2022 | 2Q Results

Landscape furniture Binocular by Escofet at Haarlemmermeer, Netherlands

CEMENTOS MOLINS

Legal Note

The English version is only a translation, for information purposes, of the original in Spanish. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the Spanish original shall prevail. This document may contain forward-looking statements regarding intentions, expectations or forecasts about Cementos Molins. These statements may include financial projections and estimates with assumptions, statements regarding plans, objectives and expectations that may relate to various subjects, among others, the customer base and its evolution, growth in the different business lines and the global business, possible purchases, divestitures or other operations, the Company's results and other aspects of its activity and position.

The forward-looking statements or predictions contained in this document can be identified, in some cases, by the use of words such as “expectation”, “anticipation”, “purpose”, “belief” or similar terms, or their corresponding negative form, or by the very prediction nature of those issues relating to strategies, plans or intentions. These forward-looking statements or predictions reflect the views of Cementos Molins regarding future events. By their very nature, they do not imply guarantees of a future fulfilment, and they are conditioned by risks and uncertainties that could cause the developments and results to significantly differ from those stated in these intentions, expectations or predictions. Among such risks and uncertainties, we can find those identified in the documents that contain detailed information and that were filed by Cementos Molins with different supervisory bodies of the securities market in which it lists its shares and, in particular, with the Spanish National Securities Market Commission (CNMV).

The information set out in this document should be taken into account by all those persons or entities that may have to buy or sell, develop or disseminate opinions relating to securities issued by the Company and, in particular, by analysts and investors.

Except as required by applicable law, Cementos Molins undertakes no obligation to publicly update the result of any revision that it may perform regarding these statements to conform them to events or circumstances subsequent to this document, including, among others, changes in the Company's business, its business development strategy or any other possible supervening circumstances.

This document may contain abbreviated financial information or unaudited information. The information contained herein should be read in conjunction with, and is subject to, all available public information about the Company, including, where appropriate, other documents issued by the Company that contain detailed information.

Finally, neither this document nor anything contained herein constitutes an offer to buy, sell or exchange, or a solicitation of an offer to buy, sell or exchange any securities, or a recommendation or advice in respect of any securities.

Strong performance in a global environment of big complexity and uncertainty

Proportional criteria

- Slowdown of economic growth, relevant costs inflation, and disruptions in supply chains.
- Volume decline: continues the strong activity in South America which does not fully offset market declines in Mexico and Spain.
- **Sales of € 608M, up 35% 1HY 2021**, boosted by contribution of acquisitions (LFL +12%). Sales 2T of € 334M.

- **EBITDA increased by 6% to € 132M** due to contribution of non-European markets and the acquisitions completed in 2021 (LFL +4%).
- **Positive impact of efficiency plans, selling price increases, and exchange rate,** mitigating the high costs inflation, except in Europe. EBITDA margin reaches 22% in 1HY 2022.

- **Net Profit reached € 57M, same as 1HY 2021**, with a lower impact from hyperinflation in Argentina and a positive exchange rate effect.
- Net Financial Debt decreases during the semester to € 158M, reaching a **multiple NFD/EBITDA of 0.6x**.

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

Complex environment and with significant costs inflation

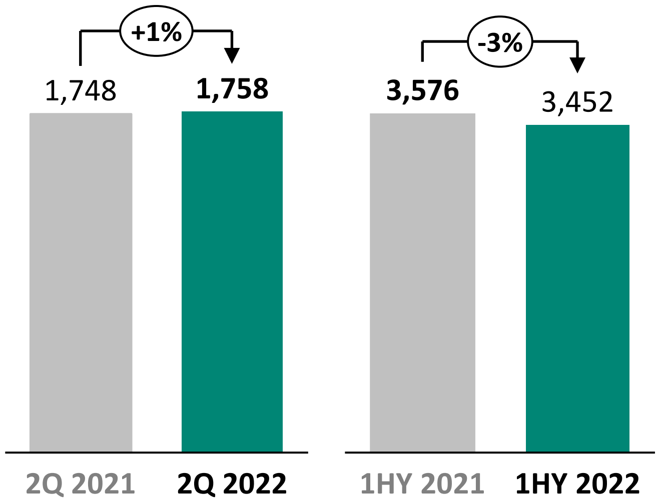
2Q 2022	2Q 2021	% var.	% LFL [1]	Proportional criterion in €M	1HY 2022	1HY 2021	% var.	% LFL [1]
334	228	+46%	+20%	Sales	608	452	+35%	+12%
74	62	+18%	+4%	EBITDA	132	124	+6%	-4%
22,1%	27,3%	-5,2	-3,6	EBITDA Margin	21,8%	27,6%	-5,8	-3,8
56	47	+17%	+7%	EBIT	97	95	+2%	-3%
35	23	+50%	+10%	Net Result	57	57	0%	-14%
0,53	0,35	+50%		EPS (€)	0,86	0,86	0%	
158	9	--	--	Net Financial Debt	158	9	--	--

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

Continue the growth in South America and the slowdown in Spain and Mexico

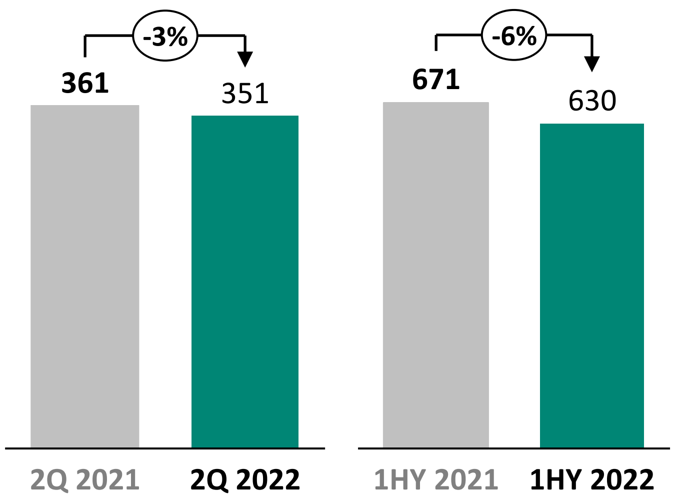
Proportional criteria

VOLUME PORTLAND CEMENT (Th. t)



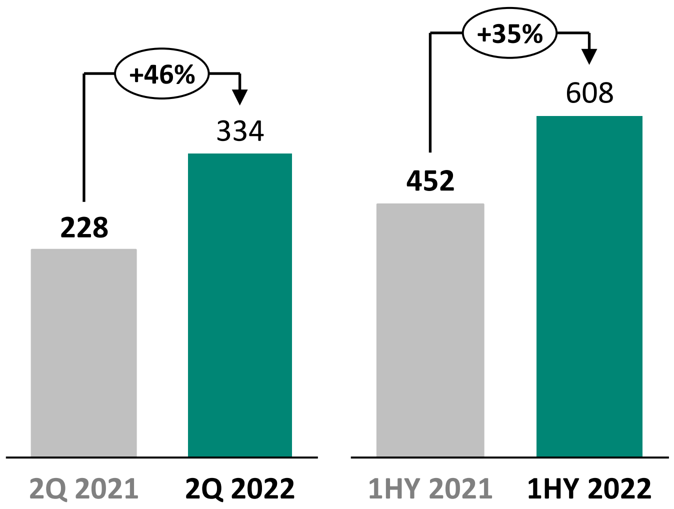
- The activity slowdown of previous quarter continues in most markets.
- Growth in South America.

VOLUME READY-MIX CONCRETE (Th. m³)



- Continues the slowdown started in 4Q 2021.
- Slowdown of public works tenders.

SALES (€M)



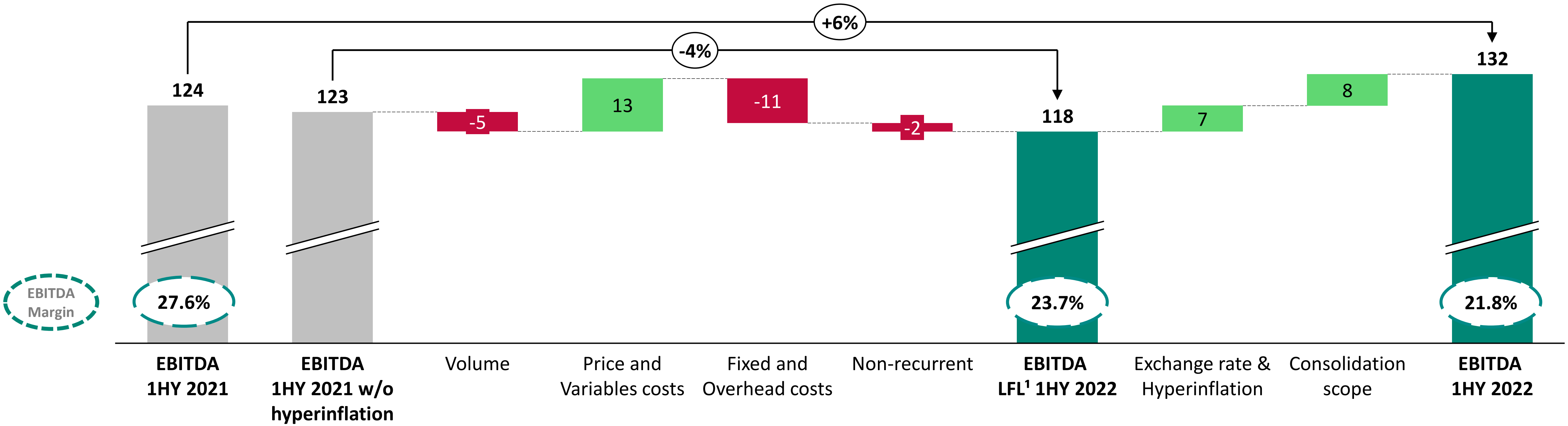
- Sales up 35% driven by new acquisitions and higher activity in South America (LFL +12%).
- Increase in selling prices to offset costs inflation.

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

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

Proportional criteria
Figures in €M

- EBITDA like-for-like[1] decreased by 4%: negative impact of volume and costs inflation, partly offset by price increases and positive contribution of operational efficiency plans.
- EBITDA Margin increased over previous quarter to 21.8%, lower than last year due to relevant costs inflation and the change in business mix due to 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 criteria
Figures in €M

On a like-for-like basis, sales increased by 12% and EBITDA decreased by 4% (constant currencies, without hyperinflation, and same consolidation's scope).

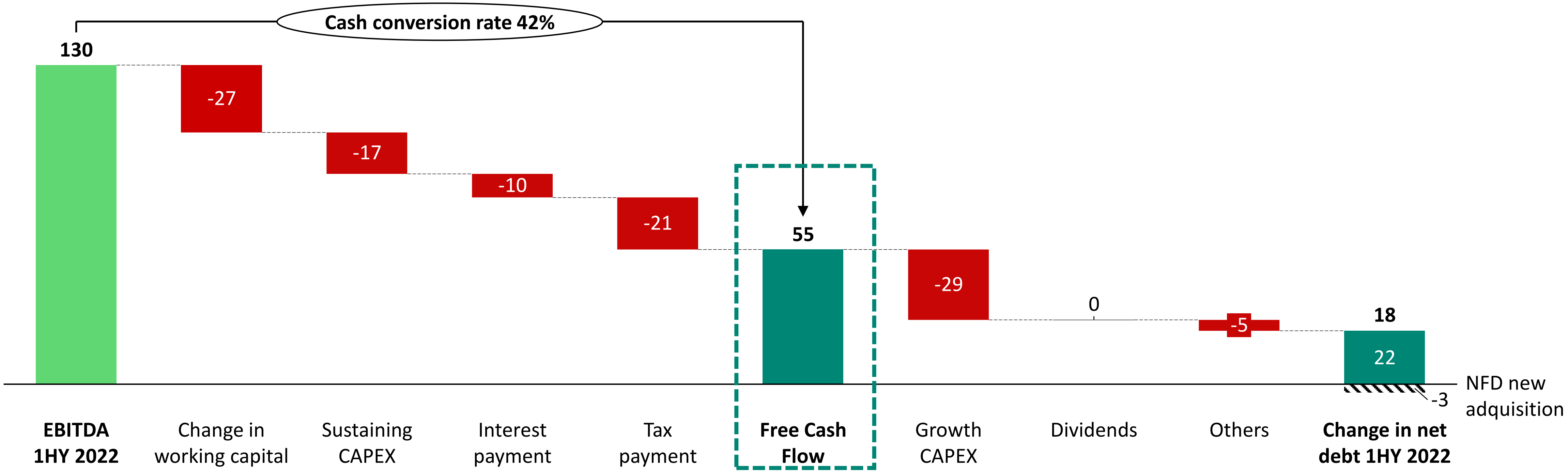
	VENTAS				EBITDA			
	1HY 2022	1HY 2021	% var.	% LFL [1]	1HY 2022	1HY 2021	% var.	% LFL [1]
Europe	253	146	73%	10%	30	22	34%	0%
Mexico	120	112	7%	-4%	51	50	1%	-9%
South America	170	129	32%	35%	47	43	10%	13%
Asia and North Africa	65	64	1%	-3%	15	17	-9%	-13%
Corporate and Others	-	-	-	-	-8	-7	-	-
Non-recurrent	-	-	-	-	-2	0	-	-
Total	**608**	**452**	**35%**	**12%**	**132**	**124**	**6%**	**-4%**

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

Cash flow generation with cash conversion rate of 42%

Proportional criteria
Figures in €M

- Cash flow generation of € 55M in 1HY 2022.
- Working capital increase due to cost inflation and investment to build up stocks to offset supply chain disruptions.

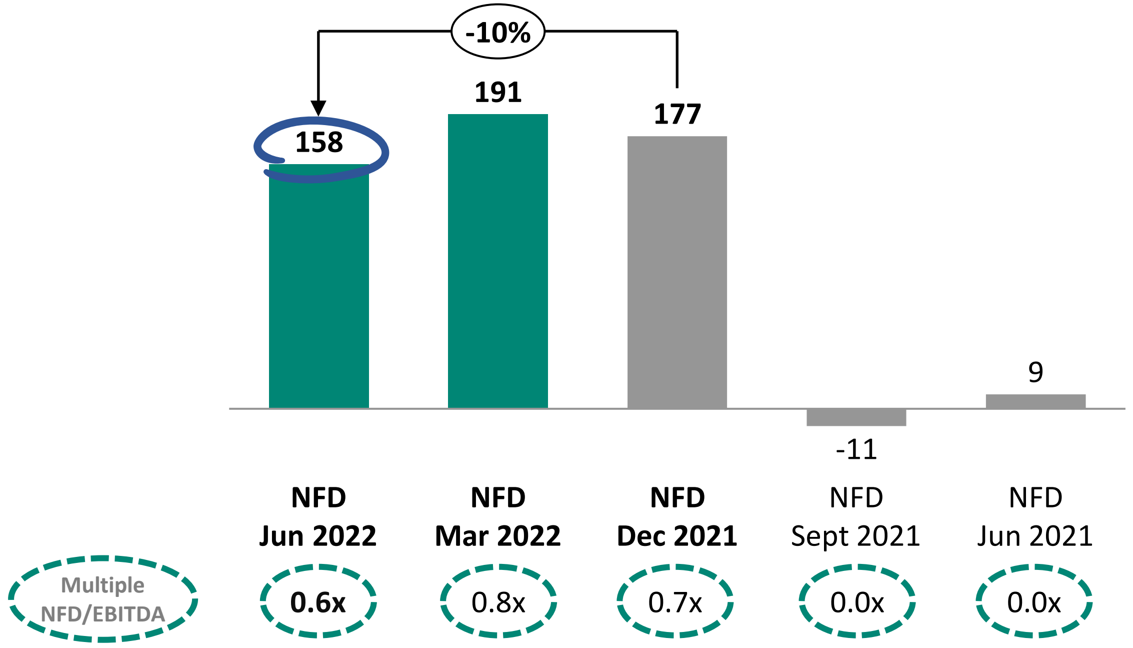


Solid financial position to continue growing with new opportunities

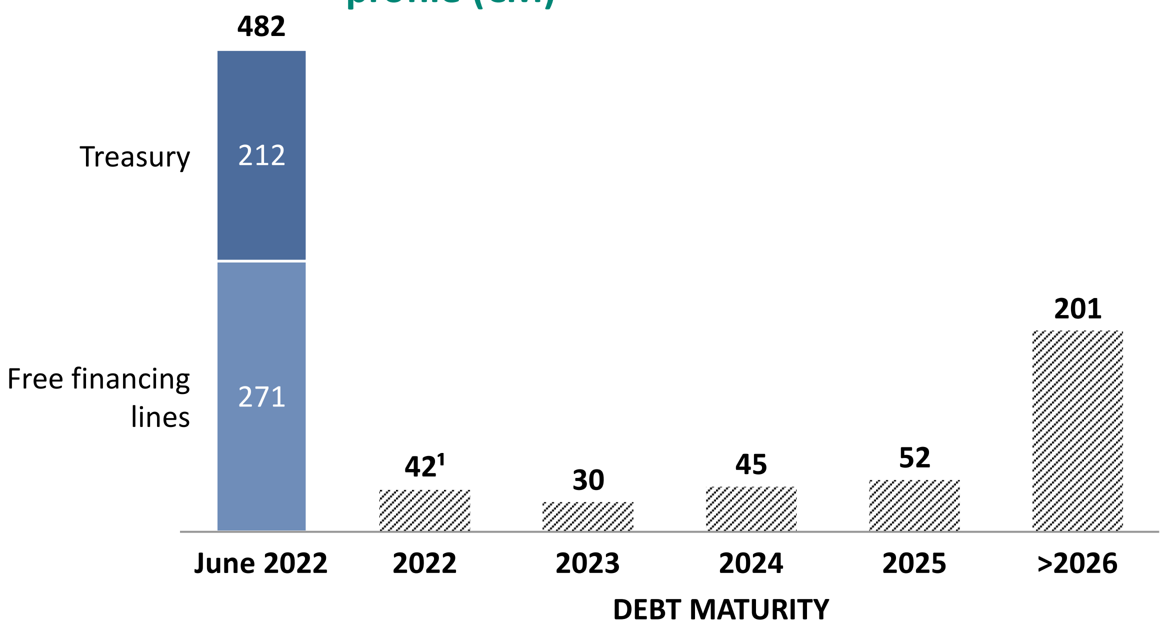
Proportional criteria

- Multiple NFD/EBITDA decreased to 0.6x.
- 52% of debt denominated in EUR currency and 53% of treasury denominated in USD and EUR currencies.
- Financing lines amounting to € 641M (58% consumed). 62% with maturity after 2026.

NET FINANCIAL DEBT (€M)



Liquidity margin with balanced debt maturity profile (€M)



[1] Includes revolving comercial paper.

Organic growth
Expansion of aggregates business in Bangladesh

- Bangladesh's demand for clear-sized quality aggregates is constantly increasing.
- Development of the aggregates business with third parties with a two-phase execution.
- First phase successfully completed in 2021, with a new plant in Chhatak with production capacity for third parties up to 650 thousand tones of aggregates.
- Expansion of capacity in 2022 and 2023 to 1,100 thousand tones.

Organic growth
Start of ready-mix concrete business in Colombia

- Enhancement of the integrated business model in Colombia with the brand ALION, in the third year of cement operations, with more than one million tones of cement supplied in 2021.
- Start of production of the first ready-mix concrete plant of a total of three to be built in the Antioquia region.
- Ready-mix concrete solutions of high-quality standards and with designs and technical processes that reduce the environmental impact, through water reuse in the production process and a low emissions fleet of natural gas vehicles.

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€)

	30/06/2022				31/12/2021			
	Proportional method	Cos. accounted for via equity method	Cos. accounted for via full consolidation	**EU-IFRS application**	**Proportional method**	Cos. accounted for via equity method	Cos. accounted for via full consolidation method	**EU-IFRS application**
ASSETS								
Intangible Assets	224,9	(14,5)	0,5	210,9	167,4	(13,7)	0,7	154,4
Fixed assets	838,2	(340,4)	201,3	699,1	780,5	(315,9)	175,0	639,6
Right-of-use Assets	18,3	(2,1)	1,4	17,6	15,4	(2,2)	1,4	14,6
Financial Fixed Assets	5,3	(1,4)	2,2	6,1	7,4	(3,1)	2,2	6,5
Companies accounted for via equity method	-	404,6	0,9	405,5	-	364,8	0,9	365,7
Goodwill	138,7	(30,4)	(0,6)	107,7	124,5	(29,4)	(0,9)	94,2
Other non-current assets	44,4	(9,7)	1,2	35,9	42,5	(8,3)	0,8	35,0
NON-CURRENT ASSETS	**1.269,8**	**6,1**	**206,9**	**1.482,8**	**1.137,7**	**(7,8)**	**180,1**	**1.310,0**
Stocks	189,5	(47,6)	38,6	180,5	154,8	(37,3)	30,0	147,5
Trade debtors and others	230,6	(55,1)	29,1	204,6	237,3	(62,4)	27,6	202,5
Temporary financial investments	5,7	(3,7)	2,5	4,5	21,8	(19,0)	2,6	5,4
Cash and equivalents	205,9	(123,9)	7,5	89,5	184,5	(98,8)	10,5	96,2
CURRENT ASSETS	**631,7**	**(230,3)**	**77,7**	**479,1**	**598,4**	**(217,5)**	**70,7**	**451,6**
TOTAL ASSETS	**1.901,5**	**(224,2)**	**284,6**	**1.961,9**	**1.736,0**	**(225,3)**	**250,8**	**1.761,4**
NET EQUITY AND LIABILITIES								
Net equity attributed to the Company Parent Co.	1.011,0	-	-	1.011,0	918,7	-	-	918,7
Net equity from minority shareholders	-	(0,1)	150,2	150,1	-	(0,1)	124,2	124,1
TOTAL NET EQUITY	**1.011,0**	**(0,1)**	**150,2**	**1.161,1**	**918,7**	**(0,1)**	**124,2**	**1.042,8**
Non-current financial debt	318,4	(100,1)	26,6	244,9	323,6	(96,7)	31,5	258,4
Other non-current liabilities	196,9	(15,5)	39,0	220,4	124,8	(16,0)	29,6	138,4
NON-CURRENT LIABILITIES	**515,3**	**(115,6)**	**65,6**	**465,3**	**448,4**	**(112,7)**	**61,1**	**396,8**
Current financial debt	69,6	(10,0)	10,4	70,0	59,6	(10,3)	9,7	59,0
Other current liabilities	305,6	(98,5)	58,4	265,5	309,2	(102,2)	55,8	262,8
CURRENT LIABILITIES	**375,2**	**(108,5)**	**68,8**	**335,5**	**368,8**	**(112,5)**	**65,5**	**321,8**
TOTAL NET EQUITY AND LIABILITIES	**1.901,5**	**(224,2)**	**284,6**	**1.961,9**	**1.735,9**	**(225,3)**	**250,8**	**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€	2Q 2022 Proportional method	2Q 2022 Adjustment Cos. accounted for via equity method	2Q 2022 Adjustment Cos. accounted for via full consolidation method	2Q 2022 EU-IFRS application	2Q 2021 Proportional method	2Q 2021 Adjustment Cos. accounted for via equity method	2Q 2021 Adjustment Cos. accounted for via full consolidation method	2Q 2021 EU-IFRS application
Income	**608,3**	**(214,7)**	**122,5**	**516,1**	**451,7**	**(197,3)**	**90,5**	**344,9**
EBITDA	**132,4**	**(75,2)**	**32,7**	**89,9**	**124,4**	**(73,6)**	**29,1**	**79,9**
Amortizations	(37,8)	12,6	(9,3)	(34,5)	(29,4)	11,3	(7,3)	(25,4)
Results for impairment/sale of assets	2,1	(1,9)	0,1	0,3	0,1	-	-	0,1
Operating result	**96,7**	**(64,5)**	**23,5**	**55,7**	**95,1**	**(62,3)**	**21,8**	**54,6**
Financial results	(10,4)	2,4	(1,3)	(9,3)	(7,6)	2,4	(3,4)	(8,6)
Results Cos. equity method	-	45,6	-	45,6	-	45,3	-	45,3
Results before tax	**86,2**	**(16,5)**	**22,2**	**91,9**	**87,4**	**(14,6)**	**18,4**	**91,2**
Taxes	(29,3)	16,5	(11,7)	(24,5)	(30,8)	14,6	(12,9)	(29,1)
Minority	-	-	(10,4)	(10,4)	-	-	(5,6)	(5,6)
Net Income	**56,9**	**-**	**-**	**56,9**	**56,6**	**-**	**-**	**56,6**

Conciliation consolidated Net Financial Debt

(M€)	30/06/2022 *Proportional method*	30/06/2022 *Cos. accounted for via equity method*	30/06/2022 *Cos. accounted for via full consolidation*	30/06/2022 *EU-IFRS application*	31/12/2021 *Proportional method*	31/12/2021 *Cos. accounted for via equity method*	31/12/2021 *Cos. accounted for via full consolidation method*	31/12/2021 *EU-IFRS application*
Financial liabilities	370,1	(110,1)	36,9	296,9	383,2	(107,1)	41,0	317,1
Current financial liabilities	51,7	(9,9)	10,4	52,2	59,6	(10,2)	9,6	58,9
Non-current financial liabilities	318,4	(100,0)	26,6	244,9	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	(5,6)	3,7	(2,5)	(4,4)	(21,8)	19,0	(2,6)	(5,4)
Cash and equivalent liquid assets	(205,9)	123,9	(7,5)	(89,5)	(184,5)	98,8	(10,4)	(96,1)
NET FINANCIAL DEBT	**158,4**	**17,6**	**27,1**	**203,2**	**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 "2Q 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.