# INTERIM FINANCIAL REPORT
# 31 MARCH 2024

cementirholding
GRUPPO CALTAGIRONE

## CORPORATE BODIES

| | | |
|---|---|---|
| **Board of Directors**[1]<br>In office until approval of 2025 financial statements | *Executive Director, Chairman and CEO* | Francesco Caltagirone Jr. |
| | *Vice Chairman*[2] *and Non-Executive Director* | Alessandro Caltagirone |
| | *Vice Chairwoman*[2] *and Non-Executive Director* | Azzurra Caltagirone |
| | *Non-Executive Directors* | Saverio Caltagirone |
| | | Fabio Corsico |
| | | Adriana Lamberto Floristan *(independent)*<br>*Senior Non Executive Director*[2] |
| | | Annalisa Pescatori *(independent)* |
| | | Benedetta Navarra *(independent)* |
| **Audit Committee**[3] | *Chairwoman* | Benedetta Navarra *(independent)* |
| | *Members* | Annalisa Pescatori *(independent)* |
| | | Adriana Lamberto Floristan *(independent)* |
| **Remuneration and Nomination Committee**[3] | *Chairwoman* | Annalisa Pescatori *(independent)* |
| | *Members* | Benedetta Navarra *(independent)* |
| | | Adriana Lamberto Floristan *(independent)* |
| **Sustainability Committee**[3] | *Chairman* | Francesco Caltagirone Jr. |
| | *Members* | Annalisa Pescatori (independent) |
| | | Benedetta Navarra (*independent*) |
| | | Adriana Lamberto Floristan *(independent)* |
| **Auditing Company**<br>For the period 2021-2030 | | PricewaterhouseCoopers Accountants N.V. |

[1] Appointed by resolution of the Annual General Meeting of 20 April 2023
[2] Appointed by board resolution of 27 April 2023
[3] Established by board resolution of 27 April 2023

# INTERIM FINANCIAL REPORT AT 31 MARCH 2024

## INTRODUCTION

This Interim Financial Report refers to the Cementir Group's consolidated financial statements as at 31 March 2024, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and with Part 9 of Book 2 of the Dutch Civil Code.

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies".

For the purpose of preparing this Interim Financial Report and in accordance with the provisions of IAS 29, certain items on the balance sheets of investee companies in Türkiye have been re-measured by applying the general consumer price index to historical data; this makes it possible to reflect changes in the purchasing power of the Turkish Lira as of the reporting date of the investees themselves.

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

It should be noted that the Group's business is by nature seasonal, with performance in the first few months of the year being affected by weather conditions and plant maintenance. It follows that the first quarter (interim) results cannot be considered representative of the performance for the entire year.

Finally, it is noted that this Interim Financial Report is unaudited.

## GROUP PROFILE

Cementir Holding N.V. is a multinational company with registered office in the Netherlands, listed on the Euronext Star Milan segment, operating in the building materials sector and focused on four main business lines: grey cement, white cement, ready-mixed concrete and aggregates. With more than 3,000 employees, Cementir is the world leader in the niche white cement segment, the leading cement producer in Denmark and ready-mixed concrete producer in the Scandinavian region, the third in Belgium and among the leading international players in Türkiye, with two companies listed on the Istanbul Stock Exchange. In Belgium, the Group operates one of the largest aggregate quarries in Europe while in Türkiye it operates in the treatment of industrial waste, producing fuel from waste for cement plants.

Cementir pursues a strategy of sustainable growth, focusing on product leadership, the pursuit of excellence and the efficiency of operational processes. In the last two years, the Group has received notable ESG awards, including the validation of the 2030 decarbonisation targets by the Science Based Target initiative (SBTi) and an A- rating from CDP. The Group also achieved an investment grade BBB- financial rating with a stable outlook from Standard & Poor's.

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

### TÜRKIYE - HYPERINFLATED ECONOMY: IMPACTS OF THE APPLICATION OF IAS 29

As of April 2022, the Turkish economy is considered hyperinflationary according to the criteria set out in "IAS 29-Financial Reporting in Hyperinflationary Economies".

The accounting effects of hyperinflation are reflected in the opening balance sheet as of 1 January 2024, incorporate the changes for the period. In particular, the effect related to the re-measurement of non-monetary assets and liabilities, equity items, and income statement items recognised in 2024 was recognised in a separate income statement item under financial income and expenses. The related tax effect of non-cash assets was recognised in taxes for the period.

To take into account the impact of hyperinflation also on the local currency exchange rate, profit and loss account balances expressed in hyperinflationary currencies have been converted into euro (Group currency), applying the final exchange rate instead of the average exchange rate for the period, in line with IAS 21's requirement to report these amounts at current values.

The cumulative levels of the general consumer price indices are as follows:

- From 1 January 2005 to 31 December 2023: 1,533%
- From 1 January 2024 to 31 March 2024: 15%

In the first quarter of 2024, the application of IAS 29 resulted in the recognition of a net financial charge (pre-tax) of EUR 0.2 million.

The consolidated income statement for the first quarter of 2024 is reported below, with comparative figures provided for the same period of 2023.

## Financial Highlights

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| **REVENUE FROM SALES AND SERVICES** | **368,263** | **414,804** | **-11.2%** |
| Change in inventories | 4,585 | 10,194 | -55.0% |
| Increase for internal work and other income | 1,925 | 2,841 | -32.2% |
| **TOTAL OPERATING REVENUE** | **374,773** | **427,839** | **-12.4%** |
| Raw materials costs | (160,709) | (196,742) | -18.3% |
| Personnel costs | (52,991) | (51,679) | 2.5% |
| Other operating costs | (94,608) | (98,266) | -3.7% |
| **TOTAL OPERATING COSTS** | **(308,308)** | **(346,687)** | **-11.1%** |
| **EBITDA** | **66,465** | **81,152** | **-18.1%** |
| *EBITDA MARGIN %* | *18.05%* | *19.56%* | |
| Amortisation, depreciation, impairment losses and provisions | (32,220) | (31,946) | 0.9% |
| **EBIT** | **34,245** | **49,206** | **-30.4%** |
| *EBIT Margin %* | *9.30%* | *11.86%* | |
| Share of net profits of equity-accounted investees | (206) | (197) | 4.9% |
| Net financial income (expense) | 24,662 | 14,906 | 65.5% |
| **NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES** | **24,456** | **14,709** | **66.3%** |
| **PROFIT BEFORE TAXES** | **58,701** | **63,915** | **-8.2%** |
| *PROFIT BEFORE TAXES/REVENUE %* | *15.94%* | *15.41%* | |

## Non-GAAP Financial Summary

The Non-GAAP consolidated income statement and comments for the first three months of 2024 are reported below, with comparative figures provided for the same period of 2023.

These results, unlike those presented in the previous paragraph, do not include the impact of the application of IAS 29 - Financial Reporting for Hyperinflationary Economies for Türkiye, and the valuation of non-industrial real estate in Türkiye. This representation allows a better comparison of the Group's performance compared to the same period of the previous year. The data below are considered “non-GAAP” measures.

| (EUR’000) | 1st Quarter 2024 (Non-GAAP) | 1st Quarter 2023 (Non-GAAP) | Change % |
|---|---|---|---|
| **REVENUE FROM SALES AND SERVICES** | **367,107** | **413,780** | **-11.3%** |
| Change in inventories | 5,166 | 11,140 | -53.6% |
| Increase for internal work and other income | 1,888 | 3,228 | -41.5% |
| **TOTAL OPERATING REVENUE** | **374,161** | **428,148** | **-12.6%** |
| Raw materials costs | (157,665) | (192,863) | -18.3% |
| Personnel costs | (52,854) | (51,616) | 2.4% |
| Other operating costs | (94,310) | (98,049) | -3.8% |
| **TOTAL OPERATING COSTS** | **(304,829)** | **(342,528)** | **-11.0%** |
| **EBITDA** | **69,332** | **85,620** | **-19.0%** |
| *EBITDA MARGIN %* | *18.89%* | *20.69%* | |
| Amortisation, depreciation, impairment losses and provisions | (29,771) | (29,455) | 1.1% |
| **EBIT** | **39,561** | **56,165** | **-29.6%** |
| *EBIT Margin %* | *10.78%* | *13.57%* | |
| Share of net profits of equity-accounted investees | (206) | (197) | 4.6% |
| Net financial income (expense) | 24,759 | 12,357 | 100.4% |
| **NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES** | **24,553** | **12,160** | **101.9%** |
| **PROFIT BEFORE TAXES** | **64,114** | **68,325** | **-6.2%** |
| *PROFIT BEFORE TAXES/REVENUE %* | *17.46%* | *16.51%* | |

## Sales volumes

| ('000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Grey, White cement and Clinker (metric tons) | 2,389 | 2,336 | 2.3% |
| Ready-mixed concrete ($m^3$) | 1,056 | 1,018 | 3.7% |
| Aggregates (metric tons) | 2,391 | 2,195 | 8.9% |

## Group employees

| | 31-03-2024 | 31-12-2023 | 31-03-2023 |
|---|---|---|---|
| Number of employees | 3,051 | 3,045 | 3,103 |

In the first three months of 2024, cement and clinker **sales volumes** of, equal to 2.4 million tons, increased by 2.3% compared to the same period of 2023 thanks to the increase recorded in Türkiye, which offset the decline in volumes in other geographical areas.

Volumes of ready-mixed concrete, equal to about 1.1 million cubic metres, increased by 3.7%, driven by the positive trend in Türkiye and, to a lesser extent in Sweden, while there was a decline in Denmark, Norway and Belgium mainly due to particularly adverse weather conditions.

In the aggregates sector, sales volumes amounted to 2.4 million tons, up 8.9% with an increase in Türkiye, due to the opening of a new quarry, and Denmark, while sales in Belgium remained stable.

**Group revenue from sales and services** reached EUR 367.1 million, down 11.3% compared to EUR 413.8 million in the first quarter of 2023. The decrease in sales was caused by unfavourable weather conditions, fewer working days due to the Easter holidays, and a negative exchange effect of EUR 50.1 million. It should be noted that at constant 2023 exchange rates, revenues would have amounted to EUR 417.2 million, an increase of 0.8% compared to the same period of the previous year.

At EUR 304.8 million, **operating costs** fell by 11% compared to EUR 342.5 million in the first quarter of 2023.

The **cost of raw materials**, equal to EUR 157.7 million, decreased by 18.3% compared to EUR 192.9 million in the first quarter of 2023, due to both a reduction in the cost of some production inputs and an exchange rate effect, especially in Türkiye.

At EUR 52.9 million, **personnel costs** increased by 2.4% compared to EUR 51.6 million for the same period of 2023.

**Other operating costs**, equal to EUR 94.3 million, fell by 3.8% compared to EUR 98.0 million in the first quarter of 2023.

**EBITDA** amounted to EUR 69.3 million, down 19% compared to EUR 85.6 million in the first quarter of 2023, reflecting lower results in Denmark and Norway and, to a lesser extent, in the United States and Asia Pacific as well as a negative exchange effect of EUR 9.7 million. At constant exchange rates in 2023, EBITDA would have amounted to EUR 79.0 million, down 7.7% compared to the same period of the previous year.

The EBITDA margin was 18.9% compared to 20.7% in the first quarter of 2023, due to lower volumes in Europe, which were only partially offset by higher sales in Türkiye.

**EBIT**, taking into account amortisation, depreciation, impairment losses and provisions of EUR 29.8 million (EUR 29.5 million in the first quarter of 2023), amounted to EUR 39.6 million compared to EUR 56.2 million in the same period of the previous year. Amortisation, depreciation, impairment losses and provisions include amortisation and depreciation due to the application of IFRS 16 of EUR 8.3 million (EUR 7.9 million in the same period of 2023).

At constant 2023 exchange rates, EBIT would have been EUR 47.6 million.

The **share of net profits of equity-accounted investees** was negative by EUR 0.2 million (negative by EUR 0.2 million in the first quarter of 2023).

**Net financial income** was EUR 24.8 million (income of EUR 12.4 million in the same period of the previous year) and included net financial income of EUR 0.9 million (net financial expenses of EUR 2.1 million in the same period of 2023), net foreign exchange income of EUR 23.6 million (EUR 13.6 million in the same period of 2023) and the effect of the valuation of derivatives.

**Profit before taxes** was EUR 64.1 million, down 6.2% from EUR 68.3 million in the first quarter of 2023.

## Financial highlights

| (EUR'000) | 31-03-2024 Unaudited | 31-12-2023 Audited | 31-03-2023 Unaudited |
|---|---|---|---|
| Net capital employed | 1,603,123 | 1,433,223 | 1,583,141 |
| Total equity | 1,679,753 | 1,650,833 | 1,551,073 |
| Net financial debt (Net Cash) | (76,630) | (217,610) | 32,068 |

**Net cash** as at 31 March 2024 was EUR 76.6 million, with a positive change of EUR 108.7 million over the last twelve months, and includes a EUR 34.2 million dividend payment in the month of May 2023. These amounts include EUR 83.4 million due to the application of IFRS 16 (EUR 82.5 million at 31 March 2023).

The EUR 141 million reduction compared to the net cash as at 31 December 2023 is due to the seasonality of the business in the first quarter, also due to the annual maintenance cycle, and to working capital dynamics.

**Total equity** at 31 March 2024 amounted to EUR 1,679.8 million (EUR 1,650.8 million at 31 December 2023 and EUR 1,551.1 million at 31 March 2023).

### 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.

| PERFORMANCE INDICATORS | 31-03-2024 | 2023 | 31-03-2023 | Composition |
|---|---|---|---|---|
| Return on Equity | 12.6% | 13.1% | 12.5% | Profit from continuing operations/Equity |
| Return on Capital Employed | 16.4% | 19.4% | 13.9% | EBIT/(Equity + Net financial debt) |

| Financial indicators | 31-03-2024 | 2023 | 31-03-2023 | Composition |
|---|---|---|---|---|
| Equity Ratio | 66.6% | 64.9% | 62.5% | Adjusted Equity/Total Assets |
| Net Gearing Ratio | -4.6% | -13.3% | 2.1% | Net financial debt/ Adjusted Equity |
| Liquidity Ratio | 1.17 | 1.15 | 0.97 | Cash + Receivables / Current Liabilities |
| Cash Flow | 1.47 | 1.58 | 0.95 | Operating Cash Flow / Total Financial Debt |
| Finance Needs (Net cash) | -76.6 | -217.6 | 32.1 | Net Financial Position |

The improvement in economic indicators is due to the positive trend of the current economic management and the impact generated by the cash flow from ordinary activities.

The balance sheet indicators show a further strengthening of the Group's equity and financial structure, which closed the period with a net cash position of EUR 76.6 million (taking into account the seasonal dynamics of working capital).

## PERFORMANCE BY GEOGRAPHICAL SEGMENT

The data reported in the Türkiye paragraph do not include the impact of the application of IAS 29 - Accounting for hyperinflated economies, the effects of which are reported in the section “Türkiye - Hyperinflated Economy: impacts for the application of IAS 29”, and do not include the valuation of non-industrial real estate.

### Nordic and Baltic

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Revenue from sales | 138,034 | 164,129 | -15.9% |
| *Denmark* | *105,381* | *123,472* | *-14.7%* |
| *Norway / Sweden* | *30,431* | *40,573* | *-25.0%* |
| *Other (1)* | *16,174* | *17,178* | *-5.8%* |
| *Eliminations* | *(13,952)* | *(17,094)* | |
| EBITDA | 26,791 | 41,368 | -35.2% |
| *Denmark* | *26,253* | *39,729* | *-33.9%* |
| *Norway / Sweden* | *(481)* | *667* | *-172.2%* |
| *Other (1)* | *1,019* | *972* | *4.9%* |
| EBITDA Margin % | *19.4%* | *25.2%* | |
| Investments | 12,756 | 22,281 | |

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

### Denmark

In the first quarter of 2024, sales revenues reached EUR 105.4 million, a decrease of 14.7% compared to EUR 123.5 million in the first quarter of 2023.

Domestic cement volumes, both grey and white, declined compared to the first quarter of 2023 due to harsh weather conditions, especially in January, and fewer working days in anticipation of the Easter holidays in a market environment that is still not recovering. High inflation and unchanged interest rates continued to negatively impact the residential sector, whose weakness was minimally offset by the supply of cement for the undersea tunnel linking Denmark and Germany (Fehmarn Belt), which entered the operational phase with volumes still modest compared to the full-scale forecast.

Cement exports declined due to lower deliveries to Belgium, France, Norway and the Faroe Islands, partially offset by higher deliveries to the United Kingdom and Iceland.

In Denmark, ready-mixed concrete volumes decreased by 4% compared to the corresponding quarter of 2023 due to the above-mentioned particularly severe weather conditions in the month of January, while sales volumes of aggregates increased slightly compared to 2023 despite some short production stoppages.

EBITDA amounted to EUR 26.3 million (EUR 39.7 million in the first quarter of 2023), down 33.9% mainly due to lower sales volumes, which were only partially offset by savings in purchasing costs and fuel and electricity consumption.

Total investments in the first three months of 2024 amounted to EUR 10 million, of which approximately EUR 9 million in the cement sector, in particular for extraordinary maintenance projects and the construction of the new 4,500 ton cement silo in the port of Aalborg, which will be used to load ships bound for the Fehmarn Belt. Investments include EUR 0.8 million accounted for according to the IFRS 16 accounting standard.

### Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes decreased by 29% compared to the first quarter of 2023 due to a slowdown in residential and commercial demand, adverse weather conditions and delays in the start of some major infrastructure projects. In February, three plants were closed.

It should be noted that the Norwegian krone depreciated by 3.9% against the average euro exchange rate in the same quarter of 2023.

In **Sweden**, ready-mixed concrete volumes increased by 13% compared to the previous year, while aggregates volumes decreased by 12%. In Sweden, subzero temperatures and snow have also affected the activity.

The Swedish krona is substantially aligned with the average exchange rate of the Euro in the first quarter of 2023.

In the first quarter of 2024, sales revenues in Norway and Sweden decreased by 25% to EUR 30.4 million (EUR 40.6 million in the first quarter of 2023), while EBITDA was EUR -0.5 million (positive by EUR 0.7 million in the same period of 2023). The reduction in EBITDA is solely due to the negative trend in Norway.

Investments amounted to EUR 2.6 million, of which EUR 0.6 million in Norway and EUR 2 million in Sweden. Investments recognised as a result of IFRS 16 were EUR 1.6 million.

### Belgium

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Revenue from sales | 79,433 | 90,582 | -12.3% |
| EBITDA | 21,639 | 21,208 | 2.0% |
| EBITDA Margin % | 27.2% | 23.4% | |
| Investments | 11,042 | 8,364 | |

In the first quarter of 2024, domestic cement sales volumes decreased by 3% compared to 2023 due to adverse weather conditions in the month of January and to the completion of an important project started in 2023. Conversely, exports to France and the Netherlands declined by double digits, in both cases due to the slowdown in construction activity linked to a more restrictive monetary policy, resulting in lower residential demand.

Ready-mixed concrete sales volumes decreased by approximately 20% compared to the corresponding quarter of 2023, with a more significant decline in France. Sales were affected by the harsh weather conditions in January, which resulted in plants closure for seven days in both Belgium and France, the temporary closure of a plant in January for renovation and refurbishment, and the weakness in the residential sector.

On the other hand, aggregate sales were substantially in line with the first quarter of 2023, despite the adverse weather conditions in the first two weeks of the year and the decline in the road segment.

Sales revenues decreased by 12.3% to EUR 79.4 million against EUR 90.6 million in the same period of 2023, while EBITDA increased by 2% to EUR 21.6 million (EUR 21.2 million the previous year). Cement EBITDA benefited from careful management of energy costs and sales prices.

Investments in the first three months of the year amounted to EUR 11 million, mainly related to the renovation project of kiln 4 at the Gaurain plant, which will be completed in 2024. The project will increase the use of alternative fuels from 40% to more than 70%, to increase production capacity and to reduce CO2 emissions per ton of clinker by about 6%. Investments accounted for under IFRS 16 amounted to EUR 0.2 million, relating to contracts for cement transport vehicles.

**North America**

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Revenue from sales | 42,636 | 45,833 | -7.0% |
| EBITDA | 4,988 | 5,657 | -11.8% |
| EBITDA Margin % | 11.7% | 12.3% | |
| Investments | 1,304 | 910 | |

In the United States, white cement sales volumes decreased by 4% compared to the first quarter of 2023.

Sales in Texas were negatively impacted by rain and also by two fewer working days than in 2023. In the York region, the decline was more significant due to the severe weather conditions with snow and ice in January and February. In addition, high inflation and interest rates have continued to affect the residential and prefabricated sectors, the main reference markets.

Sales in Florida were also lower due to a particularly strong first quarter in the previous year, while in California deliveries increased in all market segments.

The dollar depreciated by 1.2% against the average euro exchange rate in the first quarter of 2023.

Overall, revenues fell by 7% to EUR 42.6 million (EUR 45.8 million in the first quarter of 2023), while EBITDA decreased by 11.8% to EUR 5 million (EUR 5.7 million in 2023), due to lower sales volumes, lower sales prices due to strong competition and higher cement purchase costs compared to the previous year. The company Vianini Pipe, active in the production of cement products, reported a decrease in EBITDA compared to the previous year.

Investments in the first three months of 2024 amounted to EUR 1.3 million and included EUR 0.7 million for the two cement plants for sustainability measures, production rationalisation and extraordinary maintenance. Investments recognised as a result of IFRS 16 were EUR 0.3 million.

## Türkiye

| (EUR'000) | 1st Quarter 2024 (Non-GAAP) | 1st Quarter 2023 (Non-GAAP) | Change % |
|---|---|---|---|
| Revenue from sales | 73,255 | 75,248 | -2.6% |
| EBITDA | 9,219 | 7,769 | 18.7% |
| EBITDA Margin % | 12.6% | 10.3% | |
| Investments | 10,298 | 6,615 | |

Revenues, equal to EUR 73.3 million, decreased by 2.6% compared to the first three months of 2023 (EUR 75.2 million), penalised by the 65.8% devaluation of the Turkish Lira compared to the average euro exchange rate in the first quarter of 2023.

Cement sales volumes increased by 22% compared to the first quarter of 2023 in the domestic market, where the most significant growth was recorded in the Elazig and Kars regions of Eastern Anatolia, supported by post-earthquake reconstruction and a mild climate, while it was lower in the Aegean region (Izmir).

In the Marmara region (Trakya), on the other hand, volumes declined mainly due to poor weather conditions.

Cement and clinker exports increased by 8% compared to the first quarter of 2023.

Ready-mixed concrete volumes increased by 31% compared with the first quarter of 2023, supported by post-earthquake reconstruction.

Aggregate sales also increased sharply compared to 2023 due to the opening of a new quarry in Malatya in Eastern Anatolia.

In the waste sector, Sureko, the industrial waste treatment subsidiary, recorded 84% higher revenues in local currency than in 2023, due to higher volumes and prices of fuel sales (RDF), fuel material collection and landfill quantities.

Overall, the region's EBITDA amounted to EUR 9.2 million, an increase of 18.7% compared to the previous year (EUR 7.8 million), thanks to higher volumes and average sales prices of cement and despite the devaluation of the Turkish Lira.

Investments amounted to EUR 10.3 million, of which approximately EUR 2.5 million in cement, mainly in the Izmir and Trakya plants and EUR 7.6 million in ready-mixed concrete, and mainly related to investments accounted for on the basis of IFRS 16 relating to transport vehicles (EUR 7 million).

## Egypt

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Revenue from sales | 12,271 | 12,487 | -1.7% |
| EBITDA | 3,323 | 3,385 | -1.8% |
| EBITDA Margin % | 27.1% | 27.1% | |
| Investments | 340 | 323 | |

Sales revenues declined to EUR 12.3 million, a 1.7% drop compared to EUR 12.5 million in the first quarter of 2023, mainly due to the devaluation of the Egyptian pound, which depreciated by over 53% in March 2024. Revenues in local currency actually increased by 17.4%.

Sales volumes of white cement in the domestic market fell by about 16% due to a generalised decline in demand as a result of the weak construction market and the reduced number of working days before Ramadan, while exports increased.

EBITDA decreased by 1.8% to EUR 3.3 million (EUR 3.4 million in the first quarter of 2023), due to lower sales volumes, higher operating costs and the devaluation of the Egyptian pound against the Euro, which were not offset by higher sales prices.

Investments in the first three months of 2024 amounted to approximately EUR 0.3 million and included, among other things, the first releases for the reactivation of the second clinker kiln.

**Asia Pacific**

| (EUR'000) | **1st Quarter 2024** | **1st Quarter 2023** | **Change %** |
|---|---|---|---|
| Revenue from sales | 20,568 | 24,118 | -14.7% |
| *China* | *10,443* | *12,577* | *-17.0%* |
| *Malaysia* | *10,368* | *11,545* | *-10.2%* |
| *Eliminations* | *(243)* | *(4)* | |
| EBITDA | 3,091 | 3,630 | -14.9% |
| *China* | *1,763* | *2,024* | *-12.9%* |
| *Malaysia* | *1,328* | *1,606* | *-17.3%* |
| EBITDA Margin % | *15.0%* | *15.1%* | |
| Investments | 1,084 | 2,375 | |

### China

Sales revenues decreased by 17% to EUR 10.4 million (EUR 12.6 million in the first quarter of 2023) due to a reduction in sales volumes of about 10%, a slight decrease in prices and the devaluation of 6.3% of the Chinese Renminbi compared to the average exchange rate of the Euro in the first quarter of 2023.

The negative sales trend was influenced by the low temperatures in the first few weeks of the year, works closures for the Chinese New Year, and the still weak real estate demand with high inventory levels, which contributed to price declines.

EBITDA decreased by 12.9% to EUR 1.8 million (EUR 2 million in the same period of 2023), due to lower volumes and sales prices.

Investments in the first three months of the year amounted to approximately EUR 0.6 million and involved projects to increase the functionality and efficiency of the plant.

### Malaysia

Sales revenues decreased by 10.2% to EUR 10.4 million (EUR 11.5 million in the corresponding period of 2023) due to a different sales mix with a lower share of domestic sales, and the 8.9% depreciation of the local currency compared to the average euro exchange rate in the corresponding quarter of 2023.

Total volumes increased by 6% with the domestic market declining by 9% also due to the unusually high level of volumes sold in the month of February 2023, whereas exports increased compared to the first quarter of 2023 for higher deliveries to the Philippines and Vietnam.

EBITDA reached EUR 1.3 million, down 17.3% from EUR 1.6 million in the corresponding quarter of 2023.

Investments in the first half of 2023 amounted to approximately EUR 0.5 million and involved projects to increase the functionality and efficiency of the plant and extraordinary maintenance.

### Holding and Services

| (EUR'000) | 1st Quarter 2024 | 1st Quarter 2023 | Change % |
|---|---|---|---|
| Revenue from sales | 44,752 | 66,650 | -32.9% |
| EBITDA | 282 | 2,604 | -89.2% |
| EBITDA Margin % | 0.6% | 3.9% | |
| Investments | 422 | 788 | |

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The decrease in revenues and EBITDA is due to lower traded volumes, particularly of clinker, cement and fuels brokered by Spartan Hive, and higher general and administrative expenses of the parent company.

## INVESTMENTS

During the first quarter of 2024, the Group made total investments of approximately EUR 37.2 million (EUR 41.7 million in the first quarter of 2023), of which approximately EUR 9 million in sustainability and EUR 10.5 million (EUR 18.8 million in the first quarter of 2023) related to the application of IFRS 16.

Investments included EUR 23.9 million in the cement sector, EUR 9.2 million in ready-mixed concrete, EUR 3 million in aggregates and EUR 1.1 million for other business sectors.

## KEY EVENTS DURING THE QUARTER

On 8 February 2024, the Board of Directors of the Parent Company approved the update of the Industrial Plan 2024-2026, whose press release please refer to.

With regard to the ongoing conflicts in Ukraine and the Middle East, the directors have not identified any direct significant impact on the Group.

# OTHER INFORMATION

## ALTERNATIVE PERFORMANCE INDICATORS

The Cementir Holding Group uses 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, updated based on the Notice No. 5/21 of 29 April 2021 in implementation of the recommendations contained in paragraph 175 of ESMA Recommendation 32-382-1138 of 4 March 2021, 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.

## SUSTAINABILITY

The Group's commitment to decarbonisation continued in the first quarter of 2024, with investments in sustainability amounting to approximately EUR 9 million, mainly in the upgrade of the new kiln in Belgium to increase the use of alternative fuels from the current 40% to over 70%.

In February 2024, the Group received validation of its short and long-term climate targets from the Science Based Target initiative (SBTi), which confirmed their consistency with the 1.5°C scenario. SBTi also confirmed Cementir's net-zero emissions target by 2050.

In April 2024, Cementir was included in the list of **Europe's Climate Leaders 2024** in the Financial Times and Statista's annual survey of the 600 European companies that have made the most progress in reducing carbon intensity over a five-year period.

In addition, in April, Cementir officially launched **D-Carb®**, a new umbrella brand for lower carbon white cements. D-Carb® combines a lower carbon footprint with excellent early age performance and is being launched initially in European markets before being rolled out globally. Compared to Aalborg White Portland cement, this first product allows a 15% reduction in CO2 emissions.

## 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

The number of treasury shares held following the completion of the share buy-back programme (the "Programme") in October 2021 has not changed.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 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 S.p.A. at a 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

Also due to the entry into force of the relevant legislation (EU Regulation 679 /2016) as well as following Legislative Decree 101 of 10 August 2018, the Parent Company has equipped itself with operational tools and internal regulations to ensure the protection of personal data according to the expected regulatory standards.

Subsequently, it implemented and completed a project to update its policy on the subject and is currently engaged in strengthening its safeguards, including IT, for the protection of personal data.

## 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.

***Other legal disputes***

An administrative dispute is pending before the Court of Appeal in Türkiye, 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 3 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 Türkiye 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. In a judgment dated 6 September 2023, the Izmir Court ordered Cementir Holding to pay Cimentas approximately 1 million Turkish lira. Cementir Holding and CMB appealed the ruling to the Court of Appeal.

## SUBSEQUENT EVENTS AFTER THE REPORTING DATE

No significant events occurred after the quarter ended.

## MANAGEMENT OPERATING OUTLOOK

The macroeconomic scenario continues to be characterized by strong uncertainty, with risks of an economic downturn linked to geopolitical tensions and still restrictive financial conditions.

Results for the first quarter of 2024 were overall in line with management's expectations despite the decline in revenues and EBITDA compared to the first quarter of the previous year. It should also be noted that the Group's business, by its very nature, is subject to seasonality, with performance in the first few months of the year being affected by the weather and planned maintenance.

Therefore, for the year 2024, the Group expects to achieve consolidated revenues of approximately EUR 1.8 billion, EBITDA of approximately EUR 385 million and a net cash position of around EUR 300 million at the end of the period.

Planned investments are equal to approximately EUR 135 million (EUR 104.2 million in 2023), of which around EUR 48 million in sustainability projects. Research and development expenses are expected to remain stable compared to 2023, as is the average number of employees. The Group does not envisage the need for new external financing, given the cash generation and the net cash position expected by year end.

These forward-looking indications do not include: i) the impacts of the application of IAS 29; ii) any non-recurring items; iii) the impact of any worsening of the geopolitical situation or other extraordinary events.

The foregoing solely reflects the views of the company's management, and does not constitute a guarantee, promise, operational suggestion or even investment advice. Therefore, it should not be taken as a forecast on future market trends and of any financial instruments concerned.

Rome, 9 May 2024

Chairman of the Board of Directors

Signed: Francesco Caltagirone Jr.