cementirholding
CALTAGIRONE GROUP

PRESS RELEASE

Cementir Holding: Board of Directors approves consolidated results as of 30 September 2022

- **Revenue: EUR 1,257.7 million, +24.7% on EUR 1,008.3 million in the nine months of 2021. Excluding IAS 29 effect, Revenue reached EUR 1,248.2 million (+23.8% on 2021)**
- **EBITDA: EUR 238.3 million, +10.8% on EUR 215.1 million in the nine months of 2021. Excluding IAS 29 effect, EBITDA reached EUR 252.9 million (+17.6% on 2021)**
- **Profit before taxes: EUR 160.5 million, +32.5% on EUR 121.2 million in the nine months of 2021. Excluding IAS 29 effect, Profit before taxes reached EUR 164.8 million (+36.0% on 2021)**
- **Net financial debt: EUR 29.9 million (EUR 100.1 million at 30 September 2021)**

Rome, 3 November 2022 – The Board of Directors of Cementir Holding N.V. today examined and approved the consolidated unaudited results for the first nine months and the third quarter of 2022.

As of June 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 IAS 29 application, reference should be made to the relevant paragraph. The impacts of hyperinflation on the income statement of the first nine months of 2022 are shown in the Annex.

Financial highlights

(millions of euros)	**Jan-Sept 2022 IAS 29**	**Jan-Sept 2021**	**Change %**	**Jan-Sept 2022 excl. IAS 29**	**Change %**
Revenue from sales and services	1,257.7	1,008.3	24.7%	1,248.2	23.8%
EBITDA	238.3	215.1	10.8%	252.9	17.6%
EBITDA/Revenue from sales and services %	*18.9%*	*21.3%*		*20.3%*	
EBIT	145.1	133.3	8.8%	167.3	25.5%
Net financial income (expense) and share of net profits of equity-accounted investees	15.4	(12.2)	227.0%	(2.5)	79.4%
Profit before taxes	160.5	121.2	32.5%	164.8	36.0%

Sales volumes

('000)	**Jan-Sept 2022**	**Jan-Sept 2021**	**Change %**
Grey, White cement and Clinker (metric tonnes)	8,191	8,331	-1.7%
Ready-mixed concrete (m^3)	3,539	3,767	-6.0%
Aggregates (metric tonnes)	7,857	8,259	-4.9%

Cementir Holding N.V.
Registered office: 36, Zuidplein, 1077 XV, Amsterdam, Netherlands
T: +31 (0) 20 799 7619
Secondary and operational office: 200, Corso di Francia, 00191 Rome, Italy
T: +39 06 324931
www.cementirholding.com

Share capital: € 159,120,000
VAT number: 02158501003
Tax number: 00725950638
Netherlands Chamber of Commerce number 76026728

Net financial debt

(millions of euros)	30-09-2022[1]	30-09-2021	31-12-2021
Net financial debt	29.9	100.1	40.4

Group employees

	30-09-2022	30-09-2021	31-12-2021
Number of employees	3,108	3,090	3,083

"In the first nine months of 2022 the Group reported a set of results in line with our expectations. Despite the severe geopolitical tensions and the significant increase in raw materials, energy and logistic costs, the Group is showing great capacity to keep profitability unchanged, thus compensating cost inflation." commented Francesco Caltagirone Jr, Chairman and Chief Executive Officer.

The following comments refer to the consolidated income statement for the first nine months of 2022 excluding IAS 29 impacts in Turkey. This representation allows a more direct understanding of Group performance compared to the same period of the previous year.

During the first nine months of 2022, cement and clinker sales volumes, amounting to 8.2 million tonnes, decreased by 1.7% compared to the same period of 2021. The decline is mainly attributable to the performance of Turkey, Denmark, China and Egypt.

Sales **volumes** of ready-mixed concrete, equal to 3.5 million cubic metres, were down by 6.0% due to the decline recorded in Turkey, Denmark, Belgium and Sweden.

In the aggregates sector, sales volumes amounted to 7.9 million tonnes, down 4.9% compared to the first nine months of 2021, with growth in Turkey and Belgium, offset by negative trends in Sweden and Denmark.

Group **revenue** from sales and services reached EUR 1,248.2 million, up 23.8% compared to EUR 1,008.3 million in the first nine months of 2021. The increase in revenue is mainly due to price increases, offsetting higher costs for fuel, electricity, raw materials, transport and services. At constant 2021 exchange rates, revenue would have reached EUR 1,342.6 million, up by 33.2% on the previous period.

At EUR 1,080.2 million, **operating costs** increased by 34.2% compared to EUR 804.9 million in the first nine months of 2021.

The **cost of raw materials** was EUR 616.5 million up by over 51% compared to EUR 406.8 million in the first nine months of 2021, due to the increase in fuel prices on international markets.

At EUR 148.3 million, **personnel costs** increased by 7.5% compared to EUR 138.1 million for the same period in 2021.

Other operating costs, equal to EUR 315.4 million, were up by 21.3% compared to EUR 260.0 million in the first nine months of 2021, mainly attributable to the evolution of transport costs.

EBITDA amounted to EUR 252.9 million, up 17.6% from EUR 215.1 million in the first nine months of 2021. EBITDA included non-recurring income of EUR 10.7 million related to the updated value assessment of non-industrial real estate in Turkey. The increase in EBITDA is attributable to better results

[1] IAS 29 has no impact on net financial debt at 30 September 2022.

in Belgium, Denmark, Turkey, the United States and Egypt, while the Asia Pacific region and Sweden saw a decline in results.

The EBITDA margin was 20.3%, compared to 21.3% in the first nine months of 2021.

At constant 2021 exchange rates, EBITDA would have amounted to EUR 256.9 million, up 19.4% year-on-year.

EBIT, taking into account depreciation, amortisation, write-downs and provisions of EUR 85.6 million (EUR 81.8 million in the first nine months of 2021), amounted to EUR 167.3 million, up 25.5% from EUR 133.3 million in the first nine months of the previous year. Depreciation and amortisation due to the application of IFRS 16 amounted to EUR 21.5 million compared to EUR 20.6 million in the same period of 2021.

At constant 2021 exchange rates, the EBIT would have amounted to EUR 169.9 million.

The **share of net profits of equity-accounted investees** was positive by EUR 0.4 million (EUR 0.6 million in the first nine months of 2021).

Net financial expense of EUR 2.9 million (expense of EUR 12.8 million in the same period of the previous year), included net financial expenses of EUR 8.4 million (EUR 8.3 million in the first nine months of 2021), net foreign exchange income of EUR 9.6 million (net foreign exchange expenses of EUR 2.8 million in the first nine months of 2021) and the effect of the valuation of derivatives.

Profit before taxes was EUR 164.8 million, an increase of 36.0% on EUR 121.2 million in the first nine months of 2021.

During the first nine months of 2022, the Group made overall **investments** of approximately EUR 68.2 million (EUR 64.4 million in the corresponding period of 2021) of which approximately EUR 12 million (EUR 10.8 million in the first nine months of 2021) relating to the application of IFRS 16.

Net financial debt at 30 September 2022 amounted to EUR 29.9 million, a EUR 70.2 million reduction compared EUR 100.1 million at 30 September 2021, including the distribution of EUR 28.0 million in dividends in May. The impact of IFRS16 application on net financial debt at 30 September 2022 is EUR 66.2 million (EUR 75.3 million at 30 September 2021), while no effect is due to the application of IAS 29.

The positive change in relation to the net financial debt at 31 December 2021 was equal to EUR 10.5 million.

Total equity at 30 September 2022 amounted to EUR 1,342.1 million (EUR 1,227.6 million at 31 December 2021 and EUR 1,235.4 million at 30 September 2021). With the application of IAS 29, total equity amounted to EUR 1,528.1 million at 30 September 2022.

Performance in the third quarter of 2022

(millions of euros)	3rd Quarter 2022 IAS 29	3rd Quarter 2021	Change %	3rd Quarter 2022 without IAS 29	Change %
Revenue from sales and services	446.6	343.8	29.9%	443.0	28.9%
EBITDA	94.5	81.6	15.9%	98.1	20.3%
EBITDA/Revenue from sales and services %	*21.2%*	*23.7%*		*22.1%*	
EBIT	62.8	54.3	15.7%	69.3	27.7%
Net financial income (expense) and share of net profits of equity-accounted investees	(2.2)	(2.4)	8.0%	(4.6)	90.9%
Profit before taxes	60.6	51.8	16.8%	64.7	24.8%

In the third quarter of 2022, cement and clinker sales **volumes** of 2.8 million tonnes decreased by 3.3% compared to the same period in 2021, mainly due to negative developments in Turkey.

Ready-mixed concrete sales volumes of 1.2 million cubic metres decreased by 8.0% due to the negative performance in Turkey, Belgium and Denmark.

In the aggregates segment, sales volumes amounted to 2.4 million tonnes, down by 13.5% mainly as a result of the performance in the Nordic & Baltic area and in Belgium.

Revenues from sales and services amounted to EUR 443.0 million, an increase of 28.9% compared to EUR 343.8 million in the third quarter of 2021. The increase in revenues affected all geographical areas mainly in Turkey (45%), Nordic & Baltic (20%), the United States (38%) and Belgium (17%).

Operating costs amounted to EUR 365.2 million (EUR 268.2 million in the third quarter of 2021), an increase of 36.2%. This increase is mainly due to the increase in purchasing cost of raw materials, fuels and transport as well as other operating costs.

EBITDA, amounting to EUR 98.1 million, increased by 20.3% compared to the third quarter of 2021 (EUR 81.6 million).

EBIT amounted to EUR 69.3 million (EUR 54.3 million in the third quarter of 2021).

The **share of net profits of equity-accounted investees** was EUR 0.3 million (EUR 0.2 million in the same period of 2021).

Net financial expense was EUR 4.9 million (expense of EUR 2.7 million in the third quarter of 2021).

Profit before taxes was EUR 64.7 million, an increase compared to the third quarter of 2021 (EUR 51.8 million).

Investments in the third quarter of 2022 amounted to EUR 13.8 million (EUR 20.1 million in the third quarter of 2021).

Performance by geographical segment

Nordic and Baltic

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	531,100	460,575	15.3%
Denmark	*361,041*	*310,313*	*16.3%*
Norway / Sweden	*160,922*	*141,695*	*13.6%*
Others (1)	*59,505*	*51,441*	*15.7%*
Eliminations	*(50,368)*	*(42,874)*	
EBITDA	115,032	109,948	4.6%
Denmark	*99,967*	*91,751*	*9.0%*
Norway / Sweden	*12,880*	*13,861*	*(7.1%)*
Others (1)	*2,185*	*4,336*	*(49.6%)*
EBITDA Margin %	21.7%	23.9%	
Investments	28,899	31,870	

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

Denmark

Sales revenues in the first nine months of 2022 reached EUR 361.0 million, up 16.3% compared to EUR 310.3 million in the first nine months of 2021, due mainly to the rise in sales prices.

Cement volumes in the domestic market, both grey and white, increased by about 10% due to growth in all major market segments and favourable weather conditions, despite the extended summer vacation period in the third quarter that slowed construction activity.

White cement exports declined by 28% mainly due to the redistribution of sales in the United States to other group companies and a decline in sales in France, Belgium and Germany due to the slowdown of business in these countries.

Gray cement exports also fell by 25% due to lower sales in Norway, only partially offset by increased volumes in Iceland due to growth in construction activity.

Ready-mixed concrete volumes in Denmark decreased by 7% compared to the corresponding period in 2021 due to both a different commercial strategy and weakening demand, which was held back by rising prices, the completion of some public works and the postponement of others due to rising energy and raw material costs.

Aggregate volumes were down 26% from the first nine months of 2021 during which sales had been particularly strong for specific local projects.

EBITDA in the first nine months of 2022 amounted to EUR 100.0 million, up 9% on EUR 91.8 million in 2021. The increase can be attributed to the cement sector, which benefits from higher selling prices in the face of higher raw materials, fuel, electricity, clinker purchase and fixed costs.

The ready-mixed concrete sector recorded a contraction in EBITDA due to lower sales volumes and higher costs for cement purchase , raw materials and logistics as well as higher fixed costs, only partially offset by higher sales prices. Aggregates also experienced an EBITDA decline due to lower sales volumes and higher variable costs only partially offset by higher sales prices.

Total investments in the first nine months amounted to EUR 25.3 million, of which approximately EUR 20.6 million in the cement sector, focused on extraordinary maintenance, sustainability projects and production streamlining, and EUR 3.6 million in ready-mixed concrete. Investments include EUR 1 million accounted for according to the IFRS 16 accounting standard.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes increased by 5% compared to the first nine months of 2021 due to the strong recovery of infrastructural and civil activities in the face of a contraction in residential and commercial activities. Despite competitive pressures in some regions, volumes are increasing due in part to higher sales from new mobile plants operating from 2022.

It should be noted that the Norwegian krone appreciated by 2% against the average euro exchange rate in the same period in 2021.

In **Sweden**, ready-mixed concrete and aggregate volumes declined by 12% and 33%, respectively, from the previous year due to the completion of major infrastructure projects near the Malmö region where the company's plants operate, only partly replaced by projects in the residential and commercial sectors. Several public projects have been postponed due to rising costs and uncertainty over the economic situation and geopolitical tensions.

The Swedish krona depreciated by 3.7% against the average euro exchange rate in the first nine months of 2021.

In the first nine months of 2022, sales revenue in Norway and Sweden amounted to EUR 160.9 million, up 13.6% from EUR 141.7 million in 2021, while EBITDA decreased by 7.1% to EUR 12.9 million (EUR 13.9 million in the same period of 2021).

The decrease in EBITDA is due to the aggregates segment in Sweden as a result of lower sales volumes only partly offset by price increases and fixed cost savings. In Norway, on the other hand, EBITDA increased compared to 2021 due to higher sales volumes and prices against higher cement, raw materials and logistic costs.

Investments in the first nine months of 2022 amounted to EUR 3.5 million, of which EUR 0.7 million recognised as a result of IFRS 16.

Belgium

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	238,681	205,131	16.4%
EBITDA	56,808	47,936	18.5%
EBITDA Margin %	23.8%	23.4%	
Investments	10,967	13,637	

In the first nine months of 2022, cement sales volumes were unchanged from 2021, with a slightly positive trend in Belgium, stable in France, increase in the Netherlands and slight decline in Germany. In Belgium, demand developed positively, especially in the first quarter, supported in part by favourable weather conditions, which was followed by a gradual deterioration of the market in the second and third quarters. Average sales prices followed a growing trend.

Ready-mixed concrete sales volumes in Belgium and France fell by 4% compared to the first nine months of 2021, but with differing trends in the two countries: in Belgium there was a 9% contraction with a gradual decline in the market in the second and third quarters due to rising commodity prices and the postponement of some private construction projects, as well as the closure of a plant from 1 July. Sustained activity continues especially in the Brussels metropolitan area, with some important projects. On the contrary, sales in France increased by 11% thanks in part to the introduction of tax incentives to address inflationary pressures and mitigate its impact on the construction sector.

Aggregate sales volumes increased by 4% compared to the corresponding period in 2021. Sales in Belgium increased by 8% despite strong competition as a result of price increases, and benefited from infrastructure growth, positive weather conditions, and the acquisition of new customers. In France and the Netherlands, however, sales performance is down 3% from the previous year.

Overall, in the first nine months of 2022, sales revenue grew by 16.4% to EUR 238.7 million (EUR 205.1 million in the same period of 2021) while EBITDA increased by 18.5% to EUR 56.8 million (EUR 47.9 million in the previous year).

Both in the cement and aggregates sector EBITDA benefited from better selling prices, which offset significant increases in production costs In contrast, ready-mixed concrete EBITDA decreased from 2021 due to the strong impact of variable raw material and cement costs, not fully recovered by sales price.

Investments made in the reporting period amounted to EUR 11 million and mainly related to the Gaurain cement plant and quarry sustainability projects. Investments accounted in accordance with IFRS 16 amounted to EUR 1.3 million.

North America

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	151,301	115,794	30.7%
EBITDA	22,652	17,260	31.2%
EBITDA Margin %	15.0%	14.9%	
Investments	6,401	2,916	

In the United States, white cement sales volumes grew by 2%, supported by higher deliveries mainly in Texas and California.

The region of York (PA) was affected by adverse weather conditions in the first quarter and issues caused by staff shortages in logistics and subsequent cement shortages at terminals. In Florida, on the other hand, sales trends have been affected by strong price competition and Hurricane Ian, which hit the southwest area of the region in late September.

The dollar appreciated by 11.7% against the average euro exchange rate in the first nine months of 2021.

Overall US revenues increased by 30.7% to EUR 151.3 million (EUR 115.8 million in the first nine months of 2021), while EBITDA increased by 31.2% to EUR 22.7 million (EUR 17.3 million in 2021), due to higher white cement selling prices and a positive exchange rate effect only partially offset by higher cement, raw materials, fuel and fixed costs. The company Vianini Pipe, active in the production of cement products, reported an EBITDA increase compared to the previous year due to higher business volumes and sales prices.

Investments in the first nine months of the year amounted to approximately EUR 6.4 million, almost entirely related to the white cement plants. Investments accounted for under IFRS 16 amounted to EUR 3.8 million.

Turkey

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	186,993	129,223	44.7%
EBITDA	31,090	13,930	123.2%
EBITDA Margin %	16.6%	10.8%	
Investments	13,183	9,102	

Please note that this representation does not include the impacts of hyperinflation based on the application of IAS 29.

Revenues of EUR 187.0 million increased by 44.7% compared to the first nine months of 2021 (EUR 129.2 million), despite the 73.8% devaluation of the Turkish lira against the euro , compared to the average exchange rate for the same period of 2021.

In the cement sector, in the context of the general inflationary environment, the increase in selling prices led to a significant increase in sales revenues in local currency while sales volumes in the domestic market decreased by 13% due to significantly lower sales at the Elazig plant (-35%) in Eastern Anatolia and Kars (-35%) in Northeastern Turkey, only partially offset by higher deliveries from the Izmir plant (+1.5%) in the Aegean region and Trakya (+1%) in the Marmara region.

The contraction in Elazig is to be attributed to the end of infrastructure projects related to the reconstruction following the earthquake in January 2020 and the postponement and cancellation of some infrastructure projects. In the Kars area, weather conditions were worse than expected and uncertainties about the economic situation in Turkey affected the start of new construction projects.

Cement and clinker exports increased by 10% also due to higher clinker volumes exported to the subsidiaries in Denmark and Belgium.

Ready-mixed concrete volumes decreased by 10.5% compared to the corresponding nine months of 2021 for reasons already stated related to the country's economic situation, the postponement of new large-scale projects, and the slowdown of urban transformation projects due to the low financial capacity of private entities.

Aggregate volumes increased by 70% compared to the first nine months of 2021 following the operations ramp-up of the newly acquired quarry in the second half of 2021.

In the waste sector, the industrial waste treatment subsidiary Sureko recorded 150% higher revenues in local currency than in 2021, due to increased volumes and prices of RDF, landfill quantities and trading of raw materials for recycling. In contrast, the UK subsidiary Quercia reported revenues down 41.7% from 2021.

Overall, the region's EBITDA increased by 123% to EUR 31.1 million from previous year (EUR 13.9 million). This result includes non-recurring income for the revaluation of non-industrial real estate in Turkey of around EUR 10.7 million. Net of these revaluations, the increase in EBITDA would have been 46.1%. This result is attributable to higher sales prices of cement and ready-mixed concrete which more than offset higher production costs compounded by the significant depreciation of the Turkish lira.

Investments amounted to EUR 13.2 million, of which EUR 5.6 million in cement sector, mainly in the Izmir and Trakya plants. Investments accounted for in accordance with IFRS 16 amounted to EUR 4.7 million

Egypt

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	44,022	37,789	16.5%
EBITDA	9,001	7,254	24.1%
EBITDA Margin %	20.4%	19.2%	
Investments	558	1,225	

Sales revenue increased by 16.5% to EUR 44.0 million (EUR 37.8 million in 2021), despite the fact that sales volumes decreased by 5% compared to 2021.

White cement sales in the domestic market decreased by 7% due to the bringing forward of some deliveries to customers to December 2021 before year-end and due to greater competition.

Exports decreased by 4% compared to the first nine months of 2021 due to lower deliveries to Saudi Arabia partially offset by higher volumes to the United States and Central Europe.

EBITDA increased 24.1% to EUR 9.0 million from EUR 7.3 million in the previous year, due to higher sales prices, both in the domestic and export markets, which more than offset higher fuel purchase costs.

The Egyptian pound is in line with the average exchange rate of the euro in the corresponding period of 2021.

Investments made in the first nine months of 2022 amounted to EUR 0.6 million.

Asia Pacific

(EUR'000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	91,736	76,634	19.7%
China	*49,727*	*44,586*	*11.5%*
Malaysia	*42,009*	*32,048*	*31.1%*
Eliminations	-	-	
EBITDA	15,996	17,639	(9.3%)
China	*12,275*	*13,469*	*(8.9%)*
Malaysia	*3,721*	*4,170*	*(10.8%)*
EBITDA Margin %	17.4%	23.0%	
Investments	5,897	3,978	

China

Sales revenue increased by 11.5% to EUR 49.7 million (EUR 44.6 million in the first nine months of 2021) despite sales volumes declining by 8% compared to the same period of 2021 for a number of reasons: further restrictions to limit the spread of COVID-19 ("zero COVID policy") in many areas of the country (Shanghai was in lockdown until 1 June), logistical issues in the country's major ports, declining activity in the major infrastructure works and residential sector, competition in the local market, as well as adverse weather conditions and international political tensions.

EBITDA dropped by 8.9% to EUR 12.3 million (EUR 13.5 million in the same period of 2021) due to higher fuel and electricity purchase costs and lower sales volumes, partially offset by higher sales prices, a positive exchange rate effect and higher government grants for technological innovations and workforce retention.

The Chinese renminbi appreciated by 9.3% against the average Euro exchange rate in the corresponding period of 2021.

Investments in the period amounted to EUR 2.7 million.

Malaysia

Sales revenue increased by 31.1% to EUR 42 million (EUR 32 million in the corresponding period of 2021) against a 2% growth in total volumes.

In the domestic market, sales declined by 7.5% due to falling private residential activity, a shortage of foreign labour at some large construction sites, rising prices of building materials and the government's lack of attention to the sector's difficulties.

Exports increased by around 3% compared to 2021: higher sales volumes in the Philippines, Vietnam and Myanmar were partially offset by lower volumes in South Korea.

At EUR 3.7 million, EBITDA decreased by 10.8% compared to EUR 4.2 million in the corresponding period of 2021. Higher fuel purchase costs but especially higher freight costs for exports to Australia were only partially offset by higher average selling prices in domestic and foreign markets.

The local currency appreciated by 6.5% against the average euro exchange rate in the corresponding period of 2021.

In the first nine months of 2022, investments amounted to EUR 3.2 million.

Holding and Services

(Euro ’000)	Jan-Sept 2022	Jan-Sept 2021	Change %
Revenue	165,002	95,963	71.9%
EBITDA	2,296	1,119	105.2%
EBITDA Margin %	1.4%	*1.2%*	
Investments	2,288	1,662	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The increase in revenue and EBITDA is attributable to higher volumes of clinker, cement and fuels traded by Spartan Hive.

Turkey – Hyperinflated economy

As of June 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 this adjustment, already being reflected in the opening balance sheet as of 1 January 2022, include the changes in the period. In particular, the impact linked to the re-measurement of non-monetary assets and liabilities, equity and income statement items in the first nine months of 2022 has been included in a separate income statement item under “Financial income and expenses”. The tax effect of non-cash assets was included under Taxes for the period.

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

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

- From January 2005 to 31 December 2021: 503.30%
- From January 2022 to 30 September 2022: 52.40%

In the first nine month of 2022, the application of IAS 29 resulted in the recognition of a net financial income (pre-tax) of EUR 18.2 million.

The impact of hyperinflation on the main income statement items for the first half of 2022 is shown in the Annex.

Significant events during and after the first nine months

On 8 February 2022, the Board of Directors’ of Cementir Holding N.V. approved the 2022 - 2024 Business Plan. Please refer to the relevant press release.

In May 2022, the rating agency Standard & Poor's confirmed a rating BBB- with Stable Outlook.

With reference to the Russian-Ukrainian conflict, the directors have identified no significant direct impact on the financial statements as a whole, in light of the Group‘s substantial lack of activities in these areas and dealings with them.

The Group Chief Financial Officer, Giovanni Luise, has decided to resign due to personal reasons, effective from the date of approval of results as at 30 September 2022, in agreement with the company. The Company has already started the search of a successor with an adequate profile, whose appointment will be communicated as required by law. Pending this process, the Chief Executive Officer will take on the role of CFO *ad interim*.

It should be noted that, as of today, Giovanni Luise does not own any Cementir Holding shares.

Outlook for 2022

In the third quarter, the global economy continued to be affected by the exceptionally high inflation, worsening financial conditions, the uncertainty linked to the conflict in Ukraine, weak economic activity in China and, less so than at the beginning of the year, supply chain difficulties. The latest forecasts by the international institutions expect global growth to weaken further next year, with risks tilted to the downside.

In light of the good results for the first half of the year, the targets announced on 8 February 2022 are confirmed, i.e., to achieve consolidated revenues of more than EUR 1.5 billion, an EBITDA of between EUR 305 and 315 million and a net cash position of about EUR 60 million at year-end, including industrial investments of about EUR 95 million. The Group's workforce is expected to remain stable during the period.

These expectations do not take into account any intensification of the current crisis in Ukraine or any new resurgence of the Covid 19 pandemic and the potential negative effects on demand deriving from the worsening of the macroeconomic situation related to the increase in inflation in the euro area. Since the expectations described above are based on a number of assumptions that are beyond the scope of management's control, results could deviate even significantly from these forecasts.

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.

* * *

The Interim Financial Report as at 30 September 2022, unaudited, will be published in the manner and within the deadline required by current regulations.

* * *

The results of the first nine months of 2022 will be presented to the financial community in a **conference call** to be held today, Thursday 3 November, at 4.30 pm (CET). Dial-in numbers are as follows:

Italy: +39 02 802 09 11	USA: +1 718 7058796
UK: + 44 1 212 81 8004	USA (freephone): 1 855 2656958

The presentation will be made available on the website *www.cementirholding.com* in the Investors section before the start of the conference call.

* * *

The unaudited consolidated results for the first nine months and the third quarter of 2022 are attached.

Disclaimer

This press release contains forward-looking statements. These statements are based on current expectations and projections of the Group regarding future events and, by their very nature, are exposed to inherent risks and uncertainties. These statements relate to events and depend on circumstances that may or may not occur or exist in the future. Accordingly, readers should not to place undue reliance on them. Actual results may differ materially from those stated due to multiple factors, including: the volatility and deterioration of capital and financial markets, changes in commodity prices, changes in macroeconomic conditions and economic growth and other changes in business conditions, changes in atmospheric conditions, floods, earthquakes or other natural disasters, changes in the regulatory and institutional framework (both in Italy and abroad), production difficulties, including constraints on the use of plants and supplies and many other risks and uncertainties, most of which are outside the Group's control.

*In addition to conventional financial indicators under IFRS, the Cementir Holding Group also uses a number of **alternative performance indicators** to allow a better assessment of earnings and financial performance. In line with Consob Communication 92543/2015 and the ESMA Guidelines (ESMA/2015/1415), the meaning and content of the indicators used in this press release are provided below.*

- *EBITDA: an indicator of operating performance calculated by adding together "EBIT" and "Amortisation, depreciation, impairment losses and provisions";*
- *Net financial debt: an indicator of financial structure calculated according to Consob Communication 6064293/2006, as the sum of the items:*
    - *current financial assets;*
    - *cash and cash equivalents;*
    - *Current and non-current liabilities.*
- *Net capital invested: calculated as the total amount of non-financial assets, net of non-financial liabilities.*

***CEMENTIR HOLDING** is an international manufacturer and supplier of a wide range of building materials products and innovative building solutions, with operations in 18 countries and a workforce of around 3,000 people. The Group is global leader in the white cement business and it one of the largest constituents of the Star segment of the Euronext Milan Stock Exchange.*
With sustainability at the core of its strategy, Cementir has its emissions reduction targets independently verified by the Science Based Target initiative and it is rated A- by CDP for Climate Change. The Company is also rated BBB- with Stable Outlook by S&P.

Media Relations
Tel. +39 06 45412365
Fax +39 06 45412300
ufficiostampa@caltagironegroup.it

Investor Relations
Tel. +39 06 32493305
Fax +39 06 32493274
invrel@cementirholding.it

www.cementirholding.com

Financial Highlights

(Euro '000)	IAS 29 Jan-Sept 2022	Jan-Sept 2021	Change %	IAS 29 3rd Quarter 2022	3rd Quarter 2021	Change %
REVENUE FROM SALES AND SERVICES	**1,257,677**	**1,008,296**	**24.7%**	**446,640**	**343,753**	**29.9%**
Change in inventories	24,529	(1,883)	n.m.	6,342	832	n.m.
Increase for internal work and other income	56,627	13,551	n.m.	13,350	5,214	156.0%
TOTAL OPERATING REVENUE	**1,338,833**	**1,019,964**	**31.3%**	**466,332**	**349,799**	**33.3%**
Raw materials costs	(633,814)	(406,805)	55.8%	(223,816)	(139,439)	60.5%
Personnel costs	(149,244)	(138,052)	8.1%	(47,591)	(43,052)	10.5%
Other operating costs	(317,481)	(260,020)	22.1%	(100,407)	(85,727)	17.1%
TOTAL OPERATING COSTS	**(1,100,539)**	**(804,878)**	**36.7%**	**(371,814)**	**(268,218)**	**38.6%**
EBITDA	**238,294**	**215,086**	**10.8%**	**94,518**	**81,581**	**15.9%**
EBITDA Margin %	*18.95%*	*21.33%*		*21.16%*	*23.73%*	
Amortisation, depreciation, impairment losses and provisions	(93,233)	(81,779)	14.0%	(31,720)	(27,319)	16.1%
EBIT	**145,061**	**133,307**	**8.8%**	**62,798**	**54,262**	**15.7%**
EBIT Margin %	*11.53%*	*13.22%*		*14.06%*	*15.79%*	
Share of net profits of equity-accounted investees	404	641	-37.0%	299	246	21.5%
Net financial income (expense)	15,033	(12,797)	217.5%	(2,522)	(2,663)	5.3%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY ACCOUNTED INVESTEES	**15,437**	**(12,156)**	**227.0%**	**(2,223)**	**(2,417)**	**8.0%**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**160,498**	**121,151**	**32.5%**	**60,575**	**51,844**	**16.8%**
PROFIT BEFORE TAXES / REVENUE %	*12.76%*	*12.02%*		*13.56%*	*15.08%*	

Financial Highlights without hyperinflation effect (IAS 29)

(Euro '000)	Jan-Sept 2022	Jan-Sept 2021	Change %
REVENUE FROM SALES AND SERVICES	**1,248,217**	**1,008,296**	**23.8%**
Change in inventories	28,135	(1,883)	n.m.
Increase for internal work and other income	56,770	13,551	n.m.
TOTAL OPERATING REVENUE	**1,333,121**	**1,019,964**	**30.7%**
Raw materials costs	(616,508)	(406,805)	51.6%
Personnel costs	(148,348)	(138,052)	7.5%
Other operating costs	(315,390)	(260,020)	21.3%
TOTAL OPERATING COSTS	**(1,080,246)**	**(804,878)**	**34.2%**
EBITDA	**252,875**	**215,086**	**17.6%**
EBITDA Margin %	*20.26%*	*21.33%*	
Amortisation, depreciation, impairment losses and provisions	(85,609)	(81,779)	4.7%
EBIT	**167,265**	**133,307**	**25.5%**
EBIT Margin %	*13.40%*	*13.22%*	
Share of net profits of equity-accounted investees	404	641	-37.0%
Net financial income (expense)	(2,907)	(12,797)	-77.3%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY ACCOUNTED INVESTEES	**(2,502)**	**(12,156)**	**-79.4%**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**164,763**	**121,151**	**36.0%**
PROFIT BEFORE TAXES / REVENUE %	*13.20%*	*12.02%*	

(Euro '000)	3rd Quarter 2022	3rd Quarter 2021	Change %
REVENUE FROM SALES AND SERVICES	**443,030**	**343,753**	**28.9%**
Change in inventories	7,813	832	n.m.
Increase for internal work and other income	12,486	5,214	139.5%
TOTAL OPERATING REVENUE	**463,330**	**349,799**	**32.5%**
Raw materials costs	(218,447)	(139,439)	56.7%
Personnel costs	(47,304)	(43,052)	9.9%
Other operating costs	(99,432)	(85,727)	16.0%
TOTAL OPERATING COSTS	**(365,183)**	**(268,218)**	**36.2%**
EBITDA	**98,147**	**81,581**	**20.3%**
EBITDA Margin %	*22.15%*	*23.73%*	
Amortisation, depreciation, impairment losses and provisions	(28,844)	(27,319)	5.6%
EBIT	**69,303**	**54,262**	**27.7%**
EBIT Margin %	*15.64%*	*15.79%*	
Share of net profits of equity-accounted investees	299	246	21.5%
Net financial income (expense)	(4,914)	(2,663)	84.5%
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY ACCOUNTED INVESTEES	**(4,615)**	**(2,417)**	**90.9%**
PROFIT (LOSS) BEFORE TAXES OF THE PERIOD	**64,688**	**51,844**	**24.8%**
PROFIT BEFORE TAXES / REVENUE %	*14.60%*	*15.08%*	