INTERIM FINANCIAL REPORT

31 MARCH 2022

cementirholding
GRUPPO CALTAGIRONE

CORPORATE BODIES

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

[1] Appointed by resolution of the shareholders' meeting of 21 April 2022

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INTRODUCTION

This interim Directors' report on operations refers to the consolidated financial statements as at 31 March 2022 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 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 also 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 aimed at geographical and product diversification with a view to environmental sustainability.

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, predictive maintenance, procurement and logistics management.

Cementir has set ambitious targets to reduce its CO_2 emissions that have been independently verified by the Science Based Targets initiative (SBTi) and judged consistent with the goal of keeping warming well below 2°C. The Group has defined a ten-year Roadmap and in the 2022-2024 Business Plan, it will commit funds of around EUR 97 million to sustainability projects, including: the large-scale production of sustainable low carbon impact products such as FUTURECEM® which allows for a 30% reduction in CO_2 emissions; the use of alternative or less polluting raw materials and fuels such as natural gas, investments aimed at reducing the consumption of thermal and electrical energy in plants in Denmark and Belgium.

In December 2021, the Group obtained an improvement in its climate change rating to an "A-", ranking, above the average for the cement and ready-mixed concrete sector (B), the European average (B) and the global average (B-). Cementir also obtained a B score for the first time for "Water Security", in line with the sector and the European average (B).

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 three months of 2022 are reported below, with comparative figures provided for the same period of 2021:

Financial Highlights

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Chg %
REVENUE FROM SALES AND SERVICES	**362,302**	**300,518**	**20.6%**
Change in inventories	16,219	(1,242)	N/A
Increase for internal work and other income	15,281	5,352	185.5%
TOTAL OPERATING REVENUE	**393,802**	**304,628**	**29.3%**
Raw materials costs	(182,802)	(123,724)	47.8%
Personnel costs	(48,802)	(46,815)	4.2%
Other operating costs	(101,526)	(86,011)	18.0%
TOTAL OPERATING COSTS	**(333,130)**	**(256,550)**	**29.9%**
EBITDA	**60,672**	**48,078**	**26.2%**
EBITDA Margin %	*16.75%*	*16.00%*	
Amortisation, depreciation, impairment losses and provisions	(27,760)	(27,047)	2.6%
EBIT	**32,912**	**21,032**	**56.5%**
EBIT Margin %	*9.08%*	*7.00%*	
Share of net profits of equity-accounted investees	(24)	7	N/A
Net financial income (expense)	9,519	(5,419)	N/A
NET FINANCIAL INCOME (EXPENSE) AND VALUATION OF INVESTMENTS IN EQUITY	**9,495**	**(5,412)**	**N/A**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**42,407**	**15,620**	**171.5%**

Sales volumes

('000)	1st Quarter 2022	1st Quarter 2021	Chg %
Grey, White cement and Clinker (metric tonnes)	2,435	2,393	1.8%
Ready-mixed concrete (m^3)	1,128	1,126	0.1%
Aggregates (metric tonnes)	2,679	2,543	5.4%

Group employees

	31-03-2022	31-12-2021	31-03-2021
Number of employees	3,142	3,083	3,079

In the first three months of 2022, cement and clinker **sales volumes** of 2.4 million tonnes were up 1.8% compared to 2021. The increase is attributable to the positive performance of Belgium, Denmark and the United States despite the decline in Turkey.

Sales volumes of ready-mixed concrete, equal to 1.1 million cubic meters, remained almost stable with growth in Belgium and Norway and a fall in Turkey, Sweden and Denmark.

In the aggregates sector, sales volumes amounted to 2.7 million tonnes, up by 5.4% with increases in Belgium and Turkey, while Sweden and Denmark recorded a negative trend.

Group revenue reached EUR 362.3 million, up 20.6% compared to EUR 300.5 million in the first quarter of 2021. The increase in revenues is essentially driven by prices linked to the increase in the costs of fuels, electricity, raw materials, transport and services. At constant 2021 exchange rates, revenue would have reached EUR 381.7 million, up 27.0% on the same period of the previous year.

Operating costs of EUR 333.1 million increased by 29.9% compared to EUR 256.6 million in the first quarter of 2021.

The **cost of raw materials** amounted to EUR 182.8 million (EUR 123.7 million in the first quarter of 2021), an increase due to the generalised increase in the price of fuels on international markets and higher volumes of activity mainly in Denmark and Belgium.

Personnel costs, equal to EUR 48.8 million, increased by 4.2% compared to EUR 46.8 million in the first quarter of 2021.

Other operating costs, equal to EUR 101.5 million, recorded an increase of 18% compared to EUR 86 million in the first quarter of 2021.

EBITDA amounted to EUR 60.7 million, an increase of 26.2% compared to EUR 48.1 million in the first quarter of 2021, following the improved results achieved to varying degrees in almost all the Regions due in a large part to the increase in revenues as described above.

EBITDA margin as a percentage of revenue stood at 16.7%, showing an increase in industrial profitability compared to the first quarter of 2021 (16.0%).

At constant exchange rates with previous year 2021, EBITDA would have been EUR 56.8 million, up 18.1% compared to the same period last year.

Taking into account amortisation, depreciation, write-downs and provisions of EUR 27.8 million (EUR 27.0 million in the first quarter of 2021), **EBIT** was EUR 32.9 million compared to EUR 21.0 million in the same period of the previous year. Amortisation and depreciation due to IFRS 16 application was EUR 7.1 million compared to EUR 6.8 million in the same period of 2021.

At constant 2021 exchange rates, EBIT would have been EUR 28.3 million.

The **share of net profits of equity-accounted investees** is marginally negative (marginally positive in Q1 2021).

Net financial income was EUR 9.5 million (expense of EUR 5.4 million in the same period of the previous year), includes net financial charges of EUR 2.0 million (EUR 3.2 million in 2021), net foreign exchange gains of EUR 10.9 million (net foreign exchange losses of EUR 1.1 million in 2021) and the impact of the valuation of derivatives.

Pre-tax profit was EUR 42.4 million (EUR 15.6 million in Q1 2021).

Financial highlights

(EUR '000)	31-03-2022	31-12-2021	31-03-2021
Net capital employed	1,353,172	1,267,932	1,357,420
Total equity	1,264,540	1,227,557	1,189,603
Net financial debt[1]	88,632	40,375	167,817

Net financial debt as at 31 March 2022 was EUR 88.6 million (EUR 167.8 million at 31 March 2021). The debt reduction in the last twelve months, equal to EUR 79.2 million, includes both the purchase of treasury shares for EUR 13.4 million and the distribution of dividends for EUR 21.9 million in May 2021 Net financial debt includes EUR 75.3 million due to IFRS 16 compared to EUR 84.2 million as at 31 March 2021.

Negative variance versus net financial debt as at 31 December 2021 – EUR 48.3 million – is due to the seasonality of the business in the first quarter of the year, which is reflected in net working capital dynamics and in the annual plant maintenance cycle.

Total equity as at 31 March 2022 amounted to EUR 1,264.5 million (EUR 1,227.6 million as at 31 December 2021).

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	31-03-2022	31-12-2021	31-03-2021	Composition
Return on Capital Employed	15.5%	15.6%	12.8%	EBIT/(Equity + Net financial debt)

Capital ratios	31-03-2022	31-12-2021	31-03-2021	Composition
Equity ratio	57.9%	57.7%	53.3%	Adjusted Equity/Total Assets
Debt ratio	7.0%	3.3%	14.1%	Net Financial Debt/Equity
Liquidity rate	0.92	0.98	0.83	Cash + Receivables / Current Liabilities
Cash Flow	0.76	0.89	0.60	Operating Cash Flow / Total Financial Debt
Net debt	88.6	40.4	167.8	Net financial debt

The financial indicators are all improving compared to the same period of 2021.

[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 2022	1st Quarter 2021	Change %
Revenue from sales	162,000	138,447	17.0%
Denmark	*109,048*	*92,611*	*17.7%*
Norway / Sweden	*50,683*	*43,785*	*15.8%*
Other (1)	*15,503*	*13,164*	*17.8%*
Eliminations	*(13,234)*	*(11,113)*	
EBITDA	28,840	27,079	6.5%
Denmark	*24,561*	*23,446*	*4.8%*
Norway / Sweden	*4,163*	*3,091*	*34.7%*
Other (1)	*116*	*542*	*-78.6%*
EBITDA Margin %	17.8%	19.6%	
Investments	10,809	11,211	

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

Denmark

In the first quarter of 2022, sales revenues reached EUR 109 million, up 17.7% compared to EUR 92.6 million in the first quarter of 2021, thanks to sustained demand in all business activities and the increase of sales prices.

The volumes of cement on the domestic market, both grey and white, increased by around 20% due to growth in all the main market segments, due to favourable weather conditions and the start of new infrastructure projects.

Exports of white cement, on the other hand, fell by 19%, due to lower deliveries to the United States following a supply reorganisation within the Group which transferred shipments to the United States from Denmark to other Group units.

Ready-mixed concrete volumes in Denmark fell by 3% compared to the corresponding quarter of 2021 due to the sales mix and restructuring activities at one of the plants.

EBITDA amounted to EUR 24.6 million in the first quarter of 2022 (EUR 23.4 million in 2021), up 4.8% compared to 2021. The increase is attributable to the cement sector which benefited from higher volumes and sales prices, offsetting higher variable costs for raw materials, fuel and electricity, on the rise due to inflationary dynamics and recent international tensions. The ready-mixed concrete sector, on the other hand, recorded a contraction in EBITDA due to lower sales volumes and higher cement, raw materials and distribution costs.

Norway and Sweden

In Norway, ready-mixed concrete sales volumes increased by approximately 14% compared to the same period of the previous year due to the strong recovery of infrastructural and civil activities against a decline in residential and commercial ones. Despite the competition concentrated above all in some regions, volumes are increasing also due to higher sales from new mobile plants operating from 2022.

It is important to underline that the Norwegian krone lost 3.3% against the euro compared to the average exchange rate of the corresponding three months of 2021.

In Sweden, ready-mixed concrete and aggregate volumes fell by 20% and 28% respectively compared to the previous year, mainly due to the completion in 2021 of major infrastructure projects near Malmö and the slowdown in the private residential sector. The production of aggregates was also limited by the procedures for issuing new concessions for the exploitation of quarries. However, new projects are expected to start in the coming months.

The Swedish krona depreciated by 4.2% against the average euro exchange rate in the first quarter of 2021.

In the first quarter of 2022, sales revenues in Norway and Sweden grew by 15.8%, and were equal to EUR 50.7 million compared to EUR 43.8 million in the first quarter of 2021, while EBITDA increased by 34.7% to EUR 4.2 million (EUR 3.1 million in the same period of 2021).

The increase in EBITDA is attributable to Norway thanks to higher volumes and sales prices against higher cement, raw materials, distribution and fixed costs due to inflationary dynamics.

Belgium

(EUR '000)	**1st Quarter 2022**	**1st Quarter 2021**	**Change %**
Revenue from sales	76,076	63,018	20.7%
EBITDA	15,967	9,814	62.7%
EBITDA Margin %	21.0%	15.6%	
Investments	2,476	4,215	

In the first quarter of 2022, cement sales volumes increased by 5% compared to 2021, with positive trend in Belgium and the Netherlands, stable in France and contracting in Germany.

Sales volumes of ready-mixed concrete in Belgium and France increased by approximately 18% in the first three months of 2022, also thanks to the launch of some major projects in various areas of Belgium.

The sales volumes of the aggregates increased by approximately 16% compared to the corresponding first three months of 2021. Sales in Belgium benefited from the growth in infrastructure construction, positive weather conditions and the acquisition of new customers. In France, on the other hand, there has been a recovery in the road construction sector. However, the trend in business was marked by the increase in the price of fuels.

Overall, in the first quarter of 2022, sales revenues grew by 20.7% to EUR 76.1 million compared to EUR 63.0 million in the same period of 2021 and EBITDA increased by 62.7% to EUR 16 million, compared to EUR 9.8 million the previous year.

In the cement sector, revenues and EBITDA benefited from the growth in sales volumes and prices against an increase in the costs of raw materials, transport and electricity. In the aggregates sector, the increase in EBITDA was favoured by higher volumes and sales prices as well as efficiencies on the side of variable costs.

North America

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Change %
Revenue from sales	44,620	34,893	27.9%
EBITDA	6,894	4,079	69.0%
EBITDA Margin %	15.5%	11.7%	
Investments	3,444	1,514	

In the United States, the 3.5% growth in white cement sales volumes was supported by higher deliveries, especially in Texas and California. In both regions, demand was very high and is expected to grow in the next few months, especially in the residential and bagged cement sectors.

The York region, on the other hand, was affected by adverse weather conditions and logistical problems caused by the shortage of truck drivers in the country. Florida also saw a drop in sales due to technical problems on the Tampa depot and critical issues with distribution logistics at some terminals.

The dollar appreciated by 7% against the average euro exchange rate in the first quarter of 2021.

Overall, in the United States, revenues increased by 27.9% to EUR 44.6 million (EUR 34.9 million in the first quarter of 2021) while EBITDA increased by 69% to EUR 6.9 million. (EUR 4.1 million in 2021), due to higher volumes and sales prices of white cement and the positive exchange rate effect, offset by higher purchased cement, raw materials and fuels costs. The Vianini Pipe company, active in the production of concrete products, recorded an increased EBITDA compared to the previous year and significantly increased both volumes and sales prices.

Turkey

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Change %
Revenue from sales	41,360	35,556	16.3%
EBITDA	1,632	1,051	55.3%
EBITDA Margin %	3.9%	3.0%	
Investments	5,145	3,591	

Revenues reached EUR 41.4 million, an increase of 16.3% compared to the first quarter of 2021 (EUR 35.6 million), despite the devaluation of the Turkish lira against the euro (-76% compared with the average exchange rate in the first quarter of 2021).

In the cement sector, in the general inflationary context, the increase in sales prices led to a 108% increase in revenues from sales in local currency. Sales volumes in the domestic market fell by 9% due to the significant reduction in sales at the Elazig plant (-55%), in Eastern Anatolia only partially offset by higher deliveries from the Izmir plant (+ 20%) in the Aegean region for the continued reconstruction following the earthquake of October 2020. The contraction in Elazig is also attributable to the end of infrastructure projects related to the reconstruction following the January 2020 earthquake.

Weather conditions in January were the worst in the last 25 years, and, especially in the months of January and March, prevented work at the concrete plants, and at many construction sites, due to rain, snow and low temperatures. The situation improved in February, with the exception of Elazig, but did not allow the full recovery of the volumes lost in January.

The consequences in the coming months of the conflict in Ukraine, with the relative increase in the price of various commodities and energies, must be assessed.

Exports of cement and clinker, on the other hand, increased by 4%.

Volumes of ready-mixed concrete also fell by 10% compared to the first quarter of 2021, for the reasons already explained related to weather conditions. Sales stopped in the second half of January in Eastern Anatolia and for a week in January in the Marmara (Trakya) region, resulting in the postponement or interruption of numerous large projects.

Volumes of aggregates, on the other hand, increased compared to the first quarter of 2021, due to the full operation of the new quarry acquired in the second part of 2021.

In the waste sector, the subsidiary Sureko, active in the treatment of industrial waste, recorded revenues in local currency higher by 109% compared to 2021, thanks to the increase in volumes and sales prices of fuels (RDF) and in the quantities sent to landfill. The British subsidiary Quercia, on the other hand, recorded revenues down by 5.7% compared to the first quarter of 2021, due to the decrease in the volumes of waste collected and the quantities sent to landfill.

Overall, EBITDA of the region was positive for EUR 1.6 million, an improvement on the previous year (EUR 1.1 million). The increase in EBITDA is attributable to the cement sector thanks to higher sales prices despite higher costs for raw materials, fuels and electricity and higher fixed costs due to inflation, to which is added the significant devaluation of the Turkish lira. The ready-mixed concrete sector saw a reduction in EBITDA due to higher variable costs for the purchase of raw materials, cement and distribution costs in addition to fixed costs, only partially offset by higher sales prices.

Egypt

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Change %
Revenue from sales	14,316	12,872	11.2%
EBITDA	2,527	3,037	-16.8%
EBITDA Margin %	17.7%	23.6%	
Investments	335	244	

Sales revenues grew by 11.2% to EUR 14.3 million (EUR 12.9 million in the first quarter of 2021), despite the decrease in volumes sold both on the local and export markets.

Sales volumes of white cement on the domestic market were affected by the advance of some deliveries to customers in December 2021 before the end of the year.

EBITDA decreased by 16.8% to EUR 2.5 million (EUR 3.0 million in the first quarter of 2021), due to lower volumes sold and higher fuel purchase costs partially offset by higher selling prices.

In the quarter, the Egyptian pound appreciated by 4.7% compared to the average Euro exchange rate in the first quarter of 2021, in the final days of the month, the pound devalued by 20% compared to the closing exchange rate of the month of February.

Asia Pacific

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Change %
Revenue from sales	25,337	20,976	20.8%
China	*13,386*	*10,844*	*23.4%*
Malaysia	*11,951*	*10,132*	*18.0%*
Eliminations	-	-	
EBITDA	4,281	3,701	15.7%
China	*2,937*	*2,512*	*16.9%*
Malaysia	*1,344*	*1,189*	*13.0%*
EBITDA Margin %	16.9%	17.6%	
Investments	2,117	1,908	

China

Sales revenues increased by 23.4% to EUR 13.4 million (EUR 10.8 million in the first quarter of 2021) despite lower sales volumes by 3% compared to the corresponding quarter of 2021 due to the higher slowdown recorded at Chinese New Year, in addition to adverse weather conditions. The contraction in volumes was offset by the increase in sales prices.

EBITDA increased by 16.9% to EUR 2.9 million (EUR 2.5 million in the same period of 2021), thanks to the increase in sales prices, the positive exchange rate effect and higher grants from government agencies for technological innovations and employment support, only partially offset by higher fuel costs and lower sales volumes.

The Chinese Renminbi appreciated by 9% against the average euro exchange rate in the first quarter of 2021.

Malaysia

Sales revenues increased by 18% to EUR 12 million (EUR 10.1 million in the corresponding period of 2021) with a 2% rise in overall volumes. The rest of the increase was driven by prices to offset transport and fuel costs inflation.

On the contrary, exports volumes increased by 7% compared to 2021, thanks to the higher volumes of clinker sold in Australia only partially offset by the lower volumes in Vietnam.

EBITDA reached EUR 1.3 million, up 13% compared to EUR 1.2 million in the corresponding quarter of 2021. Higher average sales prices and lower fixed costs associated with maintenance planning were offset by higher costs for the purchase of fuel and distribution.

The local currency appreciated by 4% compared to the average Euro exchange rate in the corresponding quarter of 2021.

Holding and Services

(EUR '000)	1st Quarter 2022	1st Quarter 2021	Change %
Revenue from sales	48,200	24,040	100.5%
EBITDA	531	(683)	177.7%
EBITDA Margin %	*1.1%*	*-2.8%*	
Investments	10,477	419	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The increase in revenues of Spartan Hive, equal to more than 100%, is attributable to the higher volumes traded, in particular of clinker, white cement and fuels, while EBITDA increased to EUR 2.5 million (EUR 1.2 million in the first quarter of 2021).

INVESTMENTS

In the first quarter of 2022, the Group invested EUR 17.9 million, EUR 15.8 million was spent on cement, EUR 0.9 million on ready-mixed concrete, EUR 0.4 million on aggregates and EUR 0.8 million on others businesses.

SIGNIFICANT EVENTS DURING THE QUARTER

It is noted that on 8 February 2022, the Board of Directors' of the Parent Company approved the 2022 - 2024 Industrial 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 2024:

- **Revenues forecast to increase to EUR 1.65 billion**, with an average annual growth (CAGR) of 6.7%. An increase in the sales volumes of cement, ready-mixed concrete and aggregates is expected in all geographic areas, with price increases especially in the cement sector in the course of 2022, to offset the significant increase in energy, raw material and logistics costs.
- **EBITDA[2] of approximately EUR 350 million**, with an average annual growth (CAGR) of approximately 5%. EBITDA is expected to grow in all geographic areas with the exception of Turkey. Among the assumptions of the Plan is a double-digit increase in the cost of fuels and electricity and an average annual CO_2 deficit of approximately 500,000 tonnes, whose economic impact will be mitigated by an indexing mechanism between the selling price and the additional cost of CO_2.
- **Annual investments of approximately EUR 72 million** for the development of production capacity and maintenance of plant efficiency and safety.
- **Cumulative green investments of EUR 97 million** for sustainability projects which will allow, among other things, a reduction in CO_2 emissions in line with the Group's objectives.

The Plan envisages that the generation of operating cash and the optimisation of working capital will make it possible to achieve a positive cash position of over EUR 300 million in 2024.

Finally, the Plan assumes the distribution of a growing dividend, corresponding to a payout ratio of between 20% and 25% of the net profit for the period.

With reference to the recent events concerning the Russian-Ukrainian conflict, the directors have not identified any significant impacts on the financial statements as a whole, in light of the substantial absence of activities carried out by the Group in these areas.

[2] EBITDA excludes non-recurring items

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

TREASURY SHARES

The number of treasury shares held following the completion of the treasury share purchase programme which took place last October 2021 has not changed.

According to the Programme, between 15 October 2020 and 12 October 2021 (inclusive), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario, organised and managed by Borsa Italiana SpA, at the weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

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. 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, originally set for 20 November 2020, has been postponed to 4 March 2021. The trial hearing was set for 10 March 2022 and then postponed to 26 May, for the decision on preliminary issues.

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 7 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. That judgment was overturned on 18 October 2021 by the Supreme Court, which definitively affirmed the existence of Turkish jurisdiction. We are therefore waiting for the substantive case to be resumed.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE QUARTER

No other significant facts occurred after the quarter ended.

MANAGEMENT OPERATING OUTLOOK

In light of the first quarter results, the objectives for 2022, communicated on 8 February 2022, are confirmed: consolidated revenues of over EUR 1.5 billion, EBITDA between EUR 305 and EUR 315 million and net cash position of approximately EUR 60 million at the end of the year, including industrial investments of approximately EUR 95 million. The Group workforce is expected to be stable over the period.

This forward-looking indication does not take into account any escalation of the current Ukrainian crisis or any resurgence of the Covid-19 pandemic. Since the expectations described above are based on a series of assumptions that are beyond the management's control, the actual results could differ significantly from these forecasts.

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, 5 May 2022

Chairman of the Board of Directors

signed: Francesco Caltagirone Jr.