INTERIM FINANCIAL REPORT

31 MARCH 2021

cementir holding
GRUPPO CALTAGIRONE

CORPORATE BODIES

Board of Directors [1] In office until approval of 2022 financial statements	*Executive Director, Chairman and CEO*	Francesco Caltagirone Jr.
	Vice-Chairman and Non-Executive Director [2]	Alessandro Caltagirone
	Vice-Chairman and Non-Executive Director[3]	Azzurra Caltagirone
	Non-Executive Directors	Edoardo Caltagirone
		Saverio Caltagirone
		Fabio Corsico
		Veronica De Romanis *(independent)*
		Paolo Di Benedetto *(independent)* [4]
		Chiara Mancini *(independent)*
Audit Committee[5]	**Chairwoman**	Veronica De Romanis *(independent)*
	Members	Paolo Di Benedetto *(independent)*
		Chiara Mancini *(independent)*
Remuneration and Nomination[6] **Committee**	**Chairwoman**	Chiara Mancini *(independent)*
	Members	Paolo Di Benedetto *(independent)*
		Veronica De Romanis *(independent)*
Independent Auditors		PricewaterhouseCoopers Accountants N.V.[7]

[1] Appointed by resolution of the shareholders' meeting of 20 April 2020.
[2] Appointed by resolution of the Board of Directors dated 24 April 2020.
[3] Appointed by resolution of the Board of Directors dated 24 April 2020.
[4] Appointed *Senior Non-Executive Director* by resolution of the Board of Directors dated 24 April 2020.
[5] Appointed by resolution of the Board of Directors dated 24 April 2020.
[6] Appointed by resolution of the Board of Directors dated 24 April 2020.
[7] The shareholders' meeting of 20 April 2020 entrusted the assignment of Statutory auditing for the period 2021–2030 to auditing company PricewaterhouseCoopers Accountants NV.

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INTRODUCTION

This interim Directors' report on operations refers to the consolidated financial statements as at 31 March 2021 of the Cementir Group prepared in accordance with the International Financial Reporting Standards (IFRS) endorsed by the European Union, and with Part 9 of Book 2 of the Dutch Civil Code.

This report was prepared on the basis of the going concern assumption.

It is noted that this Interim financial report is unaudited.

GROUP PROFILE

Cementir Holding is a multinational group with registered office in the Netherlands operating in the building materials sector. The Group is the world leader in white cement with 3.3 million tonnes of installed capacity in six plants. It is the leading producer of cement in Denmark and ready-mixed concrete in Scandinavia, and the third in Belgium, where it operates one of the largest aggregate quarries in Europe. Cementir is one of the leading international cement producers in Turkey, where it also operates waste-to-energy plants.

Over the last 20 years, under the leadership of Francesco Caltagirone Jr., the Group has invested over EUR 1.7 billion in an international diversification plan, which has transformed the company from a national to a multinational operator with plants in 18 countries, a cement production capacity of over 13 million tonnes per year and a global commercial presence.

The Cementir Group continues to pursue a strategy of sustainable growth, based on geographical and product diversification and on a more efficient, lean and vertically integrated business model.

With the Cementir 4.0 project, the Group is investing significantly in the use of digital technology in production and distribution processes, aiming at operational excellence along the entire value chain, from limestone extraction to the use of raw materials and alternative fuels, with a view to progressively improving its environmental impact.

Cementir has defined a sustainability strategy aimed at reducing CO_2 emissions by 30% by 2030, with an investment plan of around EUR 107 million in various projects, including wind power generation and district heating in Denmark, reducing the consumption of thermal and electrical energy and increasing the use of more sustainable fuels in its plants in Denmark and Belgium.

A cornerstone of this strategy is the launch of new green cements based on the globally patented FUTURECEM™ technology, which will gradually replace existing products and lead to a 30% reduction in CO_2 emissions per tonne of cement.

In December 2020, the Group obtained a 'B' rating from the Carbon Disclosure Project (CDP), in recognition of its strong commitment to environmental sustainability.

Cementir Holding has been listed on the Milan Stock Exchange since 1955 and today is one of the leading companies in the STAR segment. Since 1992, Cementir has been part of the Caltagirone Group, one of the leading industrial groups in Italy with activities in residential construction, infrastructure, publishing, real estate and finance.

GROUP PERFORMANCE

Consolidated earnings figures for the first three months of 2021 are reported below, with comparative figures provided for the same period of 2020:

Financial Highlights

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Var %
REVENUE FROM SALES AND SERVICES	**300,518**	**266,933**	**12.6%**
Change in inventories	(1,242)	(1,011)	-22.8%
Increase for internal work and other income	5,352	4,120	29.9%
TOTAL OPERATING REVENUE	**304,628**	**270,042**	**12.8%**
Raw materials costs	(123,724)	(102,788)	20.4%
Personnel costs	(46,815)	(49,181)	-4.8%
Other operating costs	(86,011)	(85,902)	0.1%
TOTAL OPERATING COSTS	**(256,550)**	**(237,871)**	**7.8%**
EBITDA	**48,078**	**32,171**	**49.4%**
EBITDA Margin %	*16.00%*	*12.05%*	
Amortisation, depreciation, impairment losses and provisions	(27,047)	(27,043)	0.0%
EBIT	**21,032**	**5,128**	**310.1%**
EBIT Margin %	*7.00%*	*1.92%*	
Share of net profits of equity-accounted investees	7	(282)	102.6%
Net financial income (expense)	(5,419)	(9,861)	-45.0%
NET FINANCIAL INCOME (EXPENSE) AND VALUATION OF INVESTMENTS IN EQUITY	**(5,412)**	**(10,143)**	**-46.6%**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**15,620**	**(5,015)**	**-**

Sales volumes

('000)	1st Quarter 2021	1st Quarter 2020	Var %
Grey, White cement and Clinker (metric tonnes)	2,393	2,037	17.5%
Ready-mixed concrete (m^3)	1,126	904	24.6%
Aggregates (metric tonnes)	2,343	2,185	7.2%

Group employees

	31-03-2021	31-12-2020	31-03-2020
Number of employees	3,079	2,995	3,045

In the first three months of 2021, cement and clinker sales volumes of 2.4 million tonnes were up 17.5% compared to 2020. The increase is attributable to the performance in Turkey, Belgium and Denmark.

Sales volumes of ready-mixed concrete, equal to 1.1 million cubic metres, were up by 24.6% mainly due to the increase in Turkey and, to a lesser extent, in Belgium, Denmark and Sweden.

In the aggregates sector, sales volumes amounted to 2.3 million tonnes, up 7.2% with increases in Denmark, Sweden, Belgium and France.

Group revenue reached EUR 300.5 million, up 12.6% compared to EUR 266.9 million in the first quarter of 2020. At constant 2020 exchange rates, revenue would have reached EUR 313.0 million, up 17.3% on the same period of the previous year.

Operating costs of EUR 256.6 million increased by 7.8% compared to EUR 237.9 million in the first quarter of 2020.

The **cost of raw materials** amounted to EUR 123.7 million (EUR 102.8 million in Q1 2020), up due to higher business volumes mainly in Turkey, Denmark and Belgium as well as the generalised increase in fuel prices on international markets.

Personnel costs, equal to EUR 46.8 million, were down 4.8% compared to EUR 49.2 million in the first quarter of 2020, which included one-off charges.

Other operating costs of EUR 86 million were in line with the same period in 2020.

EBITDA reached EUR 48.1 million, an increase of 49.4% compared to EUR 32.2 million in the first quarter of 2020 as consequence of better results in Belgium, Turkey, Denmark and, to a lesser extent, in Asia Pacific and Egypt. It is noted that in the first quarter of 2020 results were affected by the start of the global Covid 19 pandemic as well as by EUR 2.5 million of non-recurring expenses.

EBITDA margin as a percentage of revenue stood at 16.0%, showing an increase in industrial profitability compared to the first quarter of 2020 (12.1%).

At constant 2020 exchange rates, EBITDA would have been EUR 48.2 million, up 49.9% compared to the same period last year.

Taking into account EUR 27.0 million of amortisation, depreciation, write-downs and provisions (in line with 2020), **EBIT** reached EUR 21 million compared to EUR 5.1 million in the previous year. Amortisation and depreciation due to IFRS 16 application was EUR 6.8 million compared to EUR 6.5 million in the same period of 2020.

At constant 2020 exchange rates, EBIT would have been EUR 20.2 million.

The **share of net profits of equity-accounted investees** is marginally positive (loss of EUR 0.3 million in Q1 2020).

Net financial expense, negative for EUR 5.4 million (negative for EUR 9.9 million in the same period of the previous year), includes financial charges of EUR 3.9 million (EUR 4.7 million in 2020), foreign exchange charges of EUR 1.1 million (EUR 4.7 million in 2020) and the impact of the valuation of derivatives.

Pre-tax profit was EUR 15.6 million (loss of EUR 5.0 million in Q1 2020).

Financial highlights

(EUR '000)	31-03-2021	31-12-2020	31-03-2020
Net capital employed	1,357,420	1,305,142	1,483,169
Total equity	1,189,603	1,182,962	1,160,844
Net financial debt[1]	167,817	122,181	322,325

Net financial debt as at 31 March 2021 was EUR 167.8 million, a decrease of EUR 154.5 million compared to EUR 322.3 million as at 31 March 2020. These figures include EUR 84.2 million due to IFRS 16 compared to EUR 88.2 million as at 31 March 2020.

Negative variance versus net financial debt as at 31 December 2020 – EUR 45.6 million – is due to business seasonality in the first quarter of the year, net working capital dynamics and annual plant maintenance, as well as to the purchase of treasury shares for EUR 11.4 million.

Total equity as at 31 March 2021 amounted to EUR 1,189.6 million (EUR 1,183.0 million as at 31 December 2020).

FINANCIAL INDICATORS

The following table provides the most significant indicators for a brief assessment of Cementir Holding group performance and financial position. Return on Capital Employed allows a quick understanding of how operational performance of the Group has an impact of the overall profitability. The other Financial Indicators highlight the ability of the company to meet its financial obligations.

Economic indicators	31-03-2021	31-12-2020	31-03-2020	Composition
Return on Capital Employed	12.8%	12.0%	10.1%	EBIT/(Equity + Net financial debt)

Capital ratios	31-03-2021	31-12-2020	31-03-2020	Composition
Equity ratio	53.3%	52.7%	49.3%	Adjusted Equity/Total Assets
Net Gearing ratio	14.1%	10.4%	27.8%	Net Financial Debt/Equity
Liquidity ratio	0.83	0.83	1.57	Cash + Receivables / Current Liabilities
Cash Flow	0.60	0.53	0.37	Operating Cash Flow / Total Financial Debt
Finance Needs	167.8	122.2	322.3	Net financial debt

The financial indicators all show a clear improvement compared to the same period in 2020.

[1] Net financial debt has been calculated in accordance with Consob Communication DEM/6064293 of 28 July 2006.

PERFORMANCE BY GEOGRAPHICAL SEGMENT

Nordic and Baltic

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	138,447	127,884	8.3%
Denmark	*92,611*	*88,169*	*5.0%*
Norway / Sweden	*43,785*	*39,723*	*10.2%*
Other (1)	*13,164*	*12,449*	*5.7%*
Eliminations	*(11,113)*	*(12,457)*	
EBITDA	27,079	24,651	9.8%
Denmark	*23,446*	*21,782*	*7.6%*
Norway / Sweden	*3,091*	*2,412*	*28.2%*
Other (1)	*542*	*457*	*18.6%*
EBITDA Margin %	19.6%	19.3%	
Investments	11,211	9,585	

(1) Iceland, Poland, Russia and white cement operating activities in Belgium and France

Denmark

Sales revenues in the first quarter of 2021 reached EUR 92.6 million, up 5% compared to EUR 88.2 million in the first quarter of 2020, due to the increase in revenues in all business lines and mainly in ready-mixed concrete. This is due to market growth and favorable weather conditions.

Cement volumes in the domestic market increased by around 6.5%, mainly due to the ready-mixed concrete, precast and bagged cement segments, partly attributable to the replenishment of stocks by distributors before the Easter holidays. The comparison with the previous year was impacted by the slight contraction in March 2020 due to Covid-19.

White cement exports declined slightly, due to a fall in shipments to Poland as a result of low temperatures in January and February, partially offset by higher sales to Belgium and France. Exports of grey cement fell by 14% compared to the first quarter of 2020, due to lower deliveries to Norway as a result of weak local demand and difficult weather conditions. Ready-mixed concrete volumes in Denmark increased by 11% compared to the corresponding quarter in 2020, due to growth in activity in all areas of the country and favorable weather conditions.

EBITDA amounted to EUR 23.4 million in the first quarter of 2021 (EUR 21.8 million in 2020), up 7.6% compared to 2020. The increase is largely attributable to the ready-mixed concrete business, which benefited from higher sales volumes and prices and lower fixed administrative and personnel costs, which offset higher cement and raw material costs due to inflationary dynamics. The cement sector recorded a moderate contraction due to higher costs for electricity, raw materials and higher fixed production costs, partly offset by higher volumes.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes fell by about 3% compared to previous year. The country continues to experience a moderate contraction in residential and non-residential activity, both in the public and private sectors. The trend is more favorable in the south of the country, while the north, the east and the islands have been hit harder by the economic downturn. Volumes were impacted not only by low temperatures, but also by slowdown of some major infrastructure works. In March, however, there was a substantial recovery (+30%) due to the start of several projects that had been postponed from previous months.

It should be noted that Norwegian krone lost 2% against the euro compared to 2020 average three months exchange rate.

In **Sweden**, ready-mixed concrete volumes were up more than 20% year-on-year, while aggregate sales were 8% higher. In the first three months of 2021, the sector benefited from favorable weather conditions and a very solid construction market performance, also as a result of the rapid progress of some major infrastructure projects near Malmö.

The Swedish krona appreciated by 5% against the average euro exchange rate in the first quarter of 2020.

In the first quarter of 2021, revenues from sales in Norway and Sweden amounted to EUR 43.8 million (EUR 39.7 million in 2020) while EBITDA increased by 28.2% to EUR 3.1 million (EUR 2.4 million in the same period in 2020). The increase is attributable to Sweden, both in ready-mixed concrete and aggregates, due to higher sales volumes and prices against higher costs for the purchase of cement and raw materials in the ready-mixed concrete segment due to inflationary dynamics. Norway recorded a slight reduction in EBITDA due to lower sales volumes and higher variable costs for cement purchases, partially offset by higher sales prices and lower fixed costs.

Belgium

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	63,018	56,735	11.1%
EBITDA	9,814	5,184	89.3%
EBITDA Margin %	15.6%	9.1%	
Investments	4,215	10,231	

In the first quarter of 2021, cement sales volumes increased by 8% compared to 2020, also following the negative performance in March 2020 caused by Covid-19. During the quarter, volumes were positive in Belgium and France, stable in Germany and declining in the Netherlands.

Ready-mixed concrete sales volumes in Belgium and France increased by more than 20% in the first three months of 2021, partly due to the launch of few important projects. It should be noted that in March 2020, the Covid-19 pandemic had led it to a sharp activity contraction.

Aggregate sales volumes increased by approximately 4.5% compared to the corresponding first three months of 2020, particularly for exports to France and benefited from growth in building activity, precast elements and volumes in the ready-mixed concrete sector, while a contraction was recorded in road construction, also as a result of bad weather conditions. There were some difficulties in inland waterway transport, which prevented some deliveries being made in Belgium, while northern France is still showing signs of weakness after the pandemic crisis.

Overall, sales revenue in the first quarter of 2021 amounted to EUR 63.0 million (EUR 56.7 million in the same period of 2020) and EBITDA amounted to EUR 9.8 million (EUR 5.2 million the previous year), increasing by 89.3% compared to 2020.

In the cement segment, where the greatest increase in earnings was achieved, amounting to approximately EUR 2.4 million, EBITDA benefited from the growth in sales volumes and prices and the decrease in fixed costs due to the timing of annual kiln maintenance. In the ready-mixed concrete segment, the increase in margin was due to higher sales volumes and prices, especially in Belgium, while in the aggregates segment, fixed and variable cost efficiencies also contributed.

North America

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	34,893	36,429	-4.2%
EBITDA	4,079	4,795	-14.9%
EBITDA Margin %	11.7%	13.2%	
Investments	1,514	698	

In the United States, growth in white cement sales volumes was sustained due to increased deliveries mainly in Florida and York region. The year-on-year change reflects the negative impact of Covid-19 in 2020 comparable. Despite a hurricane in Texas and heavy snowfall in York region in February, positive weather conditions and the development of the precast sector contributed favorably to the sales trend.

The subsidiary LWCC reported revenues of EUR 32.7 million, down from EUR 33.3 million in the corresponding three months of 2020, due to lower sales prices owing to competition. EBITDA reached EUR 4.4 million (EUR 4.9 million in 2020) due to lower sales prices, higher distribution costs on both purchases and sales, higher electricity costs, also because of the hurricanes in Texas, and higher plant maintenance costs, against the positive effect of higher sales volumes.

It should be noted that the dollar depreciated by 9% against the average euro exchange rate in the first quarter of 2020. Such translation effect led to lower revenues of EUR 34.9 million (EUR 36.4 million in Q1 2020) and lower EBITDA of EUR 4.1 million (EUR 4.8 million in 2020).

The other US subsidiaries, which are active in the production of cement products and the management of the Tampa terminal in Florida, recorded a negative EBITDA of approximately EUR 0.26 million, in line with the previous year. The company Vianini Pipe, which operates in cement products, suffered from delays in the start of some significant works.

Total sales revenue in United States reached EUR 34.9 million (EUR 36.4 million in the first three month of 2020), with an EBITDA of EUR 4.1 million (EUR 4.8 million in 2020).

Turkey

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	35,556	26,326	35.1%
EBITDA	1,051	(3,447)	130.5%
EBITDA Margin %	3.0%	-13.1%	
Investments	3,591	5,171	

Revenue reached EUR 35.6 million, an increase of 35,1% compared to the first quarter of 2020 (EUR 26.3 million), despite the devaluation of the Turkish lira against the euro (-32% compared with the average exchange rate in the first quarter of 2020).

The increased demand led to a 97% increase in local-currency cement revenue and to a 30% increase in cement and clinker sales volumes. In particular, sales volumes in the domestic market grew by 38% due to increased demand, positive weather conditions-and to a lesser extent a decline in sales in 2020 due to the pandemic. The largest increase in absolute terms was in the Marmara (Trakya) and Eastern Anatolia (Elazig) regions hit by an earthquake in January 2020 and, to a lesser extent, in the Aegean area due to the Izmir earthquake in October 2020.

Exports of cement and clinker, on the contrary, increased by 8% with a more favorable mix.

Ready-mixed concrete volumes increased by 65% compared to the first quarter of 2020, due to the start of some major projects that had been postponed due to the Covid-19 pandemic and the opening of new plants.

In the waste sector, the Sureko subsidiary, active in industrial waste processing, reported revenues in local currency that were around 10% higher than in 2020, due to an increase in materials trading, volumes of waste collected for the production of fuels (RDF). The UK subsidiary Oak reported revenues in line with Q1 2020, due to a stable trend in volumes of waste collected for the production of raw materials (MRF) and fuels (SRF) derived from waste, as well as quantities sent to landfill.

Overall, EBITDA was positive at EUR 1.1 million, improving over the previous year (negative at EUR 3.4 million) thanks to higher cement sales volumes and prices, only partially mitigated by higher raw material and fuel costs, higher maintenance, personnel and general expenses.

Ready-mixed concrete also made a positive contribution of approximately EUR 0.5 million thanks to the higher volumes and higher prices, only partially offset by higher variable costs for the purchase of raw materials and cement.

Egypt

(EUR '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	12,872	10,233	25.8%
EBITDA	3,037	2,048	48.3%
EBITDA Margin %	23.6%	20.0%	
Investments	244	189	

Sales revenues amounted to EUR 12.9 million (EUR 10.2 million in Q1 2020), up 25.8% thanks to a more than 30% increase in volumes sold on both the local and export markets.

Sales volumes of white cement in the domestic market were up more than 35% compared to Q1 2020, when the lockdown to limit the spread of Covid-19 led to delays in deliveries to customers, resulting in lower volumes.

Exports, up 30%, must take into account the reduced contribution in March 2020, due to Covid-19 restrictions.

EBITDA increased to EUR 3.0 million (EUR 2.0 million in Q1 2020), due to higher volumes sold, higher sales prices due to product mix and savings on energy costs, against higher transport costs, raw materials and overheads. The Egyptian pound depreciated by 9% against the average Euro exchange rate in the first quarter of 2020.

Asia Pacific

(Euro '000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	20,976	14,659	43.1%
China	*10,844*	*6,684*	*62.2%*
Malaysia	*10,132*	*7,975*	*27.0%*
Eliminations	-	-	
EBITDA	3,701	2,532	46.2%
China	*2,512*	*1,740*	*44.4%*
Malaysia	*1,189*	*792*	*50.1%*
EBITDA Margin %	17.6%	17.3%	
Investments	1,908	1,655	

China

Sales revenue reached EUR 10.8 million (EUR 6.7 million in Q1 2020), an increase of 62.2% compared to 2020, when due to the Covid-19 outbreak the company was closed between 23 January and 21 February.

Sales volumes increased by 60% compared to the corresponding quarter of 2020 despite heavy rainfall in January, which affected deliveries to customers and the start of several infrastructure works. 2021 is the first year of China's 14th Five-Year State Plan, which forecasts GDP growth of 6% in 2021.

EBITDA increased to EUR 2.5 million (EUR 1.7 million in the same period of 2020), driven by the increase in volumes only partially offset by higher fixed costs for maintenance, overheads and personnel due to normal inflationary dynamics.

The Chinese Renminbi depreciated by 1.5% against the average Euro exchange rate in the first quarter of 2020.

Malaysia

Sales revenue amounted to EUR 10.1 million (EUR 8.0 million in the corresponding period of 2020) due to an increase of approximately 40% in overall volumes.

Volumes of white cement on the domestic market, which were not significant in absolute terms, increased by 4%. It should be noted that from 17 March to 14 April 2020, the Malaysian government imposed some restrictions on sales and production to curb the spread of the pandemic, and that also in the first quarter of 2021 some restrictions were put in place between 13 January and 18 February.

Overall, exports increased by around 40% compared to 2020, with higher volumes of both cement and clinker, which can also be explained by the import restrictions implemented in 2020 by several countries. The largest volumes of clinker were sold to Australia, Vietnam and Bangladesh. The largest volumes of cement were produced in Australia, the Philippines and South Korea, and the lowest volumes in Vietnam.

EBITDA amounted to EUR 1.2 million, up 50% compared to EUR 0.8 million in the corresponding quarter of 2020. The main positive factor was the higher volumes sold, against lower average sales prices due to a different mix (more clinker than cement) and the exchange rate effect on exports in dollars, as well as higher fuel purchase costs and higher personnel costs due to inflation and maintenance.

The local currency depreciated by 6% against the average euro exchange rate in the corresponding quarter of 2020.

Holding and Services

(EUR ’000)	1st Quarter 2021	1st Quarter 2020	Change %
Revenue from sales	24,040	21,253	13.1%
EBITDA	(683)	(3,592)	81.0%
EBITDA Margin %	*-2.8%*	*-16.9%*	
Investments	419	622	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The 12.5% increase in Spartan Hive's revenues is attributable to higher volumes traded while EBITDA decreased to EUR 1.2 million (EUR 1.9 million in Q1 2020).

Corporate EBITDA, on the other hand, was negative for EUR 1.9 million, an improvement on the negative EUR 5.4 million posted in the first quarter of the previous year, which included EUR 2.5 million for a payment made in execution of a settlement agreement.

INVESTMENTS

In the first quarter of 2021 the Group invested EUR 17.6 million, EUR 13.6 million was spent on cement, EUR 1.8 million on ready-mixed concrete, EUR 1.5 million on aggregates and EUR 0.7 million on other businesses.

SIGNIFICANT EVENTS DURING THE QUARTER

It is noted that on 4 February 2021, the Board of Directors' of the Parent Company approved the 2021 - 2023 Business Plan. Please refer to the relevant press release available con the company website www.cementirholdidng.com under the Investors, Press Releases section.

The new Group business Plan envisages the achievement of the following targets in 2023:

- Cumulative investments in sustainability of EUR 102 million, for specific projects concerning the reduction of CO2 emissions;
- Revenue between EUR 1.4 and 1.5 billion, with growth driven by grey, white cement, ready-mix and aggregates sales volumes increase in all geographical areas, with prices in line with the market;
- EBITDA to exceed EUR 300 million, with an EBITDA margin expansion of 23% by 2023. Such results will be achieved also thanks to both Cementir 4.0 programme and the green investments;
- Annual investments of approximately EUR 70 million directed towards developing production capacity and maintaining plant efficiency.

The expected cash generation through improved earnings and optimisation of working capital will allow a positive cash position to be achieved in 2022 and around EUR 250 million at the end of the Plan.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE INDICATORS

The Cementir Group used some alternative performance indicators to enable a better assessment of the performance of economic management and the capital and financial situation. In line with that established in the ESMA/2015/1415 guidelines, the meaning and contents of those indicators are noted below.

- EBITDA: is an indicator of operating performance calculated by adding together "EBIT" and "Amortisation, depreciation, impairment losses and provisions";
- Net financial debt: is an indicator of financial structure calculated according to Consob Communication No. 6064293/2006, as the sum of the items:
  - Current financial assets;
  - Cash and cash equivalents;
  - Current and non-current financial liabilities.
- Net capital employed: is calculated as the total amount of non-financial assets, net of non-financial liabilities.

RELATED-PARTY TRANSACTIONS

With regard to related-party transactions, as defined by IAS 24, the Group did not conduct any atypical and/or unusual transactions. All business and financial dealings with related parties were conducted on terms equivalent to those that prevail in arm's length transactions.

The Group did not conduct any significant or material transactions concerning related-party transactions.

TREASURY SHARES

In accordance with the resolution of the Shareholders' Meeting of 2 July 2020, the treasury share purchase programme continued as of 31 March 2021, for a total of 2,144,000 shares equal to 1.3474% of the share capital (694,500 shares equal to 0.4365% of the share capital as of 31 December 2020) for a total outlay of EUR 15,954 thousand (equal to EUR 4,543 thousand as of 31 December 2020).

MANAGEMENT AND COORDINATION

Cementir Holding NV sets its general and operational strategies independently. In particular, the Board of Directors of Cementir Holding NV has sole responsibility for reviewing and approving strategic, commercial and financial plans, and for overseeing the adequacy of organisational, administrative and accounting structures.

PERSONAL DATA PROTECTION

The Parent Company guarantees the protection of personal data in accordance with the laws in force. the Company has adopted internal regulations and the relevant operational tools necessary to ensure regulatory compliance at the date of entry into force of EU Regulation 679/2016. In order to ensure full compliance with the legislation and review the system created also in light of Legislative Decree 101 of 10 August 2018, which came into force on 19 September 2018, Cementir Holding launched another project, now complete, to update and refine its privacy policy.

LITIGATION

The Company is responsible for leading the defence in proceedings, of which it is not a party in accordance with the terms and conditions set out in a settlement agreement with Italcementi S.p.A., relating to the sale of the shares of Cementir Italia S.p.A. (today Cemitaly S.p.A.), Cementir Sacci S.p.A. (today Italsacci S.p.A.) and Betontir S.p.A., finalised on 2 January 2018.

The main proceedings, relating to events in which the Company may be abstractly subject to compensation obligations based on the aforementioned settlement agreement, in relation to events prior to the transfer, are noted below.

Antitrust proceedings

On 7 August 2017, upon completion of an investigation, the Italian Competition Authority ("Authority") found there to have been an agreement aimed at coordinating cement selling prices across the entire country and imposed an administrative fine on the producers involved, including Cemitaly. In 2020, the Company paid Cemitaly the sum of EUR 5,118,076 as compensation, to extinguish the fine and the interest accrued.

Proceedings in relation to the Cemitaly plant in Taranto

On 28 September 2017, Cemitaly was notified of criminal proceedings brought against it, Ilva S.p.A. and Enel Produzione S.p.A. in relation to administrative offences under Articles 5, 6 and 25 undecies paragraph 2 letter F) of Legislative Decree 231/2001. According to investigator allegations, (i) Cemitaly was aware of the fact that the fly ash it bought from Enel Produzione did not comply with applicable legislation, as traces of substances not derived solely from burning coal were found; (ii) the blast-furnace slag supplied by Ilva to Cemitaly should be qualified and treated as waste, due to its alleged "mechanical" impurities (presence of ferrous metals, crushed stone, debris, etc.), such as to require treatments such as sieving and deferrization, both of which, according to the investigator, are outside "normal industrial practice". At the outcome of the hearing of 15 April

2019, the Public Prosecutor requested that the company and natural persons appeared before the court, limited to answering the charges relating to the fly ash purchased from Enel Produzione. The dispute relating to the slag is awaiting the request for dismissal. The preliminary hearing, which has been postponed several times due to the Covid-19 pandemic, is now set for 12 May 2021.

Other legal disputes

An administrative dispute is pending before the Court of Appeal in Turkey, brought by the Turkish company Cimentas AS, indirect subsidiary of Cementir Holding. The dispute relates to the order issued by the Turkish stock exchange's regulatory and supervisory body (Capital Market Board – CMB), requiring Cimentas AS to demand back from the concerned Cementir Group companies around 100 million Turkish Lira (now equal to around EUR 10 million) by way of hidden profit distribution, allegedly generated by an intragroup company sale in 2009. On 29 January 2017, CMB served a summons to Cementir Holding to appear before the Court of Izmir, requesting that the company be ordered to pay to Cimentas AS an amount provisionally set at approximately 1 million Turkish lira. The Company duly appeared in court, arguing the total lack of foundation of the plaintiff's argument and requested that the civil proceedings be suspended until the administrative proceeding is finally settled. With a ruling of 1 July 2020, the Court of Appeal in Turkey declared lack of jurisdiction in relation to the case in question. The judgment was appealed by Cementir Holding before the Supreme Court.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE QUARTER

The programme for the purchase of treasury shares continued as of 30 April 2021 for a total of 2,376,000 shares equal to1.4932% of the share capital (2,144,000 shares equal to 1.3474% of the share capital as of 31 March 2021) for a total outlay of EUR 18,074 thousand (equal to EUR 15,954 thousand as of 31 March 2021).

No other significant facts occurred after the quarter ended.

MANAGEMENT OPERATING OUTLOOK

In the light of the results for the first quarter of the year, the objectives declared on 4 February 2021 are confirmed, i.e. reaching consolidated revenues of approximately EUR 1.3 billion and an EBITDA between EUR 285 and 295 million and a net financial debt at the end of 2021 of approximately EUR 30 million, including investments of approximately EUR 95 million. No substantial changes in the workforce are expected.

Rome, 5 May 2021

Chairman of the Board of Directors

signed: Francesco Caltagirone Jr.