INTERIM FINANCIAL REPORT

30 SEPTEMBER 2023

cementirholding

GRUPPO CALTAGIRONE

CORPORATE BODIES

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

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

INTERIM FINANCIAL REPORT AT 30 SEPTEMBER 2023

INTRODUCTION

This Interim Financial Report refers to the Cementir Group's consolidated financial statements as at 30 September 2023, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code.

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

For the purpose of preparing this Interim Financial Report and in accordance with IAS 29, certain items in the balance sheets of the investee companies in Türkiye have been remeasured by applying the general consumer price index to historical data, in order to reflect the changes in the purchasing power of the Turkish Lira at the balance sheet date of these companies.

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

It is noted that this Interim Financial Report is unaudited.

GROUP PROFILE

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

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

Since 1992, Cementir has been part of the Caltagirone Group, one of the leading private business groups in Italy with activities in the residential construction, infrastructure, publishing, real estate and finance sectors.

GROUP PERFORMANCE

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

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

The accounting effects of 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 recognised in the first nine months of 2023 was recognised in a separate income statement item under financial income and expenses. The related tax effect of non-cash assets was recognised in taxes for the period.

To take into account the impact of hyperinflation also on the local currency exchange rate, profit and loss account balances expressed in hyperinflationary currencies have been converted into euro, 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%
- 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.

The consolidated income statement for the first nine months of 2023 and the third quarter of 2023, is reported below, with comparative figures provided for the same period of 2022.

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

The Non-GAAP consolidated income statement and comments for the first nine months of 2023 are reported below, with comparative figures provided for the same period of 2022.

These results, unlike those presented in the previous paragraph, do not include the impact of the application of IAS 29 - Financial Reporting for Hyperinflationary Economies for Türkiye, and do not include the valuation of non-industrial real estate in Türkiye in the amount of approximately EUR 15.8 million (the comparative figure for 2022 was also adjusted for EUR 10.7 million for this purpose). This representation allows a better comparison of the Group's performance compared to the same period of the previous year. The data below are considered “non-GAAP” measures.

(EUR '000)	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%*	

Sales volumes

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

Group employees

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

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 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, taking into account 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.

GROUP PERFORMANCE IN THE THIRD QUARTER OF 2023

(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%*	

Sales volumes

('000)	3rd Quarter 2023	3rd Quarter 2022	Change %
Grey, White cement and Clinker (metric tons)	2,821	2,780	1.5%
Ready-mixed concrete (m^3)	1,065	1,151	-7.4%
Aggregates (metric tons)	2,346	2,374	-1.2%

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 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 EBITDA for 2023 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).

Financial highlights

(EUR'000)	30/09/2023 Unaudited	31-12-2022 Audited	30-09-2022 Unaudited
Net capital employed	1,568,875	1,427,272	1,558,056
Total equity	1,614,357	1,522,773	1,528,149
Net Financial Position (Net Cash)	-45,482	-95,501	29,907

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 the accounting standard IFRS 16 (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).

FINANCIAL INDICATORS

The following table provides the most significant indicators for a brief assessment of the performance and financial position of the Cementir Holding Group. Return on equity and Return on Capital Employed allows for a rapid understanding of how the operational performance of the Group has an impact on overall profitability. The other Financial Indicators highlight the ability of the company to meet its financial obligations.

Performance indicators	30-09-2023	2022	30-09-2022	Composition
Return on Equity	12.5%	11.9%	10.2%	Profit from continuing operations/Equity
Return on Capital Employed	18.6%	14.3%	14.0%	EBIT/(Equity + Net financial debt)

Financial indicators	30-09-2023	2022	30-09-2022	Composition
Equity Ratio	63.8%	60.3%	57.4%	Adjusted Equity/Total Assets
Net Gearing Ratio	n.a.	n.a.	2.1%	Net financial debt/ Adjusted Equity
Liquidity Ratio	1.13	1.01	1.06	Cash + Receivables / Current Liabilities
Cash Flow	1.19	1.11	0.74	Operating Cash Flow / Total Financial Debt
Finance Needs (Net cash)	-45.5	-95.5	29.9	Net Financial Debt

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

The balance sheet indicators show a further strengthening of the Group's equity and financial structure, which closed the first nine months with a net cash position of EUR 45.5 million.

PERFORMANCE BY GEOGRAPHICAL SEGMENT

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

Nordic and Baltic

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue	498,203	549,985	-9.4%
Denmark	*375,769*	*375,554*	*0.1%*
Norway / Sweden	*119,775*	*160,922*	*-25.6%*
Other (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%*
Other (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 capital gain on the sale of land of about EUR 6.8 million.

Total investments in the nine months amounted to EUR 38.2 million, of which approximately EUR 33.9 million was in the cement segment, in particular projects related to the production process, the construction of the cement silo for the Fehmarn Belt project, and sustainability projects. Investments in concrete, amounting to EUR 3.7 million, include the renewal of some plant functions. The region's investments include EUR 12 million recorded according to the IFRS 16 accounting standard, essentially relating to the lease of ships, ready-mixed concrete transport vehicles and other machinery for loading cement and aggregates.

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 decreased significantly 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, mainly for the renewal of some plant functionalities, ready-mixed concrete distribution vehicles and the renewal of leasing contracts of transport vehicles, and EUR 2.8 million in Sweden, for the purchase and lease of aggregate mining and crushing machinery. Investments recognised as a result of IFRS 16 were EUR 1.5 million.

Belgium

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue	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.

Overall, 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	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 and included EUR 1.2 million for the two cement plants for sustainability measures, production rationalisation and extraordinary maintenance. Investments accounted for in accordance with IFRS 16 amounted to EUR 9.7 million and mainly concerned the renewal of the leasing contract for a major cement terminal as well as various contracts for transport vehicles.

Türkiye

(EUR'000)	Jan-Sept 2023 (Non-GAAP)	Jan-Sept 2022 (Non-GAAP)	Change %
Revenue	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 income for capital gains on land sales of about EUR 4.5 million. Net of these non-recurring effects, EBITDA still increased by 163% compared to the same period in 2022.

Investments for the nine months amounted to EUR 15.2 million; in cement amounted to approximately EUR 7.3 million, concentrated mainly in the Izmir plant, in particular the connection of the cement plant with the 154 kV high voltage grid, rationalisation and efficiency enhancement works on the plants, and extraordinary maintenance. Ready-mixed concrete investments amounted to EUR 6.6 million and mainly concerned investments recorded according to IFRS 16 relating to transport vehicles (EUR 5.2 million) as well as the purchase of two mobile plants. Investments in the Waste division amounted to approximately EUR 1.2 million.

Egypt

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue	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 and mainly concerned new surfacing for the plant's internal roads as well as unscheduled maintenance work on the plant.

Asia Pacific

(EUR'000)	Jan-Sept 2023	Jan-Sept 2022	Change %
Revenue	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 of cement producers, 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 neighbouring 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.

INVESTMENTS

During the first nine months of 2023, the Group made overall 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.

Investments included EUR 76.7 million in the cement sector, EUR 15.1 million in ready-mixed concrete, EUR 5.5 million in aggregates and EUR 4.2 million for other business sectors.

The breakdown by asset class shows that EUR 60.8 million (EUR 63.1 million in the first nine months of 2022) relates to property, plant and equipment and EUR 3.1 million (EUR 5.1 million in the first nine months of 2022) to intangible assets.

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).

SIGNIFICANT EVENTS DURING THE FIRST NINE MONTHS

On 8 February 2023, the Parent Company's Board of Directors approved the update of the 2023-2025 Business Plan, to whose press release please refer (www.cementirholding.com in the Investors, Press Releases section).

In April 2023, the rating agency Standard and Poor's confirmed the BBB- rating with a stable outlook.

OTHER INFORMATION

ALTERNATIVE PERFORMANCE INDICATORS

The Cementir Group uses some alternative performance indicators to enable a better assessment of the performance of economic management and the capital and financial situation. In line with that established in the ESMA/2015/1415 guidelines, the meaning and contents of those indicators are noted below.

- EBITDA: is an indicator of operating performance calculated by adding together "EBIT" and "Amortisation, depreciation, impairment losses and provisions";
- Net financial debt: is an indicator of financial structure calculated according to Consob Communication No. 6064293/2006, as the sum of the items:
    - Current financial assets;
    - Cash and cash equivalents;
    - Current and non-current financial liabilities.
- Net capital employed: is calculated as the total amount of non-financial assets, net of non-financial liabilities.

NON-FINANCIAL STATEMENT

In recent years Cementir has implemented a programme inspired by circular economy principles, which envisages a series of initiatives focused on reducing the environmental impact of production processes and developing products with reduced CO_2 emissions.

The Group's goal is to eliminate its scope 1, 2 and 3 emissions or to reduce them in such a way as to ensure the achievement of global net-zero emissions, as required by the 1.5°C scenarios, and to offset all remaining emissions.

In 2020, as a first step, Cementir defined a Roadmap until 2030 to reduce scope 1 and 2 emissions in a manner consistent with the actions necessary to keep global warming well below 2°C, compared to pre-industrial levels. This commitment, which does not include any breakthrough technology, has been certified by SBTi.

The Group is focusing part of its research activities on pilot projects of new technologies for carbon capture and storage (CCS). The Roadmap to 2030 has been updated by assuming the implementation of this technology at the Aalborg plant, in addition to the actions already planned to replace fossil fuels with "green" alternative fuels and to reduce the clinker content in the cement produced.

With the commissioning of a CCS system in Aalborg, scheduled for 2030, the Group will reduce emissions of CO_2 per ton of grey cement to 460 kg, which is below the limits required by the European Taxonomy and equates to a 36% reduction from 2020 levels.

Even for white cement, which is a niche product for specific applications, with a market share of 0.5% of world cement production, the Group has revised its emissions to 2030 downwards. For white cement, CO_2 emissions will be reduced to 738 kg per ton of product. The reduction will be achieved by replacing traditional fuels with fuels that have a lower emission impact, in particular natural gas and other alternative fuels such as biomass, and by replacing part of the clinker with mineral additives, such as limestone.

Cementir's daily commitment to sustainable development is evidenced by its participation in the UN Global Compact. The signing of this commitment in 2022 will enable the group to better pursue the achievement of the Sustainable Development Goals (SDGs) by 2030.

At the end of 2022, Cementir received an "A-" rating for climate change management from CDP, thus confirming the rating obtained in 2021 and placing Cementir above the cement and ready-mixed concrete industry average (B) and the European average (B). For the first time, Cementir also obtained an "A-" rating for water management ('Water Security'). Again, the rating obtained places the Group above the average for the cement and ready-mixed concrete sector (B) and the European average (B).

RELATED-PARTY TRANSACTIONS

With regard to related-party transactions, as defined by IAS 24, the Group did not conduct any atypical and/or unusual transactions. All business and financial dealings with related parties were conducted on terms equivalent to those that prevail in arm's length transactions.

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

TREASURY SHARES

The number of treasury shares held following the completion of the share buy-back programme in October 2021 did not change.

It should be noted that under the Programme, between 15 October 2020 and 12 October 2021 (ends included), 3,600,000 treasury shares, equal to 2.2624% of the share capital, were purchased on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. at a weighted average price of EUR 8.1432 per share and for a total outlay of EUR 29,315 thousand.

MANAGEMENT AND COORDINATION

Cementir Holding NV sets its general and operational strategies independently. In particular, the Board of Directors of Cementir Holding NV has sole responsibility for reviewing and approving strategic, commercial and financial plans, and for overseeing the adequacy of organisational, administrative and accounting structures.

PERSONAL DATA PROTECTION

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

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

LITIGATION

The Company is responsible for leading the defence in proceedings, of which it is not a party in accordance with the terms and conditions set out in a settlement agreement with Italcementi S.p.A., relating to the sale of the shares of Cementir Italia S.p.A. (today Cemitaly S.p.A.), Cementir Sacci S.p.A. (today Italsacci S.p.A.) and Betontir S.p.A., finalised on 2 January 2018.

The main proceedings, relating to events in which the Company may be abstractly subject to compensation obligations based on the aforementioned settlement agreement, in relation to events prior to the transfer, are noted below.

Antitrust proceedings

On 7 August 2017, upon completion of an investigation, the Italian Competition Authority ("Authority") found there to have been an agreement aimed at coordinating cement selling prices across the entire country and imposed an administrative fine on the producers involved, including Cemitaly. On 9 January 2020, the Company paid Cemitaly the sum of EUR 5,118,076 as compensation, to extinguish the fine and the interest accrued.

Other legal disputes

An administrative dispute is pending before the Court of Appeal in Türkiye, brought by the Turkish company Cimentas AS, indirect subsidiary of Cementir Holding. The dispute relates to the order issued by the Turkish stock exchange's regulatory and supervisory body (Capital Market Board – CMB), requiring Cimentas AS to demand back from the concerned Cementir Group companies around 100 million Turkish Lira (now equal to around EUR 3.4 million) by way of hidden profit distribution, allegedly generated by an intragroup company sale in 2009. On 29 January 2017, CMB served a summons to Cementir Holding to appear before the Court of Izmir, requesting that the company be ordered to pay to Cimentas AS an amount provisionally set at approximately 1 million Turkish lira. The Company duly appeared in court, arguing the total lack of foundation of the plaintiff's argument and requested that the civil proceedings be suspended until the administrative proceeding is finally settled. With a ruling of 1 July 2020, the Court of Appeal in Türkiye declared lack of jurisdiction in relation to the case in question. That judgment was overturned on 18 October 2021 by the Supreme Court, which definitively affirmed the existence of Turkish jurisdiction. In a judgment dated 6 September 2023, the Izmir Court ordered Cementir Holding to pay Cimentas approximately 1 million Turkish lira. Cementir Holding and CMB declared their respective intention to appeal the ruling before the Court of Appeal.

SUBSEQUENT EVENTS AFTER THE REPORTING DATE

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%.

No other significant events occurred after the end of the period.

MANAGEMENT OPERATING OUTLOOK

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.

Rome, 6 November 2023

Chairman of the Board of Directors

Signed: /f/ Francesco Caltagirone Jr.