

Zug | 22 April 2022

Ad Hoc Announcement Pursuant to Art. 53 of the SIX Exchange Regulation Listing Rules

Record start to the year

- **Record Net Sales of CHF 6,440m, total growth of +20.1% in Swiss francs, driven by strong demand, acquisitions and pricing**
- **Record Recurring EBIT of CHF 614m, total growth of +16.3% in Swiss francs**
- **Strong contribution from Roofing business with 17% Recurring EBIT margin**
- **Successful closing of Malarkey acquisition and 4 bolt-on acquisitions**
- **Upgrade by Standard & Poor's to BBB+**
- **Launch of industry-first Climate Report**
- **Outlook 2022 upgraded, Net Sales growth of at least 8% LFL and at least 10% in Swiss francs**

Performance overview

Group Q1 (in million CHF)	2022	2021	±%	±%LFL
Net Sales	6,440	5,362	+20.1	+11.4
Recurring EBIT	614	528	+16.3	+2.1

Jan Jenisch, CEO: "I would like to thank all members of the Holcim family for their remarkable resilience as we navigate challenging times, from the pandemic to geopolitical uncertainty. I am extremely proud of how our teams are keeping our people and operations safe, while going above and beyond to stand by our communities.

"I am very encouraged by the record start of the year, setting a solid foundation to our 'Strategy 2025 – Accelerating Green Growth'. In the first quarter, we achieved Net Sales growth of 20% and over 16% Recurring EBIT growth in Swiss francs. Our Roofing business was a strong contributor to this performance with a 17% EBIT margin and the addition of Malarkey Roofing Products as a new growth engine in the highly attractive residential market. We further accelerated our growth with four bolt-on acquisitions in the quarter and ECOPact green concrete reaching 10% of ready-mix sales in March.

"With sustainability at the core of our strategy, we published our first Climate Report, sharing our net-zero journey with 2030 and 2050 targets validated by the Science-Based Targets initiative. A first in

our industry, it reviews our decarbonization actions, from green building solutions, all the way to circular construction and next generation technologies.”

During the first quarter, as human tragedy unfolded across Eastern Europe, Holcim’s number one priority remained the safety, protection and well-being of all its affected colleagues and their families, no matter where they are. The company is actively engaged in supporting humanitarian efforts to alleviate suffering across the region, from providing shelter and essential goods to medical supplies. In March, Holcim announced its decision to initiate the process of divesting its business in Russia in line with the company’s values to operate in the most responsible manner.

Record first quarter with strong contribution from Roofing business

The North America region had an outstanding first quarter. Volumes grew across all business segments, with strong market growth in the US and Canada West and a significant contribution from the newly acquired Roofing business. Order books for 2022 are full with strong growth momentum across all businesses.

The Latin America region continued its strong profitable growth with Argentina, Colombia and El Salvador showing good market growth. To supply growing demand in El Salvador, Holcim opened a new cement production line in this market. Overall, the region showed strong pricing and positive price over cost. Roofing products continued to be rolled out through the Disensa retail network.

The Europe region delivered an outstanding performance with Recurring EBIT margin improvement. Strong pricing allowed the company to contain cost inflation, supported by good market demand in Eastern Europe. Driving cement’s green transformation, Holcim successfully launched the modernization of its Małogoszcz cement plant in Poland and invested in proprietary calcined clay technology in France. Calcined clay is an innovative low emission raw material for its green building solutions.

The Middle East Africa region showed a strong ability to offset cost inflation. Continued strong pricing across the region delivered positive price over cost for the quarter, with good demand in Nigeria, Iraq and Kenya. Decarbonizing its operations, the region delivered a significant increase in usage of alternative fuels.

The Asia Pacific region faced a challenging environment amid cost inflation. An expansion of the aggregates business in China and improved profitability in Australia helped to partially offset softer cement demand in the region. A new production line at the Tikaria plant in India is expected to be supportive of growth going forward.

Accelerating expansion of Solutions & Products

Holcim’s Roofing business was a strong contributor to this quarter’s performance, delivering highly profitable growth at 17% Recurring EBIT margin. Expanding its reach in the attractive residential roofing market, Holcim successfully closed the Malarkey Roofing Products acquisition on 28 February 2022, with projected 2022 Net Sales of USD 600 million.

Holcim continued to expand its aggregates and ready-mix concrete portfolio with four bolt-on acquisitions in the quarter. Further pursuing its ongoing portfolio optimization, Holcim has finalized the divestment of its cement operations in Northern Ireland.

Continued leadership in sustainability

With sustainability at the core of its strategy, Holcim published its first [Climate Report](#), sharing its net-zero journey with 2030 and 2050 targets validated by the Science-Based Targets initiative. A first in its industry, it details Holcim's decarbonization actions, from green building solutions with innovative raw materials like calcined clay and construction & demolition waste, all the way to circular construction. It shares Holcim's focus on next generation technologies such as its portfolio of over 30 Carbon Capture, Utilization and Storage projects and innovation programs cutting across digitalization, energy efficiency and renovation.

Continuing its focus on sustainable construction, ECOPact green concrete represented 10% of ready-mix net sales in March, making good progress towards its objective of reaching 25% by 2025.

In January, Holcim launched the industry's first sustainability-linked bonds in the Swiss franc market, raising a total of CHF 425 million. This represents a significant step toward delivering its strategic goal of linking over 40% of its financing agreements to the company's sustainability goals.

Outlook

Despite volatile market conditions and geopolitical uncertainty, Holcim expects growth momentum to continue in all regions. The record start to the year and the positive demand outlook globally gives Holcim the confidence to upgrade its guidance with:

- Growth in Net Sales of at least 8% LFL and 10% in Swiss francs
- Double-digit Net Sales growth in Solutions & Products to achieve Net Sales of CHF 5 billion
- Accelerated progress towards 2025 sustainability targets
- Positive growth in Recurring EBIT LFL and in Swiss francs
- Free Cash Flow¹ above CHF 3 billion

Group and regional figures

Group Q1	2022	2021	±%	±%LfL
Net sales (CHFm)	6,440	5,362	+20.1	+11.4
Recurring EBIT (CHFm)	614	528	+16.3	+2.1
Sales volumes of cement in mt	46.1	47.3	-2.6	-1.8
Sales volumes of aggregates in mt	51.5	48.5	+6.1	+4.6
Sales volumes of ready-mix concrete in m m ³	10.9	10.1	+8.1	+4.8

¹ after leases

Asia Pacific Q1	2022	2021	±%	±%LFL
Net Sales to external customers (CHFm)	1,514	1,508	+0.4	+2.0
Recurring EBIT (CHFm)	249	303	-17.9	-17.4
Sales volumes of cement in mt	18.0	18.9	-4.7	-4.7
Sales volumes of aggregates in mt	7.5	7.6	-0.6	-0.6
Sales volumes of ready-mix concrete in m m ³	1.9	2.0	-1.7	-1.7

Europe Q1	2022	2021	±%	±%LFL
Net Sales to external customers (CHFm)	1,882	1,643	+14.5	+16.7
Recurring EBIT (CHFm)	74	56	+31.3	+25.6
Sales volumes of cement in mt	9.1	9.1	+0.3	+4.5
Sales volumes of aggregates in mt	26.6	24.4	+9.0	+6.8
Sales volumes of ready-mix concrete in m m ³	4.8	4.5	+6.9	+4.8

Latin America Q1	2022	2021	±%	±%LFL
Net Sales to external customers (CHFm)	682	615	+10.9	+12.3
Recurring EBIT (CHFm)	220	223	-1.3	+0.8
Sales volumes of cement in mt	6.4	6.5	-1.1	-1.1
Sales volumes of aggregates in mt	1.8	1.4	+29.8	+29.8
Sales volumes of ready-mix concrete in m m ³	1.3	1.1	+14.5	+13.6

Middle East Africa Q1	2022	2021	±%	±%LFL
Net Sales to external customers (CHFm)	599	562	+6.6	+16.5
Recurring EBIT (CHFm)	87	87	-0.2	+17.3
Sales volumes of cement in mt	8.9	8.6	+2.7	+1.6
Sales volumes of aggregates in mt	1.0	0.9	+14.2	+14.5
Sales volumes of ready-mix concrete in m m ³	0.9	0.6	+45.8	+15.4

North America Q1	2022	2021	±%	±%LFL
Net Sales to external customers (CHFm)	1,651	913	+80.8	+17.0
Recurring EBIT (CHFm)	68	-53	+229.1	+53.7
Sales volumes of cement in mt	3.9	3.4	+13.6	+13.6
Sales volumes of aggregates in mt	14.6	14.3	+2.0	+0.7
Sales volumes of ready-mix concrete in m m ³	2.0	1.9	+4.9	+3.1

Reconciliation to Group accounts

Reconciling measures of profit and loss to the Holcim Group's consolidated statement of income:

Group Q1 (in million CHF)	2022	2021
Recurring EBITDA	1,164	1,077
Depreciation of right-of-use assets	-90	-84
Recurring EBITDA after leases	1,074	993
Depreciation and amortization of property, plant and equipment, intangible and long-term assets	-460	-465
Recurring EBIT	614	528
Restructuring, litigation and other non-recurring costs	-41	-40
Impairment of operating assets	0	-4
Operating profit	574	484

Additional information

As announced in March 2022, Holcim has initiated the process to exit the Russian market. Effective from 1 March 2022, Russia is excluded from Holcim's main business performance indicators.

Non-GAAP definitions

Some non-GAAP measures are used in this release to help describe the performance of Holcim. A full set of these non-GAAP definitions can be found on our [website](#).

Analyst presentation

The analyst presentation of the Q1 2022 Trading Update is available on www.holcim.com.

Media conference: 09:00 CEST

Analyst conference: 10:00 CEST

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The media conference at 09:00 am CEST and analyst's conference at 10:00 am CEST will be held by phone.

In order to participate in the analyst's conference, please go to <https://www.holcim.com/investors>.

About Holcim

Holcim builds progress for people and the planet. As a global leader in innovative and sustainable building solutions, Holcim is enabling greener cities, smarter infrastructure and improving living standards around the world. With sustainability at the core of its strategy Holcim is becoming a net-zero company, with its people and communities at the heart of its success. The company is driving circular construction as a world leader in recycling to build more with less. Holcim is the company behind some of the world's most trusted brands in the building sector including ACC, Aggregate Industries, Ambuja Cement, Disensa, Firestone Building Products, Geocycle, Holcim, Lafarge and Malarkey Roofing Products. Holcim is 70,000 people around the world who are passionate about building progress for people and the planet through four business segments: Cement, Ready-Mix Concrete, Aggregates and Solutions & Products.

Learn more about Holcim on www.holcim.com, and by following us on [LinkedIn](#) and [Twitter](#).

Important disclaimer – forward-looking statements:

This document contains forward-looking statements. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions and services, their development and potential. Although Holcim believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Holcim, including but not limited to the risks described in Holcim's annual report available on its website (www.holcim.com) and uncertainties related to the market conditions and the implementation of the Group's plans. Accordingly, we caution you against relying on forward-looking statements. Holcim does not undertake to provide updates of these forward-looking statements.

This document contains inside information within the meaning of the Market Abuse Regulation (EU) (No 596/2014).