

Zug | 25 April 2024

Ad hoc announcement pursuant to Art. 53 LR

Strong start to the year

- Net Sales of CHF 5,586 million, up +3.4% in local currency
- Over-proportional growth in recurring EBIT of +17.1% in local currency and +7.8% in Swiss franc
- Profitable growth continues in 2024 with recurring EBIT margin expansion of +0.9 percentage points
- Strong contribution from Solutions & Products, roofing sales up +67% in local currency
- Continued M&A execution with five acquisitions and four divestments
- Guidance 2024 confirmed

Performance overview

Group Q1	2024	2023	±%	±% local currency ¹	±% organic growth
Net sales (CHFm)	5,586	5,725	-2.4	+3.4	0.0
Recurring EBIT (CHFm)	532	493	+7.8	+17.1	+16.3

Jan Jenisch, Chairman and CEO: “I thank all members of the Holcim family for driving the strong start to the year. This quarter’s performance, with a significant contribution from Solutions & Products, demonstrates the strength of our market-leading positions.

“In Q1 2024, we delivered over-proportional recurring EBIT growth of 17.1% in local currency, which more than offset the strength of the Swiss franc. We continued to execute value-accretive transactions, making five acquisitions and closing four divestments, with net M&A adding more than 3% to our net sales in the first quarter. With the further expansion of our industry-leading recurring EBIT margin, I confidently confirm our full-year guidance for 2024.”

“During the quarter, we accelerated our advanced branded solutions, with ECOPact and ECOPlanet reaching 26% of total ready-mix and cement sales, respectively. Advancing climate action, we reduced CO₂ per net sales by a further 5% year-on-year and hosted the groundbreaking of our carbon capture and utilization project with our partners in Germany.”

¹ Growth in local currency factors in organic growth and acquisitions and divestments by excluding foreign exchange.

Strong performance

North America delivered margin expansion with a 3.9% increase in local currency recurring EBIT driven by strong underlying market demand. While Q1 was impacted by fewer shipping days and adverse weather conditions, strong performance is expected to continue in 2024.

In Latin America, Holcim achieved record Q1 net sales and recurring EBIT, along with a strong margin expansion to above 36%. The nearshoring trend in Mexico accelerated during the quarter and the region has a strong pipeline of infrastructure projects ahead.

Europe delivered double-digit Q1 recurring EBIT growth, with an increase in the recurring EBIT margin of 1.5 percentage points - the sixth consecutive quarter of margin improvement. The strong results are set to continue.

In Asia Middle East & Africa, profitable growth in local currency continued with an expansion in recurring EBIT margin of 1.7 percentage points. The region recorded a significant increase in alternative fuels usage, advancing decarbonization.

Solutions & Products posted strong results, with recurring EBIT more than doubling versus the prior year period and margin expansion of 2 percentage points. Growth in net sales was mainly driven by roofing, with normalization of demand after destocking. Sales in roofing were up 67% in local currency, of which 38% came from organic growth and 22% from the acquisition of Duro-Last.

Growing in the most attractive markets

Holcim continued its M&A execution during the quarter, making five acquisitions of family-owned businesses and closing four divestments.

In Solutions & Products, Holcim acquired ZinCo, a global leader in advanced green roofing systems based in Germany, and Tensolite, a leading manufacturer of innovative precast and pre-stressed concrete construction systems with a strong presence in fast-growing Latin American markets.

Holcim made three acquisitions in aggregates, ready-mix and construction demolition materials, while closing the divestments of Russia, South Africa, Tanzania, and Uganda.

Accelerating advanced branded solutions

In Q1, net sales of Holcim's low-carbon ECOPact concrete accounted for 26% of ready-mix sales, and net sales of low-carbon ECOPlanet cement represented 26% of cement sales, up significantly from 16% in each case in the prior year period. State-of-the-art production of high-performance insulation boards ramped up at Holcim's new Salt Lake City plant, increasing capacity in the region.

Leading in sustainability, Holcim reduced CO₂ per net sales by 5% year-on-year. Holcim this month hosted the groundbreaking of its carbon capture and utilization project in Lägerdorf, Germany, designed to capture and utilize 1.2 million tons of CO₂ per year by 2029.

Outlook and guidance 2024

Following continued margin expansion in Q1, Holcim confirms its outlook for the year, with:

- Organic net sales growth of above 4%, additional growth from M&A of above 2%
- Over-proportional growth in recurring EBIT
- Increase in recurring EBIT margin to 18%
- Free cash flow of above CHF 3 billion
- 20% growth in recycled Construction Demolition Materials to 10 million tons
- Progress towards US listing of North American business

Holcim launched its previously announced share buyback on 18 March 2024 to purchase up to CHF 1 billion until year-end. It remains committed to a strong investment grade credit rating.

Group and segment figures

Group Q1	2024	2023	±%	local currency	±% organic growth
Net sales (CHFm)	5,586	5,725	-2.4	+3.4	0.0
Recurring EBIT (CHFm)	532	493	+7.8	+17.1	+16.3
North America Q1	2024	2023	±%	local currency	±% organic growth
Net sales to external customers (CHFm)	1,134	1,203	-5.8	-0.3	-0.8
Recurring EBIT (CHFm)	35	36	-1.8	+3.9	+10.0
Latin America Q1	2024	2023	±%	local currency	±% organic growth
Net sales to external customers (CHFm)	691	686	+0.7	-1.3	-1.3
Recurring EBIT (CHFm)	252	243	+3.7	+4.4	+4.4
Europe Q1	2024	2023	±%	local currency	±% organic growth
Net sales to external customers (CHFm)	1,595	1,687	-5.5	-2.3	-4.4
Recurring EBIT (CHFm)	116	97	+19.7	+23.4	+20.2
Asia, Middle East & Africa Q1	2024	2023	±%	local currency	±% organic growth
Net sales to external customers (CHFm)	874	1,016	-14.0	+2.6	+1.5
Recurring EBIT (CHFm)	180	191	-5.9	+12.6	+11.4
Solutions & Products Q1	2024	2023	±%	local currency	±% organic growth
Net sales to external customers (CHFm)	1,190	1,001	+18.8	+24.0	+10.0
Recurring EBIT (CHFm)	56	28	+102.4	+115.4	+113.1

Reconciliation to Group accounts

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

Group Q1 (in million CHF)	2024 (unaudited)	2023 (unaudited)
Recurring EBITDA	1,010	970
Depreciation of right-of-use assets	(91)	(86)
Recurring EBITDA after leases	919	884
Depreciation and amortization of property, plant and equipment, intangible and long-term assets	(387)	(391)
Recurring EBIT	532	493

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 Q1 2024 Trading Update is available on www.holcim.com.

Media conference: 09:00 CEST

Analyst conference: 10:00 CEST

In order to participate in the analysts' conference, please go to www.holcim.com/investors.

About Holcim

Holcim is a global leader in innovative and sustainable building solutions with net sales of CHF 27.0 billion in 2023. Driven by its purpose to build progress for people and the planet, its 63,448 employees are on a mission to decarbonize building, while improving living standards for all. The company empowers its customers across all regions to build better with less, with its broad range of low-carbon and circular solutions, from ECOPact and ECOPlanet to our circular technology platform ECOCycle®. With its innovative systems, from Elevate roofing to PRB insulation, Holcim makes buildings more sustainable in use, driving energy efficiency and green retrofitting. With sustainability at the core of its strategy, Holcim is becoming a net-zero company with 1.5°C targets validated by SBTi.

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.