

Holcim Finance (Luxembourg) S.A.

Société Anonyme

Annual report including the report of the Réviseur d'Entreprises Agréé

For the year ended December 31, 2025

Address: 21, rue Louvigny
L-1946 Luxembourg
Grand Duchy of Luxembourg

Trade register: B92528

Subscribed capital: EUR 1,900,000

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General information

Directors

Jaques Laurent
Gehlen Mireille
Kossmann Christoph

Registered office

Rue Louvigny 21
L-1946 Luxembourg
Grand Duchy of Luxembourg

Shareholders

Holcim Ltd 99.99%
Grafenauweg 10
CH-6300 Zug
Switzerland

Holderfin B.V. 0.01%
Roemer Visscherstraat 41
NL-1054 EW Amsterdam
The Netherlands

Auditor

Ernst & Young 35E
Avenue John F. Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

Trade register

B92528

Holcim Finance (Luxembourg) S.A.
(the Company)
Société Anonyme
Registered Office: 21, rue Louvigny, L-1946 Luxembourg
Trade Register Luxembourg B number 92.528

MANAGEMENT REPORT

We have the honor of reporting on the activity of the Company for the year ended December 31, 2025.

We hereby submit to you the financial statements for the same year.

Summary of activities:

The principal activity of the Company is to raise funds on the capital market and to provide intercompany financing in EUR to other Holcim group companies.

During the year under review several intercompany loans were repaid.

The loan to Holcim Continental Finance Ltd (Switzerland) amounting to EUR 497 million reached its maturity and has been fully repaid on the 9th of April 2025.

Additionally, the loan to Holcim Continental Finance Ltd (Switzerland) amounting to EUR 499 million reached its maturity and has been fully repaid on the 7th of April 2025.

The funds were utilized to repay two maturing financial obligations.

The bond amounting to EUR 500 million and issued in April 2022 reached its maturity and was fully repaid on the 7th of April 2025.

Additionally, the bond amounting to EUR 500 million and issued in April 2020 reached its maturity and was fully repaid on the 9th of April 2025.

During the financial year ended 31 December 2025, the Company allocated EUR 1.2 million to the Net wealth tax reserve.

Summary of the financial activities:

Financial Income/Expenses

The transactions listed above account for the decrease of EUR 31 million in financial income and EUR 22 million decrease in financial expenses as compared to the prior financial year.

Derivatives and Risks:

Derivative Instruments

The company holds no derivative instrument as at the balance sheet date.

Liquidity Risk

The third-party financial debt of the Company is guaranteed by Holcim Ltd towards the debtholders.

The Company monitors its liquidity risk by using a recurring liquidity management process and maintaining sufficient reserves of cash to always meet liquidity requirements.

Credit Risk

The Company is exposed to the credit risk arising from the potential default of counterparties on intercompany financing and monitors this risk continuously.

Interest rate risk

The Company manages its interest rate risks actively. During the year under review, the loans granted by the Company are financed in a back-to-back manner avoiding any interest exposure on its financing activity.

Foreign currency risk

The Company manages its foreign currency risk continuously. As December 31, 2025, the Company was not exposed to currency risk as all transactions as well as most receivables and payables were denominated in its functional currency (EUR).

Uncertainties:

The main uncertainties of the Company are the future development of the liquidity of the financial markets, the evolution of reference interest rates and exchange rates in the view of refinancing its maturing debt or the potential issuance of new securities in the capital markets.

Key Performance Indicators:

The Company is committed to enhance its performance through continuous improvement; it reports its financial result on a monthly basis and evaluates the performance mainly based on the maximization of the income, minimization of financial expenses and the assessment of liquidity, interest rate and foreign exchange risks.

Subsequent event:

No material subsequent events occurred after December 31, 2025.

Result Allocation:

The financial year ended as at December 31, 2025 has been closed with a loss of EUR 1,968,476.42. Total assets of the Company amounted to EUR 6,449,428,517.24.

The Directors note that as at December 31, 2025 the Company's own equity consists of the following items:

- Share Capital	EUR	1,900,000.00
- Share Premium	EUR	2,510,000.00
- Legal reserve	EUR	190,000.00
- Net wealth tax reserve	EUR	2,289,100.00
- Retained earnings prior year	EUR	46,351,458.13
- Result of the year	EUR	(1.968.476.42)

We suggest the following allocation of the result:

- To be carried forward:	EUR	(1,977,838.92)
- To the wealth tax reserve:	EUR	9,362.50

Outlook:

The Company does not expect any major changes in its activity in the foreseeable future and expects to continue its financing operations in a comparable manner.

Research and Development:

As the principal activity of the Company is to raise funds and to provide intercompany financing, it has no R&D activity.

Own Shares:

The Company does not hold any treasury shares.

Branch of the Company:

The Company doesn't have any branch as at December 31, 2025.

Responsibility statement:

To the best of our knowledge, the financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss.

The management report includes a fair review of the development and performance of the business together with a description of the principal risks and uncertainties.

Corporate governance statement:

The Company has high standards of corporate governance, ensuring responsible and transparent company leadership and management that are geared to ensure full compliance and set the basis for a sustainable long-term performance.

The Company considers the 10 principles recommended by the Luxembourg Stock Exchange as guidance for its own corporate governance.

Corporate governance puts the focus not only on business risks and the company's reputation, but also on corporate social responsibility towards all our stakeholders. As a responsible business, we recognize the significance of effective corporate governance. We show respect for society and the environment, communicate in an open and transparent manner, and act in accordance with legal, corporate and ethical guidelines. To underline this, a Code of Conduct binding for the entire Group has been added to the mission statement.

Organization and management

Board of Directors:

The Company is placing a strong emphasis on corporate governance. The Board of Directors consists of two independent Directors out of three members with complementary high qualifications.

Management:

The daily business of the Company is under the responsibility of the Management. The Management consists of a member with high qualifications, which is appointed by and report to the Board of Directors.

Independent auditors

As part of their auditing activity, the independent auditors inform the Managers about their findings. The Company uses the audit committee as established at Group level. At Group level, the Audit Committee assesses the external auditors and monitors the results of the audit.

Ernst and Young was approved as independent auditor for a one-year term until the Annual General Meeting of 2026.

Code of conduct

Since 2004, the Code of Conduct, binding for the entire Group, has been part of the mission statement.

This code of conduct is available under this link:

<https://www.holcim.com/corporate-governance>

Internal control

The Company has implemented a control system and procedures.

Complementary information concerning the corporate governance of the Group can be found under this link: <https://www.holcim.com/corporate-governance>

Mr. Jaques

Mrs. Gehlen

Mr. Kossmann

Director

Director

Director



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Ernst & Young
Société anonyme

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Autorisations d'établissement :
00117514/13, 00117514/14, 00117514/15, 00117514/17, 00117514/18, 00117514/19

Independent auditor's report

To the Shareholders of
Holcim Finance (Luxembourg) S.A.
21 rue Louvigny
L-1946 Luxembourg

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Holcim Finance (Luxembourg) S.A. (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statement of profit and loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Expected credit loss related to current and non-current financial assets granted to other companies of the Holcim Group	
Matter	Response
<p>Holcim Finance (Luxembourg) S.A. is a financing entity granting loans to companies within the Holcim Group referred to as Holcim Group companies.</p> <p>As of 31 December 2025 current financial assets amounted to EUR 733,459 thousand, accrued interest receivable and prepaid expenses amounted to EUR 61,454 thousand and non-current financial assets amounted to EUR 5,650,924 thousand all together totalling to EUR 6,445,837 thousand (“Loans”) and representing almost 100% of the Company’s total assets.</p> <p>As detailed in Note 2 to the financial statements, the Loans are classified as debt instruments measured at amortized cost less impairment. An expected credit loss analysis was performed by the Management as at 31 December 2025 based on key judgements and estimates.</p> <p>Given the significance of Loans granted to Holcim Group companies as well as the importance of the judgments involved regarding the assessment of the expected credit losses of these Loans, we consider it as a key audit matter.</p>	<p>Our audit procedures over impairment and the evaluation of the expected credit loss analysis of Loans granted to Holcim Group companies included, among others:</p> <ul style="list-style-type: none"> - inspecting legal documentation related to the Loans. - agreeing the input data used in the expected credit losses analysis by comparing the carrying value of the Loans disclosed in the Company’s financial statements to the respective financial information obtained from Holcim Group companies. - assessing the methods used and assumptions applied by Management in the expected credit losses analysis with the support of our internal valuation specialists to evaluate its reasonableness considering the Company’s portfolio, risk profile, credit risk management policies and the complex macroeconomic environment. - evaluating the allocation of the Loans to stage 1 (Performing), 2 (Non-performing) or 3 (write-off) in accordance with IFRS 9 by testing a sample of the Loans to ensure that they were allocated to the appropriate stage. - evaluating the adequacy of the Company’s disclosures in respect to the credit risk as disclosed in Note 4 of the financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report and the corporate governance statement but does not include the financial statements and our report of “réviseur d’entreprises agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



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- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the Statutory General Meeting of the Shareholders on 20 February 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is one year.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.



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We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in blue ink that reads 'Maigret' with a long horizontal stroke extending to the right.

Gabriel De Maigret

Luxembourg, 19 February 2026

Statement of profit or loss

(all amounts in EUR thousands)		For the year ended December 31	
	Note	2025	2024
Income			
Financial income	7	138,122	169,510
		138,122	169,510
Expenses			
Financial expenses	7	(139,886)	(161,412)
Administration expenses		(190)	(360)
		(140,076)	(161,772)
Net profit/(loss) before taxes		(1,954)	7,738
Income taxes	14	(14)	(2,392)
Net profit/(loss) for the year		(1,968)	5,346

Statement of comprehensive income

(all amounts in EUR thousands)		For the year ended December 31	
		2025	2024
Net profit/(loss)		(1,968)	5,346
Other comprehensive income		-	-
Total comprehensive income/(loss)		(1,968)	5,346

Statement of financial position

(all amounts in EUR thousands)		As at December 31	
	Note	2025	2024
Cash and cash equivalents	8	1,099	422
Current financial assets	9	733,459	1,033,920
Accrued interest receivable and prepaid expenses	10	61,454	84,701
Tax advances		2,482	910
Total current assets		798,494	1,119,953
Non-current financial assets	11	5,650,924	6,332,683
Other non-current assets		11	11
Total non-current assets		5,650,935	6,332,694
Total assets		6,449,429	7,452,647
Current financial liabilities	12	674,730	999,771
Current income tax liabilities		-	-
Other current liabilities	12	46,920	61,730
Total current liabilities		721,650	1,061,501
Non-current financial liabilities	13	5,676,507	6,337,906
Total non-current liabilities		5,676,507	6,337,906
Total liabilities		6,398,157	7,399,407
Share capital	1	1,900	1,900
Legal reserve*	1	190	190
Net wealth tax reserve**		2,289	1,055
Share premium		2,510	2,510
Retained earnings		44,383	47,585
Total shareholder's equity		51,272	53,240
Total liabilities and shareholder's equity		6,449,429	7,452,647

*Mandatory, non-distributable reserve, established by the decision of the Board of Directors through profit allocation until it reaches 10% of issued share capital, for the purpose of protecting creditors.

**Dedicated reserve established by the decision of the Board of Directors through profit allocation, for the purpose of mitigating net wealth tax liability.

Statement of changes in equity

(all amounts in EUR thousands)	For the year ended December 31					
	Share capital	Legal reserve	Net wealth tax reserve	Share premium	Result of the financial year	Retained earnings
Equity as at January 1, 2024	1,900	190	-	2,510	6,304	36,990
Allocation of prior year result	-	-	1,055	-	(6,304)	5,249
Profit for the financial year	-	-	-	-	5,346	-
Other comprehensive income/(loss)	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	5,346	-
Equity as at December 31, 2024	1,900	190	1,055	2,510	5,346	42,239
Equity as at January 1, 2025	1,900	190	1,055	2,510	5,346	42,239
Allocation of prior year result	-	-	1,234	-	(5,346)	4,112
Loss for the financial year	-	-	-	-	(1,968)	-
Other comprehensive income/(loss)	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(1,968)	-
Equity as at December 31, 2025	1,900	190	2,289	2,510	(1,968)	46,351

Statement of cash flows

(all amounts in EUR thousands)	For the year ended December 31	
	2025	2024
Interest and financial income received Group	161,397	190,896
Interest and financial expenses paid	(141,029)	(165,864)
Income taxes paid	(1,585)	(3,475)
Other expense paid	(326)	(364)
Cash flow from operating activities (A)	18,457	21,193
Current financial assets issued	(14,100)	(58,200)
Proceeds from current financial assets	996,320	856,297
Cash flow from/(used in) investing activities (B)	982,220	798,097
Repayment of current financial liabilities	(1,000,000)	(819,097)
Cash flow (used in)/from financing activities (C) (Note 8)	(1,000,000)	(819,097)
Increase/(Decrease) in cash and cash equivalents (A + B + C)	677	193
Cash and cash equivalents as at January 1 (net)	422	229
Increase/(Decrease) in cash and cash equivalents	677	193
Cash and cash equivalents as at December 31 (net)	1,099	422

Notes to the financial statements

1. Company information

Holcim Finance (Luxembourg) S.A. (the "Company") is a public limited company incorporated in Luxembourg. The date of incorporation was on March 27, 2003 for an unlimited period. The principal activity of the Company is intercompany financing in EUR by issuing bonds on the regulated market of the Luxembourg Stock Exchange. The Market is a regulated market for the purposes of the Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

The shares of the Company are held by Holcim Ltd with 99.99% and by Holderfin B. V. with 0.01 % and its ultimate parent company is Holcim Ltd.

The Company's share capital comprises of 190,000 (190,000 in the previous year) authorized, issued and fully paid ordinary, non-preference shares with a nominal value of EUR 10.00 each.

The Company's Financial Statements are included in the consolidated Financial Statements of Holcim Ltd prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, and available at the official website of Holcim Ltd.

Under Luxembourg law, the Company is required to appropriate annually at least 5% of its statutory net profit to a non-distributable legal reserve until the aggregate reserve reaches 10% of the subscribed capital. The reserve is fully constituted and amounts to EUR 190,000.

2. Summary of material accounting policies

Basis of accounting

The financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) as adopted by the European Union.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Macroeconomic developments

In the context of high inflation and tight labour markets, central banks in most major economies have raised interest rates at an accelerated pace, which has increased the concerns about recessions in those economies and which may lead to further significant levels of volatility in equities, currencies and interest rates. In addition, the implications of current geopolitical tensions have continued to add uncertainty to future economic and market developments.

Presentation currency

The assets and liabilities of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Company's presentation and functional currency is EUR, as the principal activity of the Company is intercompany financing in EUR.

Cash and cash equivalents

Cash and cash equivalents are financial assets. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value.

Current and non-current financial assets

Financial receivables, both current and non-current, are initially recognized at fair value. Subsequently, they are measured at amortized cost using the effective interest method if classified as "held to collect" and their contractual cash flows are solely payments of principal and interest ("SPPI"). Otherwise, they are measured at fair value. Non-current financial assets in this category consist of receivables from related parties.

Impairment of financial assets

IFRS 9 requires the Company to measure and record expected credit losses ("ECL"). A loss allowance for expected credit losses is determined for all financial assets, other than those at fair value through profit or loss, at the end of each reporting period.

The Company considers the probability of default upon initial recognition of financial assets based on lifetime expected credit losses by considering available reasonable and supportable historical and forward-looking information.

The Company defines a financial asset as being in default when one or more of the following criteria are met:

1. Quantitative indicators — e.g., the asset is past due beyond a specified threshold considered indicative of unlikelihood to pay.
2. Qualitative indicators — such as:
 - significant financial difficulty of the borrower,
 - continued breach of critical contractual terms,
 - observed relevant changes in borrower payment behavior,
 - requests for payment holidays or restructuring,
 - other relevant indicators of unlikelihood to pay.

The Company applies this definition of default across all financial instruments subject to ECL measurement. Where necessary, different definitions may apply to specific portfolios (e.g., financial vs. non-financial receivables, short term vs. long term receivables) due to differences in historical loss patterns and underlying risk drivers.

The Company considers the probability of default upon initial recognition of long-term loans and receivables and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period by considering available reasonable and supportable historical and forward-looking information.

The Company assesses at each reporting date whether the credit risk of a financial instrument has increased significantly compared with the credit risk at initial recognition.

This assessment considers:

- The change in the risk of default occurring over the expected life of the instrument (not the change in the expected credit loss amount).
- All reasonable and supportable information, including forward-looking information, available without undue cost or effort.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The following credit risk modelling applies for financial assets:

Long-term loans and receivables

The Company uses three categories for long-term loans and receivables which reflect their credit risk and how the loan loss provision is determined for each of these categories:

Category	Definition
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows.
Non-performing	Interest and/or principal repayments are past due and credit risk level shows an increase.
Write-off	Based on observable data the payments will not be collected.

Each exposure is allocated to a credit risk category at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring which may result in an exposure being moved to a different credit risk category.

Over the term of the loans, the Company accounts for its credit risk by providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the company considers historical loss rates for each category of customers and adjusts for forward looking macroeconomic data. No significant changes to estimation techniques or assumptions were made during the reporting period.

Current and non-current financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Non-convertible bonds issued are recognized initially at fair value being the proceeds received, net of transaction costs incurred. Subsequently, non-convertible bonds are stated at amortized cost using the effective interest method with any difference between the proceeds (net of transaction costs) and the redemption value being recognized in the statement of profit and loss over the term of the borrowings.

Financial liabilities that are due within twelve months after the end of the reporting period are classified as current liabilities unless the Company has a right to defer settlement of the liability until more than twelve months after the reporting period.

Covenants to be complied with before or on the reporting date determines the classification of financial liabilities. Covenants that the Company is required to comply with after the reporting date are not considered and therefore do not affect classification.

Current and deferred taxes

Current taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity respectively.

Deferred tax is provided using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at reporting date. Tax rates enacted or substantively enacted by the end of the reporting period are used to determine the deferred tax expense.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which deductible temporary differences or unused tax losses can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences arising from financial investments.

Deferred tax is charged or credited in the statement of profit and loss, except when it relates to items credited or charged outside the statement of profit and loss, in which case the deferred tax is treated accordingly.

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting previously published the Pillar Two model rules implementing a global minimum tax of 15%. The Company has a presence in jurisdictions that have enacted Pillar Two model rules. This includes Luxembourg which enacted Income Inclusion Rule (IIR) and Qualified Domestic Minimum Tax (QDMTT) for fiscal years starting on or after 31 December 2023, whereas the Undertaxed Profits Rule (UTPR) is effective for fiscal years starting on or after 31 December 2024.

The Company has performed the assessment of the potential exposure of Pillar 2 income taxes, and it does not impact the Company's effective tax rate.

The Company has applied the mandatory exception to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

Provisions

A provision is recognized when a legal or constructive obligation arising from past events exists, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of this amount.

Recognition of interest income and expense

Interest is recognized on a time proportion basis that reflects the effective yield on the asset and liability using the effective interest method.

Contingent liabilities

Contingent liabilities arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. They are accordingly only disclosed in the notes to the financial statements.

Adoption of revised and new International Financial Reporting Standards and Interpretations

In 2025 the Company adopted the following new or amended standards:

- Amendments to IAS 21, Lack of Exchangeability: This amendment clarifies how an entity determines if a currency is exchangeable and which exchange rate to use when it is not. The EU officially endorsed this on 12 November 2024. As the currencies the Company utilizes have full convertibility, this adoption has no impact on the financial statements.

The following amendments will become effective for annual periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity: These amendments address the "own-use" exemption for power purchase agreements (PPAs) where electricity generation is affected by natural conditions. The Company is currently assessing the impact on its hedging instruments and disclosure requirements. Endorsed by the EU on 30 June 2025.
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments: These clarify requirements for the recognition and derecognition of financial instruments and the classification of assets with contingent features. Endorsed by the EU on 27 May 2025.
- Annual Improvements to IFRS Accounting Standards – Volume 11: A collection of minor clarifications to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. Endorsed by the EU on 9 July 2025.

The following standards have been issued by the IASB and are expected to be effective for annual periods beginning on or after 1 January 2027, subject to final EU endorsement:

- IFRS 18, Presentation and Disclosure in Financial Statements: Replacing IAS 1, this standard introduces a new structure for the income statement (including "operating profit") and requires disclosure of Management-defined Performance Measures (MPMs). EFRAG submitted its final endorsement advice in May 2025, and final EU adoption is expected in early 2026. The Company expects the impact of IFRS 18 to be significant.
- IFRS 19, Subsidiaries without Public Accountability: Disclosures (including 2025 Amendments): This standard and its subsequent August 2025 amendments reduce disclosure burdens for eligible subsidiaries. EFRAG recommended EU endorsement in September 2025. The Company does not expect these to impact its consolidated financial statements.
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency: Issued in November 2025, these clarify the translation of financial statements into a hyperinflationary presentation currency. EFRAG issued draft endorsement advice in December 2025. The Company is monitoring these developments.

3. Critical accounting judgements and key sources of estimation uncertainty

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of incomes, expenses, assets, liabilities and related disclosures at the date of the financial statements. These estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future. However, actual results could differ from those estimates.

Significant accounting estimates and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The area affected is the determination of the expected credit losses (ECL) on the loans granted.

The measurement of impairment losses under IFRS 9 requires judgements and estimates. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the ECL models are considered accounting judgements. Refer to Note 2 paragraph Impairment of financial assets for further details.

4. Risk management

Financial risk management

The Company's activities expose it to a variety of financial risks, including the effect of changes in debt structure and equity market liquidity, interest rate, foreign exchange and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain exposures. The Company does not enter into derivative or other financial transactions which are unrelated to its operating business. Financial risk management within the Company is governed by policies approved by Holcim Group key management personnel. It provides principles for overall risk management, as well as policies covering specific areas such as interest rate risk, foreign exchange risk, credit risk, use of derivative financial instruments and investing of excess cash.

Liquidity risk

The Company needs liquidity to meet its obligations. As an individual company, it is responsible for its own cash balances and the raising of internal and external credit lines to cover the liquidity needs, subject to guidance by the Company and, in certain cases, approval at Group level. The Company monitors its liquidity risk by using a recurring liquidity planning tool and maintains cash and other financial assets to meet its liquidity requirements. In addition, the strong creditworthiness of the Company allows it to access international financial markets for financing purposes.

Market risk

The Company is exposed to market risk, primarily relating to foreign exchange rate and interest rate risk. To manage the volatility relating to this exposure, the Company usually maintains financing activity in the presentation currency - EUR. The Company's objective is to reduce fluctuations in earnings and cash flows associated with changes in foreign exchange rate risk.

Interest rate risk

Interest rate risk arises from movements in interest rates which could affect the Company's financial results and market values of its financial instruments. The Company is not exposed to any interest rate risk since there are no assets and liabilities with floating rates.

Foreign exchange risk

The principal activity of the Company is intercompany financing in EUR. It usually borrows funds from third parties or related parties in the same currency, so there is no exposure on the Company to any foreign exchange risk.

Capital Structure

The Company's objectives when managing capital are to secure the Company's financial needs as a going concern. The Company manages the capital structure by ensuring an adequate cash flow from operating activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares, or sell assets to reduce debt.

Credit risk

Credit risks, or the risk of counterparties defaulting, are constantly monitored on a Group level. In general, the Company only enters into financial transactions with related counterparties, as well as with non-related counterparties with high credit ratings. The Company does not expect any counterparty to be unable to fulfill their obligations under their respective financing agreements and therefore, the Company has no significant concentration of credit risk. The Company's financial assets are categorized as not passed due, with immaterial ECL calculated.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Fair value estimation

The fair value of publicly traded financial instruments is generally based on quoted (unadjusted) market prices at the end of the reporting period.

The fair value of current financial assets and liabilities at amortized cost are assumed to approximate their carrying amounts due to the current nature of these financial instruments.

The levels of fair value hierarchy used are defined as follows:

Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets.

Level 2 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are observable market data, either directly or indirectly. The fair value of financial instruments that are not traded in an active market (such as current and non-current financial assets and privately placed bonds) is determined by using valuation techniques which maximize the use of observable market data when available and rely as little as possible on entity specific estimates. If all significant inputs required to value an instrument are observable, the instrument is included in Level 2. The Company values its assets and liabilities included in this level using bid prices, interest rate curves, broker quotations, current exchange rates, forward rates and implied volatilities obtained from market contributors as of the valuation date.

For Level 2 instruments, the Company applies valuation techniques that use observable market data to the greatest extent possible.

Market Approach. This technique uses prices and relevant information generated by market transactions involving similar assets or liabilities. Examples of observable inputs:

- quoted prices for comparable instruments,
- observable credit spreads,
- benchmark interest rate curves.

Income Approach. Uses valuation models such as discounted cash flow (DCF), where the fair value is derived by discounting expected cash flows using observable market parameters such as:

- reference interest rates,
- observable yield curves,
- implied volatilities.

Level 3 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are not based on observable market data. In 2025 and 2024, there were no financial assets and liabilities allocated to level 3.

There have been no transfers between the different hierarchy levels in 2025 and 2024.

5. Financial instruments and fair values

December 31, 2025 (all amounts in EUR thousands)	Carrying amount			Fair value			Total
	Debt instruments at amortized cost	Financial assets at amortized cost	Total	Level 1	Level 2	3	
Financial Asset	-	6,384,383	6,384,383	6,304,748	-	-	6,304,748
Financial Liabilities	6,351,237	-	6,351,237	5,834,088	32,496	-	5,866,584

December 31, 2024 (all amounts in EUR thousands)	Carrying amount			Fair value			Total
	Debt instruments at amortized cost	Financial assets at amortized cost	Total	Level 1	Level 2	3	
Financial Asset	-	7,366,603	7,366,603	7,079,233	-	-	7,079,233
Financial Liabilities	7,337,677	-	7,337,677	6,722,222	32,859	-	6,755,081

6. Contractual maturity analysis

The contractual cash flows are based on the earliest date on which the Company can be required to pay.

(all amounts in EUR thousands)	Contractual undiscounted cash flows						Total
	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	
2025							
Non-derivative financial liabilities	748,276	560,189	1,209,564	783,689	1,520,564	1,841,296	6,663,578
Total	748,276	560,189	1,209,564	783,689	1,520,564	1,841,296	6,663,578
2024							
Non-derivative financial liabilities	1,085,151	748,276	560,189	1,209,564	783,689	3,361,860	7,748,729
Total	1,085,151	748,276	560,189	1,209,564	783,689	3,361,860	7,748,729

7. Financial income and financial expenses

(all amounts in EUR thousands)	2025	2024
Financial income - other related parties	138,122	169,510
Total financial income	138,122	169,510

Of which:

Interest income	138,122	169,510
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(all amounts in EUR thousands)	2025	2024
Financial expenses - parent	(53,164)	(54,934)
Financial expenses - other related parties	-	-
Financial expenses - third parties	(86,722)	(106,478)
Total financial expenses	(139,886)	(161,412)

Of which:

Interest expense	(73,148)	(91,850)
Guarantee fee expense	(53,164)	(54,934)
Unwinding of discount	(13,560)	(14,616)
Other financial expenses	(14)	(12)

The position of financial expenses - third parties relates primarily to financial liabilities measured at amortized cost.

Interest rate sensitivity

The Company has no exposure to variable interest rate.

8. Notes to the cash flow statement

(all amounts in EUR thousands)	2025	2024
Cash at banks	1,099	422
Total cash and cash equivalents	1,099	422
Of which pledged / restricted	-	-

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the reporting position as shown above.

Changes in liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's cash flow statement as cash flows from financing activities.

(all amounts in EUR thousands)	1 January 2025	Financing cash flows	Other changes (i)	31 December 2025
Bond Financing (Note 13)	7,337,677	(1,000,000)	13,560	6,351,237
Total liabilities from financing activities	7,337,677	(1,000,000)	13,560	6,351,237

(all amounts in EUR thousands)	1 January 2024	Financing cash flows	Other changes (i)	31 December 2024
Perpetual notes	499,415	(499,415)	-	-
Bond Financing (Note 13)	7,643,283	(319,682)	14,076	7,337,677
Total liabilities from financing activities	8,142,698	(819,097)	14,076	7,337,677

(i) Other changes include the amortization of bonds premiums and discounts.

9. Current financial assets

(all amounts in EUR thousands)	2025	2024
Current financial receivables - related parties	733,459	1,033,920
Total	733,459	1,033,920
Of which pledged / restricted	-	-

The carrying amounts of current financial assets approximate their fair value.

10. Accrued interest receivable and prepaid expenses

(all amounts in EUR thousands)	2025	2024
Prepaid expenses	3	3
Accrued interest receivable	61,451	84,698
Total	61,454	84,701

11. Non-current financial assets

(all amounts in EUR thousands)	2025	2024
Non-current financial receivables - other related parties	5,650,924	6,332,683
Total	5,650,924	6,332,683
Of which pledged / restricted	-	-

Interest rate structure of non-current financial receivables

(all amounts in EUR thousands)	2025	2024
Financial receivables at fixed rates	5,650,924	6,332,683
Total	5,650,924	6,332,683

The fair values of non-current financial assets amount to EUR 6,304,748 thousand (previous year: EUR 7,079,233 thousand) and are classified as level 2 in the fair value hierarchy (Note 5).

12. Current financial liabilities and other current financial liabilities

(all amounts in EUR thousands)	2025	2024
Current portion of non-current financial liabilities - other related parties	674,730	999,771
Total	674,730	999,771
Of which secured by the ultimate parent company	674,730	999,771

The carrying amounts of current financial liabilities approximate their fair value.

The amount under the caption "other current liabilities" is mainly composed of EUR 34,340 thousand accrued interest payable on third party issuances (2024: EUR 48,575 thousand) and EUR 12,536 thousand accruals on the guarantee fees payable to Holcim Ltd (2024: EUR 13,004 thousand).

13. Non-current financial liabilities

(all amounts in EUR thousands)	2025	2024
Non-current financial liabilities - third parties	5,676,507	6,337,906
Total	5,676,507	6,337,906
Of which guaranteed by the ultimate parent company	5,676,507	6,337,906

Interest rate structure of non-current financial liabilities

(all amounts in EUR thousands)	2025	2024
Financial liabilities at fixed rates	5,676,507	6,337,906
Total	5,676,507	6,337,906

The fair values of non-current financial liabilities amount to EUR 5,866,584 thousand (2024: EUR 6,755,081 thousand) and EUR 5,834,088 thousand are classified as level 1 and EUR 32,496 thousand as level 2 in the fair value hierarchy (Note 5).

The financial liabilities of the company as structured as follows:

(all amounts in EUR thousands)					Net book value	Net book value
Currency / nominal value	Nominal interest rate	Effective interest rate	Term	Description	2025	2024
EUR / 32'500	2.00%	2.03%	2016 - 2026	SSD guaranteed by Holcim Ltd	32,496	32,487
EUR / 1'150'000	2.25%	2.23%	2016 - 2028	Bond guaranteed by Holcim Ltd	1,150,583	1,150,825
EUR / 750'000	1.75%	1.90%	2017 - 2029	Bond guaranteed by Holcim Ltd	746,374	745,388
EUR / 500'000	0.50%	2.25%	2019 - 2026	Bond guaranteed by Holcim Ltd	492,289	483,972
EUR / 850'000	0.50%	0.59%	2020 - 2031	Sustainable Bond guaranteed by Holcim Ltd	846,026	845,279
EUR / 500'000	2.38%	2.49%	2020 - 2025	Bond guaranteed by Holcim Ltd	-	499,848
EUR / 500'000	0.13%	0.22%	2021 - 2027	Bond guaranteed by Holcim Ltd	499,241	498,751
EUR / 650'000	0.63%	0.69%	2021 - 2033	Bond guaranteed by Holcim Ltd	647,084	646,672
EUR / 500'000	0.63%	0.79%	2021 - 2030	Bond guaranteed by Holcim Ltd	496,526	495,716
EUR / 1'000'000	0.50%	0.64%	2021 - 2030	Bond guaranteed by Holcim Ltd	993,578	992,210
EUR / 120'000	1.38%	1.49%	2021 - 2036	Bond guaranteed by Holcim Ltd	297,095	296,818
EUR / 150'000	1.63%	1.73%	2022 - 2026	Bond guaranteed by Holcim Ltd	149,945	149,788
EUR / 500'000	1.50%	1.56%	2022 - 2025	Bond guaranteed by Holcim Ltd	-	499,923
Total					6,351,237	7,337,677
Of which current portion (Note 12)					674,730	999,771

14. Income taxes

The Company is subject to all taxes applicable for Luxembourg commercial companies. There is no material difference between the tax expense due and the hypothetical tax due by applying the standard Luxembourg corporate tax rate on the profit before taxes as disclosed in the statement of financial position. The effective tax rate for the financial year is -0,72%.

15. Related parties

The principal categories of related parties include:

1. Parent company Holcim Ltd;
2. Group companies consolidated in the Holcim Ltd financial statements;
3. Key management personnel.

Transactions with related parties are set at best OECD practice in a manner similar to transactions with third parties.

16. Transactions with key management personnel

(all amounts in EUR thousands)	2025	2024
Remuneration of the Board of Directors	15	17

17. Operating Segments

The financing activities of the Company are managed as one single business and as one operating segment.

18. Events after the reporting period

There were no significant events after reporting period.

19. Authorization of the financial statements for issue

The financial statements were authorized for issuance by the Board of Directors of Holcim Finance (Luxembourg) S.A. on February 19, 2026 and are subject to the approval of the general meeting of the Shareholders.