

HALF-YEAR 2022 REPORT



KEY FIGURES

CHF 14,681m
+12.7%¹

Net sales

H1 2021: CHF 12,556m

CHF 2,173m
+5.7%¹

Recurring EBIT

H1 2021: CHF 1,983m

CHF 2,613m
17.8%³

Net sales Solutions & Products

H1 2021: CHF 1,423m (11.3%³)

CHF 2.14
+49.7%

Earnings per share²

H1 2021: CHF 1.43

¹ Percentage change figures compare half year 2022 and half year 2021 on a like-for-like basis. The non-GAAP measures used in this report are defined on page 36.

² Before impairment and divestments.

³ Net sales Solutions & Products as percentage of Group net sales.

HALF-YEAR 2022

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SHAREHOLDERS' LETTER

DEAR SHAREHOLDERS,

I would like to thank all members of the Holcim family for their continued resilience and outstanding performance in spite of our challenging times. Our teams are going above and beyond to keep our people and communities safe, while firmly leading our decarbonization journey. I am encouraged by how we are engineering scalable Carbon Capture Utilization and Storage technologies, which are receiving innovation grants in the EU to advance their impact.

Our record results, from net sales to Recurring EBIT and earnings per share, are setting solid foundations to deliver our 'Strategy 2025 – Accelerating Green Growth'. This remarkable achievement gives us the confidence to revise our 2022 guidance to at least 10% net sales growth on a like-for-like basis (LFL).

Net sales of CHF 14,681 million for the first half of 2022 were up +16.9% in Swiss francs and +12.7% on a like-for-like basis compared to the prior year. The increase was driven by sales growth in all segments.

Recurring EBIT reached a record CHF 2,173 million for the first half of 2022, up +9.6% in Swiss francs and +5.7% on a like-for-like basis compared to the prior year period. This record result was driven by robust improvement of profitability in the Solutions & Products segment and strong Recurring EBIT margin expansion in North America.

Net income Group share reached CHF 1,157 million, up +38.0% in the first half year compared to the prior year period. Reported Earnings per share reached CHF 1.90, up +39.7%. Earnings per share before impairment and divestments increased by 49.7% to reach CHF 2.14 for the first half of 2022 versus CHF 1.43 for the first half of 2021.

Free Cash Flow after leases was at CHF 275 million in the first half of 2022 versus CHF 814 million in the first half of 2021.

Holcim's balance sheet remained strong and was recognized by credit rating upgrades. Standard & Poor's upgraded Holcim's credit rating to BBB+ in March 2022 and Moody's upgraded Holcim's credit rating to Baa1 in June 2022.

Holcim is making strong progress on its portfolio transformation with the continued expansion of roofing, insulation and specialty building solutions and eight bolt-ons in the first half of 2022. The Solutions & Products segment reached 18% of the Group's total net sales in the first half of 2022, up from 8% for 2020, putting the company on track to reach its strategic goal of 30% of net sales from Solutions & Products by 2025.

Holcim has signed divestments for its businesses in India, Brazil and Zimbabwe with expected proceeds of above USD 7 billion.

Holcim continued to progress in its sustainability ambitions with ECOPact green concrete reaching 10% of Ready-Mix Concrete net sales in the first half of 2022, on its way to delivering the strategic target of 25% of ready-mix sales by 2025. ECOPlanet green cement also achieved significant net sales growth and is now available in 16 markets. Driving circular construction, Holcim recycled 2.9 million tons of construction & demolition waste in its products in the first half of 2022, on track to reach 10 million tons by 2025.

In July, Holcim was selected for two investments from the European Union Innovation Fund for its breakthrough Carbon Capture Utilization and Storage projects in Germany and Poland. In Germany, the EU will support Carbon2Business, which is part of the Westküste 100 project, where carbon captured from Holcim's Lägerdorf plant will be turned into synthetic fuel

for the mobility sector and as feedstock for the chemical industry. The EU is also supporting Holcim's Go4ECOPlanet project in Poland, which aims to create an end-to-end carbon capture and storage chain starting from CO₂ capture from its site in Kujawy to offshore storage in the North Sea, with the vision to be a net-zero plant by 2027.

2022 OUTLOOK

Despite volatile market conditions and geopolitical uncertainty, Holcim expects growth momentum to continue with:

- Growth in net sales of at least 10% LFL, upgraded from 8%, and at least 10% in Swiss francs
- Double-digit net sales growth in Solutions & Products to achieve net sales of above 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



Beat Hess
Chairman



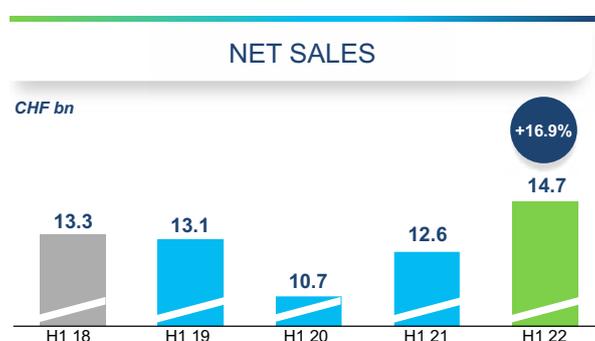
Jan Jenisch
Chief Executive Officer

26 July 2022

¹ after leases (does not include the impact from the divestment of India).

MANAGEMENT DISCUSSION & ANALYSIS 2022

		H1 2022 Unaudited	H1 2021 Unaudited	±%	±% like-for-like
Sales of cement	million t	95.3	99.0	-3.7%	-1.1%
Sales of aggregates	million t	122.7	123.0	-0.3%	-1.2%
Sales of ready-mix concrete	million m ³	23.7	22.1	+7.2%	+4.7%
Net sales	million CHF	14,681	12,556	+16.9%	+12.7%
Recurring Operating costs	million CHF	(11,728)	(9,834)	+19.3%	+14.7%
Recurring EBITDA after leases	million CHF	3,107	2,928	+6.1%	+2.9%
Recurring EBIT	million CHF	2,173	1,983	+9.6%	+5.7%
Recurring EBIT margin	%	14.8	15.8	-1.0pp	
Operating profit (EBIT)	million CHF	2,067	1,794	+15.2%	
Net income Group share	million CHF	1,157	839	+38.0%	
Net income before impairment and divestments Group share	million CHF	1,304	881	+48.0%	
Earnings per share before impairment and divestments	CHF	2.14	1.43	+49.7%	
Cash flow from operating activities	million CHF	1,151	1,457	-21.0%	
Capex	million CHF	695	468	+48.6%	
Free Cash Flow after leases	million CHF	275	814	-66.2%	
Net financial debt	million CHF	13,365	12,438	+7.5%	



PROFITABLE GROWTH CONTINUES WITH RECORD RESULTS

Net sales of CHF 14,681 million for the first half of 2022 were up +16.9% in Swiss francs and +12.7% on a like-for-like basis compared to the prior year. The increase was driven by sales growth in all segments.

Recurring EBIT reached a record CHF 2,173 million for the first half of 2022, up +9.6% in Swiss francs and +5.7% on a like-for-like basis compared to the prior-year period.

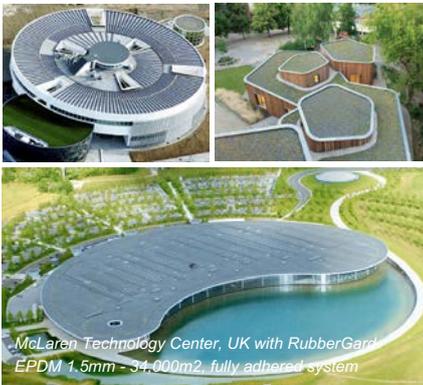
- Accelerated portfolio transformation with India divestment signed; expansion of roofing, insulation and specialty building solutions and 8 bolt-on acquisitions
- Continued double-digit Net sales growth in roofing business and 19% Recurring EBIT margin
- Strong balance sheet with rating upgrades to BBB+ (Standard & Poor's) and Baa1 (Moody's)
- Accelerating green growth and strengthening Holcim's leadership: 2 major projects selected for investments from the EU Innovation Fund
- Net sales guidance for FY 2022 upgraded to at least 10% like-for-like and at least 10% in Swiss francs

STRONG PROGRESS ON PORTFOLIO TRANSFORMATION

FIRESTONE becomes



The market and technology leader in roofing products and systems in the USA



McLaren Technology Center, UK with RubberGuard EPDM 1.5mm - 34,000m2, fully adhered system

MALARKEY ROOFING PRODUCTS



A proven growth engine in the highly profitable and growing US residential roofing market



Architectural Shingles shown in Antique Brown - Victoria, British Columbia, Canada

SES FOAM* (announced on June 22)



Advanced energy-efficiency and bio-based spray foam insulation solutions for new and green retrofitting projects



Spray foam insulation with superior air, moisture and thermal

PRB (closed on May 2)



Biggest independent specialty building solutions business in France; ideally positioned in innovation-driven, premium and high-growth repair and refurbishment market



PTB Compaktuna



A local premium mortar supplier in Belgium. Solutions include adhesives, specialty mortars, additives, finishing, plasters and preparation substrates

CANTILLANA*



One of the leading specialty building solutions providers based in Belgium extensive with experience in façade construction systems and external thermal insulation composite systems

IZOLBET*



One of the leading players in the specialty building solutions market in Poland. Profitable growth engine focused on highly attractive repair and refurbishment market



* Pending closing / subject to merger law approval

HEALTH & SAFETY

In 2022, Holcim's focus is on critical controls management and continuous improvement with more than 26,000 verifications and 6,800 actions taken in the first half of the year, as well as its worker engagement program, "Boots on the Ground." Holcim has made strong progress with continued

implementation of new training, systems and tools across its operations.

At the end of June 2022, Holcim's Lost Time Injury Frequency Rate (LTIFR) remained at "best in class"; representing a decrease of over 60% since Ambition "0" was launched.

Eliminating fatalities in Holcim's operations remains the company's top priority in its journey towards Ambition "0".

CREDIT RATING UPGRADE

Recognizing the Group's solid operating performance in 2021 that continued in the first quarter 2022, Holcim's rating has been upgraded by Moody's to Baa1 outlook stable on 1 June 2022. This followed Standard & Poor's increase in Holcim's rating to BBB+ outlook stable on 25 March 2022.

LIQUIDITY

Holcim has a strong balance sheet and a strong liquidity position. As at the end of the semester, the company had secured liquidity of more than CHF 9 billion in cash and unused committed credit lines.

These strengths were confirmed by Standard & Poor's and Moody's.

The Group also executed successful refinancing during the first half of the year by issuing bonds and Schuldscheins in the total amount of CHF 1.7 billion (for more information see note 15).

SUSTAINABILITY

Climate and Water actions are at the heart of Holcim's financing strategy. In January 2022, Holcim became the first company to launch sustainability linked bonds on the Swiss franc market, linked to its 2025 & 2030 CO₂ scope 1 reduction targets. The two bonds raised CHF 325 million and CHF 100 million, with maturities in 2026 and 2032 respectively at a coupon of 0.375% and 1.00% per annum. In May 2022, Holcim issued its first sustainability-linked *Schuldscheins* based on its climate and water goals and raised EUR 515 million and USD 148 million with maturities between three and ten years at attractive conditions.

Holcim also entered into two innovative partnerships in January – one with Magment, a German startup developing magnetizable concrete, and another with energy company Eni.

The first partnership aims to improve Magment's magnetizable concrete technology for road surfaces that enables electric vehicles to recharge wirelessly while in motion. Known as "inductive charging," this breakthrough concrete-based solution reduces the need for charging stations while saving time. It is made possible by a unique concrete with high magnetic permeability jointly developed by Holcim and Magment's Research & Development teams.

The partnership with Eni aims to advance Holcim's carbon capture

portfolio, repurposing CO₂ from its operations into green cement. Eni is putting its carbon capture and mineralization expertise to work to store CO₂ into olivine, a widely available mineral. Researchers at Holcim's Innovation Center are exploring the use of this carbonated olivine as a new low emission raw material. Holcim and Eni's global operations, combined with olivine's broad availability worldwide, would make this Carbon Capture, Utilization and Storage solution highly scalable and enable the permanent sequestration of CO₂ into building materials.

In February, Holcim kicked off the third edition of its Startup Accelerator Program, challenging startups to accelerate sustainable construction with disruptive solutions. Startups from around the world are invited to apply to one of nine Accelerator challenges, ranging from circular construction to green building solutions. New partners to this year's edition include France-based construction company Bouygues Construction and leading UK engineering consultancy firm Mott MacDonald.

In April, Holcim and Bloomberg Media launched the "Circular Cities Barometer" as part of a new partnership to understand how cities are leading the shift to circular living for a sustainable future. The Barometer scores cities based on the circularity of their buildings, municipal systems,

urban amenities and policies. Its first findings were unveiled at the Bloomberg Green Summit.

In June, Holcim and Habitat for Humanity began their partnership to accelerate access to affordable housing. Together they are deploying an online affordable housing portal to enable low-income families to access finance as well as building materials and solutions in a safe and seamless way. The first project was rolled out in Mexico and is enabling the affordable renovation of 600 homes in the Bajío and Veracruz regions.

In July, Holcim was selected for two investments from the European Union Innovation Fund for its breakthrough Carbon Capture Utilization and Storage projects in Germany and Poland. In Germany, the EU will support Carbon2Business, which is part of the Westküste 100 project, where carbon captured from Holcim's Lägerdorf plant will be turned into synthetic fuel for the mobility sector and as feedstock for the chemical industry. The EU is also supporting Holcim's Go4ECOPlanet project in Poland, which aims to create an end-to-end carbon capture and storage chain starting from CO₂ capture from its site in Kujawy to offshore storage in the North Sea, with the vision to be a net-zero plant by 2027.



*Free Waldorf School, Germany
Built with Elevate's RubberGard EPDM*

BUSINESS REVIEW

ASIA PACIFIC

		H1 2022
Sales of cement	million t	35.3
Sales of aggregates	million t	16.1
Sales of ready-mix concrete	million m ³	4.0
Net sales to external customers	million CHF	3,098
Like-for-like growth	%	+4.0%
Recurring EBITDA after leases	million CHF	678
Like-for-like growth	%	-22.9%
Recurring EBIT	million CHF	525
Like-for-like growth	%	-26.7%

Demand recovery in India and a good order book in Australia helped to partially offset strong cost inflation and negative price over cost. Cement demand was softer in China and the Philippines compared to the first half of 2021. Cement sales volumes were 35.3 million tons which represents a contraction of 1.3 percent versus the first half of 2021 on a like-for-like basis. The Ready-Mix Concrete segment grew sales volumes by 2.8 percent on a like-for-like basis driven by a rebound in the urban areas of India to reach 4.0 million cubic meters. The net sales in Asia Pacific grew 4.0 percent on a like-for-like basis supported by price increases in all key markets.

Accelerated sales of ECOPact in India and Australia and the successful launch of ECOPlanet in the Philippines boosted the sales of green products in the region.

Recurring EBIT for the region fell by 26.7 percent on a like-for-like basis as the price rises could not offset the careful management of cost inflation. The contribution from the share of net income from joint ventures recognized in Recurring EBIT amounted to CHF 126 million compared to CHF 167 million in the first half of 2021.

Holcim announced on 15 May 2022 that it entered into an agreement with the Adani Group to divest its business in India. The divestment is subject to approval from the competition authorities in India. The decision is expected in the second half of 2022.

LATIN AMERICA

		H1 2022
Sales of cement	million t	13.3
Sales of aggregates	million t	3.8
Sales of ready-mix concrete	million m ³	2.7
Net sales to external customers	million CHF	1,464
Like-for-like growth	%	+14.9%
Recurring EBITDA after leases	million CHF	534
Like-for-like growth	%	+7.3%
Recurring EBIT	million CHF	454
Like-for-like growth	%	+6.9%

The Latin America region achieved strong profitable growth with all principal countries delivering double-digit sales growth in the first half of 2022 compared with the same period of 2021. Mexico delivered a solid performance with iconic infrastructure projects boosting growth. Argentina and Colombia performed strongly.

Cement volumes sold in the first half of 2022 stood at 13.3 million tons, decreasing by 0.2 percent on a like-for-like basis. Cement capacity was added in El Salvador with the completion of a new cement production line to supply growing demand. Aggregates volumes sold increased by 32.2 percent compared to the first half of the prior year on a like-for-like basis, mainly due to new operations in El Salvador, Ecuador and Colombia. Disensa continued its expansion across the region adding new stores and expanding the range of roofing system products on offer.

Net sales to external customers increased by 14.9 percent on a like-for-like basis benefiting from strong prices. Recurring EBIT increased by 6.9 percent on a like-for-like basis, with growth in net sales and a strong focus on keeping cost inflation under control, which led to a favorable price over cost. Investment efforts continued to increase the utilization of alternative fuels.

In September 2021, Holcim signed an agreement with CSN (Companhia Siderúrn Nacional) for the divestment of its business in Brazil, subject to approval from the Brazilian competition authority. The decision is expected in the second half of 2022.

EUROPE

		H1 2022
Sales of cement	million t	20.1
Sales of aggregates	million t	56.5
Sales of ready-mix concrete	million m ³	10.1
Net sales to external customers	million CHF	4,223
Like-for-like growth	%	+13.4%
Recurring EBITDA after leases	million CHF	727
Like-for-like growth	%	+4.5%
Recurring EBIT	million CHF	470
Like-for-like growth	%	+8.0%

The Europe region achieved a good performance in the first half of 2022 with all the principal countries delivering double-digit sales growth.

Cement volumes sold reached 20.1 million tons in the first half of 2022, or a 0.4 percent decrease on a like-for-like basis compared to the same period of 2021. France, Germany, Belgium and Spain saw lower cement volumes, against a high comparison basis, after having been the primary drivers of the strong recovery experienced in the same period in 2021. Growth in cement volumes continued to be sustained in Eastern European markets, notably Poland. Aggregates volumes sold stood at 56.5 million tons, down 0.7 percent on a like-for-like basis. Ready-mix concrete volumes sold reached 10.1 million cubic meters, up 0.6 percent on a like-for-like basis.

Net sales to external customers grew by 13.4 percent on a like-for-like basis, driven by strong pricing which allowed cost inflation to be fully offset. This led to Recurring EBIT growth of 8.0 percent on a like-for-like basis.

In July 2022, Holcim was selected for two investments from the European Union (EU) Innovation Fund for its breakthrough Carbon Capture Utilization and Storage projects in Germany and Poland. Both projects feature scalable technologies to put Holcim at the forefront of Europe's decarbonization.

The momentum on bolt-on acquisitions remained strong with further expansion in the Solutions & Products segment with the acquisition of the PRB Group in France and two signed deals: Cantillana in Belgium and Izolbet in Poland. The region also further strengthened its aggregates and ready-mix positions with five bolt-on acquisitions.

MIDDLE EAST AFRICA

		H1 2022
Sales of cement	million t	17.3
Sales of aggregates	million t	2.2
Sales of ready-mix concrete	million m ³	1.8
Net sales to external customers	million CHF	1,190
Like-for-like growth	%	+14.6%
Recurring EBITDA after leases	million CHF	299
Like-for-like growth	%	+9.9%
Recurring EBIT	million CHF	199
Like-for-like growth	%	+17.9%

Strong price momentum across the Middle East Africa region drove Recurring EBIT margin expansion in the second quarter, with positive price over cost offsetting cost inflation. Nigeria and Iraq saw growth in the region whilst Algeria achieved a strong increase in exports of both cement and clinker volumes. East Africa saw a more challenging environment with some delays arising in infrastructure projects in Kenya and heavy floods impacting construction activity in South Africa.

Cement volumes sold reached 17.3 million tons, or 2.2 percent lower on a like-for-like basis compared to the first half of 2021. Additionally, volumes in the aggregates and ready-mix concrete business segments grew by 10.7 percent and 8.1 percent, respectively, on a like-for-like basis and compared to the first half of 2021.

Net sales to external customers increased by 14.6 percent on a like-for-like basis, driven by a strong focus on commercial actions aiming to increase pricing and offset cost inflation, resulting in strongly positive price over cost. As a result, Recurring EBIT increased by 17.9 percent on a like-for-like basis and the region delivered a stable Recurring EBIT in absolute terms, with organic growth offsetting the impact from divestments and foreign exchange.

NORTH AMERICA

H1 2022		
Sales of cement	million t	10.0
Sales of aggregates	million t	44.1
Sales of ready-mix concrete	million m ³	5.1
Net sales to external customers	million CHF	4,414
Like-for-like growth	%	+19.0%
Recurring EBITDA after leases	million CHF	1,020
Like-for-like growth	%	+26.1%
Recurring EBIT	million CHF	709
Like-for-like growth	%	+48.7%

North America delivered an outstanding performance in the first half of 2022. Volumes grew in cement and ready-mix with strong markets in the United States and Canada West and a significant contribution from the roofing business. Order books for 2022 are full with strong growth momentum across all businesses.

Cement volumes sold were 10.0 million tons, or a 9.6 percent increase on a like-for-like basis versus the first half of 2021, with the United States and Canada West performing particularly well. Aggregates volumes sold were 44.1 million tons, reflecting a like-for-like decrease of 3.2 percent impacted by delayed water based shipments in the Great Lakes Region. Ready-mix concrete volumes sold were 5.1 million cubic meters, reflecting a like-for-like increase of 6.9 percent, also with a strong result from the United States and Canada West.

Net sales to external customers grew by 19.0 percent on a like-for-like basis over the first half of the prior year. Recurring EBIT improved by 48.7 percent on a like-for-like basis, as a result of strong operational performance and ongoing cost reduction initiatives.

The acquisition of Malarkey Roofing Products was completed on 28 February 2022. Along with Elevate, the roofing and insulation businesses saw a strong performance with double-digit growth in net sales in the first half of 2022.

In June 2022, Holcim entered into an agreement to acquire SES Foam LLC, the biggest independent spray foam insulation company in the US with 2022 estimated net sales of USD 200 million. The region also completed two bolt-on acquisitions with Cajun Ready Mix Concrete in the United States and the Mathers Group in Canada.

FINANCIAL INFORMATION

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FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF INCOME OF HOLCIM

Million CHF	Notes	H1 2022 Unaudited	H1 2021 Unaudited
Net sales		14,681	12,556
Production cost of goods sold		(8,749)	(7,248)
Gross profit		5,932	5,308
Distribution and selling expenses		(3,372)	(2,975)
Administration expenses		(647)	(745)
Share of profit of joint ventures		155	207
Operating profit		2,067	1,794
Profit on disposals and other non-operating income	6	35	20
Loss on disposals and other non-operating expenses	7	(103)	(63)
Share of profit / (loss) of associates		11	(19)
Financial income	8	52	40
Financial expenses	9	(285)	(312)
Net income before taxes		1,777	1,460
Income taxes	10	(475)	(389)
Net income		1,302	1,072
Net income attributable to:			
Shareholders of Holcim Ltd		1,157	839
Non-controlling interest		145	233
Earnings per share in CHF			
Earnings per share	11	1.90	1.36
Fully diluted earnings per share	11	1.89	1.35

FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF HOLCIM

Million CHF	Notes	H1 2022 Unaudited	H1 2021 Unaudited
Net income		1,302	1,072
Other comprehensive earnings			
Items that will be reclassified to the statement of income in future periods			
Currency translation effects			
– Exchange differences on translation		45	888
– Realized through statement of income		(5)	0
– Tax effect		6	3
Cash flow hedges			
– Change in fair value		310	0
– Realized through statement of income		32	46
– Tax effect		(63)	(12)
Net investment hedges in subsidiaries			
– Change in fair value		35	0
– Realized through statement of income		1	0
– Tax effect		(3)	0
Subtotal		358	925
Items that will not be reclassified to the statement of income in future periods			
Defined benefit plans			
– Remeasurements		143	346
– Tax effect		(42)	(62)
Subtotal		101	284
Total other comprehensive earnings		459	1,209
Total comprehensive earnings		1,761	2,281
Total comprehensive earnings attributable to:			
Shareholders of Holcim Ltd		1,665	2,011
Non-controlling interest		96	270

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HOLCIM

Million CHF	Notes	30.06.2022 Unaudited	31.12.2021 Audited	30.06.2021 Unaudited
Cash and cash equivalents		4,399	6,682	3,465
Short-term derivative assets		322	186	63
Current financial receivables		513	261	184
Trade accounts receivable		4,221	2,677	3,653
Inventories		3,372	2,608	2,509
Prepaid expenses and other current assets		1,156	1,178	1,102
Assets classified as held for sale		93	104	104
Total current assets		14,076	13,696	11,079
Long-term financial investments and other long-term assets		913	968	914
Investments in associates and joint ventures		3,504	3,714	3,580
Property, plant and equipment		24,927	24,441	24,849
Goodwill	12	15,326	13,954	14,680
Intangible assets		1,696	1,446	1,532
Deferred tax assets		1,012	783	766
Pension assets		806	823	482
Long-term derivative assets		287	59	36
Total non-current assets		48,470	46,188	46,838
Total assets		62,545	59,885	57,917

Million CHF	Notes	30.06.2022 Unaudited	31.12.2021 Audited	30.06.2021 Unaudited
Trade accounts payable		4,582	4,059	3,918
Current financial liabilities		3,174	2,391	2,536
Current income tax liabilities		661	484	484
Other current liabilities		2,718	2,398	2,218
Short-term provisions	16	457	413	454
Total current liabilities		11,593	9,745	9,610
Long-term financial liabilities		15,199	14,514	13,465
Defined benefit obligations		636	735	952
Long-term income tax liabilities		279	389	409
Deferred tax liabilities		2,698	2,320	2,127
Long-term provisions	16	1,853	1,707	1,775
Total non-current liabilities		20,664	19,666	18,728
Total liabilities		32,258	29,411	28,337
Share capital		1,232	1,232	1,232
Capital surplus		19,042	20,386	20,367
Treasury shares		(849)	(381)	(238)
Reserves		8,151	6,449	5,473
Total equity attributable to shareholders of Holcim Ltd		27,577	27,685	26,835
Non-controlling interest		2,711	2,788	2,745
Total shareholders' equity		30,288	30,473	29,580
Total liabilities and shareholders' equity		62,545	59,885	57,917

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF HOLCIM

Million CHF	Share capital	Capital surplus	Treasury shares	Currency translation adjustments	Other Reserves and Retained earnings	Total equity attributable to shareholders of Holcim Ltd	Non-controlling interest	Total shareholders' equity
Equity as at 1 January 2022	1,232	20,386	(381)	(17,435)	23,884	27,685	2,788	30,473
Net income					1,157	1,157	145	1,302
Other comprehensive earnings				140	368	508	(49)	459
Total comprehensive earnings				140	1,525	1,665	96	1,761
Payout		(1,330)				(1,330)	(182)	(1,512)
Subordinated fixed rate resettable notes					(11)	(11)		(11)
Hyperinflation					48	48	9	56
Change in treasury shares			(468)		(2)	(469)		(469)
Share-based remuneration		(13)				(13)		(13)
Acquisition of participation in Group companies							1	1
Change in participation in existing Group companies					2	2		2
Equity as at 30 June 2022 (Unaudited)	1,232	19,042	(849)	(17,294)	25,446	27,577	2,711	30,288
Equity as at 1 January 2021	1,232	21,597	(197)	(17,452)	20,891	26,071	2,553	28,625
Net income					839	839	233	1,072
Other comprehensive earnings				856	317	1,173	37	1,209
Total comprehensive earnings				856	1,156	2,011	270	2,281
Payout		(1,222)				(1,222)	(91)	(1,313)
Subordinated fixed rate resettable notes					(12)	(12)		(12)
Hyperinflation					31	31	5	36
Change in treasury shares			(41)		4	(36)		(36)
Share-based remuneration		(8)				(8)		(8)
Capital repaid to non-controlling interest							(1)	(1)
Capital paid-in by non-controlling interests							2	2
Acquisition of participation in Group companies							5	5
Change in participation in existing Group companies				(2)	2			
Equity as at 30 June 2021 (Unaudited)	1,232	20,367	(238)	(16,598)	22,071	26,835	2,745	29,580

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS OF HOLCIM

Million CHF	Notes	H1 2022 Unaudited	H1 2021 Unaudited
Net income		1,302	1,072
Income taxes		475	389
Loss on disposals and other non-operating items		65	43
Share of profit of associates and joint ventures		(166)	(187)
Financial expenses net	8,9	233	272
Depreciation, amortization and impairment of operating assets		1,204	1,135
Employee benefits and other operating items		3	(13)
Change in inventories		(676)	(242)
Change in trade accounts receivables		(1,362)	(925)
Change in trade accounts payables		482	293
Change in other receivables and liabilities		(5)	(6)
Cash generated from operations		1,555	1,830
Dividends received		181	156
Interest received		43	45
Interest paid		(251)	(244)
Income taxes paid		(378)	(328)
Cash flow from operating activities (A)		1,151	1,457
Purchase of property, plant and equipment		(743)	(519)
Disposal of property, plant and equipment		48	51
Acquisition of participation in Group companies	17	(1,920)	(3,220)
Disposal of participation in Group companies	17	65	32
Purchase of financial assets, intangible and other assets		(142)	(59)
Disposal of financial assets, intangible and other assets		129	54
Cash flow from investing activities (B)		(2,563)	(3,660)
Payout on ordinary shares	11	(1,330)	(1,222)
Dividends paid to non-controlling interest		(162)	(80)
Capital (repaid to) paid from non-controlling interest		0	1
Movements of treasury shares		(504)	(67)
Coupon paid on subordinated fixed rate resettable notes		(7)	(7)
Net movement in current financial liabilities		120	633
Proceeds from long-term financial liabilities	15	1,771	2,121
Repayment of long-term financial liabilities	15	(715)	(931)
Repayment of long-term lease liabilities		(181)	(176)
Increase in participation in existing Group companies		0	(2)
Cash flow from financing activities (C)		(1,007)	272
Decrease in cash and cash equivalents (A + B + C)		(2,419)	(1,931)
Cash and cash equivalents as at the beginning of the period (net)		6,615	5,101
Decrease in cash and cash equivalents		(2,419)	(1,931)
Currency translation effects		(141)	209
Cash and cash equivalents as at the end of the period (net)¹		4,055	3,380

¹ Cash and cash equivalents at the end of the period include bank overdrafts of CHF 344 million (2021: CHF 85 million) disclosed in current financial liabilities.

FINANCIAL INFORMATION

PRINCIPAL EXCHANGE RATES

The following table summarizes the principal exchange rates that have been used for translation purposes.

		Statement of income Average exchange rates in CHF			Statement of financial position Closing exchange rates in CHF	
		H1 2022	H1 2021	30.06.2022	31.12.2021	30.06.2021
		Unaudited	Unaudited	Unaudited	Audited	Unaudited
100 Argentine Peso	ARS	0.38	0.56	0.38	0.45	0.56
1 Australian Dollar	AUD	0.68	0.70	0.66	0.66	0.69
1 Brazilian Real	BRL	0.19	0.17	0.18	0.16	0.19
1 Canadian Dollar	CAD	0.74	0.73	0.74	0.72	0.74
1 Chinese Renminbi	CNY	0.15	0.14	0.14	0.14	0.14
100 Algerian Dinar	DZD	0.66	0.68	0.65	0.66	0.68
1 Euro	EUR	1.03	1.09	1.00	1.03	1.10
1 British Pound	GBP	1.23	1.26	1.16	1.23	1.27
100 Indian Rupee	INR	1.24	1.24	1.21	1.23	1.24
100 Mexican Peso	MXN	4.66	4.50	4.73	4.47	4.65
100 Nigerian Naira	NGN	0.16	0.18	0.16	0.16	0.17
100 Philippine Peso	PHP	1.81	1.88	1.74	1.79	1.89
1 Poland Zloty	PLN	0.22	0.24	0.21	0.23	0.24
1 Romanian Leu	RON	0.21	0.22	0.20	0.21	0.22
100 Russian Ruble	RUB	1.27	1.22	1.78	1.22	1.27
1 US Dollar	USD	0.94	0.91	0.95	0.91	0.92

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As used herein, the terms “Holcim” or the “Group” refer to Holcim Ltd together with the companies included in the scope of consolidation.

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of Holcim Ltd, hereafter “interim financial statements”, are prepared in accordance with IAS 34 *Interim Financial Reporting*. The accounting policies used in the preparation and presentation of the interim financial statements are consistent with those used in the consolidated financial statements for the year ended 31 December 2021 (hereafter “annual financial statements”) except for the amended standards adopted during the period (see note 1.2).

The interim financial statements should be read in conjunction with the annual financial statements as they provide an update of previously reported information.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amounts rather than the presented rounded amounts.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the interim financial statements. If in the future, such estimates and assumptions, which are based on management’s best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate during the period in which the circumstances change.

The segment information corresponds to the information required by IAS 34 *Interim Financial Reporting*.

1.2 ADOPTION OF AMENDED STANDARDS

In 2022, Holcim adopted the following amended standards relevant to the Group:

Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts: Cost of Fulfilling a Contract
Improvements to IFRS	Clarifications of existing IFRS (issued in May 2020)

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use

As detailed in the 2021 Integrated Annual Report (note 1.2), the adoption of the amendments to IAS 16 have not materially impacted the Group financial statements.

Amendments to IAS 37 - Onerous Contracts: Cost of Fulfilling a Contract

As detailed in the 2021 Integrated Annual Report (note 1.2), the adoption of the amendments to IAS 37 have not materially impacted the Group financial statements.

Improvements to IFRS - Clarifications of existing IFRS (issued in May 2020)

As detailed in the 2021 Integrated Annual Report (note 1.2), the adoption of the improvements to IFRS have not materially impacted the Group financial statements.

1.3 GLOBAL ECONOMIC OUTLOOK AND IMPACT FROM THE CONFLICT IN UKRAINE

In February 2022, the conflict in Ukraine started. The Group does not have any assets or operations in Ukraine. The conflict is increasing the volatility in energy markets.

Energy prices

An increase in energy prices has the potential to adversely impact the Group’s financial performance, as the increase in such costs may not be passed on (fully or partially) in the sales prices charged to customers. In the first half of 2022, strong pricing allowed the Group to mitigate cost inflation. The Group monitors very carefully the trend of energy prices and optimizes fuel mix and energy efficiency. At the country level, the Group uses fixed price contracts for part of its exposure to avoid volatility and also develops long-term power purchase agreements/ on-site power generation projects to reduce volatility and increase consumption of renewable energy at competitive prices.

Liquidity risk

Holcim has a strong balance sheet and a strong liquidity position. As at the end of 30 June 2022, the Group had secured liquidity of more than CHF 9 billion in cash and unused committed credit lines. These strengths were confirmed on 25 March 2022 when Standard & Poor’s upgraded the rating of Holcim from BBB to BBB+ (outlook stable). Moody’s also upgraded the rating from Baa2 to Baa1 (outlook stable) on 1 June 2022. The Group also executed successful refinancing during the first half of the year by issuing bonds and Schuldscheins in the total amount of CHF 1.7 billion (for more information see note 15).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Interest rate risk

The change in interest rates could affect the Group's financial result and market values of its financial instruments. The Group is primarily exposed to fluctuations in interest rates on its financial liabilities at floating rates which may cause variations in the Group's financial result. The exposure is mainly addressed through the management of the fixed/floating ratio of financial liabilities. The Group constantly monitors credit markets and the aim of its financing strategy is to achieve a well-balanced maturity profile to reduce both the risk of refinancing and large fluctuations of its financing cost. The average nominal interest rate on the Group's financial liabilities increased from 2.1 percent at 31 December 2021 to 2.2 percent at 30 June 2022, and the proportion of financial liabilities at fixed interest rates was at 55 percent as at 30 June 2022.

Credit risk

The Group periodically assesses the financial reliability of customers. Credit risks, or the risk of counterparty default, are constantly monitored. Counterparties to financial instruments consist of a large number of established financial institutions. The Group does not expect any counterparty to be unable to fulfill its obligations under its respective financing agreements. At half year-end, the Group had no significant concentration of credit risk with any single counterparty or group of counterparties. In the context of geopolitical uncertainty, the Group closely monitors the risk of increase in bad debts especially in countries that could be impacted most by cost inflation.

Foreign exchange risk

Due to the conflict in Ukraine, inflation is expected to surge in many geographies, leading to potential movements in exchange rates that could have an influence on the Group's business, results of operations and financial condition.

Country risk

On 29 March 2022, the Holcim Board of Directors decided to initiate the process to exit the Russian market in line with the company's values to operate in the most responsible manner. This decision to divest the Russian business follows Holcim's previous announcement to suspend all capital investments in the market. This divesting process is ongoing.

The conflict in Ukraine may further escalate, and/or expand in scope, and the broader consequences of this conflict may include additional sanctions, embargoes, regional instability and geopolitical shifts. This may also include potential retaliatory action by the Russian government or bodies against Western companies, including Holcim, such as nationalization of foreign businesses in Russia, cyber attacks or attempted frauds of various kinds.

The Group's Russian operations represented around one percent of 2021 consolidated net sales. Effective from 1 March 2022, Russia is excluded from Holcim key performance indicators (notably net sales, Recurring EBIT and Free Cash Flow). The operating profit generated by day to day Russian operations since 1 March 2022 is therefore included in the line "Profit on disposals and other non-operating income" (see note 6), cash in Russia is shown as restricted cash in current financial receivables as of 30 June 2022.

Impairment testing

Due to the conflict in Ukraine, market conditions have been impacted by various factors beyond the Group's control. These factors led to a high degree of uncertainty on the estimates and assumptions concerning the future that were considered in multiple scenarios which are believed to be reasonable, supportable and realistic under the current circumstances. As a result, the weighted average cost of capital (WACC) was adjusted as of 30 June 2022 including risk-free rates and country risk premiums. Accordingly, the impairment tests performed at the end of 2021, especially for goodwill, property, plant and equipment and intangible assets were reviewed as of 30 June 2022.

Overall, the review resulted in a total impairment charge of CHF 88 million relating to property, plant and equipment within the reportable segment Europe. This is largely related to cement assets in Russia. The above analysis has been based on the information available at the end of June 2022 and the Group will continue to closely monitor the situation.

2. SEASONALITY

Demand for cement, aggregates, ready-mix concrete and other construction materials and services is seasonal because climatic conditions affect the level of activity in the construction sector.

Holcim usually experiences a reduction in sales during the first and fourth quarters reflecting the effect of the winter season in its principal markets in Europe and North America and tends to see an increase in sales in the second and third quarters reflecting the effect of the summer season. This effect can be particularly pronounced in harsh winters.

3. CHANGES IN THE SCOPE OF CONSOLIDATION

3.1 ACQUISITION OF MALARKEY ROOFING PRODUCTS

In December 2021, Holcim signed an agreement to acquire Malarkey Roofing Products (Malarkey), a leading company in the US residential roofing market. The acquisition was completed on 28 February 2022 when Holcim acquired 100% of the voting equity shares for a consideration of CHF 1,315 million (USD 1,425 million) in cash.

The identifiable assets and liabilities of Malarkey are recognized at fair value as at the effective date of the acquisition. The values of the identifiable assets acquired, and liabilities assumed, are provisional pending the finalization of their valuation within 12 months of the acquisition date. The excess of the consideration over the fair value is recorded as goodwill.

The provisional goodwill arising from the acquisition amounts to CHF 972 million. The goodwill is attributable to the favorable presence of synergies, industrial know-how, assembled workforce and economies of scale expected from the acquisition. The goodwill recognized is not deductible for income tax purposes.

The provisional value of the intangible assets acquired amounts to CHF 199 million and mainly reflects the recognition of technology, customer relationships and trademark.

Malarkey contributed CHF 191 million to the Group net sales for the period from 28 February 2022 to 30 June 2022. If the acquisition had occurred on 1 January 2022, Malarkey's contribution to Group net sales would have been CHF 268 million.

The contribution of Malarkey to the Group net income after deducting the related acquisition costs is not material. The contribution to the Earnings Per Share is accretive from the first year.

The fair value of the acquired receivables substantially equals the gross contractual amount to be collected.

The results of Malarkey are reported in the product line of Solutions & Products and within the operating segment of North America.

The provisional recognized amounts of the identifiable assets acquired, and liabilities assumed are as follows:

Million CHF	28 February 2022
Cash and cash equivalents	77
Current financial receivables	4
Trade accounts receivable	71
Inventories	46
Prepaid expenses and other current assets	2
Total current assets	200
Long-term financial investments and other long-term assets	4
Property, plant and equipment	128
Intangible Assets	199
Total non-current assets	330
Trade accounts payable	(17)
Current financial liabilities	(3)
Other current liabilities	(46)
Short-term provisions	(2)
Total current liabilities	(68)
Long-term financial liabilities	(12)
Defined benefit obligations	(7)
Long-term income tax liabilities	(8)
Deferred tax liabilities	(48)
Long-term provisions	(44)
Total non-current liabilities	(119)
Provisional fair value of net assets acquired	343
Cash consideration for business combination	1,315
Provisional Goodwill	972

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3.2 ACQUISITION OF FIRESTONE BUILDING PRODUCTS (ELEVATE)

In January 2021, Holcim signed an agreement to acquire Firestone Building Products (Elevate) a leader in commercial roofing and building envelope solutions based in the United States. The acquisition was completed on 31 March 2021 when Holcim acquired 100% of the voting equity shares for a consideration of CHF 3,200 million (USD 3,396 million) in cash.

As at 31 March 2022, the purchase price allocation (PPA) was completed. The final fair values of the net assets acquired, and liabilities assumed are as follows:

Million CHF	Final Fair Value
Cash and cash equivalents	22
Trade accounts receivable	298
Inventories	211
Prepaid expenses and other current assets	5
Total current assets	537
Property, plant and equipment	271
Intangible assets	999
Deferred tax assets	128
Total non-current assets	1,398
Trade accounts payable	(139)
Current financial liabilities	(17)
Other current liabilities	(16)
Short-term provisions	(74)
Total current liabilities	(246)
Long-term financial liabilities	(54)
Defined benefit obligations	(8)
Long-term income tax liabilities	(60)
Long-term provisions	(334)
Total non-current liabilities	(456)
Fair value of net assets acquired	1,232
Cash consideration for business combination	3,200
Goodwill	1,968

3.3 OTHER SCOPE CHANGES

In the first half of 2022, the Group in addition acquired:

- Concrecar, a ready-mix concrete supplier in Quintana Roo, Mexico (March 2022)
- FAMY Group, an aggregates supplier in France (April 2022)
- PRB Group, the biggest independent manufacturer of specialty building solutions in France (May 2022)
- The remaining 70% of Transport Stroy, a ready-mix concrete supplier based in Bulgaria resulting in the Group obtaining the control of its associate (May 2022)
- Cajun Ready Mix Concrete, a ready-mix concrete supplier in the Baton Rouge metropolitan area, Louisiana USA (May 2022)
- General Beton, a ready-mix concrete and aggregates supplier in Romania (June 2022)
- The aggregate and asphalt business segments of Mathers Group in Montreal, Quebec, Canada (June 2022)

In the first half of 2021, in addition to the acquisition of Firestone the Group completed the following acquisitions:

- Edile Commerciale (S.P.A.), a ready-mix concrete supplier in Milan, Italy (February 2021)
- Eugène Bühler & Fils SA, an aggregates supplier in Switzerland (February 2021)
- Cemex Rhone Alpes, a ready-mix concrete and aggregates supplier in Lyon, France (April 2021)
- Beton Mobile du Quebec, a ready-mix business in Quebec, Canada (April 2021)

In the first half of 2021, the Group acquired the remaining 50% of Lafarge Emirates Cement LLC resulting in the Group obtaining the control of its subsidiary (April 2021).

Finally, during the first half of 2022, the Group completed the following disposals:

- The sale of its Northern Ireland cement business to Cookstown Cement Ltd (January 2022)
- The sale of its investment in a joint venture in Cuba (May 2022)

3.4 SIGNIFICANT PENDING TRANSACTIONS

In 2021, Holcim signed an agreement with CSN (Companhia Siderúrgica Nacional) for the divestment of its business in Brazil. This divestment includes Holcim's five integrated cement plants, four grinding stations, six aggregates sites and 19 ready-mix concrete facilities and is expected to close in the second half of 2022.

In May 2022, Holcim signed a binding agreement for the Adani Group to acquire its business in India, comprising its 63.11% stake in Ambuja Cement (which owns a 50.05% interest in ACC), as well as its 4.48% direct stake in ACC, both entities being reflected in the region Asia Pacific. The offer is a share price of INR 385 per share for Ambuja Cement and INR 2,300 per share for ACC. Such offer leads to a total consideration for Holcim shares of INR 501.8 billion which will be paid in US Dollars. This transaction is subject to competition authority approval. The Group expects to close the transaction in the second half of 2022.

In May 2022, Holcim entered into an agreement to acquire Izolbet, one of the leading players in the specialty building solutions market in Poland.

In June 2022, Holcim signed an agreement with Fossil Mine (Private) Ltd for the divestment of its business of Lafarge Cement Zimbabwe Ltd comprising its 76.45% stake.

In June 2022, Holcim entered into an agreement to acquire SES Foam LLC, the biggest independent spray foam insulation company in the United States with 2022 estimated net sales of USD 200 million.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

4. INFORMATION BY REPORTABLE SEGMENT

H1 (unaudited)	Asia Pacific		Europe	
	2022	2021	2022	2021
Capacity and volumes sold				
Annual cement production capacity (Million t) ¹	91.1	91.1	72.8	73.2
Sales of cement (Million t)	35.3	35.8	20.1	22.2
Sales of aggregates (Million t)	16.1	16.9	56.5	56.1
Sales of ready-mix concrete (Million m ³)	4.0	3.9	10.1	9.9
Statement of income (Million CHF)				
Net sales to external customers	3,098	2,998	4,223	3,886
Net sales to other segments			55	45
TOTAL NET SALES	3,098	2,998	4,277	3,931
Recurring EBITDA after leases	678	878	727	746
Recurring EBITDA after leases margin in %	21.9	29.3	17.0	19.0
Recurring EBIT	525	713	470	469
Recurring EBIT margin in %	16.9	23.8	11.0	11.9
OPERATING PROFIT (LOSS)	537	703	382	435
Operating profit (loss) margin in %	17.3	23.5	8.9	11.1
Statement of financial position (Million CHF) ¹				
Invested capital	7,744	7,604	11,024	10,690
Investments in associates and joint ventures	1,983	2,078	209	215
Total assets	10,513	10,755	17,397	16,179
Total liabilities	3,755	3,798	8,592	7,321
Reconciliation of measures of profit and loss to the consolidated statement of income				
Recurring EBITDA after leases	678	878	727	746
Depreciation and amortization of property, plant and equipment, intangible and long-term assets	(153)	(165)	(257)	(277)
Recurring EBIT	525	713	470	469
Impairment of operating assets			(88)	(4)
Restructuring, litigation and other non-recurring costs	12	(10)	(0)	(30)
OPERATING PROFIT (LOSS)	537	703	382	435
Profit on disposals and other non-operating income				
Loss on disposals and other non-operating expenses				
Share of profit of associates				
Financial income				
Financial expense				
NET INCOME BEFORE TAXES				

¹ Prior-year figures as of 31 December 2021.

² In 2022, the results of Malarkey Roofing Products are reported in the product line Solutions & Products and are reported within the reportable segment North America (for more information see note 3.1).

In 2022 and 2021, the results of Firestone Building Products are reported in the product line Solutions & Products and the majority of the results are reported within the reportable segment North America (for more information see note 3.2).

Latin America		Middle East Africa		North America ²		Corporate/ Eliminations		Total Group	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
40.1	40.1	56.5	56.5	32.0	32.0			292.4	292.9
13.3	13.3	17.3	17.8	10.0	9.1	(0.6)	0.7	95.3	99.0
3.8	2.9	2.2	2.0	44.1	45.2			122.7	123.0
2.7	2.3	1.8	1.4	5.1	4.7			23.7	22.1
1,464	1,269	1,190	1,162	4,414	2,984	292	256	14,681	12,556
20	13	103	57	48	21	(226)	(136)		
1,484	1,283	1,293	1,218	4,462	3,005	66	120	14,681	12,556
534	498	299	308	1,020	663	(151)	(165)	3,107	2,928
36.0	38.8	23.2	25.3	22.8	22.1			21.2	23.3
454	425	199	198	709	380	(183)	(202)	2,173	1,983
30.6	33.2	15.4	16.2	15.9	12.6			14.8	15.8
451	425	196	187	700	330	(199)	(286)	2,067	1,794
30.4	33.2	15.2	15.4	15.7	11.0			14.1	14.3
2,748	2,471	4,306	4,377	15,747	13,150	566	826	42,134	39,118
3	42	1,254	1,323	55	56			3,504	3,714
4,366	4,017	4,968	4,899	19,877	17,264	5,424	6,771	62,545	59,885
1,771	1,676	2,240	2,189	9,121	7,293	6,779	7,134	32,258	29,411
534	498	299	308	1,020	663	(151)	(165)	3,107	2,928
(81)	(73)	(100)	(110)	(311)	(283)	(32)	(37)	(934)	(945)
454	425	199	198	709	380	(183)	(202)	2,173	1,983
			(9)					(88)	(13)
(3)		(4)	(1)	(8)	(50)	(16)	(84)	(18)	(175)
451	425	196	187	700	330	(199)	(286)	2,067	1,794
								35	20
								(103)	(63)
								11	(19)
								52	40
								(285)	(312)
								1,777	1,460

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. INFORMATION BY PRODUCT LINE

Million CHF	Cement ¹		Aggregates		Ready-mix concrete		Solution & Products ²		Corporate/ Eliminations		Total Group	
H1 (unaudited)	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Statement of income												
Net sales to external customers	7,893	7,345	1,446	1,355	2,747	2,447	2,595	1,408			14,681	12,556
Net sales to other segments	702	587	528	509	17	15	18	15	(1,265)	(1,126)		
Total net sales	8,596	7,932	1,974	1,864	2,764	2,462	2,613	1,423	(1,265)	(1,126)	14,681	12,556
- of which Asia Pacific	2,385	2,287	288	300	435	433	119	107	(129)	(129)	3,098	2,998
- of which Europe	2,033	1,948	966	933	1,134	1,065	748	551	(604)	(566)	4,277	3,931
- of which Latin America	1,272	1,114	25	16	246	189	37	33	(94)	(70)	1,484	1,283
- of which Middle East Africa	1,172	1,112	24	22	113	95	26	24	(42)	(35)	1,293	1,218
- of which North America	1,585	1,302	671	593	836	680	1,731	728	(361)	(298)	4,462	3,005
- of which Corporate/Eliminations	149	169					(48)	(21)	(35)	(27)	66	120
Recurring EBITDA after leases	2,215	2,343	373	357	118	108	402	121			3,107	2,928
Recurring EBIT	1,563	1,654	236	217	52	40	323	72			2,173	1,983
- of which Asia Pacific	439	613	64	74	13	18	9	8			525	713
- of which Europe	283	306	111	105	24	23	52	35			470	469
- of which Latin America	437	424	2	1	13	2	2	(2)			454	425
- of which Middle East Africa	196	191	1	1	(2)	(0)	5	6			199	198
- of which North America	326	251	85	65	29	24	269	41			709	380
- of which Corporate	(118)	(131)	(26)	(29)	(25)	(27)	(14)	(15)			(183)	(202)
Recurring EBIT margin in %	18.2	20.9	11.9	11.6	1.9	1.6	12.4	5.1			14.8	15.8

¹ Cement, clinker and other cementitious materials.

² Precast, concrete products, asphalt, mortars, roofing systems and contracting and services. In 2022, the results of Malarkey Roofing Products are reported in the product line Solutions & Products and are reported within the reportable segment North America (for more information see note 3.1). In 2022 and 2021, the results of Firestone Building Products are reported in the product line Solutions & Products and the majority of the results are reported within the reportable segment North America (for more information see note 4).

6. PROFIT ON DISPOSALS AND OTHER NON-OPERATING INCOME

Million CHF	H1 2022 unaudited	H1 2021 unaudited
Dividends earned	2	1
Net gain on disposal before taxes	7	19
Other	27	0
Total	35	20

In 2022 and 2021, the position "Net gain on disposal before taxes", includes several gains on disposal of property, plant and equipment.

7. LOSS ON DISPOSALS AND OTHER NON-OPERATING EXPENSES

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Depreciation, amortization and impairment of non-operating assets	0	(15)
Net loss on disposal before taxes	(98)	0
Other	(5)	(48)
Total	(103)	(63)

In 2022, the position "Net loss on disposal before taxes" mainly relates to the disposal of Group companies (see note 3.3).

In 2022, the position "Other" includes expenses incurred in connection with assets which are non-operating, abandoned, or otherwise not part of the operating business cycle.

In 2021, the position "Other" includes expenses incurred in connection with assets which are non-operating, abandoned, not part of the operating business cycle or impairment of associates or impairment losses recognized by applying the fair value less cost of disposal methodology.

8. FINANCIAL INCOME

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Interest earned on cash and cash equivalents	34	30
Other financial income	18	10
Total	52	40

The position "Other financial income" relates primarily to interest income from loans and receivables.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
9. FINANCIAL EXPENSES

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Interest expenses	(179)	(181)
Interest expenses on lease liabilities	(26)	(30)
Net interest expense on retirement benefit plans	(6)	(12)
Other financial expenses	(74)	(89)
Total	(285)	(312)

The position "Interest expenses" relates primarily to financial liabilities measured at amortized cost, including amortization on bonds and private placements of CHF 2 million (2021: CHF 3 million).

The position "Other financial expenses" includes accruals for interest related to ongoing legal and tax cases, bank charges and foreign exchange impact.

10. TAXES

Excluding impairment and divestments, the Group's effective tax rate is 26 percent for the six months ended 30 June 2022 (26 percent for the six months ended 30 June 2021).

11. EARNINGS PER SHARE

	H1 2022 Unaudited	H1 2021 Unaudited
Basic earnings per share in CHF	1.90	1.36
Adjusted net income attributable to shareholders of Holcim Ltd (in million CHF)	1,148	830
Weighted average number of shares outstanding	605,250,629	611,321,223
Diluted earnings per share	1.89	1.35
Adjusted net income used to determine diluted earnings per share (in million CHF)	1,148	830
Weighted average number of shares for diluted earnings per share	606,096,840	612,291,865
Reconciliation of weighted average number of shares outstanding		
Weighted average number of shares outstanding	605,250,629	611,321,223
Adjustment for assumed exercise of share options and performance shares	846,211	970,642
Weighted average number of shares for diluted earnings per share	606,096,840	612,291,865
Reconciliation of net income attributable to shareholders of Holcim Ltd		
Net income attributable to shareholders of Holcim Ltd – as per statement of income (in million CHF)	1,157	839
Adjustment for net interest of hybrid bonds (in million CHF) ¹	(9)	(9)
Adjusted net income attributable to shareholders of Holcim Ltd (in million CHF)	1,148	830

¹ Holcim issued two perpetual subordinated notes: EUR 500 million at an initial fixed coupon of 3 percent in April 2019 and CHF 200 million at an initial fixed coupon of 3.5 percent in November 2018.

In conformity with the decision taken at the annual general meeting of shareholders on 4 May 2022, a dividend of CHF 2.20 per registered share for the financial year 2021 was paid out of the foreign capital reserves from tax capital contributions on 12 May 2022.

12. GOODWILL

The table below summarizes the changes in goodwill for the period 1 January 2022 until 30 June 2022:

Million CHF	Goodwill
2022	
At cost of acquisition	15,985
Accumulated amortization/impairment	(2,030)
Net book value as at 1 January	13,954
Change in scope ¹	1,254
Disposals	(20)
Hyperinflation	7
Currency translation effects	131
Net book value as at 30 June	15,326
At cost of acquisition	17,444
Accumulated amortization/impairment	(2,118)
Net book value as at 30 June	15,326

¹ see note 3.1 and 3.3

Million CHF	Goodwill
2021	
At cost of acquisition	14,422
Accumulated amortization/impairment	(2,009)
Net book value as at 1 January	12,413
Change in scope ¹	1,875
Impairment charge	(192)
Hyperinflation	8
Currency translation effects	(149)
Net book value as at 31 December	13,954
At cost of acquisition	15,985
Accumulated amortization/impairment	(2,030)
Net book value as at 31 December	13,954

¹ Mainly related to the acquisition of Firestone Building Products (see note 3.2)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. FINANCIAL ASSETS AND LIABILITIES RECOGNIZED AND MEASURED AT FAIR VALUE

The following tables present the Group's financial instruments that are recognized and measured at fair value as of 30 June 2022 and as of 31 December 2021. No changes in the valuation techniques of the items below have occurred since the last annual financial statements.

Million CHF 30.06.2022 (unaudited)	Fair value level 1	Fair value level 2	Total
Financial assets			
Fair value through other comprehensive earnings			
- Strategic equity investments		133	133
Fair value through profit and loss			
- Other current assets			
- Derivatives held for hedging		591	591
- Derivatives held for trading		18	18
Financial liabilities			
Derivatives held for hedging		925	925
Derivatives held for trading		126	126
Million CHF 31.12.2021 (audited)			
Financial assets			
Fair value through other comprehensive earnings			
- Strategic equity investments		136	136
Fair value through profit and loss			
- Other current assets			
- Derivatives held for hedging		235	235
- Derivatives held for trading		10	10
Financial liabilities			
Derivatives held for hedging		271	271
Derivatives held for trading		21	21

14. LEASE LIABILITIES

As of 30 June 2022, the current portion of the lease liabilities included in the position "current financial liabilities" amounts to CHF 282 million (31 December 2021: CHF 255 million) and the long-term portion of the lease liabilities included in the position "long-term financial liabilities" amounted to CHF 1,147 million (31 December 2021: CHF 1,135 million).

15. BONDS

Issued

On 19 January 2022, Holcim Helvetia Finance Ltd issued a CHF 325 million sustainability-linked bond with a coupon of 0.375%, term 2022-2026.

On 19 January 2022, Holcim Helvetia Finance Ltd issued a CHF 100 million sustainability-linked bond with a coupon of 1.00%, term 2022-2032.

On 1 April 2022, Holcim Finance (Luxembourg) S.A. issued a EUR 150 million sustainability-linked private placement with a coupon of 1.625%, term 2022-2026.

On 6 April 2022, Holcim Finance (Luxembourg) S.A. issued a EUR 500 million bond with a coupon of 1.50%, term 2022-2025.

On 19 May 2022, Holcim Continental Finance Ltd issued EUR 391 million of sustainability-linked Schuldschein with floating interest rates and maturities between 2025 and 2029.

On 19 May 2022, Holcim Continental Finance Ltd issued EUR 124 million of sustainability-linked Schuldschein with fixed coupons between 2.108% and 2.989% and maturities between 2027 and 2032.

On 19 May 2022, Holcim International Finance Ltd issued USD 148 million of sustainability-linked Schuldschein with floating interest rates and maturities between 2025 and 2029.

Redeemed

On 11 April 2022, Holcim Helvetia Finance Ltd redeemed a CHF 250 million bond with a coupon of 1.05% which was issued on 9 April 2020.

On 9 June 2022, Holcim Ltd redeemed a CHF 222 million bond with a coupon of 2.00% which was issued on 9 December 2013.

On 16 June 2022, Holcim Finance (Australia) Pty Ltd redeemed a AUD 300 million bond with a coupon of 3.50% which was issued on 16 June 2017.

Credit rating upgrade

Recognizing the Group's solid operating performance in 2021 that continued in the first quarter 2022, Holcim's rating has been upgraded by Moody's to Baa1 outlook stable on 1 June 2022. This followed Standard & Poor's increase in Holcim's rating to BBB+ outlook stable on 25 March 2022.

16. PROVISIONS AND CONTINGENCIES

At 30 June 2022, provisions amounted to CHF 2,310 million (31 December 2021: CHF 2,120 million). This variation includes the impact of the acquisition of Malarkey Roofing Products as reported in note 3.1.

At 30 June 2022, the Group's contingencies amounted to CHF 2,054 million (31 December 2021: CHF 1,924 million).

Referring to the disclosures on legal and tax matters in note 16.3 of the 2021 Integrated Annual Report, there have been no material developments since the last reporting period, except for the cases that are described below.

Subsequent to the conclusion and public disclosure of the independent internal investigation, conducted under the supervision of the Holcim Board of Directors, and the initiation of the criminal proceedings currently pending with investigating judges in Paris, France, the Group received inquiries from time to time relating to the legacy conduct of Lafarge Cement Syria.

Such inquiries included informal requests for information on the matter from the U.S. Department of Justice (the "DOJ"). The Group has been responding to these inquiries. The Group continues to cooperate fully with the DOJ and discussions continue concerning the potential for resolution on the matter. No assessment can be made of whether a resolution will be reached, the financial or other terms or timing of such resolution, or potential enforcement action, that the DOJ might pursue if no resolution can be reached. Any potential resolution or enforcement action could result in material impacts on the Group's future business, results of operations, cash flows, financial condition and on its reputation.

The criminal proceedings in France related to the alleged dealings of Lafarge Cement Syria with terrorist organizations in the years 2013 and 2014 are currently pending with the investigating judges in Paris. The Court of Appeal decided on 7 November 2019 to drop one of the charges, complicity in crimes against humanity. The Supreme Court reviewed the Court of Appeal's decision and decided on 7 September 2021 to refer the case back to the investigating chamber (Court of Appeal) who decided on 18 May 2022 to uphold the charge. Lafarge SA appealed the decision which will now again be reviewed by the Supreme Court. These decisions are not rulings on the merits of the case, which is still at the investigation phase and Lafarge SA continues to cooperate fully with the French judicial authorities.

At 30 June 2022, the Group's guarantees issued in the ordinary course of business amounted to CHF 1,092 million (31 December 2021: CHF 941 million). The increase is mainly due to surety bonds and letter of credits.

At 30 June 2022, the Group's commitments amounted to CHF 3,135 million (31 December 2021: CHF 2,848 million). The increase is mainly related to various purchase commitments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

17. CASH FLOW FROM ACQUISITIONS AND DISPOSALS OF GROUP COMPANIES

Million CHF	Acquisitions		Disposals	
	30.06.2022 Unaudited	30.06.2021 Unaudited	30.06.2022 Unaudited	30.06.2021 Unaudited
	Total	Total	Total	Total
Cash and cash equivalents	(107)	(56)		
Assets classified as held for sale				20
Other current assets	(281)	(593)	28	
Property, plant and equipment	(470)	(355)	24	
Other long-term assets ¹	(297)	(1,094)	63	
Current liabilities	154	376	10	
Long-term provisions	46	341	(3)	
Other non-current liabilities	147	130	2	
Net assets	(809)	(1,251)	124	20
Non-controlling interest	0	5	1	
Net assets (acquired) disposed	(809)	(1,246)	125	20
Goodwill (acquired) disposed ¹	(1,217)	(2,037)	20	
Net gain (loss) on disposals	0		(75)	12
Total (purchase) disposal consideration	(2,026)	(3,283)	70	32
Acquired (disposed) cash and cash equivalents net of bank overdrafts	107	56		
Deferred consideration	(1)	7	(4)	
Net cash flow	(1,920)	(3,220)	65	32

¹ see note 3.1 and 3.3

18. EVENTS AFTER THE REPORTING PERIOD

In July 2022, Holcim has entered into an agreement to acquire Cantillana, a leading specialty building solutions provider based in Belgium with 2022 estimated net sales of EUR 80 million. With more than 200 employees and nine production facilities across Belgium, France, Germany and the Netherlands, Cantillana's footprint and product portfolio will generate additional synergies across the business and accelerate growth of Solutions & Products in Europe. This transaction is subject to competition authority approval.

In July 2022, Holcim has acquired Teko Mining Serbia, one of the country's largest independent aggregates companies with estimated 2022 net sales of over EUR 20 million. A highly profitable company with substantial reserves, Teko Mining sells 2.4 million tons of aggregates per year. The acquisition includes Teko's four quarries and will strengthen Holcim's footprint in the dynamic Serbian market, complementing its recent acquisition of another aggregates operation in the region.

In July 2022, Holcim signed an agreement with Ol-Trans, the leader in ready-mix concrete in the Gdansk-Sopot-Gdynia area, to acquire its five concrete plants. With 2022 estimated net sales of CHF 27 million, the transaction will strengthen Holcim's local ready-mix concrete network and firmly establish it as the leader in Northern Poland. This transaction is subject to competition authority approval.

In July 2022, Holcim was selected for two investments from the European Union (EU) Innovation Fund for its breakthrough Carbon Capture Utilization and Storage projects in Germany and Poland. Both projects feature scalable technologies to put Holcim at the forefront of Europe's decarbonization.

19. AUTHORIZATION OF THE INTERIM FINANCIAL STATEMENTS FOR ISSUE

The interim condensed financial statements were authorized for issuance by the Board of Directors of Holcim Ltd on 26 July 2022.

To the Board of Directors of
Holcim Ltd, Zug

Zurich, 26 July 2022

Report on the review of Interim Condensed Consolidated Financial Statements



Introduction

We have reviewed the Interim Condensed Consolidated Financial Statements (the condensed consolidated statement of income, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and notes, pages 14 to 34) of Holcim Ltd for the period from 01 January 2022 to 30 June 2022. The Board of Directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this Interim Condensed Consolidated Financial Statements based on our review.



Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Condensed Consolidated Financial Statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”.

Ernst & Young Ltd



Jacques Pierres
Licensed audit expert
(Auditor in charge)



Daniel Zaugg
Licensed audit expert

DEFINITION OF NON-GAAP MEASURES

Like-for-like

Like-for-like information is information factoring out changes in the scope of consolidation (such as divestments and acquisitions occurring in the current year and the prior year and currency translation effects (current year figures are converted with prior year exchange rates in order to calculate the currency effects).

Recurring operating costs

The recurring operating costs is an indicator representing all recurring costs. It is defined as:

- +/- Recurring EBITDA after leases;
- Net sales; and
- Share of profit of joint ventures.

Recurring EBITDA

The Recurring EBITDA (earnings before interest, tax, depreciation and amortization) is an indicator to measure the performance of the Group excluding the impacts of non-recurring items. It is defined as:

- +/- Operating profit/loss (EBIT);
- Depreciation, amortization and impairment of operating assets; and
- Restructuring, litigation and other non-recurring costs.

Recurring EBITDA margin

The Recurring EBITDA margin is an indicator to measure the profitability of the Group excluding the impacts of non-recurring items. It is defined as the Recurring EBITDA divided by net sales.

Recurring EBITDA after leases

The Recurring EBITDA after leases (earnings before interest, tax, depreciation and amortization) is an indicator to measure the performance of the Group including the impacts of lease depreciation and excluding the impacts of non-recurring items. It is defined as the Recurring EBITDA less the depreciation of right-of-use assets.

Recurring EBIT

The Recurring EBIT is defined as Operating profit/loss (EBIT) adjusted for restructuring, litigation and other non-recurring costs and for impairment of operating assets.

Recurring EBIT margin

The Recurring EBIT margin is an indicator to measure the profitability of the Group excluding the impacts of non-recurring items. It is defined as the Recurring EBIT divided by net sales.

Restructuring, litigation and other non-recurring costs

Restructuring, litigation and other non-recurring costs comprise significant items that, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing performance, such as strategic restructuring, major items relating to antitrust fines and other business-related litigation cases.

Profit (loss) on disposals and other non-operating items

Profit (loss) on disposals and non-operating items comprise capital gains or losses on the sale of Group companies and of material property, plant and equipment and other non-operating items that are not directly related to the Group's operating activities such as revaluation gains or losses on previously held equity interests, indemnification provisions, disputes with non-controlling interest and major lawsuits.

Operating profit/loss (EBIT) before impairment

The Operating profit/loss (EBIT) before impairment is an indicator that measures the profit earned from the Group's core business activities excluding impairment charges which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

- +/- Operating profit/loss;
- impairment of goodwill and long-term assets.

Net income/loss before impairment and divestments

Net income/loss before impairment and divestments excludes impairment charges and capital gains and losses arising on disposals of investments which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

- +/- Net income/loss;
- Gains and losses on disposals of Group companies; and
- Impairment of goodwill and long-term assets.

EPS (Earnings Per Share) before impairment and divestments

The EPS (Earnings Per Share) before impairment and divestments is an indicator that measures the theoretical profitability per share of stock outstanding based on a net income/loss before impairment and divestments. It is defined as Net income/loss before impairment and divestments attributable to the shareholders of Holcim Ltd divided by the weighted average number of shares outstanding.

Capex or Capex Net (Net Maintenance and Expansion Capex)

The Capex or Capex Net (Net Maintenance and Expansion Capex) is an indicator to measure the cash spent to maintain or expand its asset base. It is defined as:

- + Expenditure to increase existing or create additional capacity to produce, distribute or provide services for existing products (expansion) or to diversify into new products or markets (diversification);
- + Expenditure to sustain the functional capacity of a particular component, assembly, equipment, production line or the whole plant, which may or may not generate a change of the resulting cash flow; and
- Proceeds from sale of property, plant and equipment.

Employee benefits and other operating items

Employee benefits and other operating items reflect the non-cash impact on the operating profit of the employee benefits schemes net of any cash payments, the non-cash impact of the specific business risks provisions net of any cash payments, the non-cash share based compensation expenses and any other non-cash operating expenses.

Change in other receivables and liabilities

Change in other receivables and liabilities includes the net change of other receivables and liabilities that are not already disclosed separately in the consolidated statement of cash flows or that are not of a tax or of a financial nature.

Free Cash Flow after leases

The Free Cash Flow after leases is an indicator to measure the level of cash generated by the Group after spending cash to maintain or expand its asset base. It is defined as:

- +/- Cash flow from operating activities;
- Net Maintenance and Expansion Capex; and
- Repayment of long-term lease liabilities.

Net financial debt ("Net debt")

The Net financial debt ("Net debt") is an indicator to measure the financial debt of the Group after deduction of the cash. It is defined as:

- + Financial liabilities (short-term and long-term) including derivative liabilities;
- Cash and cash equivalents; and
- Derivative assets (short-term and long-term).

Debt leverage

The Net financial debt to Recurring EBITDA ratio is used as an indicator of financial risk and shows how many years it would take the Group to pay back its debt.

Working Capital days on sales (countback)

The Working Capital days on sales is an efficiency ratio which measures the level of trade accounts receivable, trade accounts payable and inventories in comparison to sales of the current month and the previous months until the respective balance is covered. It is defined as:

- + Days sales outstanding;
- + Days inventories outstanding;
- Days payables outstanding.

Invested Capital

The Invested Capital is an indicator that measures total funds invested by shareholders, lenders and any other financing sources.

It is defined as:

- + Total shareholders' equity;
- + Net financial debt;
- Assets classified as held for sale;
- + Liabilities classified as held for sale;
- Current financial receivables; and
- Long-term financial investments and other long-term assets.

Net Operating Profit/loss After Tax ("NOPAT")

It is defined as:

- +/- Net Operating Profit/loss (being the Recurring EBIT and share of profits of associates)
- Standard Taxes (being the taxes applying the Group's tax rate to the Net Operating Profit/loss as defined above)

ROIC (Return On Invested Capital)

The ROIC (Return On Invested Capital) measures the Group's ability to efficiently use invested capital. It is defined as Net Operating Profit/loss After Tax (NOPAT) divided by the average Invested Capital. The average is calculated by adding the Invested Capital at the beginning of the period to that at the end of the period and dividing the sum by 2 (based on a rolling 12-month calculation). In case of material change in scope during the year, the opening invested capital is adjusted pro rata temporis.

Cash conversion

The cash conversion is an indicator that measures the Group's ability to convert profits into available cash. It is defined as Free Cash Flow after leases divided by Recurring EBITDA after leases.

Personnel (FTE)

Personnel (FTE) measures the number of full time equivalent own personnel (FTE) assigned to functions and tasks.

Net CO₂ emissions (kg per ton of cementitious material)

Net CO₂ emissions are CO₂ emissions from the calcination process of the raw materials and the combustion of traditional kiln and non-kiln fuels. Cementitious materials refer to clinker production volumes, mineral components consumed in cement production and mineral components processed and sold externally.

Freshwater withdrawal (liter per ton of cementitious material)

Total volume of freshwater withdrawn by the cement plant divided by the total production of cementitious material.

DEFINITION OF NON-GAAP MEASURES CONTINUED

Lost time injury frequency rate (LTIFR)

Number of on-the-job injuries that require a person to stay away from work for a day or more per one million hours worked.

Green Capex

The Sustainability Capital Expenditures with significant positive impact on Process Decarbonization, Clean Energy, Carbon Efficient Construction, Circular Economy, Biodiversity, Air & Water and Communities such as but not limited to carbon capture, waste heat recovery, 3D printing, electrical fleet, calcined clay technology, alternative fuels & raw materials installations.

Waste recycled

Waste recycled is the sum of all waste raw materials and fuels consumed in the production processes as well as recycled materials processed sold externally. This includes: alternative raw materials, alternative fuels, industrial mineral components, return concrete, recycled aggregates and asphalt. Construction and Demolition Waste is included in waste recycled.

Construction and Demolition Waste (CDW) Recycled

CDW Recycled volume is generated from construction, renovation, repair and demolition of houses, large building structures, roads, bridges, piers and dams. This includes alternative raw materials, recycled aggregates, asphalt and return concrete reused in Cement, Aggregates, Ready-mix concrete, Asphalt and Concrete Products.

Contribution in Social Initiatives

Any initiatives Holcim puts in place to address social issues and to contribute to society that are not primarily motivated by generating a direct financial return to the Group's business such as but not limited to housing & infrastructure, health, education & skills, environment, cultural and recreational.

Sustainable financing

Any committed financing instrument drawn and undrawn with a sustainability feature which includes performance-based (sustainability KPI, ESG linked) or use-of-proceed-based products (green, social, transition bonds) incurred by the parent company or consolidated entities.

Thermal Substitution Rate (TSR)

Thermal substitution rate (TSR) corresponds to the relation of thermal energy consumption of alternative fuels to the total amount of thermal energy consumption in the cement kiln system.

Ton

Refers to a Metric ton, or 1,000 kg.

This set of definitions can be found on the Group's website: www.holcim.com/non-gaap-measures

RECONCILIATION OF NON-GAAP MEASURES

RECONCILING MEASURES OF PROFIT AND LOSS TO THE HOLCIM GROUP'S CONSOLIDATED STATEMENT OF INCOME

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Net sales	14,681	12,556
Recurring Operating costs	(11,728)	(9,834)
Share of profit of joint ventures	155	207
Recurring EBITDA after leases	3,107	2,928
Depreciation and amortization of property, plant and equipment, intangible and long-term assets	(934)	(945)
Recurring EBIT	2,173	1,983
Restructuring, litigation and other non-recurring costs	(18)	(175)
Impairment of operating assets	(88)	(13)
Operating profit	2,067	1,794

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Recurring EBITDA	3,289	3,105
Depreciation of right-of-use assets	(182)	(176)
Recurring EBITDA after leases	3,107	2,928

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Net income before impairment and divestments Group share	1,304	881
Net income before impairment and divestments non-controlling interests	145	233
Net income before impairment and divestments	1,449	1,114
Impairment of goodwill and long-term assets	(58)	(10)
Loss on disposals of Group companies	(89)	(32)
Net income	1,302	1,072
EPS before impairment and divestments in CHF	2.14	1.43

Adjustments disclosed net of taxation

FINANCIAL INFORMATION

RECONCILIATION OF NON-GAAP MEASURES CONTINUED

RECONCILING MEASURES OF THE HOLCIM GROUP'S CONSOLIDATED STATEMENT OF CASH FLOWS TO THE FREE CASH FLOW AFTER LEASES

Million CHF	H1 2022 Unaudited	H1 2021 Unaudited
Cash flow from operating activities	1,151	1,457
Purchase of property, plant and equipment	(743)	(519)
Disposal of property, plant and equipment	48	51
Repayment of long-term lease liabilities	(181)	(176)
Free Cash Flow after leases	275	814

RECONCILING MEASURES OF NET FINANCIAL DEBT TO THE HOLCIM GROUP'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Million CHF	30.06.2022 Unaudited	31.12.2021 Audited	30.06.2021 Unaudited
Current financial liabilities	3,174	2,391	2,536
Long-term financial liabilities	15,199	14,514	13,465
Cash and cash equivalents	(4,399)	(6,682)	(3,465)
Short-term derivative assets	(322)	(186)	(63)
Long-term derivative assets	(287)	(59)	(36)
Net financial debt	13,365	9,977	12,438

RESPONSIBILITY STATEMENT

We certify that, to the best of our knowledge and having made reasonable inquiries to that end, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, and of the financial position and results of the Company and of its consolidated subsidiaries, and that this interim report provides a true and fair view of the evolution of the business, results and financial condition of the Company and of its consolidated subsidiaries.

Zug, 26 July 2022



Jan Jenisch
Chief Executive Officer



Géraldine Picaud
Chief Financial Officer

FINANCIAL INFORMATION

HOLCIM SECURITIES

The Holcim shares (security code number 12214059) are traded on the SIX Swiss Exchange and on Euronext Paris under the ticker symbol HOLN. The corresponding code under Bloomberg is HOLN SW for the shares listed on the Swiss stock exchange and HOLN FP for the shares listed on Euronext Paris. The market capitalization of Holcim Ltd amounted to CHF 25 billion as at 30 June 2022.

CAUTIONARY STATEMENT REGARDING 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.

Financial reporting calendar

Q3 2022 Trading Update	Full Year 2022 Results	Q1 2023 Trading Update	Half Year 2023 Results
28 October 2022	24 February 2023	21 April 2023	27 July 2023



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