

2022 | 1Q Results

Jata headquarters building in Tudela (Navarra, Spain)



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Strong performance in a global environment of big complexity and uncertainty

- Slowdown of economic growth, significant 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, with a strong impact by the transport strike.
 - **Sales of € 274M, up 23% 1Q 2021**, boosted by relevant contribution of acquisitions.
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- **EBITDA down 5% to € 59M**; impact of significant costs inflation overall, especially energy, logistic, and raw materials.
 - **Positive impact of efficiency plans and selling price increases** which offset the erosion of margins, reaching a level of 21%.
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- Despite sharp increase in energy prices, **Net Profit reached € 22M, down 34% 1Q 2021**.
 - Net Financial Debt increases to € 190M to finance new acquisitions, reaching a comfortable **multiple NFD/EBITDA of 0.8x**.
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- Great progress execution of our **strategic plan** and reinforce our commitment to sustainability through the new **Roadmap 2030** and the target to supply **carbon-neutral concrete by 2050**.

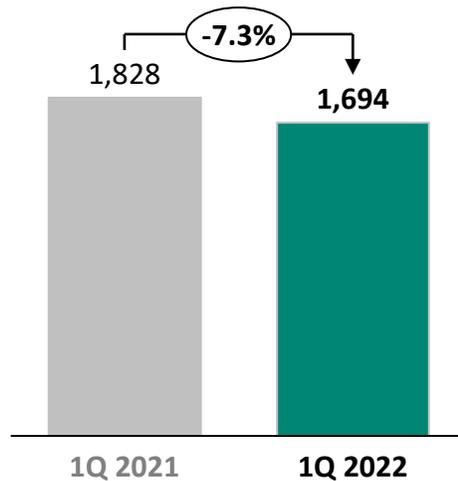
Difficult environment with significant costs inflation

Proportional criteria in €M	1Q 2022	1Q 2021	% var.	% LFL ¹
Sales	274	223	+23%	+4%
EBITDA	59	62	-5%	-11%
EBITDA Margin	21.4%	27.8%	-6.4	-4.0
EBIT	41	48	-14%	-14%
Net Result	22	33	-34%	-30%
EPS (€)	0.33	0.50	-34%	
Net Financial Debt	190	177	+8%	-125%

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

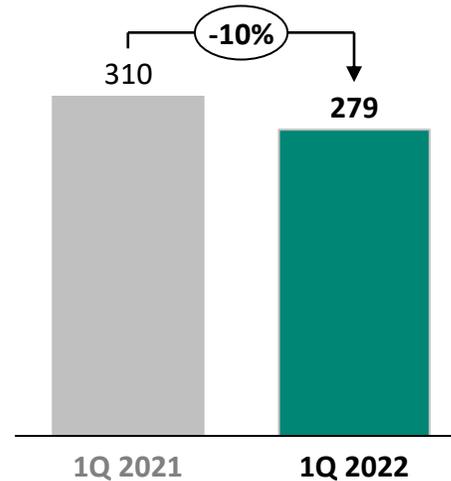
Continue the growth in South America and the slowdown in Spain and Mexico

VOLUME PORTLAND CEMENT (Th. t)



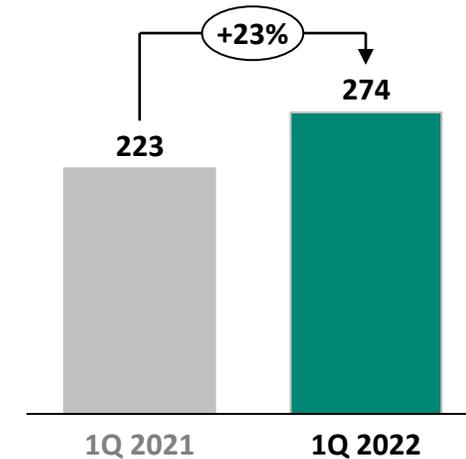
- The activity slowdown of previous quarter continues in most markets.
- Growth in South America.

VOLUME READY-MIX CONCRETE (Th. m³)



- Continues the slowdown started in 4Q 2021.
- Completion of large infrastructure projects in Mexico.

SALES (€M)

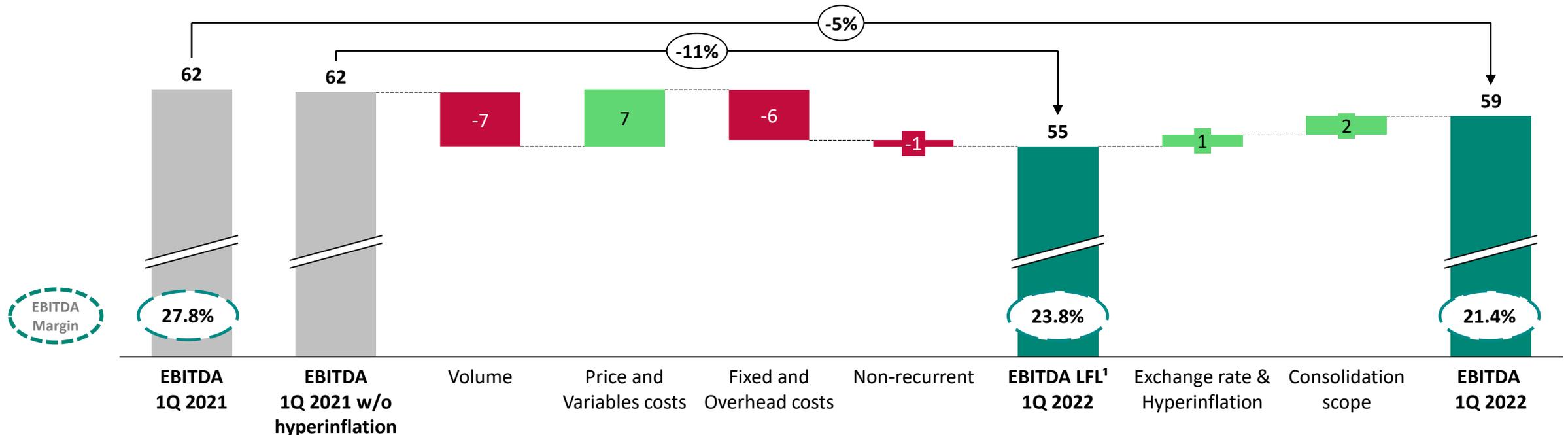


- Sales up 23% driven by new acquisitions and higher activity in South America (LFL +4%).
- Increase in selling prices to offset costs inflation.

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

- EBITDA like-for-like¹ decreased by 11%: negative impact of volume and costs inflation, offset by price increases and positive contribution of operational efficiency plans.
- EBITDA Margin increased over previous quarter to 21.4%, reversing the trend of 3Q and 4Q 2021 despite the significant 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

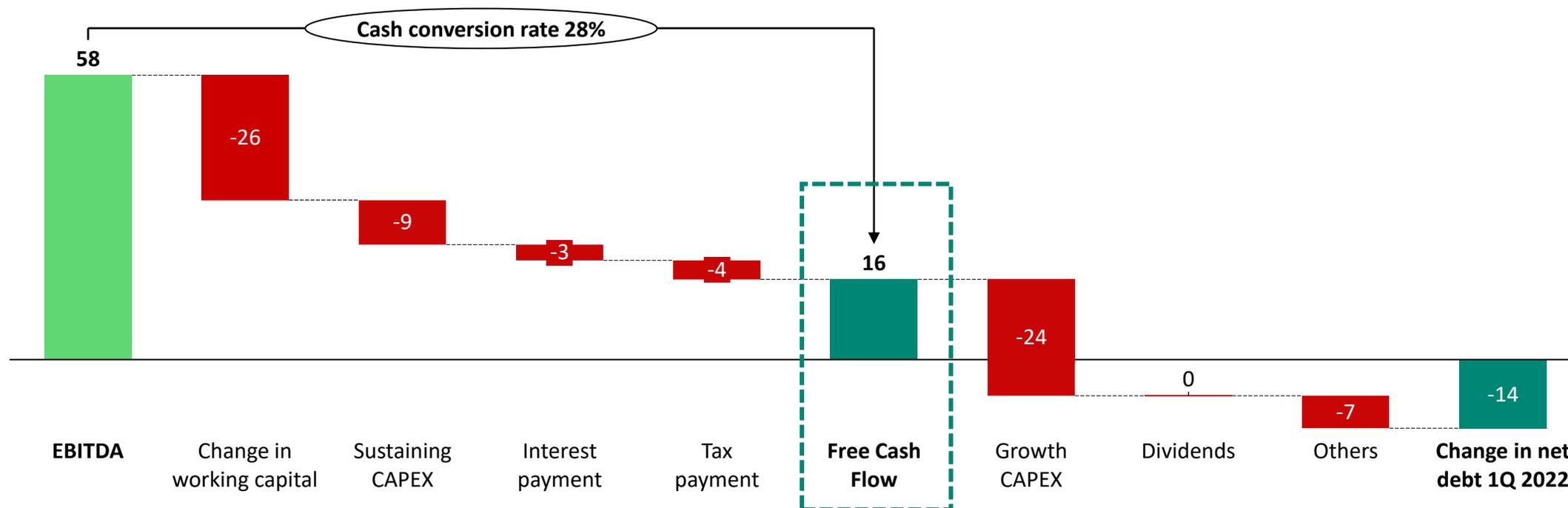
On a like-for-like basis, sales increased by 4% and EBITDA decreased by 11% (constant currencies, without hyperinflation, and same consolidation's scope).

	SALES				EBITDA			
	1Q 2022	1Q 2021	% var.	% LFL ¹	1Q 2022	1Q 2021	% var.	% LFL ¹
Europe	109	72	51%	-5%	10	11	-12%	-33%
Mexico	57	53	6%	-2%	26	24	8%	0%
South America	74	62	19%	27%	22	22	-1%	5%
Asia and North Africa	34	36	-4%	-7%	7	9	-25%	-27%
Corporate and Others	-	-	-	-	-4	-3	-	-
Non-recurrent	-	-	-	-	-1	0	-	-
Total	274	223	23%	4%	59	62	-5%	-11%

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

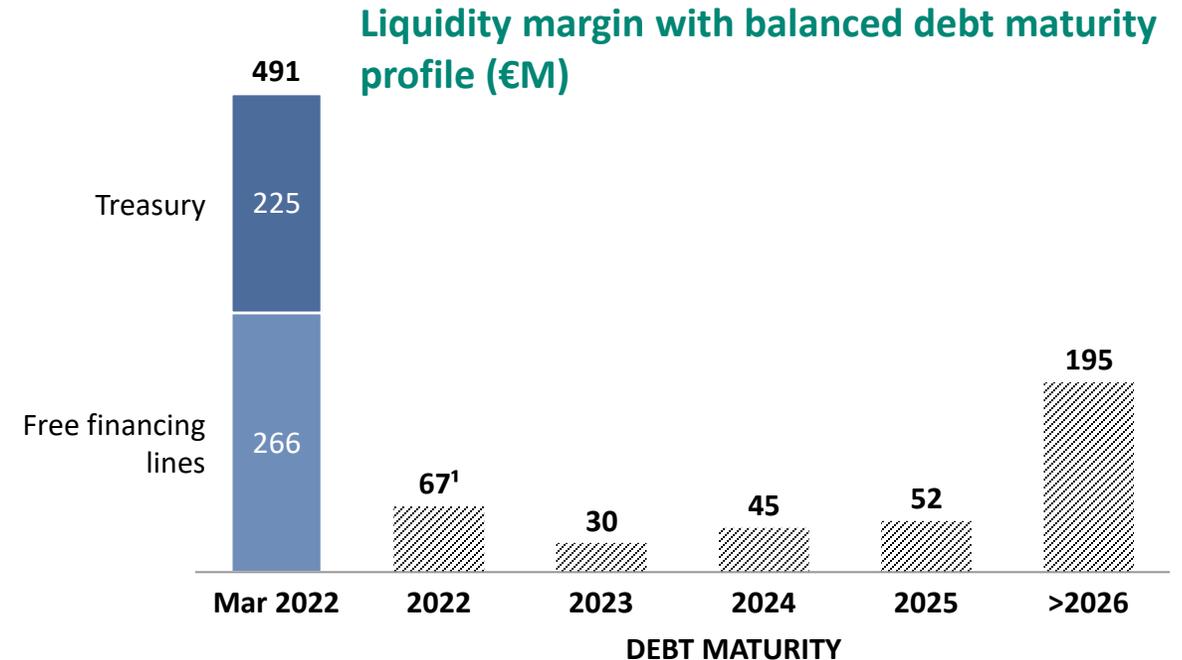
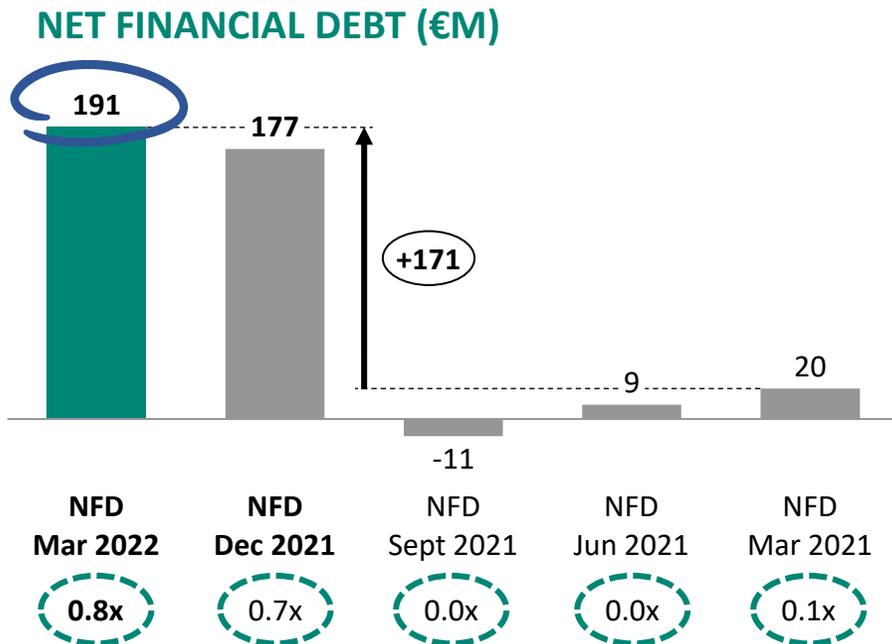
Cash flow generation with cash conversion rate of 28%

- Cash flow generation of € 16M in 1Q 2022.
- Working capital increase due to costs inflation and investment to build up stocks to offset supply chain risks.
- Successful completion of the acquisition of aggregates and ready-mix concrete business of Hanson Hispania in Catalanian, announced in early September, following regulatory approval.



Solid financial position to continue growing with new opportunities

- Multiple NFD/EBITDA reached 0.8x due to acquisitions.
- 55% of debt denominated in EUR currency and 51% of treasury denominated in USD and EUR currencies.
- Financing lines amounting to € 655M (59% consumed). 60% with maturity after 2026.



¹ Includes revolving commercial paper.

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€)

	31/03/2022				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	EU-IFRS application
ASSETS								
Intangible Assets	246,1	(14,4)	0,5	232,2	165,4	(13,7)	0,7	152,4
Fixed assets	822,8	(333,1)	184,8	674,5	775,7	(315,9)	175,0	634,8
Right-of-use Assets	15,1	(2,3)	1,5	14,3	15,6	(2,2)	1,4	14,8
Financial Fixed Assets	7,0	(2,8)	2,3	6,5	7,4	(3,1)	2,2	6,5
Companies accounted for via equity method	-	395,4	0,9	396,3	-	364,8	0,9	365,7
Goodwill	130,0	(30,0)	(0,7)	99,3	130,5	(29,4)	(0,9)	100,3
Other non-current assets	43,7	(9,0)	1,2	35,9	42,5	(8,3)	0,8	35,0
NON-CURRENT ASSETS	1.264,7	3,8	190,5	1.459,0	1.137,1	(7,8)	180,1	1.309,4
Stocks	175,1	(43,3)	35,2	167,0	154,8	(37,3)	30,0	147,5
Trade debtors and others	219,9	(48,8)	31,2	202,3	236,1	(62,4)	27,6	201,3
Temporary financial investments	17,6	(15,3)	2,5	4,8	21,8	(19,0)	2,6	5,4
Cash and equivalents	181,8	(120,6)	8,0	69,2	184,5	(98,8)	10,5	96,2
CURRENT ASSETS	594,4	(228,0)	76,9	443,3	597,2	(217,5)	70,7	450,4
TOTAL ASSETS	1.859,1	(224,2)	267,4	1.902,3	1.734,3	(225,3)	250,8	1.759,8
NET EQUITY AND LIABILITIES								
Net equity attributed to the Company Parent Co.	968,3	-	-	968,3	918,7	-	-	918,7
Net equity from minority shareholders	-	(0,1)	136,8	136,7	-	(0,1)	124,2	124,1
TOTAL NET EQUITY	968,3	(0,1)	136,8	1.105,0	918,7	(0,1)	124,2	1.042,8
Non-current financial debt	320,7	(102,4)	28,9	247,2	323,6	(96,7)	31,5	258,4
Other non-current liabilities	200,2	(15,8)	32,5	216,9	123,2	(16,0)	29,6	136,8
NON-CURRENT LIABILITIES	520,9	(118,2)	61,4	464,1	446,8	(112,7)	61,1	395,2
Current financial debt	72,6	(15,9)	9,9	66,6	59,6	(10,3)	9,7	59,0
Other current liabilities	297,3	(90,0)	59,3	266,6	309,2	(102,2)	55,8	262,8
CURRENT LIABILITIES	369,9	(105,9)	69,2	333,2	368,8	(112,5)	65,5	321,8
TOTAL NET EQUITY AND LIABILITIES	1.859,1	(224,2)	267,4	1.902,3	1.734,3	(225,3)	250,8	1.759,8

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

	1Q 2022				1Q 2021			
	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
Income	274,3	(103,0)	53,3	224,6	223,5	(97,8)	43,7	169,4
EBITDA	58,7	(36,9)	15,2	37,0	62,1	(37,0)	15,1	40,2
Amortizations	(17,9)	6,0	(4,2)	(16,1)	(14,5)	5,6	(3,5)	(12,4)
Results for impairment/sale of assets	0,2	(0,1)	0,1	0,2	(0,0)	-	-	(0,0)
Operating result	41,0	(31,0)	11,1	21,1	47,7	(31,4)	11,6	27,9
Financial results	(6,9)	3,1	(0,6)	(4,4)	(2,0)	0,2	(0,8)	(2,6)
Results Cos. equity method	-	18,9	-	18,9	-	23,5	-	23,5
Results before tax	34,1	(9,0)	10,4	35,5	45,6	(7,5)	10,7	48,8
Taxes	(12,1)	8,8	(3,8)	(7,1)	(12,2)	7,5	(3,5)	(8,2)
Minority	-	-	(6,6)	(6,6)	-	-	(7,2)	(7,2)
Net Income	22,0	-	-	22,0	33,4	-	-	33,4

Conciliation consolidated Net Financial Debt

	31/03/2022				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	EU-IFRS application
Financial liabilities	389,6	(118,3)	38,7	310,0	383,2	(107,1)	41,0	317,1
Current financial liabilities	69,0	(16,0)	9,9	63,0	59,6	(10,2)	9,6	58,9
Non-current financial liabilities	320,7	(102,3)	28,9	247,2	323,6	(96,7)	31,5	258,4
Long term deposits	(0,1)	0,1	-	-	(0,1)	0,1	-	(0,0)
Long term loans group companies	(0,2)	-	0,2	-	(0,2)	-	0,2	-
Short term financial investments	(17,7)	15,3	(2,5)	(4,9)	(21,8)	19,0	(2,6)	(5,4)
Cash and equivalent liquid assets	(181,8)	120,6	(8,0)	(69,2)	(184,5)	98,8	(10,4)	(96,1)
NET FINANCIAL DEBT	189,9	17,8	28,5	236,1	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 “1Q 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.