INTERIM FINANCIAL REPORT
30 SEPTEMBER 2021

cementirholding
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)*
Sustainability Committee[7]	**Chairman**	Francesco Caltagirone Jr.
	Members	Veronica De Romanis *(independent)*
		Chiara Mancini *(independent)*
Independent Auditors		PricewaterhouseCoopers Accountants N.V.[8]

[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] Appointed by resolution of the Board of Directors dated 28 July 2021.
[8] 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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INTERIM FINANCIAL REPORT AT 30 SEPTEMBER 2021

INTRODUCTION

This interim Directors' report on operations refers to the consolidated financial statements as at 30 September 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 Directors' report is unaudited.

GROUP PROFILE

Cementir Holding N.V. is a multinational group with registered office in the Netherlands operating in the building materials sector. The Group is the global leader in white cement with 3.3 million tonnes of installed capacity, the leading producer of cement in Denmark and of ready-mixed concrete in the Scandinavian area, the third-largest producer in Belgium and among the main international operators for grey cement in Turkey. In Belgium, the Group operates one of the largest aggregate quarries in Europe. In Turkey and the United Kingdom, Cementir is active in the processing of urban and industrial waste, used to produce fuel for cement plants from waste.

Cementir's international growth over the years was mainly driven by investments and acquisitions for over EUR 1.7 billion, which have transformed the company from a domestic to a multinational player with production sites in 18 countries, a production capacity of over 13 million tonnes of cement and a commercial presence in over 70 countries. The company continues to pursue a strategy which aims to achieve both geographical and product diversification and a growing integration of its operations.

The Group has boosted the extensive use of digital technology in production processes with the Cementir 4.0 project, which aims to ensure a level of operational excellence along the entire value chain, including limestone extraction, the use of raw materials and alternative fuels in clinker production and the creation of semi-finished products and products with a lower environmental impact.

Cementir has defined a sustainability strategy aimed at reducing the level of CO2 emissions by 30% by 2030, defining a ten-year Roadmap and committing around EUR 107 million to sustainability projects in the 2021-2023 Business Plan. These include wind energy production and district heating in Denmark, investments to reduce the consumption of thermal energy and electricity in plants in Denmark and Belgium. Thanks to the introduction of new value-added products and technologies such as FUTURECEM™, patented at an international level, the Group has set itself the goal of significantly reducing clinker content, with a consequent reduction in the level of CO2 emissions from its own cement.

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

In May 2021, the rating agency Standard & Poor's assigned Cementir Holding a rating of BBB- with Stable Outlook.

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

GROUP PERFORMANCE

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

Financial highlights

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
REVENUE FROM SALES AND SERVICES	**1,008,296**	**896,770**	**12.4%**
Change in inventories	(1,883)	(8,961)	n.s.
Increase for internal work and other income	13,551	10,573	28.2%
TOTAL OPERATING REVENUE	**1,019,964**	**898,382**	**13.5%**
Raw materials costs	(406,805)	(341,394)	19.2%
Personnel costs	(138,052)	(139,176)	-0.8%
Other operating costs	(260,021)	(239,724)	8.5%
TOTAL OPERATING COSTS	**(804,878)**	**(720,294)**	**11.7%**
EBITDA	**215,086**	**178,088**	**20.8%**
EBITDA Margin %	*21.33%*	*19.86%*	
Amortisation, depreciation, impairment losses and provisions	(81,779)	(80,413)	1.7%
EBIT	**133,307**	**97,675**	**36.5%**
EBIT Margin %	*13.22%*	*10.89%*	
Share of net profits of equity-accounted investees	641	292	n.s.
Net financial income (expense)	(12,797)	(16,731)	-23.5%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY ACCOUNTED INVESTEES	**(12,156)**	**(16,439)**	**-26.1%**
PROFIT (LOSS) BEFORE TAXES	**121,151**	**81,236**	**49.1%**
PROFIT (LOSS) BEFORE TAXES / REVENUE %	*12.02%*	*9.06%*	

Sales volumes

('000)	Jan-Sept 2021	Jan-Sept 2020	Var %
Grey, White cement and Clinker (metric tonnes)	8,331	7,702	8.2%
Ready-mixed concrete (m^3)	3,767	3,123	20.6%
Aggregates (metric tonnes)	8,259	7,514	9.9%

Group employees

	30-09-2021	31-12-2020	30-09-2020
Number of employees	3,090	2,995	3,009

During the first nine months of 2021, cement and clinker **sales volumes**, reached 8.3 million tonnes, up by 8.2% compared to the same period of 2020. The increase is mainly attributable to performance in Turkey, Denmark and Belgium.

Sales volumes of ready-mixed concrete, equal to 3.8 million cubic metres, were up by 20.6% mainly due to the increase in Turkey, Belgium and in the Nordic & Baltic region.

In the aggregates sector, sales volumes amounted to 8.3 million tonnes, up 9.9% mainly due to increases in Sweden, Denmark, Belgium and Turkey.

Group revenue reached EUR 1,008.3 million, up 12.4% compared to EUR 896.8 million in the first nine months of 2020. At constant 2020 exchange rates, revenue would have reached EUR 1,040.9 million, up by 16.1% on the previous period.

Operating costs, equal to EUR 804.9 million, increased by 11.7% compared to 2020 (EUR 720.3 million in the first nine months of 2020).

The **cost of raw materials** amounted to EUR 406.8 million (EUR 341.4 million in the first nine months of 2020), up by over 19% due to higher business volumes mainly in Turkey as well as the generalised increase in fuel prices on international markets.

Personnel costs of EUR 138.1 million were in line with the same period in 2020.

Other operating costs totalled EUR 260.0 million, up 8.5% compared to EUR 239.7 million in the first nine months of 2020.

EBITDA amounted to EUR 215.1 million, an increase of 20.8% compared to EUR 178.1 million in the first nine months of 2020 as a result of improved results in Turkey, Belgium and, to a lesser extent, in Asia Pacific and in the United States. It should be noted that in the first nine months of 2020, the results included non-recurring costs of EUR 5.6 million linked to the disposal of some equipment in Turkey and the execution of a settlement agreement. Net of these non-recurring costs, the increase was 17.1%.

The EBITDA margin was 21.3% compared to 19.9% in the first nine months of 2020.

At constant exchange rates with 2020, EBITDA would have been EUR 217.5 million, up 22.2% compared to the same period last year.

EBIT, taking into account amortisation, depreciation, impairment losses and provisions for EUR 81.8 million (EUR 80.4 million in the first nine months of 2020), amounted to EUR 133.3 million, up 36.5% compared to EUR 97.7 million in the first nine months of the previous year. Amortisation and depreciation due to IFRS 16 application was EUR 20.6 million compared to EUR 19.5 million in the same period of 2020.

At constant 2020 exchange rates, EBIT would have been EUR 133.7 million.

The **share of net profits of equity-accounted investees** was positive for EUR 0.6 million (EUR 0.3 million in the first nine months of 2020).

Net financial expense of EUR 12.8 million (expense of EUR 16.7 million in the same period of the previous year), incudes net financial charges of EUR 8.3 million (EUR 11.7 million in the first nine months of 2020), net foreign exchange charges of EUR 2.8 million (EUR 5.9 million in the first nine months of 2020) and the impact of the valuation of derivatives.

Profit before taxes was EUR 121.2 million, an increase of 49.1% on EUR 81.2 million in the first nine months of 2020.

GROUP PERFORMANCE IN THE THIRD QUARTER OF 2021

Earnings

(EUR '000)	3rd Quarter 2021	3rd Quarter 2020	Var %
REVENUE FROM SALES AND SERVICES	**343,753**	**326,409**	**5.3%**
Change in inventories	832	(3,694)	n.s.
Increase for internal work and other income	5,214	3,205	62.7%
TOTAL OPERATING REVENUE	**349,799**	**325,920**	**7.3%**
Raw materials costs	(139,439)	(123,911)	12.5%
Personnel costs	(43,052)	(43,979)	-2.1%
Other operating costs	(85,727)	(77,698)	10.3%
TOTAL OPERATING COSTS	**(268,218)**	**(245,588)**	**9.2%**
EBITDA	**81,581**	**80,332**	**1.6%**
EBITDA Margin %	*23.73%*	*24.61%*	
Amortisation, depreciation, impairment losses and provisions	(27,319)	(25,844)	5.7%
EBIT	**54,262**	**54,488**	**-0.4%**
EBIT Margin %	*15.79%*	*16.69%*	
Share of net profits of equity-accounted investees	246	384	-35.9%
Net financial income (expense)	(2,663)	(5,636)	-52.7%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY ACCOUNTED INVESTEES	**(2,417)**	**(5,252)**	**-54.0%**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**51,845**	**49,236**	**5.3%**

Sales volumes

('000)	3rd Quarter 2021	3rd Quarter 2020	Var %
Grey, White cement and Clinker (metric tonnes)	2,874	3,106	-7.5%
Ready-mixed concrete (m^3)	1,251	1,209	3.5%
Aggregates (metric tonnes)	2,744	2,577	6.5%

In the third quarter of 2021, cement and clinker **sales volumes** of 2.9 million tonnes decreased by 7.5%, mainly due to a slight decline in Turkey and Belgium compared to the same period in 2020. It should be noted that in the third quarter of 2020, Belgium had recovered from the first part of the year, when they had been affected by the spread of the pandemic.

Sales volumes of ready-mixed concrete, equal to 1.3 million cubic metres, were up by 3.5% thanks to the positive trend in the Nordic & Baltic region and Turkey. In the aggregates segment, sales volumes amounted to 2.7 million tonnes, up by 6.5% mainly as a result of the contribution of the new aggregate activity in Turkey.

Revenue from sales and services was EUR 343.8 million, up 5.3% compared to EUR 326.4 million in the third quarter of 2020. There was an increase in revenues mainly in Nordic & Baltic , Turkey and Asia Pacific , while Belgium recorded a slight decrease.

Operating costs amounted to EUR 268.2 million (EUR 245.6 million in the third quarter of 2020), up 9.2%. This increase was mainly due to the increase in the purchase cost of raw materials, fuel and transport.

EBITDA reached EUR 81.6 million, up 1.6% on the third quarter of 2020 (EUR 80.3 million).

EBIT amounted to EUR 54.3 million (EUR 54.5 million in the third quarter of 2020).

The **share of net profits of equity-accounted investees** was EUR 0.2 million (EUR 0.4 million in the same period of 2020).

Net financial expense was EUR 2.7 million (expense of EUR 5.6 million in the third quarter of 2020).

Profit before taxes came to EUR 51.8 million, slightly up on the third quarter of 2020 (EUR 49.2 million).

In the third quarter of 2021, **investments** amounted to EUR 20.1 million (EUR 20.5 million in the third quarter of 2020), of which EUR 2.5 million accounted according to IFRS 16 (EUR 8 million in the third quarter of 2020).

Financial highlights

(EUR '000)	**30-09-2021**	**31-12-2020**	**30-09-2020**
Net capital employed	1,335,537	1,305,143	1,372,147
Total equity	1,235,444	1,182,962	1,153,620
Net financial debt	100,093	122,181	218,527

Net financial debt as at 30 September 2021 was EUR 100.1 million, a decrease of EUR 118.4 million compared to EUR 218.5 million as at 30 September 2020. These amounts include EUR 75.3 million due to the application of IFRS 16 (EUR 85.2 million at 30 September 2020), the distribution of dividends of EUR 22.3 million in May and the share buyback for an amount of EUR 28.8 million at 30 September 2021.

The positive change in net debt as of 31 December 2020 was EUR 22.1 million. In 2020, the positive change in debt compared to 31 December 2019 was EUR 21.1 million.

Total equity at 30 September 2021 amounted to EUR 1,235.4 million (EUR 1,183.0 million at 31 December 2020 and 1,153.6 at 30 September 2020).

FINANCIAL INDICATORS

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

Economic indicators	30-09-2021	2020	30-09-2020	Composition
Return on equity	11.3%	9.2%	5.8%	Result of continuing operations / Equity
Return on Capital Employed	14.4%	12.0%	10.6%	EBIT / (Equity + Net financial debt)

Capital ratios	30-09-2021	2020	30-09-2020	Composition
Equity ratio	58.4%	52.7%	52.1%	Adjusted Equity/Total Assets
Debt ratio	8.1%	10.4%	19.0%	Net Financial Debt/Equity
Liquidity rate	1.02	0.83	1.51	Cash + Receivables / Current Liabilities
Cash Flow	0.89	0.53	0.24	Operating Cash Flow / Total Financial Debt
Net debt	100.1	122.2	218.5	Net financial debt

The change in the performance indicators is due to the positive trend of the current economic management and the impact generated by the cash flow from ordinary activities during the year. In particular, from a financial point of view, we note the constant reduction of debt compared to the previous year and therefore the strengthening of the equity structure.

It should be noted that the reduction in the Liquidity Ratio compared to September 2020 is attributable to the early repayment in May, instead of October 2021, of the term loan existing in September 2020.

PERFORMANCE BY GEOGRAPHICAL SEGMENT

Nordic and Baltic

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	460,575	418,087	10.2%
Denmark	*310,313*	*289,506*	*7.2%*
Norway / Sweden	*141,695*	*126,884*	*11.7%*
Other (1)	*51,441*	*44,588*	*15.4%*
Eliminations	*(42,874)*	*(42,981)*	
EBITDA	109,948	110,336	(0.4%)
Denmark	*91,751*	*97,054*	*(5.5%)*
Norway / Sweden	*13,861*	*11,409*	*21.5%*
Other (1)	*4,336*	*1,873*	*131.5%*
EBITDA Margin %	23.9%	26.4%	
Investments	31,870	26,474	

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

Denmark

Sales revenues in the first nine months of 2021 reached EUR 310.3 million, up 7.2% compared to EUR 289.5 million in the first nine months of 2020, due to the increase in revenues in all business lines. This was due to recovery of the market, favourable weather conditions and the contraction in the corresponding period of 2020 due to the pandemic.

Cement volumes in the domestic market increased by around 7%, due to growth in the ready-mixed concrete, precast and bagged cement segments, the acquisition of new customers and some major white cement projects. From the fourth quarter of the year, incremental volumes from new infrastructural projects are expected. Average selling prices in the domestic market increased, in line with inflation and as a result of the favourable product mix.

White cement exports grew by around 6%, driven by higher exports to the UK, Germany and France, while contracting to the United States and Poland. Exports of grey cement were up slightly compared to the first nine months of 2020.

Ready-mixed concrete volumes increased by 8% compared to the corresponding nine months of 2020, due to growth in activity in all areas of the country and favourable weather conditions.

Aggregate volumes increased by 27% compared to 2020, in part due to major new projects, while average prices were affected by a lower contribution product mix.

EBITDA amounted to EUR 91.8 million in the first nine months of 2021 (EUR 97.1 million in 2020), down 5.5%. The contraction is attributable to the cement sector, which recorded higher costs for raw materials, semi-finished products, fuel and electricity, and higher fixed production costs, partly offset by the growth in sales volumes and prices. The ready-mixed concrete segment, on the other hand, improved thanks to higher sales volumes and prices and lower personnel costs, only partially offset by the increase in costs for the purchase of cement, raw materials and transport. EBITDA for the aggregates segment improved due to higher sales volumes.

Total investments in the nine months amounted to EUR 22.6 million, of which approximately EUR 16.7 million in the cement sector. Investments were focused on sustainability, rationalisation and production efficiency projects.

Investments in ready-mixed concrete amounted to EUR 5.6 million, including the restructuring of a plant (Hillerød) and leasing contracts for transport vehicles. Investments included EUR 3 million accounted according to IFRS 16.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes increased by around 6% compared to the same period of the previous year. The country continues to experience uncertain activity trends in both the public and private sectors. The trend is more favourable in the south of the country, while the north, the east and the islands show less growth. At the beginning of the year, volumes were impacted by low temperatures and pandemic restrictions on the entry into the country of foreign workers without residence or fixed employment. Since March, however, there has been a significant recovery in activities compared to 2020, thanks to the start of some projects that had been delayed in the previous months.

It is important to underline that Norwegian krone appreciated by 4.5% compared to the average euro exchange rate in the same period of 2020.

In **Sweden**, ready-mixed concrete volumes increased by 9% compared to the previous year, while sales of aggregates were 5% higher. In 2021, the sector benefited from favourable weather conditions and a very solid construction market performance, especially in the residential and infrastructure sectors, evidenced by the rapid progress of some major projects around Malmö, also thanks to government stimuli.

The Swedish krona appreciated by 3.9% compared to the average euro exchange rate for the corresponding period in 2020.

In the first nine months of 2021, revenues from sales in Norway and Sweden amounted to EUR 141.7 million (EUR 126.9 million in 2020) while EBITDA recorded a growth of 21% at EUR 13.9 million (EUR 11.4 million in the same period in 2020). The increase is mainly attributable to Sweden, both in ready-mixed concrete and aggregates, due to higher sales volumes and higher ready-mixed concrete price despite inflationary trends in cement and raw material purchase costs and higher fixed costs. Norway also recorded an increase in EBITDA due to higher sales volumes, only partially offset by higher variable costs for raw materials and transport.

Investments made in the area in the first nine months of 2021 amounted to € 8.9 million. In Sweden they mainly concerned machinery for the extraction and crushing of aggregates, transport vehicles for concrete and equipment for water treatment, while in Norway they related to the maintenance and expansion of plants and vehicle leasing contracts. The total amount includes investments accounted for in accordance with IFRS16 for 2 million euros.

Belgium

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	205,131	187,051	9.7%
EBITDA	47,936	41,350	15.9%
EBITDA Margin %	23.4%	22.1%	
Investments	13,637	19,264	

In the first nine months of 2021, cement sales volumes increased by 3% compared to 2020 due to good weather conditions and growth in all market segments. However, the negative performance in March and April 2020 as a result of Covid-19 should be noted. During the period, volumes were very positive in Belgium and France, and down in the Netherlands. In Q3, however, sales were down compared to the same quarter in 2020, due to lack of products in some areas and a shortage of specialised personnel.

Ready-mixed concrete sales volumes in Belgium and France increased by around 19% in the first nine months of 2021, partly due to the start-up of a number of major projects and the full operational start-up of a new plant in France. In July and August, volumes were lower than in 2020, not only due to the reasons mentioned above but also to the consequences of weather events, in particular the devastating floods in Belgium in July.

Sales volumes of aggregates increased by around 5% compared to the corresponding first nine months of 2020, due to the good performance of the market and despite some difficulties in river transport. Exports to France also rose, benefiting from the increase in construction activity, precast elements and volumes in the ready-mixed concrete sector, while the contraction continued in road construction due to a lack of major projects. In the aggregates sector, July and September also showed a downward trend compared to the same months in 2020.

Overall, in the first nine months of 2021, sales revenue amounted to EUR 205.1 million (EUR 187.1 million in the same period of 2020) and EBITDA amounted to EUR 47.9 million (EUR 41.3 million the previous year), an increase of 15.9%.

In the cement segment, EBITDA benefited from the growth in volumes and average sales prices and the decrease in fixed costs due to the timing of annual maintenance of kilns, against higher costs for the purchase of clinker. In the ready-mixed concrete segment, the increase in EBITDA was driven by higher sales volumes and prices against higher variable costs for raw materials and cement and higher fixed costs. The growth in sales volumes contributed to aggregates, only partially offset by higher fixed costs.

Investments made in the period amounted to EUR 13.6 million and mainly related to the Gaurain cement plant and, in particular, the largest clinker kiln. Investments accounted for in accordance with IFRS 16 amounted to EUR 1.8 million and mainly related to contracts for aggregate vehicles.

North America

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	115,794	115,049	0.6%
EBITDA	17,260	15,762	9.5%
EBITDA Margin %	14.9%	13.7%	
Investments	2,916	3,041	

In the United States, white cement sales volume growth of 6% in the first nine months of the year was supported by higher deliveries mainly in Florida, while sales in the York region, California and Texas were in line with the first nine months of 2020. The year-on-year change reflects the negative impact in 2020 due to the spread of Covid-19. Demand for cement is currently robust and growing.

Prices are moderately down on the previous year, due to competition and a different product mix.

It should be noted that the dollar depreciated by 6.3% against the average euro exchange rate in the corresponding period of 2020.

Overall in the United States, sales revenues amounted to EUR 115.8 million (EUR 115 million in 2020) while EBITDA was EUR 17.3 million (EUR 15.8 million in 2020), due to higher sales volumes and savings on fixed costs, against higher purchase costs for cement, fuel and electricity, especially following the hurricane that hit Texas in February.

Investments in the period amounted to approximately EUR 2.9 million, almost entirely related to the two cement plants. Investments recognised as a result of IFRS 16 were EUR 0.7 million.

Turkey

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	129,223	100,354	28.8%
EBITDA	13,930	(5,360)	359.9%
EBITDA Margin %	10.8%	-5.3%	
Investments	9,102	7,648	

Revenue reached EUR 129.2 million, an increase of 28.8% compared to the first nine months of 2020 (EUR 100.4 million), despite the devaluation of the Turkish lira against the euro (-28% compared with the average exchange rate in the first nine months of 2020).

In the cement sector, the strong increase in demand led to a 63.5% increase in local-currency cement and clinker revenue compared to an 8% increase in sales volumes. In particular, sales volumes in the domestic market grew by 17% due to increased demand, especially in Izmir and Trakya, positive weather-conditions and, to a lesser extent, a decline in sales in 2020 due to the pandemic.

Significant increases were recorded in Eastern Anatolia (Elazig), which was hit by an earthquake in January 2020, and in the Aegean area, due to the Samos-Izmir earthquake in October 2020, where dozens of buildings were damaged or destroyed. The Elazig region has been involved in a major restructuring effort that is now coming to an end, while in the Izmir region reconstruction started late and is still ongoing. Also of particular note is the strong growth in the European region of Turkey, where the Trakya plant is located, in the residential sector, industrial projects and public investments, particularly in high-speed railways. The opening of new ready-mixed concrete plants in the Trakya and Elazig areas further boosted the growth of the business. However, in July and September, volumes decreased due to a slow resumption of activities after Ramadan, as well as negative weather conditions that led to the postponement of some projects.

Exports of cement and clinker, on the other hand, fell by 23%, mainly due to lower deliveries of clinker, partly as a result of higher freight costs.

Ready-mixed concrete volumes increased by over 40% compared to the corresponding period of 2020, thanks to the start of some major infrastructure projects postponed and the opening of two new plants in April.

In the waste sector, both Turkey and England recorded revenue increases in local currency of 18% and 6.8% respectively compared to 2020, due to higher volumes of waste collected, higher sales of waste fuels, increased trading of waste materials, as well as higher quantities sent to landfill.

Overall, EBITDA in Turkey was a positive EUR 13.9 million, a significant improvement on the previous year's negative EUR 5.4 million, which, however, included a negative extraordinary item of EUR 3.1 million relating to the sale of certain fixed assets of the Hereko division, which operates in the processing of municipal waste.

The increase in EBITDA is largely attributable to the cement segment, whose result firstly benefited from higher sales prices and, secondly, higher sales volumes, despite higher costs for raw materials, fuel and electricity. The ready-mixed concrete sector also recorded growing margins due to higher prices and sales volumes. The waste division also achieved a positive margin.

Investments in the nine months amounted to EUR 9.1 million, of which approximately EUR 5.4 million in the cement sector, mainly in the Izmir plant, and EUR 0.8 million in waste. Investments are attributable to the application of IFRS 16 for EUR 2.6 million, mainly concerning concrete transport vehicles.

Egypt

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	37,789	31,279	20.8%
EBITDA	7,254	6,814	6.5%
EBITDA Margin %	19.2%	21.8%	
Investments	1,225	1,139	

Sales revenue amounted to EUR 37.8 million (EUR 31.3 million in the corresponding period of 2020), up 20.8%. On the other hand, the increase in revenues in local currency was 27.5% due to the growth of approximately 26.5% in volumes sold in both the local and export markets.

Sales volumes of white cement on the domestic market increased by 20% compared to 2020, which had been adversely affected by the Covid-19 pandemic. Despite strong competition in the local market, the company consolidated its market share and increased sales of higher value-added cements and other innovative cements.

Exports, which grew by 30%, should also be considered in the light of the Covid-19 constraints in 2020. Russia is a growing export destination compared to 2020, while Saudi Arabia is shrinking, and deliveries to Central Europe remain steady and solid.

EBITDA increased by 6.5% to EUR 7.3 million (EUR 6.8 million in the first nine months of 2020), due to higher volumes sold, higher export sales prices and savings on electricity costs, against higher transport, raw material, fuel and other costs due to inflation.

The Egyptian pound depreciated by 5.5% against the average euro exchange rate in the first nine months of 2020.

Investments made in the first nine months of 2021 amounted to EUR 1.2 million and mostly concerned the sand mill and the bagged cement storage facility.

Asia Pacific

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue	76,634	64,959	18.0%
China	*44,586*	*38,415*	*16.1%*
Malaysia	*32,048*	*26,755*	*19.8%*
Eliminations	-	*(211)*	
EBITDA	17,639	15,632	12.8%
China	*13,469*	*11,598*	*16.1%*
Malaysia	*4,170*	*4,034*	*3.4%*
EBITDA Margin %	23.0%	24.1%	
Investments	3,978	3,424	

China

Sales revenue reached EUR 44.6 million (EUR 38.4 million in 2020), an increase of 16.1%, also due to the suspension of activity in February 2020 due to the Covid-19 outbreak and despite the bad weather in January and July 2021 that severely affected deliveries.

Sales volumes increased by 8% compared to the corresponding period of 2020 with a more favourable sales mix due to the start of numerous infrastructure works, favoured by a substantial public spending plan by the government to support growth, and the recovery of both residential and industrial construction activity.

EBITDA increased 16% to EUR 13.5 million (EUR 11.6 million in the same period of 2020), driven by the increase in volumes and higher prices only partially offset by higher variable costs for raw materials and fuel.

The Chinese Renminbi is broadly in line with the average euro exchange rate in the first nine months of 2020.

Investments in the period amounted to EUR 2.3 million, mainly to improve plant efficiency, reduce emissions and build a limestone storage facility.

Malaysia

Sales revenue amounted to EUR 32 million (EUR 26.8 million in the corresponding period of 2020) due to an increase of approximately 21% in overall sales volumes, mainly to foreign markets.

Volumes of white cement on the domestic market were in line with the previous year. It is noted that between March and April 2020, the Malaysian government had imposed some restrictions to curb the spread of the pandemic. Also in 2021, there were restrictions between mid-January and mid-February due to the pandemic, and new lockdowns put in place in June and July leading to a 35% reduction in sales volumes in the third quarter2021 compared to the previous year.

Exports increased by about 24% compared to 2020, with higher volumes of both cement and clinker. This increase is also as a result of the import restrictions implemented in 2020 from several countries due to the pandemic. The highest volumes were produced in Australia and the Philippines, while volumes were lower in Vietnam and Cambodia.

EBITDA amounted to EUR 4.2 million, up 3.4% compared to EUR 4 million in the corresponding period of 2020, due to higher export volumes against lower average selling prices on exports due to a different mix and the effect of exchange rates on exports in US dollars. Finally, there were higher costs for fuel purchases and transport costs.

The local currency depreciated by 3.8% against the average euro exchange rate in the corresponding period of 2020.

In 2021, investments amounted to EUR 1.7 million relating to maintenance and strategic spare parts for the kiln and mills, of which EUR 0.2 million attributable to the application of IFRS 16.

Holding and Services

(EUR '000)	Jan-Sept 2021	Jan-Sept 2020	Change %
Revenue from sales	95,963	65,910	45.6%
EBITDA	1,119	(6,446)	117.4%
EBITDA Margin %	*1.2%*	*-9.8%*	
Investments	1,662	1,652	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The 47% increase in Spartan Hive's revenues is attributable to higher volumes traded while EBITDA increased to EUR 4.1 million (EUR 3.6 million in the first nine months of 2020).

EBITDA in the previous year included non-recurring costs of EUR 2.5 million related to the execution of a settlement agreement.

INVESTMENTS

During the first nine months of 2021, the Group made total investments of approximately EUR 64.4 million (EUR 62.7 million in the corresponding period of 2020), of which approximately EUR 10.8 million (EUR 23.7 million in the first nine months of 2020) related to the application of IFRS 16.

Investments included EUR 39.1 million in the cement sector, EUR 16.6 million in ready-mixed concrete, EUR 5.7 million in aggregates and EUR 3 million in other business sectors.

The breakdown by asset class shows that EUR 62.6 million (EUR 60.1 million in 2020) relates to property, plant and equipment and EUR 1.8 million (EUR 2 million in 2020) to intangible assets.

SIGNIFICANT EVENTS DURING THE FIRST NINE MONTHS

As already reported in the 2021 half-yearly report, on 4 February 2021, the Parent Company's Board of Directors approved the 2021-2023 Business Plan, to whose press release please refer (www.cementirholding.com in the Investors, Press Releases section).

On 26 May 2021, the rating agency Standard & Poor's announced that it had assigned Cementir Holding N.V. an Issuer Rating of "BBB- with Stable Outlook".

The assignment of the "Investment Grade" rating is the crowning achievement of a journey that began several years ago and that has seen Cementir significantly diversify its business and product portfolio, enabling it to achieve considerably stable results, confirmed even during the recent pandemic crisis.

On 28 May 2021, Cementir Holding repaid, ahead of the due date in October 2021, a term loan of EUR 330 million granted by a pool of banks with Mediobanca as agent bank.

On the same date, a senior term and revolving facility was signed for a total amount of EUR 190 million with a duration of three years at market conditions with a pool of banks with Banca Nazionale del Lavoro as agent bank and BNP Paribas Italian Branch as global coordinator.

On 6 July 2021, Science Based Targets Initiative (SBTi) validated Cementir's CO2 emission reduction targets, which were judged to be consistent with the goal of keeping climate warming "well below 2°C", in line with the 2015 Paris Climate Agreement.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE INDICATORS

In addition to conventional financial indicators under IFRS, the Cementir Holding group also uses a number of alternative performance indicators to enable better assessment of earnings and financial performance. 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.

NON-FINANCIAL STATEMENT

In recent years Cementir has implemented a programme inspired by circular economy principles, which envisages a series of initiatives focused on reducing the environmental impact of production processes and developing products with reduced CO_2 emissions.

Since 2019, Cementir has decided to take more decisive action to combat climate change by defining a Roadmap for the next 10 years that will maximise the positive effects of existing technologies and lay the groundwork for potential innovations that could lead to the production of 'net zero emissions' cement.

In July 2021, the Science Based Targets Initiative (SBTi) certified that the Group's emission reduction targets are consistent with the scenario of limiting global temperature increase to well below 2°C compared to pre-industrial levels.

To achieve the above-mentioned objectives, the Group has defined a 10-year Roadmap, which, for the period 2021-2023, provides for investments of EUR 107 million, already included in the relevant Business Plan approved by Cementir's Board of Directors in February 2021. The roadmap does not include investments in breakthrough technologies (e.g. carbon capture and storage) for which the Group is currently assessing the relevant business cases.

In 2021, the Group is continuing with its commitment to environmental transparency by confirming its participation in the "Climate Change" assessment by the Carbon Disclosure Project (CDP) and, for the first time, will also participate in the assessment on water management. Although cement production does not involve significant water consumption, over the years, the Group's plants have been constantly looking for technical solutions to reuse or make more efficient use of water resources. Participation in the assessment process will bring the Group into line with international best practices.

For more details, please see the specific document in the Non-Financial Statement.

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

TREASURY SHARES

In accordance with the resolution of the Extraordinary Shareholders' Meeting of 2 July 2020, the share buyback continued. At 30 September 2021, the Company held 3,537,000 treasury shares equal to 2.2229% of the share capital (694,500 shares equal to 0.4365% of the share capital at 31 December 2020) against a total disbursement of EUR 28,779 thousand (EUR 4,543 thousand at 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 ensures the protection of personal data in accordance with current laws.

The Company has adopted internal regulations and the relevant operational tools needed 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 subsequently launched and completed a project 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. 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. During the preliminary hearing on 22 October 2021, the Public Prosecutor's request was finally granted, setting the date for the hearing before the Court of Brindisi for 9 December 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. On 18 October 2021, this judgement has been turned over by the the Supreme Court, which has finally established the Turkish jurisdiction. The lawsuit on the merits of the case is now waiting to be resumed.

The Danish and Italian tax authorities have concluded the Mutually Agreed Procedure (MAP), already disclosed in the annual report, initiated in 2013 relating to transfer pricing issues for the period 2008/2012, which was the subject of a tax audit in Denmark. The impact of this resolution on the Group is approximately EUR 0.5 million in the first nine months of 2021. Contacts are ongoing with the tax authorities of the two countries to assess possible consequences for the years 2013 / 2020.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE FIRST NINE MONTHS

On 12 October, the share buyback programme (the "Programme"), set up in implementation of the shareholders' resolution of 2 July 2020, came to an end, as indicated in the announcement to the market of 12 October 2020, to which reference should be made for details. Under the Programme, between 15 October 2020 and 12 October 2021 (inclusive), 3,600,000 own shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario, organised and managed by Borsa Italiana S.p.A., at a weighted average price of EUR 8.1432 per share for a total value of EUR 29,315 thousand (at 30 September 2021, the Company held 3,537,000 treasury shares, equal to 2.2229% of the share capital, for a total outlay of EUR 28,779 thousand).

MANAGEMENT OPERATING OUTLOOK

In light of the results for the first nine months of the year, it is expected that consolidated revenues of approximately EUR 1.35 billion and EBITDA of between EUR 295 and EUR 305 million will be achieved, and that net financial debt at the end of 2021 will be approximately EUR 30 million, partly as a result of a higher share buyback outlay than originally estimated and investments of around EUR 95 million. No substantial changes in the workforce are expected.

This forward-looking indication does not include any new outbreaks of the Covid-19 pandemic in the coming months.

The foregoing exclusively reflects the point of view of the company's management, and does not represent a guarantee, a promise, an operational suggestion or even just an investment advice. Therefore, it should not be taken as a forecast support on the future trend of the markets and financial instruments concerned.

Rome, 11 November 2021

Chairman of the Board of Directors

signed: /f/ Francesco Caltagirone Jr.