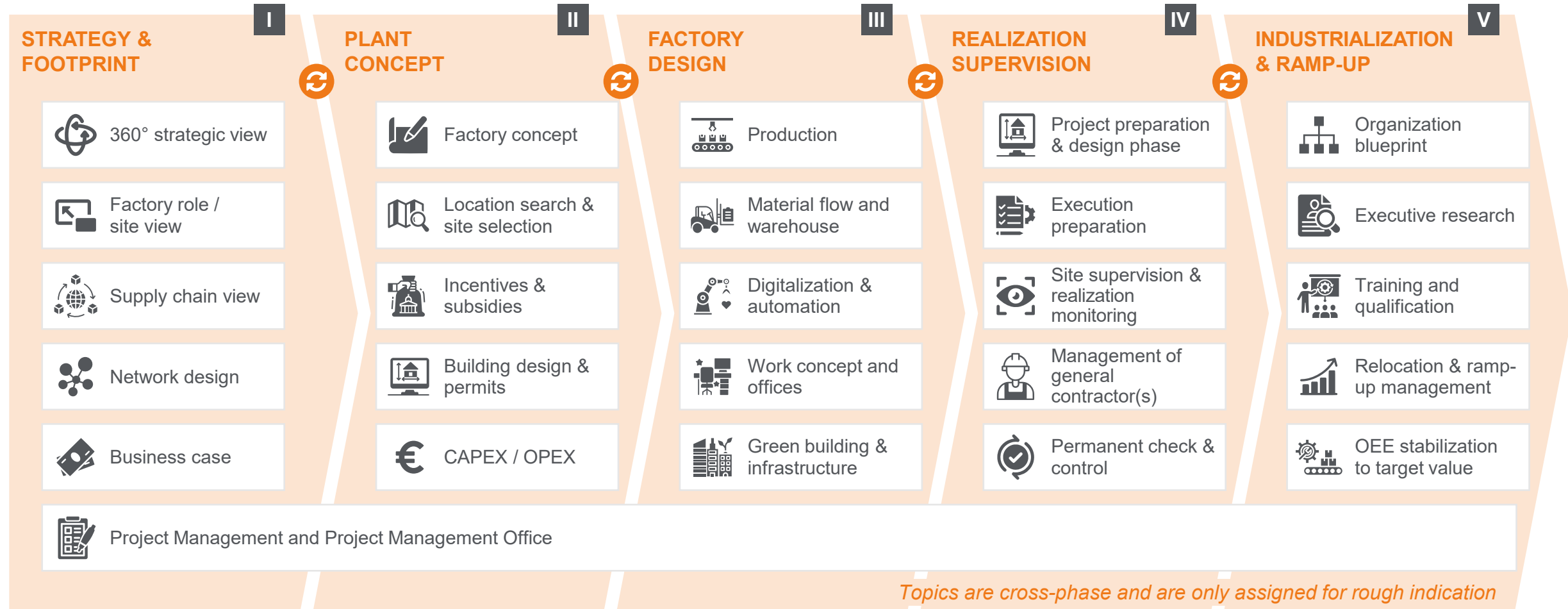


Bringing a built plant to life is a task that many have failed to accomplish in the appropriate time and budget, we support you with our extended experience for 'INDUSTRIALIZATION & RAMP-UP'.



We have expanded and integrated our capabilities to support customers from initial ideation through to SOP

EFESO's 'one-stop-shop' capabilities and service offerings for FACTORY PLANNING



*We support our customers holistically or in every phase in which our customer currently finds himself
 OEE = Overall Equipment Effectiveness; CAPEX = Capital expenditure; OPEX = Operational expenditures

In the last few years alone, numerous successful programs across all sectors have been delivered

Constructions/Furniture

- Sourcing materials strategy and implementation
- Production footprint strategy and implementation
- Logistic network optimization and warehouse planning and implementation
- ...

Energy & Heating Technology

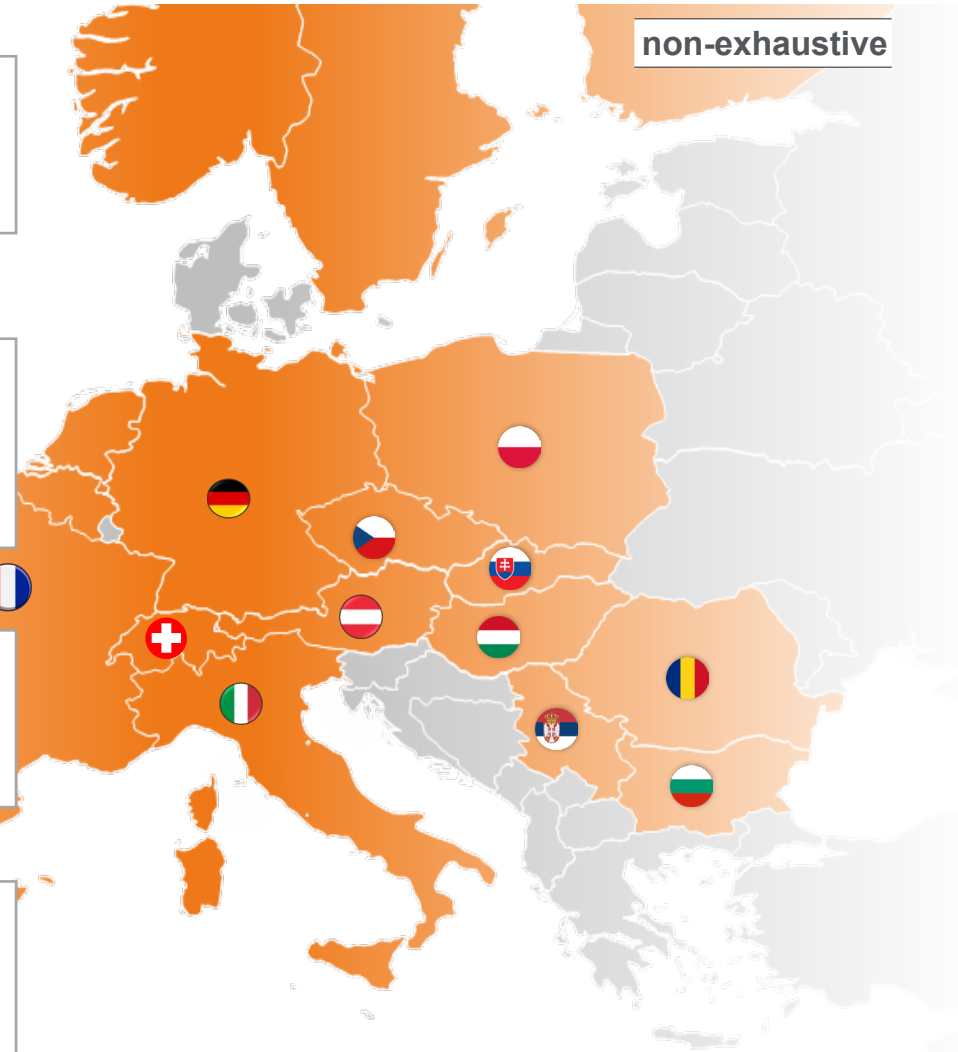
- Future factory concepts
- Output increase and flexibilization
- Production and factory expansion
- Plant greenfield planning and construction supervision
- ...

Industrial Goods

- Warehouse planning & realization
- Brown and green field plant planning
- Factory digitization and introduction of digital shopfloor management
- ...

Automotive OEMs & Tier-x

- Location search & obtaining subsidies
- Holistic factory concept planning
- Factory realization planning
- Factory realization & ramp-up management
- ...



» Worked with most **top players** across sectors

» Active for **40 years** in the industry

» **50+** successful projects completed globally in the last 5 years

» Deep and proven CEE **knowledge, experience and authority** contacts

» With local offices in CEE, and a Team of **20+** consultants



CEE = Central Eastern Europe

EFESO is one of the world's leading 'pure play' consulting firms in industrial operations and performance improvement with high value USPs for our clients

Future factory

We have rethought factory concepts and are leaders in the field of the factory of the future.



Factory planning as 'one-stop-shop'

We offer all services from a single source. This ensures seamless communication, lower costs, and faster execution.

Industry 4.0

We are thought leaders and visionaries for innovative factory and network digitization from idea to implementation.



high value USPs for our clients



CAPEX optimization

We are pioneers in CAPEX reduction in industrialization and reduce costs before they arise.

Operational excellence

We review and adjust operational strategies to ensure the highest level of service to clients while maintaining team efficiency and effectiveness.



Benchmark champion

We have the world's best benchmark databases for product costs, CAPEX and footprint data and are continuously expanding them.



EFESO's experience in the building materials' industry



STRUCTURAL MATERIALS



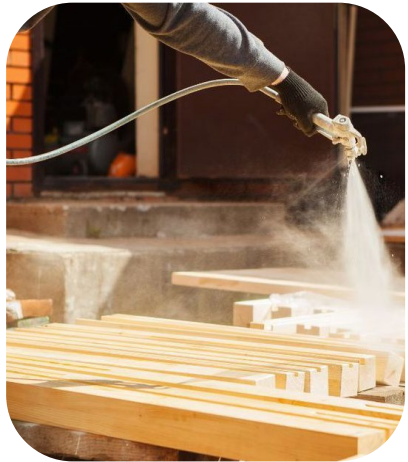
WOOD & WOOD-BASED PRODUCTS



ARCHITECTURAL HARDWARE



INSULATION & ROOFING SYSTEMS



HIGH-PERFORMANCE MATERIALS



CONSTRUCTION & INFRASTRUCTURE



FLOORING & DECORATIVE FINISHES



OTHER BUILDING MATERIALS

Worked with many recognized top players

Active for over 40 years in the industry

90+ successful projects completed globally in the last 3 years

“ A pragmatic hands-on advice that has helped us to focus always back on the essentials. So, we have achieved our excellent results, thanks to EFESO! ”

Says one of the world's leading window and door manufacturer



We are the leading global pure player in operations strategy and performance improvement



- A fast-growing pure player in operations consulting, that operates globally
- Serving a broad range of industries and Private Equity
- Offering **E2E operations services** – from operations strategy & transformation to manufacturing, supply Chain, procurement, R&D and product, Capex, Lean Lab, Transaction & Turnaround.
- Integrating transversal capabilities: **Industrial AI, automation & digital, industrial sustainability and people & organization**
- Delivering ‘**Real Results, Together**’ with our clients
- Leveraging our **global reach** and **cross-industry experience** to deliver tailored **best-in-class solutions** for your regional and sector-specific challenges

+1,000

Results-oriented Operations specialists with hands-on industry experience

45

Nationalities in **>30 offices** worldwide

+1,500

Projects in **>75 countries** annually

x10

Average Return on Consulting fees

Some of EFESO's recognitions



... and many more.



