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Oggetto	:	First Nine Months 2024 consolidated results

Testo del comunicato

Vedi allegato

First Nine Months 2024 Consolidated Results

Results in line with expectations, with growth in volumes and a decline in Revenue and EBITDA

- **Volumes growth on the first nine months of 2023: cement +0.6%, ready-mixed concrete +4.5%, aggregates +4.9%**
- **Revenue: EUR 1,235.6 million (-4.6% on EUR 1,295.0 million in the first nine months of 2023; Non-GAAP Revenue were EUR 1,227.3 million (-4.8% on 2023)**
- **EBITDA: EUR 296.0 million (-9.3% on EUR 326.2 million in the first nine months 2023)**
- **Non-GAAP EBITDA was EUR 289.1 million (-10.0% on 2023), down by 5.4% excluding the negative impact of EUR 15.5 million of non-recurring items**
- **Profit before taxes: EUR 210.4 million, -12.8% on EUR 241.3 million in the first nine months 2023. Non-GAAP Profit before taxes was EUR 214.1 million (-13.1% on 2023)**
- **Net cash: EUR 79.9 million (net cash of EUR 45.5 million at 30 September 2023)**
- **Targets for the year are confirmed**

Rome, 6 November 2024 – 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 2024.

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”.

Consolidated Data

Performance Highlights (Euro millions)	**Jan-Sep 2024**	**Jan-Sep 2023**	**Change %**	**Jan-Sep 2024 Non-GAAP[1]**	**Jan-Sep 2023 Non-GAAP**	**Change %**
Revenue from sales and services	1,235.6	1,295.0	-4.6%	1.227.3	1,288.9	-4.8%
EBITDA	296.0	326.2	-9.3%	289.1	321.1	-10.0%
EBITDA Margin %	*24.0%*	*25.2%*		*23.6%*	*24.9%*	
EBIT	194.5	231.7	-16.0%	196.0	234.0	-16.2%
Net financial income (expense)	15.9	9.6	65.6%	18.1	12.4	46.0%
Profit before taxes	210.4	241.3	-12.8%	214.1	246.4	-13.1%

Sales volumes (thousands)	**Jan-Sep 2024**	**Jan-Sep 2023**	**Change %**
Grey, White cement and Clinker (metric tonnes)	7,981	7,933	0.6%
Ready-mixed concrete (m3)	3,329	3,184	4.5%
Aggregates (metric tonnes)	7,331	6,992	4.9%

Net financial debt (Euro millions)	**30-09-2024**	**31-12-2023**	**30-09-2023**
Net financial debt / (Net cash)	(79.9)	(217.6)	(45.5)

[1] Non-GAAP figures exclude the impact of the application of IAS 29 and the valuation of non-industrial real estate in Türkiye.

Group employees	30-09-2024	31-12-2023	30-09-2023
Number of employees	3,068	3,045	3,097

Francesco Caltagirone Jr, Chairman and Chief Executive Officer, commented:

"The results for the first nine months of 2024 are in line with our expectations and, after several quarters of contraction, signs of a market turnaround in some geographies are emerging in the third quarter of 2024. We are strengthening our competitive position through initiatives such as: the investment on Kiln 4 in Belgium, the restart of the second line in Egypt, the acquisition in concrete in Nordic & Baltic, a new limestone quarry in Malaysia, and the repurchase of a large part of the minority interest in our Egyptian subsidiary, to prepare ourselves for any upcoming market opportunity".

The following comments refer to the Non-GAAP consolidated income statement of the first nine months of 2024 which excludes both the IAS 29 impact and the valuation of non-industrial real estate in Türkiye. This representation allows a better comparison of Group's performance compared to the same period of the previous year.

In the first nine months of 2024, cement and clinker **sales volumes**, equal to 8.0 million tons, increased by 0.6% compared to the same period of 2023, thanks to the increase recorded in Türkiye and to a lesser extent in Malaysia and the United States, which offset the reduction in volumes in the other geographical areas.

Ready-mixed concrete sales volumes of 3.3 million cubic metres increased by 4.5%, driven by the positive performance of Türkiye and to a lesser extent Sweden and Denmark, while Norway and Belgium recorded a decline due to slowing demand and adverse weather conditions in the first months of the year.

Aggregate sales volumes reached 7.3 million tons, up 4.9%, driven mainly by Türkiye and Belgium, while they decreased in Sweden and Denmark.

The **Group's revenue from sales and services**, amounting to EUR 1,227.3 million, decreased by 4.8% compared to EUR 1,288.9 million in the first nine months of 2023 due to the decrease in volumes in some regions, with the exception of Türkiye and Egypt, where, however, the significant depreciation of the respective currencies led to a reduction in the result in euros. It should be noted that at constant exchange rates 2023 revenues would have been equal to EUR 1,353.6 million, up by 5.0% compared to the same period of the previous year.

At EUR 943.7 million, **operating costs** decreased by 6.5% compared to EUR 1,009.4 million in the first nine months of 2023.

The **cost of raw materials**, equal to EUR 497.5 million, decreased by 12.6% compared to EUR 569.4 million in the first nine months of 2023, mainly due to the combined effect of lower volumes and the benefit deriving from the exchange rate effect, in particular in Türkiye.

At EUR 158.1 million, **personnel costs** increased by 4.4% compared to EUR 151.5 million for the same period in 2023.

Other operating costs, amounting to EUR 288.1 million, remained almost stable compared to EUR 288.5 million in the first nine months of 2023.

EBITDA stood at EUR 289.1 million, down 10.0% compared to EUR 321.1 million in the first nine months of 2023, due to lower results achieved in all geographical areas except Egypt. It should be noted that the 2024 nine months EBITDA was impacted by EUR 15.5 million of non-recurring items compared to the first nine months of 2023, namely the write-down of non-industrial land in Italy for EUR 2.0 million in 2024 and non-recurring income for capital gains on the sale of land and machinery for approximately EUR 13.5 million in 2023. Excluding these non-recurring items, EBITDA decreased by 5.4% on the first nine months of 2023.

The EBITDA margin was 23.6%, compared to 24.9% in the first nine months of 2023.

At constant 2023 exchange rates, EBITDA would have amounted to EUR 316.2 million, down 1.5% year-on-year.

EBIT, considering depreciation, amortization, write-downs and provisions of EUR 93.1 million (EUR 87.1 million in the first nine months of 2023), amounted to EUR 196.0 million, down 16.2% from EUR 234.0 million in the first nine months of the previous year. Depreciation and amortization due to the application of IFRS 16 amounted to EUR 24.5 million (EUR 23.6 million in the same period of 2023).

At constant 2023 exchange rates, the EBIT would have amounted to EUR 219.7 million.

The **share of net profits of equity-accounted investees** is positive by EUR 0.6 million (positive EUR 0.2 million in the first nine months of 2023).

Net financial income of EUR 17.5 million (EUR 12.2 million in the same period of the previous year), includes net financial expenses for EUR 1.2 million, of which EUR 3.4 million for the application of IFRS 16 (EUR 5.5 million in the first nine months of 2023, of which EUR 1.9 million for IFRS 16), net foreign exchange income for EUR 17.9 million (net foreign exchange income for EUR 14.8 million in the first nine months of 2023) and the effect of the valuation of derivatives.

Profit before taxes was EUR 214.1 million, a decrease of 13.1% compared to EUR 246.4 million in the first nine months of 2023, down 7.2% net of non-recurring items.

During the first nine months of 2024, the Group made total **investments** of approximately EUR 110.8 million (EUR 101.5 million in the first nine months of 2023), of which approximately EUR 35.3 million in sustainability and EUR 21.7 million (EUR 37.6 million in the first nine months of 2023) related to the application of IFRS 16.

Net cash at 30 September 2024, equal to EUR 79.9 million, is an improvement of EUR 34.4 million compared to a net cash position of EUR 45.5 million at 30 September 2023, and includes: the distribution of dividends by the Parent Company, for EUR 43.5 million, which took place in May 2024, extraordinary dividends from some subsidiaries to third-party shareholders, for EUR 14 million, the increase in the shareholding in the Egyptian subsidiary for an outlay of approximately EUR 30 million, some extraordinary investments such as the acquisition of a ready-mixed concrete plant and a minority stake in Denmark for about EUR 18 million and the rights to a quarry in Malaysia for approximately EUR 6 million; in addition to significant capital expenditure in the period, in line with the business plan. The net cash position includes EUR 78.0 million of debt due to the effect of applying IFRS 16 (EUR 84.2 million as of 30 September 2023).

Total equity at 30 September 2024 amounted to EUR 1,745.0 million (EUR 1,650.8 million at 31 December 2023 and EUR 1,614.4 million at 30 September 2023).

Performance in the third quarter of 2024

The following comments refer to the Non-GAAP consolidated income statement for the third quarter of 2024 which excludes both the impacts of the application of IAS 29 and the valuation of non-industrial properties in Turkey. This representation allows a better comparison of the Group's performance compared to the same period of the previous year.

In the third quarter of 2024, cement and clinker **sales volumes**, equal to 2.9 million tons, increased by 1.2% compared to the same period of 2023, driven by the good performances of Türkiye and the other geographical areas except Belgium and China.

Ready-mixed concrete sales volumes, at 1.1 million cubic metres, increased by 5.7% thanks to positive results in almost all operating areas, although partially offset by lower volumes in Norway.

In the aggregates sector, sales volumes reached 2.4 million tons, up 2.6% thanks to good performances in Belgium and Türkiye, while volumes were down in Denmark and Sweden.

Revenues from sales and services reached EUR 423.9 million, an increase of 0.8% compared to EUR 420.7 million in the third quarter of 2023. The improvement in revenues mainly affected Türkiye and, to a lesser extent, Denmark and Malaysia.

Operating costs amounted to EUR 310.9 million (EUR 320.9 million in the third quarter of 2023), a decrease of 3.1%. This reduction is partly due to the decrease in the cost of raw materials and transport costs and to the overall containment of other operating costs.

EBITDA reached EUR 107.2 million, down by 9.7% compared to the third quarter of 2023 (EUR 118.7 million). It should be noted that 2023 EBITDA includes net non-recurring income of about EUR 6.0 million mainly due to capital gains on the sale of land and machinery. Excluding these revenues, EBITDA decreased by 4.6% compared to the same period of 2023.

EBIT amounted to EUR 76.0 million (EUR 90.4 million in the third quarter of 2023).

The **share of net profits of equity-accounted investees** was EUR 0.5 million (EUR 0.3 million in the same period of 2023).

Net financial income (expense) was negative by EUR 4.6 million (negative by EUR 0.1 million in the third quarter of 2023), mainly due to the exchange rate trend.

Profit before taxes was EUR 72.0 million, a decrease of 20.5% compared to the third quarter of 2023 (EUR 90.6 million) down 14.6% net of non-recurring items.

Investments in the third quarter of 2024 amounted to EUR 36.6 million (EUR 33.7 million in the third quarter of 2023), of which EUR 4.7 million in application of accounting standard IFRS16 (EUR 14.5 million in the third quarter of 2023).

Performance by geographical segment

Nordic and Baltic

(EUR'000)	Jan-Sep 2024	Jan-Sep 2023	Change %
Revenue from sales	466,191	498,203	-6.4%
Denmark	*359,162*	*375,769*	*-4.4%*
Norway / Sweden	*102,459*	*119,775*	*-14.5%*
Other (1)	*59,320*	*59,272*	*0.1%*
Eliminations	*(54,750)*	*(56,613)*	
EBITDA	124,964	141,086	-11.4%
Denmark	*115,461*	*132,834*	*-13.1%*
Norway / Sweden	*4,608*	*5,138*	*-10.3%*
Other (1)	*4,895*	*3,114*	*57.2%*
EBITDA Margin %	*26.8%*	*28.3%*	
Investments	35,439	44,178	

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

Denmark

In the first nine months of 2024 sales revenues reached EUR 359.2 million, down 4.4% compared to EUR 375.8 million in the first nine months of 2023.

Domestic cement volumes, both grey and white, decreased moderately compared to the first nine months of 2023 due to harsh weather conditions in the first quarter and a still stagnant market environment. However, volumes improved in the third quarter, also thanks to the supply of cement for the undersea tunnel project that will connect Denmark with Germany (Fehmarn Belt).

High interest rates, inflation and wage pressure continued to weigh on the residential sector, whose weakness was partly offset by investments in infrastructure and energy projects.

Cement volumes also benefited from the acquisition of a ready-mix concrete plant in the central-eastern Jutland peninsula, and a minority stake in a second ready-mix concrete plant on the island of Funen, which took place in April 2024.

Cement exports declined more sharply due to lower deliveries mainly to Belgium, France and Norway, partially offset by higher deliveries to Iceland and Poland.

Ready-mixed concrete volumes grew by 3% compared to the same period in 2023. Despite the weak market, the postponement of some infrastructure projects and the intensification of volume competition, the expansion of the scope and the deliveries for a major project in North Zealand offset these factors.

Aggregate sales volumes decreased 12% compared to 2023 due to some production disruptions and inventory reductions, which are now being resolved.

EBITDA stood at EUR 115.5 million (EUR 132.8 million in the first nine months of 2023), down 13.1%, mainly due to lower sales volumes. These negative factors were partially offset by cost savings. It should also be noted that 2023 EBITDA had benefited from a capital gain from the sale of land for approximately EUR 6.8 million. Excluding non-recurring items, EBITDA decreased by 8.4%.

Total investments for the first nine months of 2024 amounted to EUR 28.1 million, of which about EUR 20.5 million in the cement sector, in particular extraordinary maintenance projects on the grey kiln and the construction of the new 4,500 ton cement silo at the port of Aalborg that will be used to load ships bound for the Fehmarn Belt. The main investment in ready-mixed concrete relates to the renovation and refurbishment of a plant near Copenhagen. Investments include EUR 8.2 million accounted for in accordance with IFRS 16 and concern ships and transport vehicles.

Norway and Sweden

In **Norway**, ready-mixed concrete sales volumes decreased by 21% compared to the first nine months of 2023 due to slowdown in residential and commercial demand, delays or failure to start major infrastructure projects causing temporary plant closures. The construction sector is facing a deep crisis, which began in late 2022, caused by rising construction costs and high interest rates, kept at 4.5% by the central bank.

It should be noted that the Norwegian krone depreciated by 2.1% against the average euro exchange rate in the same period in 2023.

In **Sweden**, ready-mixed concrete volumes increased by 30% compared to the same period in 2023, thanks to the contribution of a major project in Karlskrona in southern Sweden, while aggregates volumes decreased by 15% due to a weak market and a lack of significant initiatives. The activity was also affected by the cold temperatures and frequent snowfalls.

The Swedish krona appreciated by 0.6% against the average exchange rate of the Euro in the same period of 2023.

In the first nine months of 2024, sales revenues in Norway and Sweden decreased by 14.5% to EUR 102.5 million (EUR 119.8 million in the first nine months of 2023), while EBITDA amounted to EUR 4.6 million (EUR 5.1 million in the same period of 2023). The 10.3% decrease in EBITDA was solely due to the negative performance of Norway, which was affected by lower sales volumes and higher transport costs, partially offset by higher sales prices and lower fixed costs.

Investments amounted to EUR 6.4 million, of which EUR 2.9 million in Norway and EUR 3.5 million in Sweden. In Norway, investments mainly concerned the renovation of a plant southwest of Oslo, while in Sweden the purchase of machinery for loading quarried materials. Investments recognised as a result of IFRS 16 were EUR 3.1 million.

Belgium

(EUR'000)	Jan-Sep 2024	Jan-Sep 2023	Change %
Revenue from sales	252,643	275,039	-8.1%
EBITDA	69,329	69,528	-0.3%
EBITDA Margin %	27.4%	25.3%	
Investments	45,374	20,294	

In In the first nine months of 2024, cement sales volumes in the domestic market recorded a moderate decrease compared to the same period in 2023. The economic context in the construction sector continues to be unfavourable with a market contracting between 6% and 7%.

Exports to northern France and the Netherlands fell more significantly due to the slowdown in construction activity, also influenced by the Paris Olympics, and strong competition.

Ready-mixed concrete sales volumes decreased by approximately 11% compared to the corresponding period of 2023. Several factors influenced sales, in addition to the general weakness of the residential and commercial sector, especially in the Brussels area: the harsh weather conditions and above-average seasonal rainfall in the first quarter and in September, a longer Easter holiday period than last year, a slower recovery after the summer holidays, several days of strike and, finally, the temporary closure of a plant in January for renovation and restructuring.

Aggregate sales, on the other hand, increased moderately compared to the first nine months of 2023, despite the unfavourable weather conditions in the first quarter, the general decline in demand, particularly in the residential and road construction segments, the lack of significant projects and strong competition.

Sales revenues decreased by 8.1% to EUR 252.6 million versus EUR 275.0 million in the same period of 2023 while EBITDA was stable at EUR 69.3 million (EUR 69.5 million in the previous year). EBITDA was penalised by lower volumes sold offset by higher sales prices, lower fuel purchase costs, lower clinker purchases and efficiencies achieved in production.

The investments made in the first nine months of the year amounted to EUR 45.4 million and mainly concerned the renovation project of kiln 4 at the Gaurain plant, which will be completed in the fourth quarter of 2024. The project will increase the use of alternative fuels from 40% to more than 70%, to increase production capacity and to reduce CO_2 emissions per ton of clinker by about 6%. Investments recognised as a result of IFRS 16 were EUR 0.6 million.

Türkiye

(EUR'000)	Jan-Sep 2024 (Non-GAAP)	Jan-Sep 2023 (Non-GAAP)	Change %
Revenue from sales	256,364	245,823	4.3%
EBITDA	48,669	58,012	-16.1%
EBITDA Margin %	19.0%	23.6%	
Investments	18,422	15,157	

Revenues, equal to EUR 256.4 million, registered a decrease of 4.3% compared to the first nine months of 2023 (EUR 245.8 million), penalised by the 45.5% devaluation of the Turkish Lira compared to the average euro exchange rate in the same period of 2023. Revenues in local currency increased by 55.7%.

Domestic cement sales volumes increased by 9% compared to the first nine months of 2023, thanks to significant growth in the Elazig and Kars regions of Eastern Anatolia, supported by post-earthquake reconstruction.

In the Aegean region (Izmir) a modest contraction in volumes was recorded, mainly due to the slowdown of public investments and the indefinite postponement of private ones due to the difficulties in accessing credit caused by financial restrictions, while in the Marmara (Trakya) region, the contraction was more pronounced, due to the prolonged shutdown of production sites during the religious holidays in April and June, and a general drop in demand due to economic and financial uncertainties and the suspension of infrastructure projects.

Cement and clinker exports increased by 8% compared to the corresponding nine months of 2023, although penalised by the lack of exports to Israel following the embargo.

Ready-mixed concrete volumes increased by 20% compared to the same period in 2023, supported by post-earthquake reconstruction, especially in the Eastern Anatolia and Mediterranean regions. The opening of three new operational plants during 2024, one in the Aegean region, one in Eastern Anatolia and one in the Marmara region, contributed to this growth.

Aggregate sales are up 41% compared to the first nine months of 2023 thanks to the opening of a new quarry in Malatya, Eastern Anatolia, and increased demand.

In the waste sector, the industrial waste treatment subsidiary Sureko recorded 71% higher revenues in local currency than in 2023, due to increased volumes and prices of fuel sales (RDF), fuel material collection and landfill quantities.

Overall, EBITDA was EUR 48.7 million, down 16.1% from EUR 58 million in the previous year. Higher volumes and average sales prices were more than offset by higher production costs, as well as the sharp devaluation of the Turkish lira. It should be noted that the 2023 EBITDA included non-recurring income from capital gains on land sales of about EUR 4.5 million. Net of these non-recurring effects, EBITDA decreased by 9% compared to the same period in 2023.

Investments amounted to EUR 18.4 million, of which approximately EUR 8.5 million in cement, mainly in the Izmir and Trakya plants and EUR 8.4 million in ready-mixed concrete, and mainly concerned investments accounted for on the basis of IFRS 16 relating to ready-mixed concrete transport vehicles (EUR 7.6 million).

North America

(EUR'000)	**Jan-Sep 2024**	**Jan-Sep 2023**	**Change %**
Revenue from sales	139,037	141,669	-1.9%
EBITDA	18,938	19,815	-4.4%
EBITDA Margin %	13.6%	14.0%	
Investments	4,187	11,197	

In the United States white cement sales volumes increased slightly compared to the first nine months of 2023, thanks to the commercial policies implemented since the beginning of the year, in contrast to the sector forecasts that indicate a 2% contraction in 2024 compared to 2023.

Sales in Texas were up moderately; in the first quarter they were negatively affected by rainfall and two fewer working days than in 2023, while since the third quarter, weather conditions have improved with additional benefits from effective sales activities. However, strong competition is affecting average sales prices.

In New York state, sales were slightly up compared to 2023, while in California, deliveries showed good growth across all market segments despite some cement availability issues at some terminals.

In Florida, sales are up moderately thanks to the contribution of new customers, despite cement shortages at some terminals; it is noted that the first quarter of 2023 was particularly favourable due to some problems in competitors' supplies. However, September was impacted by Hurricane Helene, which caused some terminals to close in late September and early October.

The US dollar is in line with the average euro exchange rate in 2023.

In the first nine months of 2024, revenues decreased by 1.9% to EUR 139 million (EUR 141.7 million in 2023) while EBITDA decreased by 4.4% to EUR 18.9 million (EUR 19.8 million in 2023), due to lower sales prices resulting from strong competition and higher fixed costs compared to the previous year, partially offset by higher deliveries. On the other hand, the company Vianini Pipe, active in the production of pre-cast concrete products, reported an increase in EBITDA compared to the first nine months of 2023.

Investments in the first nine months of 2024 amounted to EUR 4.2 million, of which EUR 2.8 million was allocated to the two cement plants for sustainability interventions, production rationalization and extraordinary maintenance. Investments recognised as a result of IFRS 16 were EUR 1.1 million.

Egypt

(EUR'000)	**Jan-Sep 2024**	**Jan-Sep 2023**	**Change %**
Revenue from sales	34,471	37,782	-8.8%
EBITDA	12,176	9,735	25.1%
EBITDA Margin %	35.3%	25.8%	
Investments	2,615	1,674	

Sales revenues amounted to EUR 34.5 million, down 8.8% compared to EUR 37.8 million in 2023, mainly due to the 44.3% devaluation of the Egyptian pound compared to the average exchange rate of the Euro in the first nine months of 2023. Revenues in local currency actually increased by 28%.

In addition, revenues were impacted by a different geographical mix of exports and a 6% decline in volumes in the domestic market, which was driven by weakness in the residential sector and the cancellation or postponement of some large public projects.

Exports, on the other hand, recorded a modest growth compared to the first nine months of 2023, with a different geographical mix: higher deliveries in Europe, Africa and the Middle East, and lower deliveries in the United States.

EBITDA increased by 25.1% to EUR 12.2 million (EUR 9.7 million in the first nine months of 2023), thanks to higher selling prices, partially offset by higher variable and fixed costs, and the devaluation of the Egyptian pound.

Investments in the period amounted to approximately EUR 2.6 million and were mainly related to costs for the reactivation of the second clinker kiln, expected by the end of the year.

Asia Pacific

(EUR'000)	**Jan-Sep 2024**	**Jan-Sep 2023**	**Change %**
Revenue from sales	75,675	87,699	-13.7%
China	*40,254*	*49,541*	*-18.7%*
Malaysia	*35,991*	*38,706*	*-7.0%*
Eliminations	*(570)*	*(548)*	
EBITDA	14,644	19,811	-26.1%
China	*9,332*	*13,701*	*-31.9%*
Malaysia	*5,312*	*6,110*	*-13.1%*
EBITDA Margin %	*19.4%*	*22.6%*	
Investments	3,116	5,650	

China

Sales revenues declined by 18.7% to EUR 40.3 million (EUR 49.5 million in the first nine months of 2023) following a reduction in sales volumes by 14%, a modest reduction in prices and the 2.6% devaluation of the Chinese Renminbi compared to the average exchange rate of the Euro in the first nine months of 2023.

China's economy recorded a 5% GDP growth in the first half of 2024. However, the construction sector, especially residential, continued to show signs of weakness, despite government monetary and fiscal initiatives.

Finally, we highlight that in 2024 cement production decreased by double digits, after having reached the lowest level in the last 13 years in 2023. Many producers are increasing exports at very competitive prices to reduce excess stock.

Sales were also negatively affected by cold temperatures at the beginning of the year, heavy rains in June, floods and heat waves in July and August, as well as extended closures related to the Chinese New Year.

EBITDA decreased by 31.9% to EUR 9.3 million (EUR 13.7 million in the same period of 2023), due to lower sales volumes and prices, higher transport costs and fixed costs, only partially offset by energy savings. It should also be noted that the 2023 EBITDA included non-recurring income from the sale of machinery of about EUR 2.1 million. Excluding non-recurring items, EBITDA decreased by 19.4%.

Investments in the first nine months of 2024 amounted to approximately EUR 1.4 million, earmarked for projects aimed at improving the functionality and efficiency of the plant, as well as extraordinary maintenance interventions.

Malaysia

Sales revenues decreased by 7% to EUR 36 million (EUR 38.7 million in the corresponding period of 2023) also due to the 2.9% devaluation of the local currency against the average euro exchange rate in the corresponding period of 2023.

The economic crisis in China also affected major Southeast Asian economies such as Malaysia, Vietnam and Cambodia.

Sales volumes in the domestic market were slightly down, with both the residential and commercial sectors stagnating. Projects were delayed by high mortgage rates, which also increased competition and impacted on sales prices.

Cement and clinker exports increased by 9%, thanks to higher deliveries to Australia, the Philippines and South Korea. In Australia, after a promising first quarter, the construction sector slowed in the second and third quarters, particularly in the residential segment.

EBITDA reached EUR 5.3 million, down 13.1% compared to the corresponding period of 2023 (EUR 6.1 million). Lower sales prices, also influenced by the export mix and exchange rate developments, were only partially offset by increased volumes and savings on variable costs.

Investments in the first nine months of 2024 amounted to approximately EUR 1.7 million and involved projects to improve the functionality and efficiency of the plant, and extraordinary maintenance.

Holding and Services

(EUR'000)	Jan-Sep 2024	Jan-Sep 2023	Change %
Revenue from sales	115,746	162,995	-29.0%
EBITDA	358	3,069	-88.3%
EBITDA Margin %	0.3%	1.9%	
Investments	1,699	2,686	

This grouping includes the parent company, Cementir Holding, the trading company, Spartan Hive, and other minor companies. The decrease in revenues and EBITDA is due to lower traded volumes, in particular of clinker, cement and fuels brokered by Spartan Hive. In 2024, there was an extraordinary charge of EUR 2 million for the write-down of the former Bagnoli industrial site.

Significant events during and after the end of the period

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

In April 2024, the Group acquired a ready-mixed concrete plant and a minority stake in a second plant in Denmark for a total outlay of approximately EUR 18 million.

In June 2024, the rating agency Standard and Poor's confirmed its BBB- rating with a stable outlook.

On 13 August 2024, the wholly-owned subsidiary Aalborg Portland Holding A/S acquired an additional 25.40% stake in Sinai White Portland Cement Co. SAE from Sinai Cement Company, a subsidiary of the Vicat Group, for approximately EUR 30 million. Following this transaction, Cementir indirectly holds 96.5% of the share capital of its Egyptian subsidiary.

On 22 October 2024, the consortium formed by Aalborg Portland, a subsidiary of Cementir Holding, and Air Liquide was selected by the European Commission to receive a non-refundable grant of EUR 220 million under the EU Innovation Fund for the construction of one of the first fully onshore carbon capture and storage (CCS) systems in Europe, to be built at the Aalborg plant in Denmark by 2029, with the aim of reducing CO_2 emissions by approximately 1.5 million tons per year. For more details, please refer to the Joint Press Release of 24 October 2024.

Outlook

The macroeconomic scenario continues to be characterized by high uncertainty, with signs of a slowdown in the world economy due to rising geopolitical and trade tensions, and still restrictive financial conditions.

Overall, results for the first nine months of 2024 were in line with management's expectations in terms of both EBITDA and cash generation. However, the Group's revenues continued to be affected by the continuing weakness of the residential sector in some markets, the crisis in China's real estate sector, with repercussions in neighboring countries, and the weakening of some currencies.

Against this backdrop, the Group believes it can confirm its projected targets for 2024, i.e. revenues in line with 2023 of approximately EUR 1.7 billion, EBITDA of approximately EUR 385 million, and a net cash position of around EUR 300 million at the end of the period, at constant perimeter, i.e., excluding the extraordinary transactions that occurred during 2024 in the amount of approximately EUR 48 million.

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

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

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

Sustainability

The Group's commitment to decarbonization continued in the first nine months of 2024, with investments in sustainability amounting to approximately EUR 35.3 million, mainly in the upgrade of the new kiln in Belgium to increase the use of alternative fuels from the current 40% to over 70%.

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

In April, Cementir officially launched **D-Carb®,** a new umbrella brand for lower carbon white cements. D-Carb® combines a low carbon footprint with excellent early age performance. The product is initially being launched in the European markets, with the aim of a subsequent global launch. Compared to traditional Aalborg Portland White cement, this first product in the D-Carb® family allows a 15% reduction in CO2 emissions, offering a more sustainable solution while ensuring product quality and performance.

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

In June 2024, Cementir was recognised for the second consecutive year among the leaders in the **ESG Identity Corporate Index**, with a rating of 55.99/100.

In July 2024, Cementir voluntarily published its sustainability performance for the second time on the official platform of the **UN Global Compact - CoP** (Communication on Progress), demonstrating the company's continued commitment to sustainable development goals and transparency in managing its business practices.

In September 2024, Cementir subscribed to the **CDP questionnaires** for the year 2024. In 2023, Cementir received an “A-” rating from CDP for climate change management, confirming the rating obtained in 2022 and 2021 and positioning itself above the average of the cement and ready-mixed concrete sector (B) and the European average (B). In 2023, Cementir obtained an “A-” rating for water management ('Water Security') for the second consecutive time, once again exceeding the average for the cement and ready-mixed concrete sector (B) and the European average (C).

With reference to the **CCS project** in Denmark in consortium with Air Liquide, please refer to the section ‘Significant events during and after the end of the period’.

Conference call details

First nine months results 2024 will be presented to the financial community in a **conference call** and an **audio webcast** to be held today, Wednesday 6 November, at 2.30 pm (CET).

Participants can connect to the audio webcast by registering at this link, where the details for accessing the conference call and participating in the Q&A session will also be available.

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

Other information

The Interim Financial Report as at 30 September 2024, unaudited, will be published in the manner and within the deadline required by current regulations.

* * *

The unaudited consolidated results for the first nine months and third quarter of 2024 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.
They reflect solely the views of the Company's Management, and do not represent a guarantee, promise, operational suggestion or even investment advice. They should therefore not be taken as predictive support for the future performance of the markets and financial instruments concerned.
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 No. 6064293/2006, updated based on the Notice no. 5/21 of 29 April 2021 in implementation of the recommendations contained in paragraph 175 of ESMA Recommendation 32-382-1138 of 4 March 2021, as the sum of the items:
  - Current financial assets;
  - Cash and cash equivalents;
  - Current and non-current liabilities.
- **Net capital invested**: calculated as the total amount of non-financial assets, net of non-financial liabilities.

About Cementir Holding

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.

Learn more about Cementir Holding on www.cementirholding.com

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Financial highlights

(EUR'000)	Jan-Sep 2024 Unaudited	Jan-Sep 2023 Unaudited	Change %	3rd Quarter 2024	3rd Quarter 2023	Change %
REVENUE FROM SALES AND SERVICES	**1,235,592**	**1,295,039**	**-4.6%**	**423,768**	**454,357**	**-6.7%**
Change in inventories	(4,426)	16,041	-127.6%	(9,473)	9,888	-195.8%
Increase for internal work and other income	22,976	36,869	-37.7%	2,181	13,380	-83.7%
TOTAL OPERATING REVENUE	**1,254,142**	**1,347,949**	**-7.0%**	**416,476**	**477,626**	**-12.8%**
Raw materials costs	(509,064)	(579,761)	-12.2%	(169,497)	(203,406)	-16.7%
Personnel costs	(159,029)	(152,111)	4.5%	(50,643)	(49,046)	3.3%
Other operating costs	(290,029)	(289,875)	0.1%	(92,973)	(99,515)	-6.6%
TOTAL OPERATING COSTS	**(958,122)**	**(1,021,747)**	**-6.2%**	**(313,113)**	**(351,967)**	**-11.0%**
EBITDA	**296,020**	**326,202**	**-9.3%**	**103,363**	**125,659**	**-17.7%**
EBITDA MARGIN %	*23.96%*	*25.19%*		*24.39%*	*27.66%*	
Amortisation, depreciation, impairment losses and provisions	(101,531)	(94,541)	7.4%	**(34,034)**	(32,541)	**4.6%**
EBIT	**194,488**	**231,661**	**-16.0%**	**69,329**	**93,118**	**-25.5%**
EBIT Margin %	*15.74%*	*17.89%*		*16.36%*	*20.49%*	
Share of net profits of equity-accounted investees	615	204	201.1%	541	256	110.9%
Net financial income (expense)	15,315	9,416	62.6%	(4,361)	685	n.m.
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES	**15,930**	**9,620**	**65.6%**	**(3,821)**	**941**	**n.m.**
PROFIT BEFORE TAXES	**210,418**	**241,281**	**-12.8%**	**65,508**	**94,059**	**-30.4%**
PROFIT BEFORE TAXES/REVENUE %	*17.03%*	*18.63%*		*15.46%*	*20.70%*	

Non-GAAP* financial highlights

(EUR'000)	Jan-Sep 2024 (Non-GAAP)	Jan-SeP 2023 (Non-GAAP)	Change %	3rd Quarter 2024 (Non-GAAP)	3rd Quarter 2023 (Non-GAAP)	Change %
REVENUE FROM SALES AND SERVICES	**1,227,253**	**1,288,907**	**-4.8%**	**423,911**	**420,663**	**0.8%**
Change in inventories	(922)	19,378	-104.8%	(8,009)	9,883	-181.0%
Increase for internal work and other income	6,406	22,188	-71.1%	2,184	9,021	-75.8%
TOTAL OPERATING REVENUE	**1,232,737**	**1,330,473**	**-7.3%**	**418,087**	**439,567**	**-4.9%**
Raw materials costs	(497,489)	(569,433)	-12.6%	(167,524)	(180,815)	-7.3%
Personnel costs	(158,109)	(151,470)	4.4%	(50,578)	(46,338)	9.1%
Other operating costs	(288,061)	(288,514)	-0.2%	(92,763)	(93,734)	-1.0%
TOTAL OPERATING COSTS	**(943,659)**	**(1,009,417)**	**-6.5%**	**(310,865)**	**(320,886)**	**-3.1%**
EBITDA	**289,078**	**321,056**	**-10.0%**	**107,222**	**118,681**	**-9.7%**
EBITDA MARGIN %	*23.55%*	*24.91%*		*25.29%*	*28.21%*	
Amortisation, depreciation, impairment losses and provisions	(93,062)	(87,064)	6.9%	(31,172)	(28,252)	10.3%
EBIT	**196,016**	**233,992**	**-16.2%**	**76,050**	**90,429**	**-15.9%**
EBIT Margin %	*15.97%*	*18.15%*		*17.94%*	*21.50%*	
Share of net profits of equity-accounted investees	615	204	201.1%	541	256	110.9%
Net financial income (expense)	17,469	12,185	43.4%	(4,602)	(92)	n.m.
NET FINANCIAL INCOME (EXPENSE) AND SHARE OF NET PROFITS OF EQUITY-ACCOUNTED INVESTEES	**18,084**	**12,389**	**46.0%**	**(4,061)**	**164**	**n.m.**
PROFIT BEFORE TAXES	**214,100**	**246,381**	**-13.1%**	**71,989**	**90,593**	**-20.5%**
PROFIT BEFORE TAXES/REVENUE %	*17.45%*	*19.12%*		*16.98%*	*21.54%*	

* 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 in Türkiye.

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