

Zug | 25 October 2024

Ad hoc announcement pursuant to Art. 53 LR

Record results continue in Q3

- **Record Q3 recurring EBIT of CHF 1,674m, with margin of 23.5% (+170 bps)**
- **Nine-month net sales of CHF 19,933m, up +1.2% in local currency**
- **M&A execution continues with 6 acquisitions in Q3**
- **Accelerated expansion of ECOCycle® with +23% increase in recycled construction demolition materials**
- **On track to achieve full-year 2024 guidance**

Miljan Gutovic, CEO: “I thank all members of the Holcim family for delivering record profitability in Q3. Across all our markets, our teams advanced our sustainable building solutions from ECOPact and ECOPlanet to Elevate, meeting our customers’ most ambitious needs.

“Our Q3 results confirm Holcim’s strong earnings profile, with broad-based growth drivers delivering record recurring EBIT and a record margin. Our disciplined M&A execution has continued with six value-accretive acquisitions to expand Solutions & Products, strengthen our footprint in Europe and grow in attractive Latin American markets.

“With our track record of creating superior value across all market conditions and economic cycles, our resilient business model positions us to deliver another year of record results, executing on our strategic priorities.”

Performance overview Q3

Group Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales (CHFm)	7,120	7,340	-3.0	+0.5	+0.3
Recurring EBIT (CHFm)	1,674	1,600	+4.6	+9.1	+8.8
Recurring EBIT margin (%)	23.5	21.8			

Performance overview 9M

Group 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales (CHFm)	19,933	20,407	-2.3	+1.2	-0.1
Recurring EBIT (CHFm)	3,884	3,643	+6.6	+11.1	+10.8
Recurring EBIT margin (%)	19.5	17.9			

Delivering record profitability

Net sales of CHF 19,933 million in the first nine months were up +1.2% on a local currency basis compared to the prior-year period. Nine-month recurring EBIT grew over-proportionally compared to net sales to a record CHF 3,884 million, with a rise of 11.1% in local currency versus the prior-year period. Holcim's recurring EBIT margin continued to increase in Q3 to a record 23.5%, reaching 19.5% for the first nine months. As a result, Holcim is on track to again deliver industry-leading margins for the full year.

Investing in the most attractive markets

Investing in profitable growth, Holcim made six value-accretive acquisitions during the quarter, reaching 17 for the year to date.

In the U.S., Holcim signed an agreement to acquire OX Engineered Products, a leading U.S. provider of advanced insulation systems that complements its range of building envelope solutions. The acquisition continues the expansion of Holcim's Solutions & Products business into the most attractive construction segments, from roofing and insulation to repair and refurbishment. The transaction, which is synergistic and EPS accretive from year one, is subject to customary conditions and regulatory clearance in the U.S. and is expected to close in the fourth quarter of this year.

In Latin America, Holcim closed three acquisitions to enter the Peruvian market and strengthen its market position in Guatemala. These transactions provide a platform for further expansion in the high-growth region. In Europe, Holcim grew its footprint with the acquisitions of a ready-mix concrete business in Serbia and an aggregates business in France.

Leading in sustainability

Customer demand for Holcim's sustainable building solutions increased in the first nine months. Net sales of Holcim's ECOPact and ECOPlanet accounted for 29% and 25% of their respective segments from 19% in each case in the prior-year period. Holcim accelerated its expansion of its proprietary technology ECOCycle® with a 23% increase in the volume of recycled construction demolition materials in the first nine months compared to the prior-year period.

Holcim was awarded a new European Union Innovation Fund grant for the development of carbon capture and storage technology in Martres-Tolosane, France. This brings to seven Holcim's total number of EU Innovation Fund grants for carbon capture, utilization and storage projects. Holcim has invested in innovative startups to broaden its range of clean construction technologies, from Sublime Systems, with its proprietary electrochemical process, to advanced mineralization startup Paebbl, all the way to 14Trees for 3D printing.

Returning cash to shareholders

Holcim announced a share buyback program of up to CHF 1 billion on 18 March 2024, which is on course to be completed by year-end. By 30 September 2024, 9.4 million shares had been repurchased for CHF 748 million, representing 1.7% of total shares outstanding. Holcim remains committed to a strong investment grade credit rating.

Outlook and guidance

Building on the record performance in Q3, Holcim is on track to achieve its full-year guidance for 2024, with:

- Low single-digit net sales growth in local currency
- Over-proportional growth in recurring EBIT
- Increase in recurring EBIT margin to above 18.5%
- Free cash flow of above CHF 3 billion
- 20% growth in recycled Construction Demolition Materials to 10 million tons
- Progress towards U.S. listing of North American business

The intended listing of Holcim's North American business in the U.S. is on track to be completed in the first half of 2025, with the aim of unlocking a new era of value creation for all stakeholders.

Key Group figures

Group Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales (CHFm)	7,120	7,340	-3.0	+0.5	+0.3
Recurring EBIT (CHFm)	1,674	1,600	+4.6	+9.1	+8.8
Recurring EBIT margin (%)	23.5	21.8			

Group 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales (CHFm)	19,933	20,407	-2.3	+1.2	-0.1
Recurring EBIT (CHFm)	3,884	3,643	+6.6	+11.1	+10.8
Recurring EBIT margin (%)	19.5	17.9			

Group Results by Product Line 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales of Cement (CHFm)	9,921	10,392	-4.5	+0.2	+1.3
Recurring EBIT of Cement (CHFm)	2,671	2,509	+6.4	+11.7	+12.0
Recurring EBIT margin of Cement (%)	26.9	24.1			

Net sales of Aggregates (CHFm)	3,256	3,347	-2.7	-0.8	-1.6
Recurring EBIT of Aggregates (CHFm)	514	493	+4.3	+6.8	+6.3
Recurring EBIT margin of Aggregates (%)	15.8	14.7			

Net sales of Ready-Mix Concrete (CHFm)	4,210	4,509	-6.6	-4.4	-6.4
Recurring EBIT of Ready-Mix Concrete (CHFm)	180	190	-4.9	-2.1	-6.8
Recurring EBIT margin of Ready-Mix Concrete (%)	4.3	4.2			

Net sales of Solutions & Products (CHFm)	4,537	4,250	+6.8	+9.0	+3.1
Recurring EBIT of Solutions & Products (CHFm)	518	451	+14.9	+18.0	+16.6
Recurring EBIT margin of Solutions & Products (%)	11.4	10.6			

Segment performance

North America

North America reached a new level of profitability in the first nine months, with an increase in recurring EBIT margin of 260 basis points to 24.3%. Market fundamentals are strong, with Holcim having secured more than 150 infrastructure projects. North America will continue to drive margin expansion for the full year.

North America Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	1,884	2,027	-7.1	-4.6	-4.6
Recurring EBIT (CHFm)	617	595	+3.7	+6.4	+6.4
Recurring EBIT margin (%)	31.8	28.6			

North America 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	4,797	5,071	-5.4	-2.8	-2.9
Recurring EBIT (CHFm)	1,193	1,123	+6.3	+9.1	+9.3
Recurring EBIT margin (%)	24.3	21.7			

Latin America

Latin America delivered its 17th consecutive quarter of profitable growth, with an outstanding recurring EBIT margin of 35.9% in the first nine months, up 130 basis points. In Q3, Holcim made three highly synergistic acquisitions to expand its footprint. Nearshoring trends across the region are driving infrastructure and commercial investments.

Latin America Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	702	713	-1.5	+6.2	+6.0
Recurring EBIT (CHFm)	258	251	+2.7	+8.9	+8.8
Recurring EBIT margin (%)	36.5	34.9			

Latin America 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	2,149	2,116	+1.6	+2.6	+2.5
Recurring EBIT (CHFm)	776	739	+5.1	+6.4	+6.4
Recurring EBIT margin (%)	35.9	34.6			

Europe

In Europe, sustainability continues to drive profitable growth. Recurring EBIT rose 12.6% in the first nine months in local currency, with the recurring EBIT margin expanding significantly by 220 basis points to 18.3%. In Q3, there were two acquisitions in aggregates and ready-mix. The strong earnings momentum is expected to continue.

Europe Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	1,868	1,858	+0.5	+0.9	-0.4
Recurring EBIT (CHFm)	436	401	+8.7	+9.0	+8.3
Recurring EBIT margin (%)	22.3	20.7			

Europe 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	5,467	5,552	-1.5	-0.4	-2.2
Recurring EBIT (CHFm)	1,042	934	+11.6	+12.6	+11.2
Recurring EBIT margin (%)	18.3	16.1			

Asia, Middle East & Africa

Good market dynamics in Australia and North Africa led to an expansion of recurring EBIT margin to 23.1% in the first nine months. Recurring EBIT in local currency rose by a double-digit percentage both in Q3 and over the first nine months. The strong earnings momentum is expected to continue.

Asia, Middle East & Africa Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	906	968	-6.4	+5.6	+12.7
Recurring EBIT	217	218	-0.3	+14.9	+17.2
Recurring EBIT margin (%)	22.5	21.2			

Asia, Middle East & Africa 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	2,678	3,014	-11.1	+2.0	+5.7
Recurring EBIT	661	678	-2.5	+12.3	+13.6
Recurring EBIT margin (%)	23.1	21.1			

Solutions & Products

Solutions & Products reported the strongest nine-month net sales growth of the segments, driven by roofing systems. Recurring EBIT rose 17.2% on a local currency basis. Holcim has signed an agreement to acquire OX Engineered Products, a leading U.S. provider of advanced insulation systems. The outlook for the full year is positive.

Solutions & Products Q3	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	1,652	1,642	+0.6	+2.2	-0.6
Recurring EBIT (CHFm)	263	247	+6.3	+8.3	+6.2
Recurring EBIT margin (%)	15.8	15.0			

Solutions & Products 9M	2024	2023	±%	±% LC growth	±% organic growth
Net sales to external customers (CHFm)	4,519	4,232	+6.8	+9.1	+3.1
Recurring EBIT (CHFm)	550	481	+14.3	+17.2	+15.2
Recurring EBIT margin (%)	12.1	11.3			

Reconciliation to Group accounts

Reconciling measures of profit and loss:

Million CHF	9M 2024 Unaudited	9M 2023 Unaudited
Recurring EBIT	3,884	3,643
Depreciation and amortization	1,202	1,185
Recurring EBITDA after leases	5,085	4,829
Depreciation of right-of-use assets	286	266
Recurring EBITDA	5,371	5,095

Additional information

Alternative Performance definitions

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

Analyst presentation

The analyst presentation of the Q3 2024 Trading Update is available on www.holcim.com.

Media webcast: 09:00am CEST **Analyst webcast:** 10:00am CEST

In order to participate in the analysts webcast, please register [here](#).

About Holcim

Holcim is a global leader in innovative and sustainable building solutions with net sales of CHF 27.0 billion in 2023. Our 63,448 employees are driven by our purpose to build progress for people and the planet across our regions to improve living standards for all. We partner with our customers to offer the broadest range of advanced solutions, from sustainable building materials ECOPact and ECOPlanet, to our circular technology ECOCycle®, all the way to Elevate's advanced roofing and insulation systems.

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

Sign up for Holcim's Building Progress newsletter [here](#) and follow our journey to a net-zero future.

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 the Holcim's annual report available on its website (www.holcim.com) and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward-looking statements. Holcim does not undertake to provide updates of these forward-looking statements.