cementirholding
CALTAGIRONE GROUP

PRESS RELEASE

Cementir Holding: Board of Directors approves consolidated results as of 30 June 2023

- **Revenue: EUR 840.7 million, up 1.1% on 831.6 million in the first half 2022. Non-GAAP Revenue were EUR 868.2 million (+5.1% on 2022)**
- **EBITDA: EUR 200.5 million, up 39.5% on EUR 143.8 million in the first half 2022. Non-GAAP EBITDA was EUR 202.4 million (+40.9% on 2022)**
- **Group net profit: EUR 90.3 million, +35.6% on EUR 66.6 million in the first half 2022. Non-GAAP Group net profit was EUR 109.8 million (+78.9% on 2022)**
- **Net cash: EUR 11.0 million (net financial debt of EUR 79.5 million at 30 June 2022)**
- **2023 EBITDA guidance revised upwards by over 7%**

Rome, 27 July 2023 – The Board of Directors of Cementir Holding N.V. today examined and approved the consolidated unaudited results for the first half and the second quarter of 2023.

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

Financial highlights

(millions of euros)	1st Half 2023	1st Half 2022	Change %	1st Half 2023 Non-GAAP*	1st Half 2022 Non-GAAP*	Change %
Revenue from sales and services	840.7	831.6	1.1%	868.2	825.8	5.1%
EBITDA	200.5	143.8	39.5%	202.4	143.6	40.9%
EBITDA Margin %	*23.9%*	*17.3%*		*23.3%*	*17.4%*	
EBIT	138.5	82.3	68.4%	143.6	86.8	65.4%
Net financial income (expense) and share of net profits of equity-accounted investees	8.7	17.7	-50.9%	12.2	2.1	n.m.
Group net profit	90.3	66.6	35.6%	109.8	61.4	78.9%

* These figures are Non-GAAP measures and exclude both the impact of the application of IAS 29 and the valuation of non-industrial properties in Türkiye.

Sales volumes

('000)	1st Half 2023	1st Half 2022	Change %
Grey, White cement and Clinker (metric tonnes)	5,113	5,411	-5.5%
Ready-mixed concrete (m^3)	2,119	2,388	-11.3%
Aggregates (metric tonnes)	4,646	5,483	-15.3%

cementir holding
GRUPPO CALTAGIRONE

Net financial debt[1]

(millions of euros)	30-06-2023	30-06-2022	31-12-2022
Net financial debt / (Net cash)	-11.0	79.5	-95.5

Group employees

	30-06-2023	30-06-2022	31-12-2022
Number of employees	3,108	3,104	3,085

"The first half of 2023 results closed with encouraging results, with significant increase in EBITDA, EBIT and net profit, thanks to careful management of profitability, which offset the general reduction in sales volumes" commented Francesco Caltagirone Jr, Chairman and Chief Executive Officer.

The following comments refer to the consolidated income statement for the first six months of 2023 Non-GAAP, excluding IAS 29 impacts and the valuation of non-industrial properties in Türkiye for about EUR 17.7 million (for this purpose, the 2022 comparative figure was also modified by EUR 11.1 million). This representation allows a better comparison of Group's performance with respect to the same period of the previous year.

During the first six months of 2023, the **volumes** of cement and clinker sold, equal to 5.1 million tonnes, decreased by 5.5% compared to the same period of 2022. The decline is attributable to the slowdown in the market mainly in Denmark, Belgium, the United States and Malaysia, while an increase was recorded in China, Egypt and Türkiye.

Sales volumes of ready-mixed concrete, equal to 2.1 million cubic metres, have fallen by 11.3% due to the negative trend in all areas with the exception of Türkiye.

Sales volumes of aggregates, equal to 4.6 million tons, fell by 15.3%.

The Group's **revenues** from sales and services, at EUR 868.2 million, increased by 5.1% compared to EUR 825.8 million in the first half of 2022. The increase in revenues is mainly due to the increase in average sales prices. It should be noted that at constant 2022 exchange rates, revenues would have amounted to EUR 945.2 million, 14.5% higher than in the same period last year.

At EUR 688.5 million, **operating costs** fell by 3.7% compared to EUR 715.1 million in the first half of 2022.

The **cost of raw materials** was EUR 388.6 million (EUR 398.1 million in the first half of 2022), down mainly due to lower production.

At EUR 105.1 million, **personnel costs** increased by 4.0% compared to EUR 101.0 million for the same period in 2022.

Other operating costs, equal to EUR 194.8 million, decreased by 9.8% compared to EUR 216.0 million in the first half of 2022, mainly due to lower transport costs.

EBITDA amounted to EUR 202.4 million, an increase of 40.9% compared to EUR 143.6 million in the first half of 2022, following the improved results achieved in all geographical areas with the exception of the United States. It should be noted that the 2023 EBITDA includes non-recurring income for capital gains on

[1] IAS 29 has no impact on net financial position.

land and equipment sales of about EUR 7.5 million. Excluding non-recurring income, EBITDA increased by 35.7% over the first half of 2022.

The EBITDA margin was 23.3%, compared to 17.4% in the first half of 2022.

At constant 2022 exchange rates, EBITDA would have amounted to EUR 232.3 million, up 61.8% year-on-year.

EBIT, taking into account depreciation, amortisation, write-downs and provisions totalling EUR 58.8 million (EUR 56.8 million in the first half of 2022), amounted to EUR 143.6 million, up 65.4% from EUR 86.8 million in the same period of the previous year. Depreciation and amortisation due to the application of IFRS 16 amounted to EUR 15.8 million compared to EUR 14.2 million in the same period of 2022.

At constant 2022 exchange rates, the EBIT would have amounted to EUR 170.7 million.

The **share of net profits of equity-accounted investees** is marginally negative by EUR 0.1 million (positive by EUR 0.1 million in the first half of 2022).

Net financial income of EUR 12.3 million (income of EUR 2.0 million in the same period of the previous year), includes net financial expenses of EUR 3.7 million (EUR 4.2 million in 2022), net foreign exchange income of EUR 13.8 million (net foreign exchange income of EUR 10.0 million in 2022) and the effect of the valuation of derivatives.

Profit before taxes was EUR 155.8 million, an increase of 75.2% on EUR 88.9 million in the first half of 2022.

Profit for the period amounted to EUR 117.1 million (EUR 68.6 million in the first half of 2022), after taxes of EUR 38.7 million (EUR 20.3 million in the same period of 2022).

Group net profit, once non-controlling interests were accounted for, amounted to EUR 109.8 million (EUR 61.4 million in the first half of 2022).

Net cash at 30 June 2023 was EUR 11.0 million, an improvement of EUR 90.5 million compared to the net financial debt of EUR 79.5 million as of 30 June 2022, and includes the distribution of dividends of EUR 34.2 million in May 2023. This amount includes EUR 77.0 million as a result of the application of the accounting standard IFRS 16 (EUR 75.7 million as of 30 June 2022).

Total equity at 30 June 2023 amounted to EUR 1,492.3 million (EUR 1,522.8 million at 31 December 2022 and EUR 1,471.0 million at 30 June 2022).

During the first half of 2023, the Group made total **investments** of approximately EUR 67.1 million (EUR 54.4 million in the first half of 2022), of which approximately EUR 23.1 million (EUR 14.6 million in the first half of 2022) in connection with the application of IFRS 16.

Performance in the second quarter of 2023

In the second quarter of 2023, **volumes** of cement and clinker sold, equal to 2.8 million tons, fell by 6.8% compared to the same period of 2022 due to the slowdown in sales in Denmark, Türkiye, Belgium and the United States, despite the increase recorded in China, Egypt and Malaysia.

Sales volumes of ready-mixed concrete, equal to about 1.1 million cubic metres, have fallen by 12.7% due to the negative trend in all the geographical areas.

In the aggregates segment, sales volumes amounted to 2.5 million tons, down by 12.6%.

Revenues from sales and services amounted to EUR 454.5 million, broadly stable from EUR 455.0 million in the second quarter of 2022. The decrease in revenues mainly affected the Nordic & Baltic area, Belgium and the United States, only partially offset by growth in Türkiye, Asia-Pacific and Egypt.

Operating costs amounted to EUR 346.0 million (EUR 381.9 million in the second quarter of 2022), a decrease of 9.4%. This reduction is partly due to the decrease in production and transport costs and to the overall containment of other operating costs.

EBITDA, amounting to EUR 116.8 million, increased by 40.8% compared to the second quarter of 2022 (EUR 82.9 million). It should be noted that the EBITDA for 2023 includes non-recurring income from capital gains on the sale of land and machinery in the amount of approximately EUR 7.5 million. Excluding this income, EBITDA increased by 31.7% over the same period in 2022.

EBIT amounted to EUR 87.4 million (EUR 54.3 million in the second quarter of 2022).

The **share of net profits of equity-accounted investees** was EUR 0.1 million (EUR 0.1 million in the second quarter of 2022).

Net financial income (expense) was marginally negative by EUR 0.1 million (expense of EUR 7.5 million in the second quarter of 2022).

Profit before taxes was EUR 87.5 million, an increase of 86.4% compared to the second quarter of 2022 (EUR 46.9 million).

Investments in the second quarter of 2023 amounted to EUR 25.5 million (EUR 29.5 million in the second quarter of 2022), of which EUR 4.2 million in application of accounting standard IFRS 16 (EUR 7.6 million in the second quarter of 2022).

Performance by geographical segment

The figures reported in the section Türkiye do not include the impact of the application of IAS 29 - Financial Reporting for Hyperinflationary Economies and the valuation of non-industrial properties.

Nordic and Baltic

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	337,727	358,165	-5.7%
Denmark	*254,612*	*243,149*	*4.7%*
Norway / Sweden	*82,491*	*105,950*	*-22.1%*
Others (1)	*38,677*	*40,299*	*-4.0%*
Eliminations	*(38,053)*	*(31,233)*	
EBITDA	88,307	63,663	*38.7%*
Denmark	*83,263*	*54,161*	*53.7%*
Norway / Sweden	*3,137*	*8,870*	*-64.6%*
Others (1)	*1,907*	*632*	*201.7%*
EBITDA Margin %	*26.1%*	*17.8%*	
Investments	32,371	20,384	

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

Denmark

In the first half of 2023, sales revenues reached EUR 254.6 million, an increase of 4.7% compared to EUR 243.1 million in the first half of 2022.

Cement volumes on the domestic market, both grey and white, were lower than in 2022, influenced by a generalised slowdown in demand and by unfavourable weather conditions. High inflation and the increase in interest rates adversely affected the residential sector. The contraction in volumes was partially offset by the cement supply for the underwater tunnel that will connect Denmark with Germany (Fehmarn Belt), a multi-year contract signed during the first half.

Exports also declined due to lower deliveries in Poland, Germany, France and Iceland, due to the slowdown in demand, only partially offset by higher deliveries in Norway.

In Denmark, both ready-mixed concrete and aggregates volumes fell by 19% and 27% respectively compared to the first half of 2022 due to weak demand in all the main areas of the country, a harsher winter, market competition and, in relation to aggregates, the temporary closure of a quarry reopened only in March 2023 and unscheduled maintenance in the second quarter.

Thanks to careful management of energy and distribution costs, EBITDA in the first half of 2023 reached EUR 83.3 million (EUR 54.2 million in 2022), up 53.7%, with profitability returning to pre-Covid average levels.

Total investments in the half year amounted to EUR 28.9 million, of which approximately EUR 27.5 million in the cement sector and EUR 1.2 million in the ready-mixed concrete and included EUR 8.6 million recorded according to the IFRS 16 accounting standard.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes fell by 23% compared to the same period of the previous year due to the slowdown in residential and commercial demand, strong competition, adverse weather conditions at the beginning of the year and the delay of some important infrastructure projects due to unfavourable macroeconomic conditions. The month of June, however, registered a less negative trend due to the start of some new projects.

It should be noted that the Norwegian krone depreciated by 13.4% against the average euro exchange rate in the same half of 2022.

In **Sweden**, ready-mixed concrete and aggregates volumes also decreased significantly compared to the previous year, due to the general decline in demand mainly caused by the impact of higher interest rates on the residential market.

The Swedish krona depreciated by 8.1% against the average euro exchange rate in the first half of 2022.

In the first half of 2023, sales revenue in Norway and Sweden decreased by 22.1% to EUR 82.5 million compared to EUR 105.9 million in the first half of 2022, while EBITDA decreased by 64.6% to EUR 3.1 million (EUR 8.9 million in the same period of 2022). The reduction in EBITDA, both in Norway and Sweden, was due to lower sales volumes and higher cement and raw materials purchasing costs, only partially offset by higher sales prices.

Investments made in the area in the first half of 2023 amounted to EUR 2.7 million, of which EUR 1.1 million recognised as a result of IFRS 16.

Belgium

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	190,282	170,613	*11.5%*
EBITDA	43,456	36,858	*17.9%*
EBITDA Margin %	*22.8%*	*21.6%*	
Investments	15,052	12,121	

In the first half of 2023, cement sales volumes fell by around 10% compared to 2022 both in the domestic market and in France and the Netherlands. The reduction in demand is due to both adverse weather conditions and a slowdown in construction activity linked to a more restrictive monetary policy, resulting in reduced demand for mortgages and real estate financing.

For the same reasons, ready-mixed concrete sales volumes in Belgium and France also fell by around 7% compared to the previous year.

On the other hand, the decline in the aggregates sector was more marked, around 14%, both in the domestic market and in exports to France and the Netherlands, also due to the particularly positive performance of the first five months of 2022. There was an improvement in the month of June, in line with June 2022, due to the recovery of the market, especially in road surfacing.

Overall, in the first half of 2023, sales revenue grew by 11.5% to EUR 190.3 million compared to EUR 170.6 million in the same period of 2022, and EBITDA increased by 17.9% to EUR 43.5 million, compared to EUR 36.9 million in the previous half year. EBITDA benefited from careful management of operating costs and sales prices, making it possible to improve profitability compared to the first half of 2022.

Investments made during the half year amounted to EUR 15.1 million and mainly concerned the revamping project for kiln 4 with an increase in production capacity and the use of alternative fuels. Investments accounted for under IFRS 16 amounted to EUR 5.8 million.

North America

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	95,583	96,665	-1.1%
EBITDA	12,972	14,342	-9.6%
EBITDA Margin %	*13.6%*	*14.8%*	
Investments	1,601	5,679	

In the United States, sales volumes of white cement recorded a contraction of around 14% in line with the trend of the residential sector, the main reference market. Sales in Texas and Florida contracted more sharply due to import competitive pressures and the decline in market demand. The reduction in sales, on the other hand, was less pronounced in the York and California regions.

The dollar appreciated by 1.1% against the average euro exchange rate in the first half of 2022.

Overall, in the United States, revenues amounted to EUR 95.6 million, down 1.1% compared to EUR 96.7 million in the first half of 2022, while EBITDA fell by 9.6% to EUR 13 million (EUR 14.3 million in 2022), due to lower sales volumes of white cement and higher variable costs, compared to higher sales prices. The company Vianini Pipe, active in the production of cement products, reported an increase in EBITDA compared to the first half of 2022.

Investments in the first half of the year amounted to EUR 1.6 million, of which EUR 0.8 million accounted for under IFRS 16.

Türkiye

(EUR'000)	1st Half 2023 (Non-GAAP)	1st Half 2022 (Non-GAAP)	Change %
Revenue from sales	158,876	115,392	37.7%
EBITDA	34,050	12,183	179.5%
EBITDA Margin %	*21.4%*	*10.6%*	
Investments	10,334	10,871	

Revenues of EUR 158.9 million increased by 37.7% compared to the first six months of 2022 (EUR 115.4 million), despite the devaluation of the Turkish lira by -32.7% compared to the average euro exchange rate for the first half of 2022.

Cement sales volumes in the domestic market increased overall by around 16%. Growth was significant in both the Trakya (Marmara) and Kars (Eastern Anatolia) regions, while it was more moderate in Izmir (Aegean) and Elazig (Eastern Anatolia). The start of numerous projects in the municipality of Istanbul related to seismic measures and investments in tourist facilities should be noted.

Cement and clinker exports declined by around 50% due to the choice to focus on the domestic market, with greater profitability.

Ready-mixed concrete volumes, slightly up (+2%) compared to the first half of 2022, were in line with the growth of the Aegean region where most of the plants are concentrated. Aggregate sales, on the other hand, fell by 14% due to temporary operational problems.

In the waste sector, the industrial waste treatment subsidiary Sureko recorded 55.5% higher revenues in local currency than in 2022, due to the increase in the sales prices of the various business segments, the collection of materials for the production of fuels (RDF) and the quantities sent to landfill.

The region's EBITDA reached EUR 34.1 million, an increase of more than 179% compared to the previous year thanks to higher sales prices, despite higher operating costs and the devaluation of the Turkish lira. It should be noted that the 2023 result includes non-recurring income for capital gains on land disposals of around EUR 5 million. Net of these non-recurring effects, EBITDA grew by 138% compared to the same period of 2022.

Investments for the half year amounted to EUR 10.3 million, of which EUR 5.5 million recorded according to IFRS 16.

Egypt

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	26,188	27,599	-5.1%
EBITDA	7,552	5,262	43.5%
EBITDA Margin %	*28.8%*	*19.1%*	
Investments	796	349	

Sales revenue declined by 5.1% to EUR 26.2 million (EUR 27.6 million in the first half of 2022), mainly due to the devaluation of the Egyptian pound (-74%), compared to the average euro exchange rate in the first half of 2022. Revenues in local currency actually increased by 65.2%.

White cement sales volumes increased by 8% thanks to the increase in exports, in particular to the United States, while domestic sales remained stable compared to the first half of 2022 due to the difficulties in the local economy. The market is now recovering after the blocking of various public projects required as a condition for the provision of funding by the IMF.

EBITDA increased by 43.5% to EUR 7.6 million (EUR 5.3 million in the first half of 2022), thanks to careful management of production costs and sales prices, despite the significant devaluation of the Egyptian pound against the euro.

Investments in the first half of 2023 amounted to approximately EUR 0.8 million.

Asia Pacific

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	58,594	58,023	1.0%
China	*31,719*	*31,240*	*1.5%*
Malaysia	*27,017*	*26,783*	*0.9%*
Eliminations	*(142)*	-	
EBITDA	12,580	10,396	21.0%
China	*8,892*	*7,829*	*13.6%*
Malaysia	*3,688*	*2,567*	*43.7%*
EBITDA Margin %	*21.5%*	*17.9%*	
Investments	5,141	3,517	

China

Sales revenues increased by 1.5% to EUR 31.7 million compared to the first half of 2022, with sales volumes up 16% and sales prices falling. In the first quarter, the market was still partially affected by the restrictive measures to limit the spread of Covid-19 and only since February, after the slowdown recorded on the occasion of the Chinese New Year, sales resumed regularly. In the second quarter, sales volumes increased significantly, even if the recovery is not yet consolidated.

EBITDA increased by 13.6% to EUR 8.9 million (EUR 7.8 million in the same period of 2022), due to higher sales volumes and savings on production costs in the face of the aforementioned decrease in sales prices and the devaluation of the local currency. EBITDA includes non-recurring income on the sale of machinery of approximately EUR 2.5 million. Net of these non-recurring effects, EBITDA fell by 18% compared to the same period of 2022.

The Chinese Renminbi depreciated by 5.7% against the average Euro exchange rate in the first half of 2022.

Investments in the first half of 2023 amounted to approximately EUR 1.3 million.

Malaysia

Sales revenues remained almost stable at EUR 27 million (EUR 26.8 million in the corresponding period of 2022) with falling sales volumes. Exports were down by 12% due to lower clinker sales, a different scheduling of sea shipments compared to the first half of 2022 and lower cement deliveries in some markets due to strong international competition.

On the other hand, volumes sold on the local market increased significantly as a result of a good recovery in the construction market in the first half of the year after the long period of suspension of activities in the residential sector in 2020 and 2021 due to Covid.

EBITDA reached EUR 3.7 million, up 43.7% from EUR 2.6 million in the corresponding half of 2022.

The Malaysian Ringgit depreciated by 3.2% against the average Euro exchange rate in the first half of 2022.

Investments in the first half of 2023 amounted to approximately EUR 3.8 million, of which EUR 0.3 million recognised as a result of IFRS 16.

Holding and Services

(EUR'000)	1st Half 2023	1st Half 2022	Change %
Revenue from sales	118,560	115,098	3.0%
EBITDA	3,457	880	292.7%
EBITDA Margin %	*2.9%*	*0.8%*	
Investments	3,950	11,376	

This grouping includes the parent company, the trading company Spartan Hive and other minor companies. The improvement in revenues and EBITDA was influenced by the increase in Spartan Hive's trading activity.

Turkey – Hyperinflated economy

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 this adjustment, in addition to already being reflected in the opening balance sheet as of 1 January 2023, 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 recognized in the first half of 2023 was recognized in a separate income statement item under financial income and expenses. The related tax effect of non-cash assets was recognized in taxes for the period.

To include 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, the Cementir Group's presentation 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 January 2005 to 31 December 2022: 891%
- From January 2023 to 30 June 2023: 20%

In the first half of 2023, the application of IAS 29 resulted in the recognition of a net financial expense (pre-tax) of EUR 3.5 million.

The impact of hyperinflation on the main income statement items for the first half of 2023 is shown in the Annex.

Significant events during and after the first half

On 8 February 2023, the Parent Company's Board of Directors approved the 2023-2025 Industrial Plan update. Please refer to the press release issued on that date.

In April 2023, the rating agency Standard & Poor's confirmed a rating BBB- with Stable Outlook.

Outlook for 2023

The first six months of the year recorded solid results, in terms of EBITDA growth and increased profitability. At the same time, the macroeconomic scenario continues to be characterized by strong uncertainty, with downside risks weighing on growth linked in particular to the evolution of the Ukrainian conflict, high inflation and tight financing conditions.

In light of the results for the first half of the year, the Group expects to achieve consolidated revenues of around 1.8 billion euros (1.7 billion euros in 2022), an increased EBITDA from 2022, to around EUR 365 million and significant cash flow generation, which would lead to a net cash position of over EUR 200 million at the end of the period, after EUR 34.2 million of dividend distributed.

Planned investments are expected to be EUR 113 million (EUR 97 million in 2022), of which about EUR 28 million in sustainability projects. Research and development expenditure is expected to remain stable compared to 2022, as well as the average number of employees. The Group does not envisage the need for new external financing, given the cash generation and net cash position expected by the end of the year.

These forward-looking indications do not include: i) the impacts of the application of IAS 29; ii) any non-recurring items; iii) the possible worsening of the geopolitical or macroeconomic situation in the coming months.

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 Half-year Financial Report as at 30 June 2023, unaudited, will be published in the manner and within the deadline required by current regulations.

The results of the first half of 2023 will be presented to the financial community in a **conference call** to be held today, Thursday 27 July, at 5.00 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 first half 2023 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 financial statement figures are attached. They are provided to offer additional information on the performance and financial, equity and economic position of the Group.

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 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 is 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 and water management. 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

CEMENTIR HOLDING GROUP

Consolidated statement of financial position

(Before profit appropriation)

(EUR'000)	30 June 2023 Unaudited	31 December 2022 Audited
ASSETS		
Intangible assets with a finite useful life	192,302	204,541
Intangible assets with an indefinite useful life (goodwill)	379,650	406,835
Property, plant and equipment	871,614	898,080
Investment property	83,216	86,226
Equity-accounted investments	5,386	5,559
Other equity investments	333	351
Non-current financial assets	353	592
Deferred tax assets	47,995	43,071
Other non-current assets	1,936	2,826
TOTAL NON-CURRENT ASSETS	**1,582,785**	**1,648,081**
Inventories	238,330	218,618
Trade receivables	242,932	194,549
Current financial assets	53,521	50,867
Current tax assets	11,688	8,018
Other current assets	27,119	18,084
Cash and cash equivalents	245,507	355,759
TOTAL CURRENT ASSETS	**819,097**	**845,895**
TOTAL ASSETS	**2,401,882**	**2,493,976**
EQUITY AND LIABILITIES		
Share capital	159,120	159,120
Share premium reserve	27,702	27,702
Other reserves	1,065,971	1,019,075
Profit (loss) attributable to the owners of the parent	90,273	162,286
Equity attributable to owners of the Parent	**1,343,066**	**1,368,183**
Reserves attributable to non-controlling interests	142,015	135,319
Profit (loss) attributable to non-controlling interests	7,205	19,271
Equity attributable to non-controlling interests	**149,220**	**154,590**
TOTAL EQUITY	**1,492,286**	**1,522,773**
LIABILITIES		
NON-CURRENT LIABILITIES		
Employee benefits	23,755	26,340
Non-current provisions	32,596	32,752
Non-current financial liabilities	172,816	205,556
Deferred tax liabilities	179,431	161,896
Other non-current liabilities	660	1,107
TOTAL NON-CURRENT LIABILITIES	**409,258**	**427,651**
Current provisions	3,076	4,054
Trade payables	262,628	358,535
Current financial liabilities	115,261	105,569
Current tax liabilities	28,627	12,253
Other current liabilities	90,746	63,141
TOTAL CURRENT LIABILITIES	**500,338**	**543,552**
TOTAL LIABILITIES	**909,596**	**971,203**
TOTAL EQUITY AND LIABILITIES	**2,401,882**	**2,493,976**

CEMENTIR HOLDING GROUP

Consolidated income statement

(EUR'000)	1st Half 2023 Unaudited	1st Half 2022 Unaudited
REVENUE	**840,681**	**831,602**
Change in inventories	6,153	18,187
Increase for internal work	729	6,557
Other income	22,760	16,155
TOTAL OPERATING REVENUE	**870,323**	**872,501**
Raw materials costs	(376,355)	(409,997)
Personnel costs	(103,065)	(101,654)
Other operating costs	(190,360)	(217,073)
EBITDA	**200,543**	**143,777**
Amortisation and depreciation	(61,813)	(60,555)
Additions to provision	(187)	(568)
Impairment losses	-	(391)
Total amortisation, depreciation, impairment losses and provisions	(62,000)	(61,514)
EBIT	**138,543**	**82,263**
Share of net profits of equity-accounted investees	(52)	105
Financial income	6,178	4,974
Financial expense	(7,686)	(13,165)
Net exchange rate losses	13,923	10,078
Net income/(expense) from hyperinflation	(3,684)	15,668
Net financial income (expense)	8,731	17,555
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES	**8,679**	**17,660**
PROFIT (LOSS) BEFORE TAXES	**147,222**	**99,923**
Income taxes	(49,744)	(25,276)
PROFIT FROM CONTINUING OPERATIONS	**97,478**	**74,647**
PROFIT (LOSS) FOR THE PERIOD	**97,478**	**74,647**
Attributable to:		
Non-controlling interests	7,205	8,059
Owners of the Parent	**90,273**	**66,588**

(EUR)		
Earnings per ordinary share		
Basic earnings per share	0.580	0.428
Diluted earnings per share	0.580	0.428

(EUR)		
Earnings per ordinary share from continuing operations		
Basic earnings per share	0.580	0.428
Diluted earnings per share	0.580	0.428

CEMENTIR HOLDING GROUP

Effects of the application of IAS 29 on the main income statement items for the first half of 2023:

(EUR'000)	Effect IAS 29	Effect IAS 21	Total Effect
REVENUE FROM SALES AND SERVICES	**7,836**	**(35,399)**	**(27,563)**
Change in inventories	(1,925)	(1,417)	(3,342)
Increase for internal work and other income	(1,791)	(5,537)	(7,328)
TOTAL OPERATING REVENUE	**4,120**	**(42,353)**	**(38,233)**
Raw materials costs	(8,081)	20,344	12,263
Personnel costs	(634)	2,701	2,067
Other operating costs	(1,403)	5,824	4,421
TOTAL OPERATING COSTS	**(10,118)**	**28,869**	**18,751**
EBITDA	**(5,998)**	**(13,484)**	**(19,482)**
Amortisation, depreciation, impairment losses and provisions	(4,153)	964	(3,189)
EBIT	**(10,151)**	**(12,520)**	**(22,671)**
Net financial income (expense)	(3,748)	202	(3,546)
NET FINANCIAL INCOME (EXPENSE)	**(3,748)**	**202**	**(3,546)**
PROFIT BEFORE TAXES	**(13,899)**	**(12,318)**	**(26,217)**
Income taxes	(10,512)	2,768	(7,744)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**(24,411)**	**(9,550)**	**(33,961)**
PROFIT (LOSS) FOR THE PERIOD	**(24,411)**	**(9,550)**	**(33,961)**
Attributable to: Non-controlling interests	730	(2,027)	(1,297)
Owners of the Parent	**(25,141)**	**(7,523)**	**(32,664)**

Financial highlights

(EUR'000)	Jan-Jun 2023 Unaudited	Jan-Jun 2022 Unaudited	Change %	2nd Quarter 2023	2nd Quarter 2022	Change %
REVENUE FROM SALES AND SERVICES	**840,681**	**831,602**	**1.1%**	**425,877**	**460,824**	**-7,6%**
Change in inventories	6,153	18,187	-66.2%	(4,041)	1,968	n.m.
Increase for internal work and other income	23,489	22,712	3.4%	20,648	15,907	29.8%
TOTAL OPERATING REVENUE	**870,323**	**872,501**	**-0.2%**	**442,484**	**478,699**	**-7.6%**
Raw materials costs	(376,355)	(409,997)	-8.2%	(179,613)	(227,195)	-20.9%
Personnel costs	(103,065)	(101,654)	1.4%	(51,386)	(52,852)	-2.8%
Other operating costs	(190,360)	(217,074)	-12.3%	(92,094)	(115,547)	-20.3%
TOTAL OPERATING COSTS	**(669,780)**	**(728,725)**	**-8.1%**	**(323,093)**	**(395,594)**	**-18.3%**
EBITDA	**200,543**	**143,777**	**39.5%**	**119,391**	**83,105**	**43.7%**
EBITDA MARGIN %	*23.85%*	*17.29%*		*28.03%*	*18.03%*	
Amortisation, depreciation, impairment losses and provisions	(62,000)	(61,514)	0.8%	(30,054)	(33,363)	-9.9%
EBIT	**138,543**	**82,263**	**68.4%**	**89,337**	**49,742**	**79.6%**
EBIT Margin %	*16.48%*	*9.89%*		*20.98%*	*10.79%*	
Share of net profits of equity-accounted investees	(52)	105	n.m.	144	129	11.6%
Net financial income (expense)	8,731	17,555	-50.3%	(6,175)	8,036	n.m.
NET FINANCIAL INCOME (EXPENSE)	**8,679**	**17,660**	**-50.9%**	**(6,030)**	**8,165**	**n.m.**
PROFIT BEFORE TAXES	**147,222**	**99,923**	**47.3%**	**83,307**	**57,907**	**43.9%**
PROFIT BEFORE TAXES/REVENUE %	*17.51%*	*12.02%*		*19.56%*	*12.57%*	
Income taxes	(49,744)	(25,276)	96.8%			
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**97,478**	**74,647**	**30.6%**			
PROFIT (LOSS) FOR THE PERIOD	**97,478**	**74,647**	**30.6%**			
Attributable to: Non-controlling interests	7,205	8,059	-10.6%			
Owners of the Parent	**90,273**	**66,588**	**35.6%**			

Financial highlights Non-GAAP*

(EUR'000)	Jan-Jun 2023 (Non-GAAP) Unaudited	Jan-Jun 2022 (Non-GAAP) Unaudited	Change %
REVENUE FROM SALES AND SERVICES	**868,244**	**825,752**	**5.1%**
Change in inventories	9,495	20,321	-53.3%
Increase for internal work and other income	13,166	12,575	4.7%
TOTAL OPERATING REVENUE	**890,905**	**858,648**	**3.8%**
Raw materials costs	(388,618)	(398,061)	-2.4%
Personnel costs	(105,132)	(101,045)	4.0%
Other operating costs	(194,781)	(215,957)	-9.8%
TOTAL OPERATING COSTS	**(688,531)**	**(715,063)**	**-3.7%**
EBITDA	**202,374**	**143,585**	**40.9%**
EBITDA MARGIN %	*23.3%*	*17.4%*	
Amortisation, depreciation, impairment losses and provisions	(58,811)	(56,765)	3.6%
EBIT	**143,563**	**86,820**	**65.4%**
EBIT Margin %	*16.5%*	*10.5%*	
Share of net profits of equity-accounted investees	(52)	105	n.m.
Net financial income (expense)	12,277	2,007	n.m.
NET FINANCIAL INCOME (EXPENSE)	**12,225**	**2,112**	**n.m.**
PROFIT BEFORE TAXES	**155,788**	**88,932**	**75.2%**
PROFIT BEFORE TAXES/REVENUE %	*17.9%*	*10.8%*	
Income taxes	(38,690)	(20,296)	90.6%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**117,098**	**68,636**	**70.6%**
PROFIT (LOSS) FOR THE PERIOD	**117,098**	**68,636**	**70.6%**
Attributable to: Non-controlling interests	7,274	7,257	0.2%
Owners of the Parent	**109,824**	**61,379**	**78.9%**

*These figures are Non-GAAP measures and exclude both the impact of the application of IAS 29 - Financial Reporting in Hyperinflationary Economies - and the valuation of non-industrial properties.