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CALTAGIRONE GROUP

PRESS RELEASE

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

- **Revenue: EUR 1,295.0 million, up 0.5% on 1,288.0 million in the first nine months of 2022. Non-GAAP Revenue were EUR 1,288.9 million (+0.8% on 2022)**
- **EBITDA: EUR 326.2 million, up 36.9% on EUR 238.3 million in the first nine months of 2022. Non-GAAP EBITDA was EUR 321.1 million (+32.6% on 2022)**
- **Profit before taxes: EUR 241.3 million, +50.3% on EUR 160.5 million in the first nine months of 2022. Non-GAAP profit before taxes was EUR 246.4 million (+60% on 2022)**
- **Net cash: EUR 45.5 million (net financial debt of EUR 29.9 million at 30 September 2022)**
- **2023 EBITDA guidance further revised upwards by over 4%**

Rome, 6 November 2023 – 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 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)	**Jan-Sept 2023**	**Jan-Sept 2022**	**Change %**	**Jan-Sept 2023 Non-GAAP***	**Jan-Sept 2022 Non-GAAP***	**Change %**
Revenue from sales and services	1,295.0	1,288.0	0.5%	1,288.9	1,278.6	0.8%
EBITDA	326.2	238.3	36.9%	321.1	242.1	32.6%
EBITDA Margin %	*25.2%*	*18.5%*		*24.9%*	*18.9%*	
EBIT	231.7	145.1	59.7%	234.0	156.5	49.5%
Net financial income (expense) and share of net profits of equity-accounted investees	9.6	15.4	-37.7%	12.4	(2.5)	n.m.
Profit before taxes	241.3	160.5	50.3%	246.4	154.0	60.0%

* 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.

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Sales volumes

('000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Grey, White cement and Clinker (metric tonnes)	7,933	8,191	-3.1%
Ready-mixed concrete (m^3)	3,184	3,539	-10.0%
Aggregates (metric tonnes)	6,992	7,857	-11.0%

Net financial debt[1]

(millions of euros)	30-09-2023	30-09-2022	31-12-2022
Net financial debt / (Net cash)	-45.5	29.9	-95.5

Group employees

	30-09-2023	30-09-2022	31-12-2022
Number of employees	3,097	3,108	3,085

"Despite a general volumes weakness in all main geographical areas except Türkiye and China, the careful management of profitability and production costs, associated with the reduction of energy costs and some raw materials has allowed us to achieve significant growth in EBITDA, EBIT and profit before taxes" commented Francesco Caltagirone Jr, Chairman and Chief Executive Officer.

The following comments refer to the Non-GAAP consolidated income statement for the first nine months of 2023, which excludes both the IAS 29 impact and the revaluation of non-industrial properties in Türkiye for about EUR 15.8 million (for this purpose, the 2022 comparative figure was also adjusted for EUR 10.7 million). This representation allows a better comparison of Group's performance with respect to the same period of the previous year.

During the first nine months of 2023, the **volumes** of cement and clinker sold, equal to 7.9 million tonnes, decreased by 3.1% compared to the same period of 2022. The decline is attributable to a market slowdown mainly in Denmark, Belgium, the United States, Malaysia and Egypt, while an increase was recorded in Türkiye and China.

Sales volumes of ready-mixed concrete, equal to 3.2 million cubic metres, have fallen by 10.0% due to the negative trend in all geographical areas with the exception of Türkiye.

In the aggregates sector, sales volumes amounted to 7 million tonnes, down 11.0% compared to the first nine months of 2022 as a result of negative performance in Belgium, Sweden and Denmark, partially offset by growth in Türkiye.

Group revenue from sales and services reached EUR 1,288.9 million, up 0.8% compared to EUR 1,278.6 million in the first nine months of 2022. The substantial stability in revenues derives from the combined effect of the increase in average sales prices, against the reduction in volumes sold, and the weakening of local currencies, with different dynamics in the individual geographic areas as detailed later. It should be

[1] IAS 29 has no impact on the Net Financial Position.

noted that at constant 2022 exchange rates, revenues would have amounted to EUR 1,435.4 million, 12.3% up on the same period last year.

At EUR 1,009.4 million, **operating costs** decreased by 6.6% compared to EUR 1,080.2 million in the first nine months of 2022.

Raw material costs decreased by 7.6% to EUR 569.4 million from EUR 616.5 million in the first nine months of 2022, mainly due to lower production.

At EUR 151.5 million, **personnel costs** increased by 2.1% compared to EUR 148.3 million for the same period in 2022.

Other operating costs, equal to EUR 288.5 million, decreased by 8.5% compared to EUR 315.4 million in the first nine months of 2022, mainly due to lower transport costs.

EBITDA amounted to EUR 321.1 million, an increase of 32.6% compared to EUR 242.1 million in the first nine months of 2022, following the improved results achieved in all geographical areas with the exception of the United States. It should be noted that EBITDA for 2023 includes non-recurring net income of about EUR 13.5 million mainly due to capital gains on the sale of land and machinery. Excluding non-recurring income, EBITDA increased by 27.0% over the first nine months of 2022.

The EBITDA margin was 24.9%, compared to 18.9% in the first nine months of 2022.

At constant 2022 exchange rates, EBITDA would have amounted to EUR 345.4 million, up 42.7% year-on-year.

EBIT, considering depreciation, amortisation, write-downs and provisions of EUR 87.1 million (EUR 85.6 million in the first nine months of 2022), amounted to EUR 234.0 million, up 49.5% from EUR 156.5 million in the first nine months of the previous year. Depreciation and amortisation due to the application of IFRS 16 amounted to EUR 23.6 million compared to EUR 21.5 million in the same period of 2022.

At constant 2022 exchange rates, the EBIT would have amounted to EUR 253.3 million.

The **share of net profits of equity-accounted investees** was positive by EUR 0.2 million (positive EUR 0.4 million in the first nine months of 2022).

Net financial income of EUR 12.2 million (expense of EUR 2.9 million in the same period of the previous year), comprises net financial expenses of EUR 5.5 million (EUR 8.1 million in the first nine months of 2022), net foreign exchange income of EUR 14.8 million (net foreign exchange income of EUR 9.6 million in the first nine months of 2022) and the effect of the valuation of derivatives.

Profit before taxes was EUR 246.4 million, an increase of 60.0% on EUR 154.0 million in the first nine months of 2022.

Net cash at 30 September 2023 was EUR 45.5 million, an improvement of EUR 75.4 million compared to the net financial debt of EUR 29.9 million as of 30 September 2022, and includes the distribution of dividends of EUR 34.2 million in May 2023. This amount includes EUR 84.2 million of debt as a result of the application of IFRS 16 accounting standard (EUR 66.2 million as of 30 September 2022), an increase in the period of EUR 18 million, mainly due to the renewal of logistic contracts.

Total equity at 30 September 2023 amounted to EUR 1,614.4 million (EUR 1,522.8 million at 31 December 2022 and EUR 1,528.1 million at 30 September 2022).

During the first nine months of 2023, the Group made **investments** of approximately EUR 101.5 million (EUR 68.2 million in the first nine months of 2022) of which approximately EUR 37.6 million (EUR 12 million in the first nine months of 2022) for the application of IFRS 16.

Performance in the third quarter of 2023

The following comments refer to the Non-GAAP consolidated income statement for the third quarter of 2023, which excludes both the IAS 29 impact and the revaluation of non-industrial properties in Türkiye. This representation allows a better comparison of Group's performance with respect to the same period of the previous year.

In the third quarter of 2023, cement and clinker sales **volumes** of 2.8 million tonnes increased by 1.5% compared to the same period in 2022, due to positive developments in Türkiye and China.

Ready-mixed concrete sales volumes of 1.1 million cubic metres decreased by 7.4% due to the negative trend in the Nordic & Baltic region and Belgium, partly offset by the growth in volumes in Türkiye.

In the aggregates sector, sales volumes amounted to 2.3 million tonnes, down 1.2%, with growth in Türkiye and Denmark, offset by negative trends in Belgium and Sweden.

Revenues from sales and services amounted to EUR 420.7 million, a decrease of 7.1% compared to EUR 452.8 million in the third quarter of 2022. The decrease in revenues was mainly driven by the weakening of the main foreign currencies versus the Euro.

Operating costs amounted to EUR 320.9 million (EUR 365.2 million in the third quarter of 2022), a decrease of 12.1%. 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 118.7 million, increased by 20.4% compared to the third quarter of 2022 (EUR 98.6 million). It should be noted that 2023 EBITDA includes non-recurring net income of about EUR 6.0 million mainly due to capital gains on the sale of land and machinery. Excluding this income, EBITDA increased by 14.4% over the same period in 2022.

EBIT amounted to EUR 90.4 million (EUR 69.7 million in the third quarter of 2022).

The **share of net profits of equity-accounted investees** was EUR 0.3 million (EUR 0.3 million in the same period of 2022).

Net financial expense was EUR 0.1 million (expense of EUR 4.9 million in the third quarter of 2022).

Profit before taxes was EUR 90.6 million, an increase compared to the third quarter of 2022 (EUR 65.1 million).

Investments in the third quarter of 2023 amounted to EUR 33.7 million (EUR 13.8 million in the third quarter of 2022), of which EUR 14.5 million in application of accounting standard IFRS 16 (EUR 1.6 million in the third quarter of 2022).

Performance by geographical segment

The figures reported in the section Türkiye are non-GAAP, i.e. exclude 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)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	498,203	549,985	-9.4%
Denmark	*375,769*	*375,554*	*0.1%*
Norway / Sweden	*119,775*	*160,922*	*-25.6%*
Others [(1)]	*59,272*	*63,877*	*-7.2%*
Eliminations	*(56,613)*	*(50,368)*	
EBITDA	141,086	115,032	22.6%
Denmark	*132,834*	*99,967*	*32.9%*
Norway / Sweden	*5,138*	*12,880*	*-60.1%*
Others [(1)]	*3,114*	*2,185*	*42.5%*
EBITDA Margin %	*28.3%*	*20.9%*	
Investments	44,178	28,899	

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

Denmark

In the first nine months of 2023, sales revenue reached EUR 375.8 million, in line with EUR 375.6 million in the first nine months of 2022.

Cement volumes on the domestic market, both grey and white, were lower than in 2022, influenced by a generalised slowdown in demand. High inflation and rising interest rates have negatively affected the residential sector. The drop in volumes was partially offset by the cement supply for the underwater tunnel connecting Denmark with Germany (Fehmarn Belt), which has just entered the operational phase.

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 and Southern Europe.

In Denmark, ready-mixed concrete volumes decreased by 20% compared to the first nine months of 2022 due to weak demand in all major areas of the country, particularly in the commercial and residential segments, and the postponement or cancellation of some projects.

Aggregate volumes, down by 8% compared to 2022, were affected by the temporary closure of a quarry, which reopened in March 2023 but was not fully operational due to extraordinary maintenance that occurred after the reopening.

Thanks to careful management of energy and distribution costs, EBITDA in the first nine months of 2023 amounted to EUR 132.8 million (EUR 100 million in 2022), up 32.9%, with profitability returning to pre-Covid average levels. EBITDA benefited from a EUR 6.8 million capital gain on the sale of land.

Total investments in the nine months amounted to EUR 38.2 million, of which approximately EUR 33.9 million was in the cement segment and EUR 3.7 million in ready-mixed concrete and included EUR 12 million recorded according to the IFRS 16 accounting standard.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes decreased by 24% year-on-year due to the slowdown in residential and commercial demand, strong competition, and the postponement or downsizing of some major infrastructure projects due to government budget restrictions.

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

In **Sweden**, ready-mixed concrete and aggregate volumes significantly decreased year-on-year (-46% and -15% respectively), due to the general decline in demand in the private residential sector. New housing construction declined by 60% compared to the same period last year, mainly caused by the impact of higher interest rates.

The Swedish krona depreciated by 9% against the average euro exchange rate in the first nine months of 2022.

In the first nine months of the year, sales revenue in Norway and Sweden decreased by 25.6% to EUR 119.8 million compared to EUR 160.9 million in 2022, while EBITDA decreased by 60.1% to EUR 5.1 million (EUR 12.9 million in the same period in 2022).

The decrease in EBITDA in both Norway and Sweden is due to lower sales volumes, higher raw material and cement purchase costs and higher distribution costs only partially offset by higher sales prices and lower fixed costs.

Investments made in the area in the first nine months of 2023 amounted to EUR 4.8 million, of which EUR 2 million in Norway and EUR 2.8 million in Sweden. Investments recognised as a result of IFRS 16 were EUR 1.5 million.

Belgium

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	275,039	250,150	9.9%
EBITDA	69,528	56,808	22.4%
EBITDA Margin %	25.3%	22.7%	
Investments	20,294	10,967	

In the first nine months of 2023, cement sales volumes fell by around 8% compared to 2022 both in the domestic market and in France and the Netherlands. The reduction in demand was mainly due to a slowdown in construction activity linked to the restrictive monetary policy, resulting in a reduction in demand for mortgages and real estate financing.

Ready-mixed concrete sales volumes in Belgium and France also fell by around 8% compared to the previous year. In Belgium, despite the sharp market decline, especially in the residential sector, sales were supported by some large ongoing projects and despite the closure of a plant in June 2022. For France, the comparison is also influenced by the closure of a plant in March 2023.

On the other hand, the decline in the aggregates sector was more marked, around 13%, both in the domestic market and in exports to France and the Netherlands, also due to the particularly positive performance of the first half of 2022.

In the first nine months of 2023, sales revenue grew by 9.9% to EUR 275 million compared to EUR 250.1 million in the same period of 2022, while EBITDA increased by 22.4% to EUR 69.5 million, compared to EUR 56.8 million in the corresponding previous nine months. EBITDA benefited from careful management of operating costs and sales prices, making it possible to improve profitability compared to the previous year.

Investments made during the nine months amounted to EUR 20.3 million and mainly concerned the Gaurain cement plant and in particular the revamping project for kiln 4, which will lead to a greater use of alternative fuels besides an increase in production capacity. Investments accounted for under IFRS 16 amounted to EUR 6.1 million, relating to contracts for cement transport vehicles.

North America

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	141,669	151,301	-6.4%
EBITDA	19,815	22,652	-12.5%
EBITDA Margin %	14.0%	15.0%	
Investments	11,197	6,401	

In the United States, sales volumes of white cement contracted by around 16% in line with the trend of the residential sector, the main reference market. Sales in Texas and Florida contracted more sharply due to competitive pressures from imports and falling market demand.

By contrast, the reduction in sales was more moderate in the York and California regions, despite some logistical problems, the particularly high temperatures leading to the closure of some construction sites.

The dollar depreciated by 1.8% against the average euro exchange rate in the first nine months of 2022.

Overall, in the United States, revenues amounted to EUR 141.7 million, down 6.4% compared to EUR 151.3 million in the corresponding nine months of 2022, while EBITDA fell by 12.5% to EUR 19.8 million (EUR 22.7 million in 2022), due to lower sales volumes and higher variable costs, partially offset by higher sales prices. The company Vianini Pipe, active in the production of precast concrete products, reported an increased EBITDA of EUR 2.2 million compared to EUR 1.2 million in 2022.

Investments in the first nine months amounted to EUR 11.2 million of which EUR 9.7 million accounted for in accordance with IFRS 16.

Türkiye

(EUR'000)	Jan-Sept 2023 (Non-GAAP)	Jan-Sept 2022 (Non-GAAP)	Change %
Revenue from sales	245,823	186,993	31.5%
EBITDA	58,012	20,357	185.0%
EBITDA Margin %	23.6%	10.9%	
Investments	15,157	13,183	

Revenues of EUR 245.8 million increased by 31.5% compared to the first nine months of 2022 (EUR 187 million), despite the devaluation of the Turkish lira by -43.1% compared to the average euro exchange rate for 2022.

Cement sales volumes in the domestic market increased by around 19%. The most significant growth was recorded in the region of Trakya (Marmara) and in the regions of Elazig and Kars (Eastern Anatolia), due to the increased resources allocated to post-earthquake reconstruction.

Cement and clinker exports declined by around 34% due to the choice to focus on the domestic market, with greater profitability.

Concrete volumes are up 8% compared to the first nine months of 2022 and are in line with the growth of the Aegean region where most plants are concentrated. A new mobile plant has been operational since September in Eastern Anatolia and another is planned to be operational by the end of the year.

Sales of aggregates, on the other hand, remained more or less stable due to temporary operational problems at a quarry plant.

In the waste sector, the industrial waste treatment subsidiary Sureko recorded 53.5% higher revenues in local currency than in 2022, due to the increase in the sales prices of the various business segments, among which the sale of RDF, landfilling and material trading activities.

The region's EBITDA reached EUR 58 million, up 185% year-on-year (EUR 20.4 million) due to higher sales prices despite higher variable and fixed operating costs and the devaluation of the Turkish lira. It should be noted that the 2023 result includes non-recurring capital gains on land sales of about EUR 4.5 million. Net of these non-recurring effects, EBITDA increased by 163% compared to the same period in 2022.

Investments for the nine months amounted to EUR 15.2 million of which EUR 5.2 million recorded according to IFRS 16.

Egypt

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	37,782	44,022	-14.2%
EBITDA	9,735	9,001	8.2%
EBITDA Margin %	25.8%	20.4%	
Investments	1,674	558	

Sales revenue decreased by 14.2% to EUR 37.8 million (EUR 44 million in the corresponding nine months of 2022), due to the devaluation of the Egyptian pound (-74.3%) compared to the average euro exchange rate in the first nine months of 2022. Revenues in local currency actually increased by 49.6%.

Sales volumes of white cement are in line with the first nine months of 2022, both on the domestic market and on exports. The market is now recovering, having overcome the freeze on various public projects that had been demanded by the IMF as a condition for the disbursement of financing.

EBITDA increased by 8.2% to EUR 9.7 million (EUR 9 million in the first nine months of 2022), thanks to careful management of production costs and sales prices, despite the significant devaluation of the Egyptian pound.

Investments in the first nine months of 2023 amounted to approximately EUR 1.7 million.

Asia Pacific

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	87,699	91,736	-4.4%
China	*49,541*	*49,727*	*-0.4%*
Malaysia	*38,706*	*42,009*	*-7.9%*
Eliminations	*(548)*	-	
EBITDA	19,811	15,996	23.8%
China	*13,701*	*12,275*	*11.6%*
Malaysia	*6,110*	*3,721*	*64.2%*
EBITDA Margin %	*22.6%*	*17.4%*	
Investments	5,650	5,897	

China

Sales revenue was stable at EUR 49.5 million compared to 2022 (EUR 49.7 million), with sales volumes growing by 15% and prices falling.

After a first quarter still partially affected by both the restrictive measures to limit the spread of Covid and the Chinese New Year, sales volumes recovered in the following two quarters, but competition, also fueled by high inventory levels, did not help prices recover.

EBITDA increased by 11.6% to EUR 13.7 million (EUR 12.3 million in the same period of 2022), due to higher sales volumes and savings on variable and fixed production costs in the face of the aforementioned decrease in sales prices. EBITDA in 2023 includes positive net non-recurring income and expenses of about EUR 2.1 million mainly from the sale of machinery related to the old plant. Net of these extraordinary effects, EBITDA decreased by about 5.7% compared to the same period in 2022.

The Chinese Renminbi depreciated by 8.6% against the average euro exchange rate in the first nine months of 2022.

Investments in the first nine months of 2023 amounted to approximately EUR 1.5 million and mainly concerned limestone milling, energy saving and emission reduction projects.

Malaysia

Sales revenue decreased by 7.9% to EUR 38.7 million (EUR 42 million in the corresponding period of 2022) with overall sales volumes decreasing by 16%. Exports are down 19% due to lower clinker sales, a different scheduling of sea shipments compared to 2022, and lower cement deliveries in some markets due to strong international competition and shrinking local demand from neighboring countries, affected by the slowdown in the Chinese economy.

The volumes sold in the local market, on the other hand, increased significantly (+22%), after the long standstill in the residential sector in 2020 and 2021 due to Covid, thanks to the residential and commercial demand recovery as well as public works activity driven by the approval of the 12th National Infrastructure Financing Plan for 2021-2025.

EBITDA reached EUR 6.1 million, up 64.2% compared to EUR 3.7 million in the corresponding nine months of 2022, thanks to careful management of distribution costs, variable costs and sales prices in the face of lower sales volumes.

The Malaysian Ringgit depreciated by 6% against the average Euro exchange rate in the first nine months of 2022.

Investments in the first half of 2023 amounted to approximately EUR 4.8 million and mainly related to a new cement silo and the reopening of a cement mill, packaging systems and extraordinary maintenance. Investments recognised as a result of IFRS 16 were EUR 0.7 million.

Holding and Services

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue from sales	162,995	165,002	-1.2%
EBITDA	3,069	2,296	33.7%
EBITDA Margin %	1.9%	1.4%	
Investments	2,686	2,288	

This grouping includes the parent company, the trading company, Spartan Hive, and other minor companies. The improvement 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 nine months 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 September 2023: 50%

In the first nine months of 2023, the application of IAS 29 resulted in the recognition of a net financial expense (pre-tax) of EUR 2.8 million.

Significant events during and after the period

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.

During the month of October, the Group, as part of its ordinary business development and assets optimization activities, purchased 100% of a Malaysian company concessionary for a limestone quarry in an area adjacent to the quarry already operated by the subsidiary Aalborg Portland Malaysia, which allows to extend its useful life by more than 60%.

Outlook for 2023

The first nine 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, military tensions in Israel, high inflation and tight financing conditions.

In light of the results for the first nine months of the year, EBITDA target for 2023 is further revised upwards, to approximately EUR 380 million, compared to the guidance provided on 27 July 2023 of approximately EUR 365 million. The other objectives remain unchanged, i.e. to achieve consolidated revenues of around EUR 1.8 billion (EUR 1.7 billion in 2022) 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.

It should be noted that 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 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.

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The Interim Financial Report as at 30 September 2023, unaudited, will be published in the manner and within the deadline required by current regulations.

To attend the conference call, participants can register at this link: Cementir 9M 2023 Results Presentation.

The first nine months 2023 presentation will be made available on the website *www.cementirholding.com* in the Investors section before the start of the conference call.

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The unaudited consolidated results for the first nine months and the third quarter of 2023 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 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.

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Financial Highlights

(EUR '000)	Jan-Sep 2023 Unaudited	Jan-Sept 2022 Unaudited	Change %	3rd Quarter 2023	3rd Quarter 2022	Change %
REVENUE FROM SALES AND SERVICES	**1,295,039**	**1,288,031**	**0.5%**	**454,357**	**456,429**	**-0.5%**
Change in inventories	16,041	24,529	-34.6%	9,888	6,342	55.9%
Increase for internal work and other income	36,869	26,723	40.3%	13,380	3,561	275.8%
TOTAL OPERATING REVENUE	**1,347,949**	**1,338,833**	**0.7%**	**477,626**	**466,332**	**2.4%**
Raw materials costs	(579,761)	(633,814)	-8.5%	(203,406)	(223,816)	-9.1%
Personnel costs	(152,111)	(149,244)	1.9%	(49,046)	(47,591)	3.1%
Other operating costs	(289,875)	(317,481)	-8.7%	(99,515)	(100,407)	-0.9%
TOTAL OPERATING COSTS	**(1,021,747)**	**(1,100,539)**	**-7.2%**	**(351,967)**	**(371,814)**	**-5.3%**
EBITDA	**326,202**	**238,294**	**36.9%**	**125,659**	**94,518**	**32.9%**
EBITDA MARGIN %	*25.19%*	*18.95%*		*27.66%*	*21.16%*	
Amortisation, depreciation, impairment losses and provisions	(94,541)	(93,233)	1.4%	(32,541)	(31,720)	2.6%
EBIT	**231,661**	**145,061**	**59.7%**	**93,118**	**62,798**	**48.3%**
EBIT Margin %	*17.89%*	*11.53%*		*20.49%*	*14.06%*	
Share of net profits of equity-accounted investees	204	404	-49.5%	256	299	-14.3%
Net financial income (expense)	9,416	15,033	-37.4%	685	(2,522)	n.m.
NET FINANCIAL INCOME (EXPENSE)	**9,620**	**15,437**	**-37.7%**	**941**	**(2,223)**	**n.m.**
PROFIT BEFORE TAXES	**241,281**	**160,498**	**50.3%**	**94,059**	**60,575**	**55.3%**
PROFIT BEFORE TAXES/REVENUE %	*18.63%*	*12.76%*		*20.70%*	*13.56%*	

Non-GAAP Financial Highlights

(EUR '000)	Jan-Sept 2023 (Non-GAAP)	Jan-Sept 2022 (Non-GAAP)	Change %
REVENUE FROM SALES AND SERVICES	**1,288,907**	**1,278,571**	**0.8%**
Change in inventories	19,378	28,135	-31.1%
Increase for internal work and other income	22,188	15,683	41.5%
TOTAL OPERATING REVENUE	**1,330,473**	**1,322,388**	**0.6%**
Raw materials costs	(569,433)	(616,508)	-7.6%
Personnel costs	(151,470)	(148,348)	2.1%
Other operating costs	(288,514)	(315,390)	-8.5%
TOTAL OPERATING COSTS	**(1,009,417)**	**(1,080,246)**	**-6.6%**
EBITDA	**321,056**	**242,142**	**32.6%**
EBITDA MARGIN %	*24.91%*	*18.94%*	
Amortisation, depreciation, impairment losses and provisions	(87,064)	(85,610)	1.7%
EBIT	**233,992**	**156,532**	**49.5%**
EBIT Margin %	*18.15%*	*12.24%*	
Share of net profits of equity-accounted investees	204	404	-49.5%
Net financial income (expense)	12,185	(2,907)	n.m.
NET FINANCIAL INCOME (EXPENSE)	**12,389**	**(2,502)**	**n.m.**
PROFIT BEFORE TAXES	**246,381**	**154,030**	**60.0%**
PROFIT BEFORE TAXES/REVENUE %	*19.12%*	*12.05%*	

(EUR '000)	3rd Quarter 2023 (Non-GAAP)	3rd Quarter 2022 (Non-GAAP)	Change %
REVENUE FROM SALES AND SERVICES	**420,663**	**452,819**	**-7.1%**
Change in inventories	9,883	7,813	26.5
Increase for internal work and other income	9,021	3,107	190.3%
TOTAL OPERATING REVENUE	**439,567**	**463,740**	**-5.2%**
Raw materials costs	(180,815)	(218,447)	-17.2%
Personnel costs	(46,338)	(47,304)	-2.0%
Other operating costs	(93,734)	(99,432)	-5.7%
TOTAL OPERATING COSTS	**(320,886)**	**(365,183)**	**-12.1%**
EBITDA	**118,681**	**98,557**	**20.4%**
EBITDA MARGIN %	*28.21%*	*21.77%*	
Amortisation, depreciation, impairment losses and provisions	(28,252)	(28,844)	-2.1%
EBIT	**90,429**	**69,713**	**29.7%**
EBIT Margin %	*21.50%*	*15.40%*	
Share of net profits of equity-accounted investees	256	299	-14.3%
Net financial income (expense)	(92)	(4,914)	98.1%
NET FINANCIAL INCOME (EXPENSE)	**164**	**(4,615)**	**n.m.**
PROFIT BEFORE TAXES FOR THE PERIOD	**90,593**	**65,098**	**39.2%**
PROFIT BEFORE TAXES/REVENUE %	*21.54%*	*14.60%*	