2022 | 3Q Results

Precast facade at the LIV Student Residence in Sevilla (Spain)

CEMENTOS MOLINS

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Strong performance in a global environment of increasing complexity and uncertainty

Proportional criterion

- Markets slowdown, strong costs inflation (especially in Spain), and disruptions in supply chains.
- Despite this complex and uncertain environment, sales have increased in all businesses and the acquisitions in 2021 are driving growth.
- **Sales of € 959M, up 37% 9M 2021**, boosted by contribution of acquisitions (LFL +14%). Sales 3Q of € 351M.

- **EBITDA increased by 11% to € 208M** due to higher performance of South American and Asian businesses, the contribution of acquisitions, and the positive exchange rate effect (LFL 0%).
- **Positive impact of efficiency plans and selling price increases,** offsetting the high costs inflation. EBITDA margin reaches 22% in 9M 2022.

- **Net Profit reached € 90M**, up 3% 9M 2021, with a lower hyperinflation impact in Argentina and a positive exchange rate effect.
- Net Financial Debt decreases to € 137M, reaching a **multiple NFD/EBITDA of only 0.5x**.

- Continues the execution progress of the **strategic plan** and the **"Sustainability Roadmap 2030"** with the target to supply carbon neutral concrete by 2050.

Uncertain environment and with significant costs inflation

Proportional criterion

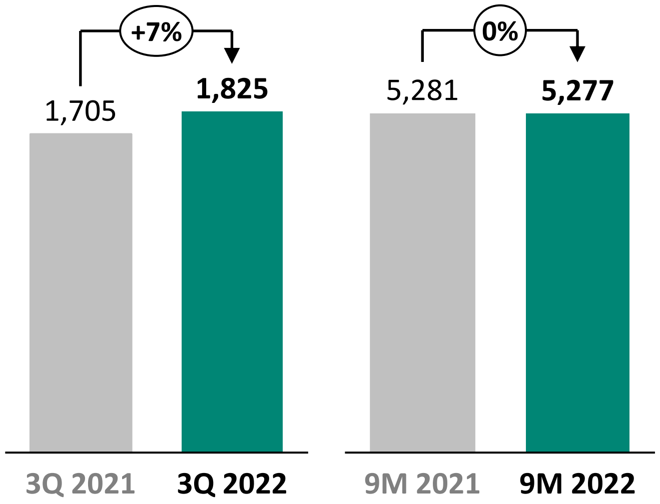
3Q 2022	3Q 2021	% var.	% LFL [1]	Proportional criterion in €M	9M 2022	9M 2021	% var.	% LFL [1]
351	251	+40%	+19%	Sales	959	702	+37%	+14%
76	63	+21%	+7%	EBITDA	208	187	+11%	0%
21,7%	25,0%	-3,4		EBITDA Margin	21,7%	26,7%	-4,9	-3,3
55	48	+15%	+7%	EBIT	151	143	+6%	0%
33	31	+8%	+1%	Net Result	90	87	+3%	-9%
0,50	0,47	+8%		EPS (€)	1,36	1,32	+3%	
137	-11	--	--	Net Financial Debt	137	-11	--	--

[1] Like-for-like: constant currencies, without hyperinflation in Argentina, and same consolidation's scope.

Sales increase in all businesses

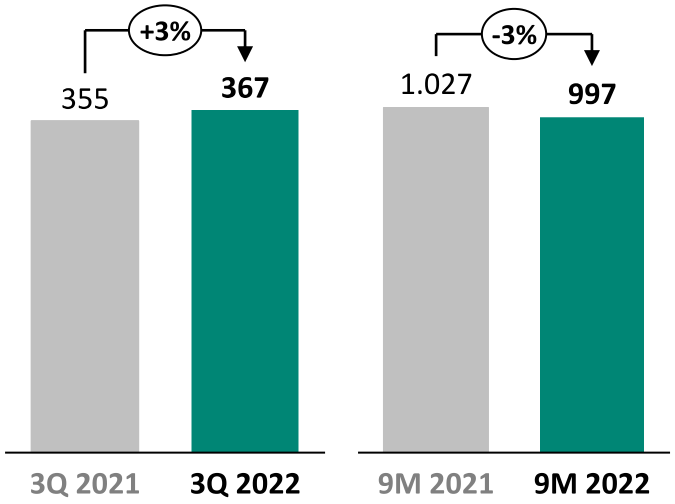
Proportional criterion

VOLUME PORTLAND CEMENT (Th. t)



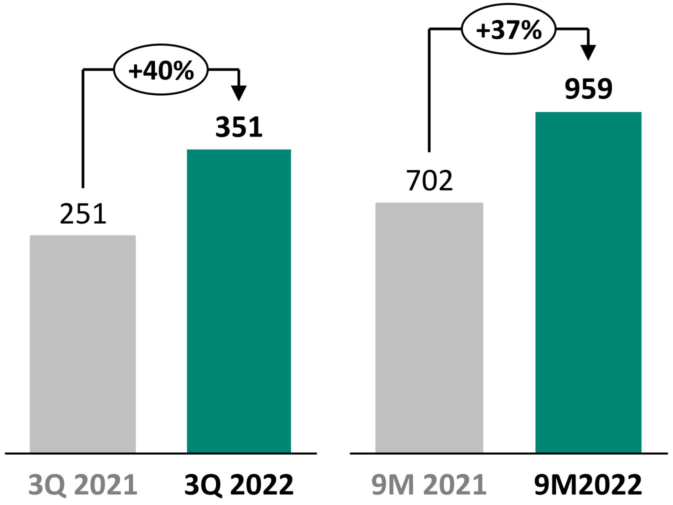
- Year-to-date volume similar to 2021.
- Activity slowdown in Europe and Mexico.
- Growth in South America.

VOLUME READY-MIX CONCRETE (Th. m³)



- Down 3% 9M 2021, with slight increase in 3Q.
- Continues the slowdown started in 4Q 2021.
- Slowdown of public works tenders.

SALES (€M)



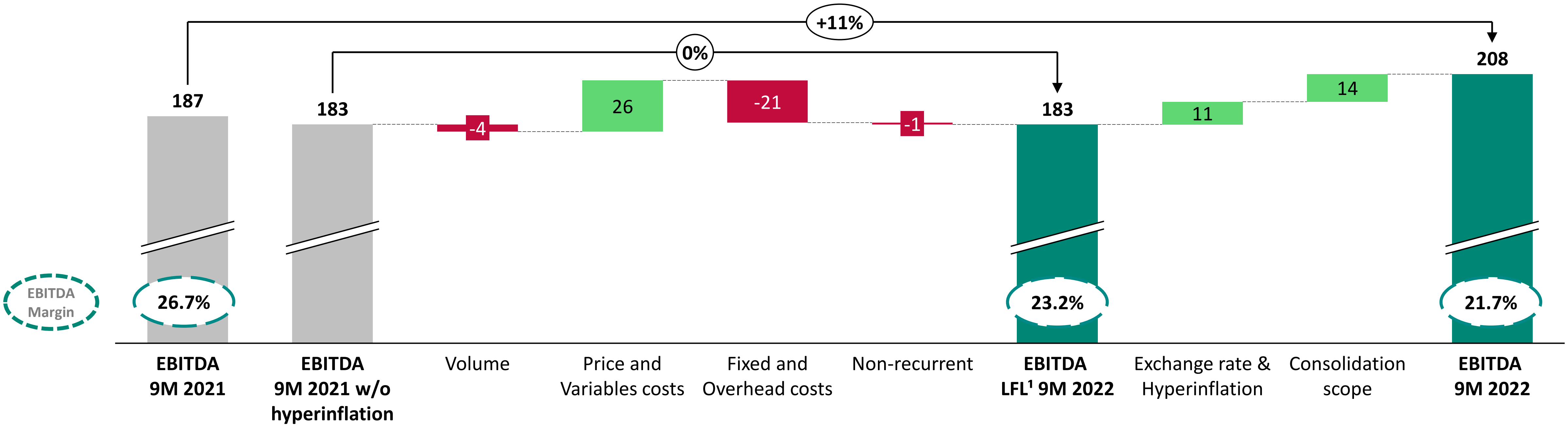
- Sales up 37% driven by new acquisitions and higher activity in South America (LFL +14%).
- Increase in selling prices to offset costs inflation.

[1] Like-for-like: constant currencies, without hyperinflation in Argentina, and same consolidation's scope.

EBITDA driven by selling price increases, operational efficiency, and acquisitions, offset by volume and costs inflation

Proportional criterion
Figures in €M

- EBITDA like-for-like[1] achieved same level as 2021: negative impact of volume and costs inflation, offset by selling price increases and positive contribution of operational efficiency plans.
- EBITDA Margin reached 21.7%, similar to previous quarter, but below last year due to relevant strong costs inflation and the change in business mix after last year's acquisitions.



[1] Like-for-like: constant currencies, without hyperinflation in Argentina, and same consolidation's scope.

Sales and EBITDA by region

Proportional criterion
Figures in €M

On a like-for-like basis, sales increased by 14% and EBITDA reached same level as 2021 (constant currencies, without hyperinflation, and same consolidation's scope).

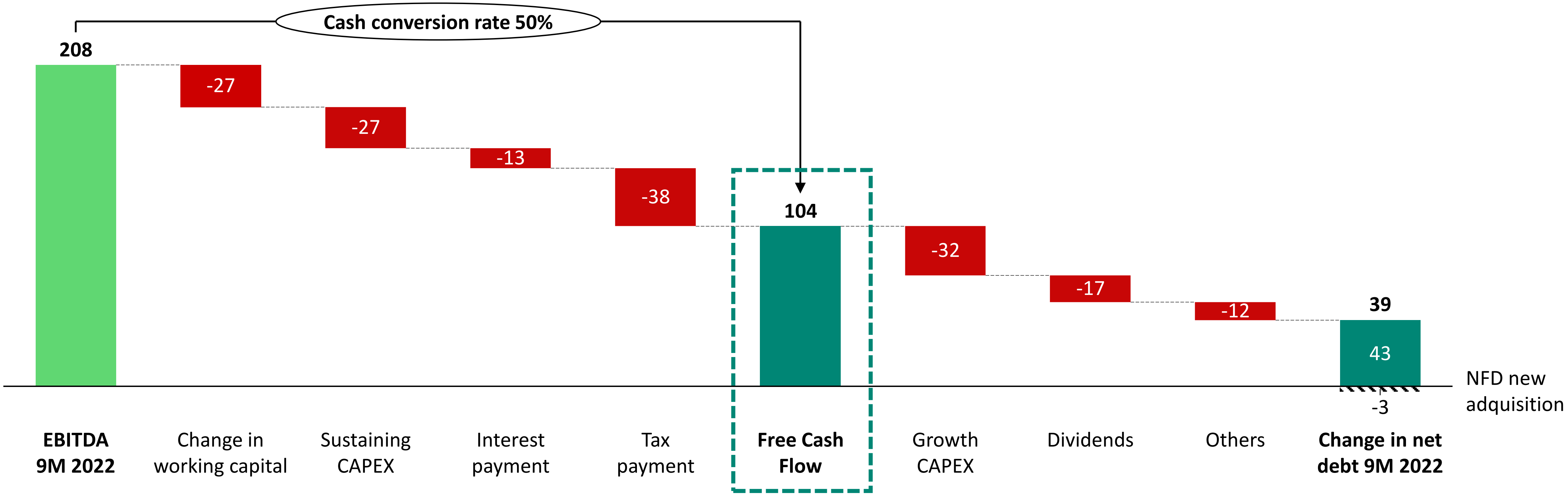
	SALES				EBITDA			
	9M 2022	9M 2021	% var.	% LFL [1]	9M 2022	9M 2021	% var.	% LFL [1]
Europe	386	234	65%	5%	50	36	37%	-2%
Mexico	188	167	13%	-1%	75	74	2%	-10%
South America	287	211	36%	42%	76	67	14%	19%
Asia and North Africa	97	91	7%	3%	23	24	-2%	-6%
Corporate and Others	-	-	-	-	-12	-11	-	-
Non recurrent	-	-	-	-	-3	-2	-	-
Total	**959**	**702**	**37%**	**14%**	**208**	**187**	**11%**	**0%**

[1] Like-for-like: constant currencies, without hyperinflation in Argentina, and same consolidation's scope.

Cash flow generation with cash conversion rate of 50%

Proportional criterion
Figures in €M

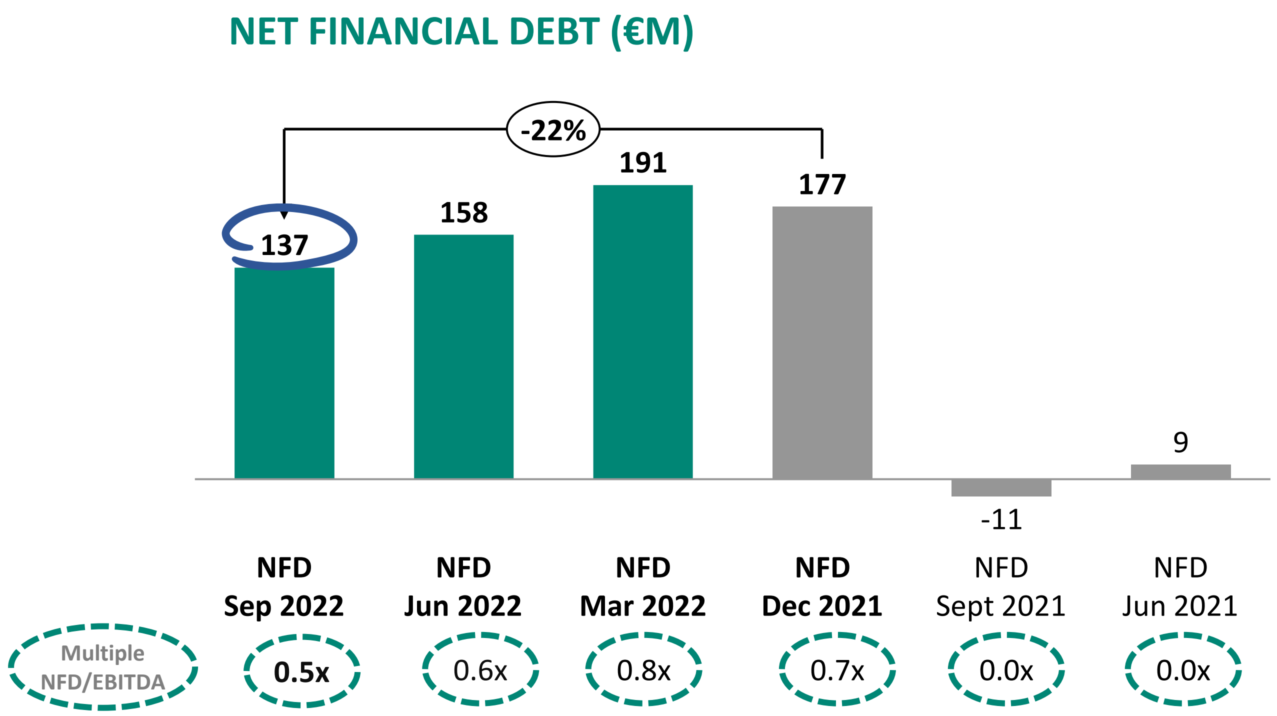
- Cash flow generation of € 104M in 9M 2022.
- Working capital increase due to cost inflation and investment to build up stocks to offset supply chain disruptions.

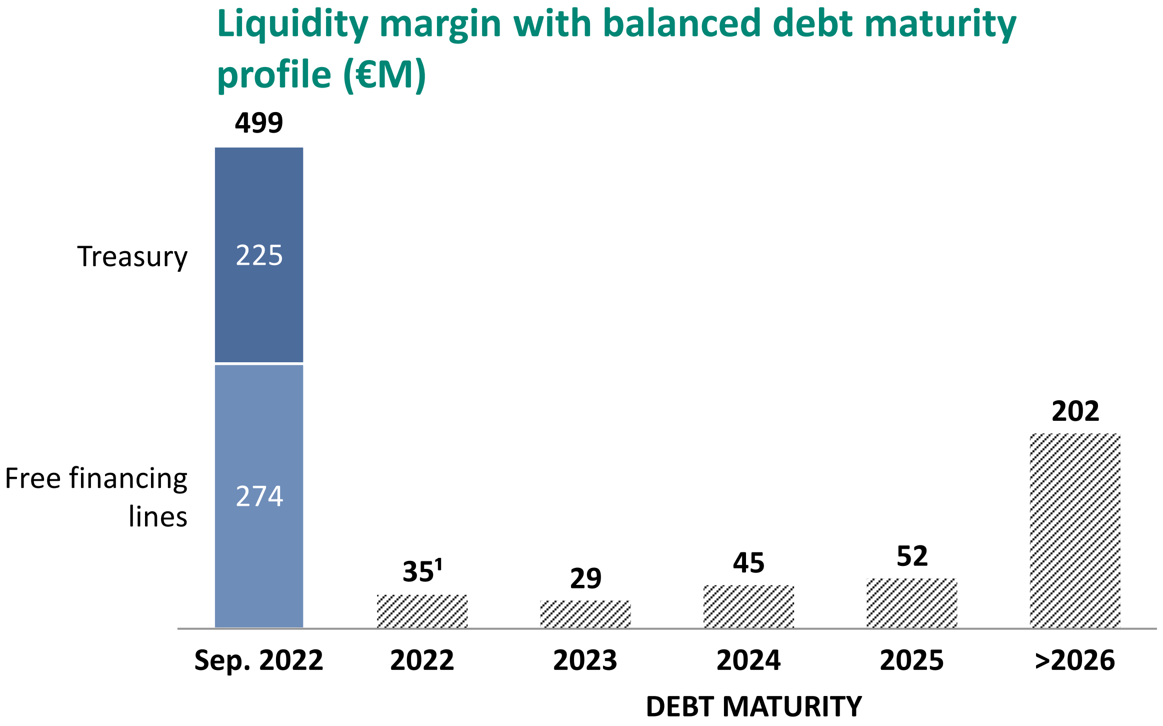


Solid financial position to continue growing with new opportunities

Proportional criterion

- Multiple NFD/EBITDA decreased to 0.5x.
- 52% of debt denominated in EUR currency and 46% of treasury denominated in USD and EUR currencies.
- Financing lines amounting to € 636M (57% consumed). 62% with maturity after 2026.

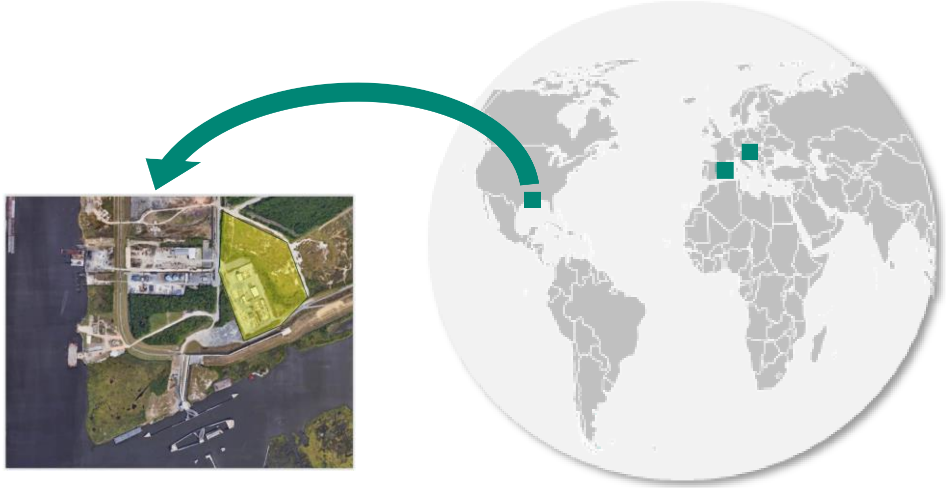


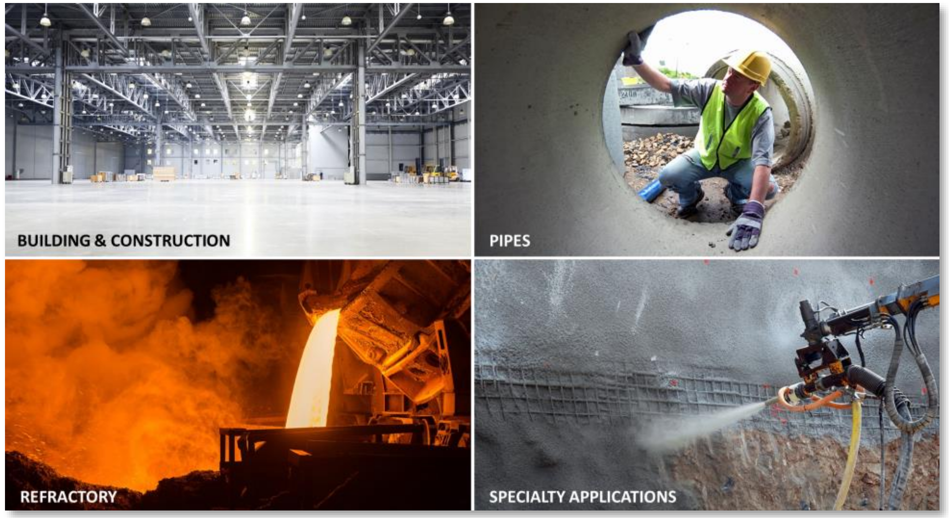


[1] Includes revolving comercial paper.

Organic growth: plant of calcium aluminate cement in United States

- Investment amounting to $ 35M. Facility at a nine-acre site in New Orleans to begin operations in the third quarter of 2023.
- Calucem, a subsidiary of Cementos Molins, is the world's second largest producer of calcium aluminate cement, a high-performance product applied in a variety of commercial and industrial uses.
- The new manufacturing facility will enhance the presence in U.S. market and will be the third calcium aluminate cement production centre, joining Barcelona in Spain and Pula in Croatia.
- The choice of Louisiana is due to the availability of strategic raw materials, access to waterways and skilled labor, and the strong history of using speciality cement products in the U.S.
- It implies a new step forward in the Sustainability Roadmap 2030 by reducing CO_2 emissions through optimization of energy sources and a major supply chain efficiency.
- The project will create 70 direct jobs and 158 indirect jobs.





ANNEXES

Annex: Conciliation between the financial statements with proportional basis and the financial statements resulting by the application of international accounting standards EU-IFRS

Conciliation consolidated Balance Sheet

(M€)	30/09/2022				31/12/2021			
ASSETS	Proportional method	Adjustment Cos. accounted for via equity method	Adjustment Cos. accounted for via full consolidation method	EU-IFRS application	Proportional method	Adjustment Cos. accounted for via equity method	Adjustment Cos. accounted for via full consolidation method	EU-IFRS application
Intangible Assets	224,4	(14,1)	0,5	210,8	167,4	(13,7)	0,7	154,4
Fixed assets	859,2	(344,9)	218,2	732,5	780,5	(315,9)	174,9	639,5
Right-of-use Assets	17,8	(1,9)	1,3	17,2	15,4	(2,2)	1,5	14,7
Financial Fixed Assets	4,7	(1,4)	1,7	5,0	7,4	(3,1)	2,2	6,5
Companies accounted for via equity method	-	425,9	0,9	426,8	-	364,8	0,9	365,7
Goodwill	139,5	(30,6)	(0,6)	108,3	124,5	(29,4)	(0,9)	94,2
Other non-current assets	44,5	(9,9)	1,3	35,9	42,5	(8,3)	0,8	35,0
NON-CURRENT ASSETS	**1.290,1**	**23,1**	**223,3**	**1.536,5**	**1.137,7**	**(7,8)**	**180,1**	**1.310,0**
Stocks	196,9	(51,8)	38,9	184,0	154,8	(37,3)	30,0	147,5
Trade debtors and others	241,8	(62,3)	36,6	216,1	237,3	(62,4)	27,5	202,4
Temporary financial investments	18,0	(14,3)	4,3	8,0	21,8	(19,0)	2,6	5,4
Cash and equivalents	206,9	(130,0)	7,2	84,1	184,5	(98,8)	10,5	96,2
CURRENT ASSETS	**663,6**	**(258,4)**	**87,0**	**492,2**	**598,4**	**(217,5)**	**70,6**	**451,5**
TOTAL ASSETS	**1.953,7**	**(235,3)**	**310,3**	**2.028,7**	**1.736,0**	**(225,3)**	**250,7**	**1.761,4**
NET EQUITY AND LIABILITIES								
Net equity attributed to the Company Parent Co.	1.069,3	-	-	1.069,3	918,7	-	-	918,7
Net equity from minority shareholders	-	(0,1)	168,9	168,8	-	(0,1)	124,2	124,1
TOTAL NET EQUITY	**1.069,3**	**(0,1)**	**168,9**	**1.238,1**	**918,7**	**(0,1)**	**124,2**	**1.042,8**
Non-current financial debt	315,2	(100,0)	24,5	239,7	323,6	(96,7)	31,5	258,4
Other non-current liabilities	187,9	(14,0)	45,2	219,1	124,8	(16,0)	29,8	138,6
NON-CURRENT LIABILITIES	**503,1**	**(114,0)**	**69,7**	**458,8**	**448,4**	**(112,7)**	**61,3**	**397,0**
Current financial debt	47,4	(12,3)	9,3	44,4	59,6	(10,3)	9,7	59,0
Other current liabilities	333,9	(108,9)	62,4	287,4	309,2	(102,2)	55,6	262,6
CURRENT LIABILITIES	**381,3**	**(121,2)**	**71,7**	**331,8**	**368,8**	**(112,5)**	**65,3**	**321,6**
TOTAL NET EQUITY AND LIABILITIES	**1.953,7**	**(235,3)**	**310,3**	**2.028,7**	**1.736,0**	**(225,3)**	**250,7**	**1.761,4**

Annex: Conciliation between the financial statements with proportional basis and the financial statements resulting by the application of international accounting standards EU-IFRS

Conciliation consolidated Profit & Loss Statement

M€	3Q 2022 Proportional method	3Q 2022 Adjustment Cos. accounted for via equity method	3Q 2022 Adjustment Cos. accounted for via full consolidation method	3Q 2022 EU-IFRS application	3Q 2021 Proportional method	3Q 2021 Adjustment Cos. accounted for via equity method	3Q 2021 Adjustment Cos. accounted for via full consolidation method	3Q 2021 EU-IFRS application
Income	**959,0**	**(333,1)**	**211,5**	**837,4**	**702,4**	**(294,2)**	**148,0**	**556,2**
Material costs	(283,3)	65,9	(72,4)	(289,8)	(196,2)	57,5	(45,4)	(184,1)
Personnel expenses	(135,8)	23,6	(22,4)	(134,7)	(98,3)	20,0	(15,7)	(94,0)
Other operating expenses	(370,6)	129,7	(66,2)	(307,1)	(239,5)	106,2	(41,4)	(174,7)
EBITDA	**208,4**	**(114,2)**	**53,3**	**147,5**	**187,3**	**(109,1)**	**46,0**	**124,2**
Amortizations	(58,6)	19,2	(15,4)	(54,8)	(45,1)	17,2	(11,6)	(39,5)
Results for impairment/sale of assets	1,6	(2,0)	0,2	(0,2)	0,6	-	0,1	0,7
Operating result	**151,4**	**(97,0)**	**38,1**	**92,5**	**142,7**	**(91,9)**	**34,5**	**85,3**
Financial results	(15,5)	3,8	(3,3)	(15,0)	(10,1)	3,3	(4,2)	(11,0)
Results Cos. equity method	-	68,0	-	68,0	-	66,7	-	66,7
Results before tax	**135,9**	**(25,1)**	**34,8**	**145,6**	**132,6**	**(21,9)**	**30,3**	**141,0**
Taxes	(45,8)	25,1	(19,5)	(40,2)	(45,1)	21,9	(18,3)	(41,5)
Minority	-	-	(15,3)	(15,3)	-	-	(12,1)	(12,1)
Net Income	**90,1**	**-**	**-**	**90,1**	**87,5**	**-**	**-**	**87,5**

Conciliation consolidated Net Financial Debt

(M€)	30/09/2022 Proportional method	30/09/2022 Adjustment Cos. accounted for via equity method	30/09/2022 Adjustment Cos. accounted for via full consolidation method	30/09/2022 EU-IFRS application	31/12/2021 Proportional method	31/12/2021 Adjustment Cos. accounted for via equity method	31/12/2021 Adjustment Cos. accounted for via full consolidation method	31/12/2021 EU-IFRS application
Financial liabilities	362,2	(112,4)	33,7	283,6	383,2	(107,1)	41,0	317,1
Current financial liabilities	47,1	(12,4)	9,3	44,1	59,6	(10,2)	9,6	58,9
Non-current financial liabilities	315,2	(99,9)	24,5	239,7	323,6	(96,7)	31,5	258,4
Long term deposits	(0,0)	0,0	-	-	(0,1)	0,1	-	(0,0)
Long term loans group companies	(0,2)	-	0,2	-	(0,2)	-	0,2	-
Short term financial investments	(18,1)	14,2	(4,3)	(8,1)	(21,8)	19,0	(2,6)	(5,4)
Cash and equivalent liquid assets	(206,9)	129,9	(7,2)	(84,1)	(184,5)	98,8	(10,4)	(96,1)
NET FINANCIAL DEBT	**137,1**	**31,9**	**22,6**	**191,5**	**176,6**	**11,0**	**28,2**	**215,8**

Basis for information presentation

Cementos Molins actively takes part in the management of the companies which consolidates through the equity method, whether this is in conjunction with another shareholder or by means of relevant participation in its decision-making bodies.

Following the guidelines and recommendations of the European Securities and Markets Authority (ESMA), whose objective is to promote the usefulness and transparency of the alternative performance measures that are included in the regulated information or in any other information submitted by the listed companies, **the information included in this "3Q 2022 Results" is based on the application of the proportionality principle in the consolidation method of its investees**, applying the final shareholding percentage in each one of them. This way, Cementos Molins deems that the management of the businesses and the way their results are assessed for the decision-making process are reflected in a suitable manner.

Therefore, the following parameters are defined in the presentation as:

- "Sales": Net turnover reported in the individual and consolidated financial statements of the various companies included in the consolidation perimeter, multiplied by the participation percentage held in each one of them.
- "EBITDA": Operating result before financial statements and taxes, amortizations, and results for the impairment and sale of assets of the different companies accounted for in the consolidation perimeter, multiplied by the shareholding percentage held in each one of them.
- "EBIT": Net result before financial results and taxes (operating result), multiplied by the shareholding percentage in each one of them.
- Operating Cash Flow": Net cash flows from ordinary activities, minus the paid financial expenses and adding the collected financial income of the different companies included in the consolidation perimeter, multiplied by the shareholding percentage in each one of them.
- "CAPEX": Additions in property, plant and equipment, and intangible fixed assets, of the different companies included in the consolidation perimeter, multiplied by the shareholding percentage in each one of them.
- "Net Financial Debt": Financial debt, after subtracting the treasury, temporary financial investments and long-term deposits, multiplied by the shareholding percentage in each one of them. Cash surpluses are indicated with a negative sign.
- "Volume": Physical units that have been sold of portland cement and ready-mix concrete from companies included in the consolidation perimeter (without withdrawing internal sales), multiplied by the shareholding percentage in each one of them.
- "Comparable variation %": It considers the variation that the indicator would have reported at constant currencies, without hyperinflation adjustment in Argentina (IAS 29), and with same consolidation's scope.