

<b>40</b>				<b>1</b>	<b>EUR</b>	
NAT.	Filing date	Nr.	P.	U.	D.	F 1

**ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED UNDER  
BELGIAN COMPANY LAW**

**IDENTIFICATION DETAILS (on date of deposit)**

NAME: *Titan Cement International*

Legal form: *Public limited company*

Address: *Rue de la Loi* Nr.: *23* Box: *4*

Postal code: *1040* Municipality: *Etterbeek*

Country: *Belgium*

Register of legal persons – Business court of: *Brussels, French-speaking*

Website address<sup>1</sup>:

Company identification number **BE 0699.936.657**

DATE **11 / 09 / 2019** of filing the memorandum of association OR of the most recent document mentioning the date of publication of the memorandum of association and of the act amending the articles of association.

ANNUAL ACCOUNTS **ANNUAL ACCOUNTS IN EUROS (2 decimals)**

approved by the general meeting of **14 / 05 / 2020**

Regarding the financial year from **16 / 07 / 2018** to **31 / 12 / 2019**

Preceding financial year from **/ /** to **/ /**

The amounts for the preceding period **are / are not**<sup>2</sup> identical to the ones previously published.

Total number of pages filed: **45** Numbers of sections of the standard form not filed because they serve no useful purpose: *6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5, 6.3.2, 6.3.4, 6.3.5, 6.3.6, 6.4.2, 6.5.2, 6.17, 6.18.1, 6.20, 9, 10, 12, 13, 14, 15, 16*

*Michael Colakides*  
Managing Director –  
Group CFO

*Grigoris Dikaïos,*  
Company CFO

## THE SITUATION OF THE COMPANY

### Does this annual account concern a company subject to the provisions of the new Code of Companies and Associations of March 23, 2019 ? yes

Companies that have to establish and file their annual accounts according to the provisions of the Code of Companies and Associations will also use the present model. The following applies to the annual accounts:

- 'Companies Code' should be read as 'Companies and Associations Code'.
- In the below sections, articles from the Companies Code refer to the following articles from the Companies and Associations Code

<u>Section</u>	<u>Companies Code</u>	<u>Companies and Associations Code</u>
F 6.7.2	art. 631, §2 and 632, §2	art. 7:225
F 6.16	art.134	art. 3:64, §2 and §4
F 6.18.1	art.16	art. 1:26
	art.110	art. 3:23
	art. 113, §2 and §3	art. 3:26, §2 and §3
F 6.18.2	art. 134, §4 and §5	art. 3:65, §4 and §5
	art. 134	art. 3:64, §2 and §4
F 11	art. 100, §1, 6°/3	art. 3:12, §1, 9°
F 12	art. 261, par 1 and 3	art. 5:77, §1
F 13	art. 646, §2, par 4	art. 7:231, par 3
F 14	art. 938 and art. 1001	art. 15:29 and art. 16:27
F 15	art. 100, §1, 6°/1	art. 3:12, §1, 7°

- Section 11 'Share premium account' should be read as 'Contribution (- Outside the capital)'.
- Section 6503 'Activated interests' should be read as 6502 'Activated interests' as a result of the new minimum general accounts.

Is company a company without capital? no

**LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS AND  
DECLARATION REGARDING A COMPLIMENTARY REVIEW OR  
CORRECTION ASSIGNMENT**

**LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS**

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

<i>Kyriacos RIRIS</i> <i>Rue Steliou Mavromati 68, 2364 Ayios Dometios, Cyprus</i>	<i>Vice-chairman of the board of directors</i> <i>19/10/2018 - 13/05/2021</i>
<i>Stylianios TRIANTAFYLIDIS</i> <i>Rue Archiepiskopou Makariou III, Capital Center 9ième étage, 1065 Nicosie, Cyprus</i>	<i>Director</i> <i>19/10/2018 - 13/05/2021</i>
<i>Andreas ARTEMIS</i> <i>Eleftheriou Venizelou 27, 1107 Lefkosia, Cyprus</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Dimitrios PAPALEXOPOULOS</i> <i>Mavromichali ST 21, 14510 Kifissia, Greece</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Alexandra PAPALEXOPOULOU</i> <i>Alexandrou Papanastasiou ST 75, 15452 Psychico, Greece</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Michael COLAKIDES</i> <i>Pallados Street 9-401, 1095 Nicosie, Cyprus</i>	<i>Managing director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Dimitris TSITSIRAGOS</i> <i>Cadogan Square 5, Flat 1, SW1X 0HT London, United Kingdom</i>	<i>Director</i> <i>19/03/2020 - 12/05/2022</i>
<i>Leonidas KANELLOPOULOS</i> <i>Gounari St. 2, 14562 Kifissia, Greece</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Vassilios ZARKALIS</i> <i>Key Vista Way 17784, 33496-1040 Boca Raton FL, United States</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Mona ZULFICAR</i> <i>Mahmoud Sedky 5, Zamalek, Egypt</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Maria VASSALOU</i> <i>1965 Broadway Apt. 9B, 10023-5973 New York, United States</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>William ANTHOLIS</i> <i>2nd St. NE 502, VA 22902-4639 Charlottesville, United States</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>David George HARALAMBOS</i> <i>Parthenonos street 26, 1105 Nicosia, Cyprus</i>	<i>Director</i> <i>01/08/2019 - 12/05/2022</i>
<i>Efstratios-Georgios ARAPOGLOU</i> <i>Anastasios G. Leventis Tower, Appt. 12, Anastasios G. Leventis Street 5, 1097 Nicosia, Cyprus</i>	<i>Chairman of the board of directors</i> <i>01/08/2019 - 12/05/2022</i>
<i>Takis-Panagiotis CANELLOPOULOS</i> <i>Vas. Georgiou Street 4, 10674 Athènes, Greece</i>	<i>Director</i> <i>01/08/2019 - 19/03/2020</i>
<i>Petros SABATACAKIS</i> <i>Terry Rd. E Hampton 3, 11937 New York, United States</i>	<i>Director</i> <i>01/08/2019 - 19/03/2020</i>
<i>PricewaterhouseCoopers Réviseurs d'Entreprises SRL</i> <i>Nr.: BE 0429.501.944</i> <i>Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, Belgium</i> <i>Membership nr.: B00009</i>	<i>Auditor</i> <i>01/08/2019 - 12/05/2022</i>

## LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS (CONTINUED)

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

*Represented by:*

*Marc Daelman  
Woluwe Garden, Woluwedal 18, 1932 Sint-Stevens-Woluwe, Belgium  
Membership nr.: A01579*

Free Translation

## DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that no audit or correction assignment has been given to a person who was not authorised to do so by law, pursuant to art. 34 and 37 of the law of 22th April 1999 concerning accounting and tax professions.

The annual accounts ~~WAS~~ / were not\* audited or corrected by an external accountant or by a company auditor who is not the statutory auditor.

If affirmative, mention hereafter: surname, first names, profession and address of each external accountant or company auditor and his membership number with his Institute as well as the nature of his assignment:

- A. Bookkeeping of the enterprise \*\*,
- B. Preparing the annual accounts \*\*,
- C. Auditing the annual accounts and/or
- D. Correcting the annual accounts.

If the tasks mentioned under A. or B. are executed by certified accountants or certified bookkeepers - tax specialists, you can mention hereafter: surname, first names, profession and address of each certified accountant or certified bookkeeper - tax specialist and his/her affiliation number with the Institute of Accounting Professional and Tax Experts and the nature of his/her assignment.

Surname, first names, profession and address	Affiliation number	Nature of the assignment (A, B, C and/or D)

\* Strike out what is not applicable.

\*\* Optional information.

## ANNUAL ACCOUNTS

## BALANCE SHEET AFTER APPROPRIATION

	Discl.	Codes	Period	Preceding period
<b>ASSETS</b>				
<b>Formation expenses</b> .....	6.1	20	7.721.856,14	.....
<b>FIXED ASSETS</b> .....		21/28	1.503.326.304,54	.....
<b>Intangible fixed assets</b> .....	6.2	21	.....	.....
<b>Tangible fixed assets</b> .....	6.3	22/27	129.011,61	.....
Land and buildings .....		22	56.630,62	.....
Plant, machinery and equipment .....		23	.....	.....
Furniture and vehicles .....		24	72.380,99	.....
Leasing and similar rights .....		25	.....	.....
Other tangible fixed assets .....		26	.....	.....
Assets under construction and advance payments .....		27	.....	.....
<b>Financial fixed assets</b> .....	6 4/6.5.1	28	1.503.197.292,93	.....
Affiliated enterprises .....	6.15	280/1	1.503.181.932,93	.....
Participating interests .....		280	1.503.181.932,93	.....
Amounts receivable .....		281	.....	.....
Enterprises linked by participating interests .....	6.15	282/3	.....	.....
Participating interests .....		282	.....	.....
Amounts receivable .....		283	.....	.....
Other financial assets .....		284/8	15.360,00	.....
Shares .....		284	.....	.....
Amounts receivable and cash guarantees .....		285/8	15.360,00	.....

	Discl.	Codes	Period	Preceding period
<b>CURRENT ASSETS</b> .....		29/58	617.691,18	.....
<b>Amounts receivable after more than one year</b> .....		29	.....	.....
Trade debtors .....		290	.....	.....
Other amounts receivable .....		291	.....	.....
<b>Stocks and contracts in progress</b> .....		3	.....	.....
Stocks .....		30/36	.....	.....
Raw materials and consumables .....		30/31	.....	.....
Work in progress .....		32	.....	.....
Finished goods .....		33	.....	.....
Goods purchased for resale .....		34	.....	.....
Immovable property intended for sale .....		35	.....	.....
Advance payments .....		36	.....	.....
Contracts in progress .....		37	.....	.....
<b>Amounts receivable within one year</b> .....		40/41	39.718,93	.....
Trade debtors .....		40	9.819,97	.....
Other amounts receivable .....		41	29.898,96	.....
<b>Current investments</b> ..... 6 5.1/6.6		50/53	.....	.....
Own shares .....		50	.....	.....
Other investments .....		51/53	.....	.....
<b>Cash at bank and in hand</b> .....		54/58	418.282,64	.....
<b>Deferred charges and accrued income</b> ..... 6.6		490/1	159.689,61	.....
<b>TOTAL ASSETS</b> .....		20/58	1.511.665.851,86	.....

	Discl.	Codes	Period	Preceding period
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b> .....		10/15	1.301.959.348,25	.....
<b>Capital</b> .....	6.7.1	10	1.159.347.807,86	.....
Issued capital .....		100	1.159.347.807,86	.....
Uncalled capital .....		101	.....	.....
<b>Share premium account</b> .....		11	15.320.651,04	.....
<b>Revaluation surpluses</b> .....		12	.....	.....
<b>Reserves</b> .....		13	135.647.774,33	.....
Legal reserve .....		130	.....	.....
Reserves not available .....		131	84.993.560,80	.....
In respect of own shares held .....		1310	84.993.560,80	.....
Other .....		1311	.....	.....
Untaxed reserves .....		132	.....	.....
Available reserves .....		133	50.654.213,53	.....
<b>Accumulated profits (losses)</b> ..... (+)/(-)		14	-8.356.884,98	.....
<b>Investment grants</b> .....		15	.....	.....
<b>Advance to associates on the sharing out of the assets</b> .....		19	.....	.....
<b>PROVISIONS AND DEFERRED TAXES</b> .....		16	1.861.366,02	.....
<b>Provisions for liabilities and charges</b> .....		160/5	1.861.366,02	.....
Pensions and similar obligations .....		160	245.337,06	.....
Taxation .....		161	.....	.....
Major repairs and maintenance .....		162	.....	.....
Environmental obligations .....		163	.....	.....
Other liabilities and charges .....	6.8	164/5	1.616.028,96	.....
<b>Deferred taxes</b> .....		168	.....	.....



	Discl.	Codes	Period	Preceding period
<b>AMOUNTS PAYABLE</b> .....		17/49	207.845.137,59	.....
<b>Amounts payable after more than one year</b> .....	6.9	17	189.510.426,40	.....
Financial debts .....		170/4	56.000.000,00	.....
Subordinated loans .....		170	.....	.....
Unsubordinated debentures .....		171	.....	.....
Leasing and other similar obligations .....		172	.....	.....
Credit institutions .....		173	.....	.....
Other loans .....		174	56.000.000,00	.....
Trade debts .....		175	.....	.....
Suppliers .....		1750	.....	.....
Bills of exchange payable .....		1751	.....	.....
Advances received on contracts in progress .....		176	.....	.....
Other amounts payable .....		178/9	133.510.426,40	.....
<b>Amounts payable within one year</b> .....	6.9	42/48	18.270.907,90	.....
Current portion of amounts payable after more than one year falling due within one year .....		42	82.863,89	.....
Financial debts .....		43	.....	.....
Credit institutions .....		430/8	.....	.....
Other loans .....		439	.....	.....
Trade debts .....		44	776.558,30	.....
Suppliers .....		440/4	776.558,30	.....
Bills of exchange payable .....		441	.....	.....
Advances received on contracts in progress .....		46	.....	.....
Taxes, remuneration and social security .....	6.9	45	921.912,11	.....
Taxes .....		450/3	147.787,14	.....
Remuneration and social security .....		454/9	774.124,97	.....
Other amounts payable .....		47/48	16.489.573,60	.....
<b>Accruals and deferred income</b> .....	6.9	492/3	63.803,29	.....
<b>TOTAL LIABILITIES</b> .....		10/49	1.511.665.851,86	.....

## INCOME STATEMENT

	Discl.	Codes	Period	Preceding period
<b>Operating income</b> .....		70/76A	1.151,66	.....
Turnover.....	6.10	70	.....	.....
Stocks of finished goods and work and contracts in progress: increase (decrease).....		71	.....	.....
Own work capitalised .....		72	.....	.....
Other operating income .....	6.10	74	1.151,66	.....
Non-recurring operating income .....	6.12	76A	.....	.....
<b>Operating charges</b> .....		60/66A	6.876.592,32	.....
Raw materials, consumables .....		60	.....	.....
Purchases .....		600/8	.....	.....
Stocks: decrease (increase) .....		609	.....	.....
Services and other goods .....		61	2.158.543,26	.....
Remuneration, social security costs and pensions .....	6.10	62	1.223.891,96	.....
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets .....		630	580.525,19	.....
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs) .....	6.10	631/4	.....	.....
Provisions for liabilities and charges: Appropriations (uses and write-backs) .....	6.10	635/8	1.861.366,02	.....
Other operating charges.....	6.10	640/8	4.799,60	.....
Operating charges carried to assets as restructuring costs(-)		649	.....	.....
Non-recurring operating charges.....	6.12	66A	1.047.466,29	.....
<b>Operating profit (loss)</b> .....		9901	-6.875.440,66	.....

	Discl.	Codes	Period	Preceding period
<b>Financial income</b> .....		75/76B	185,23	.....
Recurring financial income .....		75	185,23	.....
Income from financial fixed assets .....		750	.....	.....
Income from current assets .....		751	.....	.....
Other financial income..... 6.11		752/9	185,23	.....
Non-recurring financial income..... 6.12		76B	.....	.....
<b>Financial charges</b> .....		65/66B	1.480.936,32	.....
Recurring financial charges..... 6.11		65	1.480.936,32	.....
Debt charges .....		650	714.334,99	.....
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) .....(+)/(-)		651	.....	.....
Other financial charges .....		652/9	766.601,33	.....
Non-recurring financial charges..... 6.12		66B	.....	.....
<b>Gain (loss) for the period before taxes</b> ..... (+)/(-)		9903	-8.356.191,75	.....
<b>Transfer from deferred taxes</b> .....		780	.....	.....
<b>Transfer to deferred taxes</b> .....		680	.....	.....
<b>Income taxes</b> .....(+)/(-) 6.13		67/77	693,23	.....
Taxes .....		670/3	693,23	.....
Adjustment of income taxes and write-back of tax provisions		77	.....	.....
<b>Gain (loss) of the period</b> ..... (+)/(-)		9904	-8.356.884,98	.....
<b>Transfer from untaxed reserves</b> .....		789	.....	.....
<b>Transfer to untaxed reserves</b> .....		689	.....	.....
<b>Gain (loss) of the period available for appropriation</b> ..(+)/(-)		9905	-8.356.884,98	.....

## APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
<b>Profit (loss) to be appropriated</b> ..... (+)/(-)	9906	-8.356.884,98	.....
Gain (loss) of the period available for appropriation ..... (+)/(-)	(9905)	-8.356.884,98	.....
Profit (loss) brought forward..... (+)/(-)	14P	.....	.....
<b>Withdrawals from capital and reserves</b> .....	791/2	.....	.....
from capital and share premium account .....	791	.....	.....
from reserves .....	792	.....	.....
<b>Transfer to capital and reserves</b> .....	691/2	.....	.....
to capital and share premium account .....	691	.....	.....
to legal reserve .....	6920	.....	.....
to other reserves .....	6921	.....	.....
<b>Accumulated profits (losses)</b> ..... (+)/(-)	(14)	-8.356.884,98	.....
<b>Owners' contribution in respect of losses</b> .....	794	.....	.....
<b>Profit to be distributed</b> .....	694/7	.....	.....
Dividends .....	694	.....	.....
Directors' or managers' entitlements .....	695	.....	.....
Employees .....	696	.....	.....
Other beneficiaries .....	697	.....	.....

## EXPLANATORY DISCLOSURES

### STATEMENT OF FORMATION EXPENSES

	Codes	Period	Preceding period
<b>Net book value at the end of the period</b> .....	20P	xxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
New expenses incurred .....	8002	8.299.403,68	
Depreciation .....	8003	577.547,54	
Other.....(+)/(-)	8004	.....	
<b>Net book value at the end of the period</b> .....	(20)	7.721.856,14	
<b>Of which</b>			
Formation or capital increase expenses, loan issue expenses and other formation expenses .....	200/2	7.721.856,14	
Restructuring costs .....	204	.....	

## STATEMENT OF TANGIBLE FIXED ASSETS

	Codes	Period	Preceding period
<b>LAND AND BUILDINGS</b>			
<b>Acquisition value at the end of the period</b> .....	8191P	xxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Acquisitions, including produced fixed assets .....	8161	57.590,46	
Sales and disposals .....	8171	.....	
Transfers from one heading to another..... (+)/(-)	8181	.....	
<b>Acquisition value at the end of the period</b> .....	8191	57.590,46	
<b>Revaluation surpluses at the end of the period</b> .....	8251P	xxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Recorded .....	8211	.....	
Acquisitions from third parties .....	8221	.....	
Cancelled .....	8231	.....	
Transferred from one heading to another..... (+)/(-)	8241	.....	
<b>Revaluation surpluses at the end of the period</b> .....	8251	.....	
<b>Depreciations and amounts written down at the end of the period</b> .....	8321P	xxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Recorded .....	8271	959,84	
Written back .....	8281	.....	
Acquisitions from third parties .....	8291	.....	
Cancelled owing to sales and disposals .....	8301	.....	
Transferred from one heading to another..... (+)/(-)	8311	.....	
<b>Depreciations and amounts written down at the end of the period</b> .....	8321	959,84	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(22)	56.630,62	

**FURNITURE AND VEHICLES****Acquisition value at the end of the period** .....

Codes	Period	Preceding period
8193P	xxxxxxxxxxxxxxx	.....

**Movements during the period**

Acquisitions, including produced fixed assets .....

8163 74.398,80

Sales and disposals .....

8173 .....

Transfers from one heading to another..... (+)/(-)

8183 .....

**Acquisition value at the end of the period** .....

8193 74.398,80

**Revaluation surpluses at the end of the period** .....

8253P xxxxxxxxxxxxxxxx

**Movements during the period**

Recorded .....

8213 .....

Acquisitions from third parties .....

8223 .....

Cancelled .....

8233 .....

Transferred from one heading to another..... (+)/(-)

8243 .....

**Revaluation surpluses at the end of the period** .....

8253 .....

**Depreciations and amounts written down at the end of the period** .....

8323P xxxxxxxxxxxxxxxx

**Movements during the period**

Recorded .....

8273 2.017,81

Written back .....

8283 .....

Acquisitions from third parties .....

8293 .....

Cancelled owing to sales and disposals .....

8303 .....

Transferred from one heading to another..... (+)/(-)

8313 .....

**Depreciations and amounts written down at the end of the period** .....

8323 2.017,81

**NET BOOK VALUE AT THE END OF THE PERIOD** .....

(24) 72.380,99

## STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Preceding period
<b>AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES</b>			
<b>Acquisition value at the end of the period</b> .....	8391P	xxxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Acquisitions .....	8361	1.503.181.952,57	
Sales and disposals .....	8371	19,64	
Transfers from one heading to another..... (+)/(-)	8381	.....	
<b>Acquisition value at the end of the period</b> .....	8391	1.503.181.932,93	
<b>Revaluation surpluses at the end of the period</b> .....	8451P	xxxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Recorded .....	8411	.....	
Acquisitions from third parties .....	8421	.....	
Cancelled .....	8431	.....	
Transferred from one heading to another..... (+)/(-)	8441	.....	
<b>Revaluation surpluses at the end of the period</b> .....	8451	.....	
<b>Amounts written down at the end of the period</b> .....	8521P	xxxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Recorded .....	8471	.....	
Written back .....	8481	.....	
Acquisitions from third parties .....	8491	.....	
Cancelled owing to sales and disposals .....	8501	.....	
Transferred from one heading to another..... (+)/(-)	8511	.....	
<b>Amounts written down at the end of the period</b> .....	8521	.....	
<b>Uncalled amounts at the end of the period</b> .....	8551P	xxxxxxxxxxxxxxxx	.....
<b>Movements during the period</b> ..... (+)/(-)	8541	.....	
<b>Uncalled amounts at the end of the period</b> .....	8551	.....	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(280)	1.503.181.932,93	
<b>AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE</b>			
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	281P	xxxxxxxxxxxxxxxx	.....
<b>Movements during the period</b>			
Additions .....	8581	.....	
Repayments .....	8591	.....	
Amounts written down .....	8601	.....	
Amounts written back .....	8611	.....	
Exchange differences .....	8621	.....	
Other movements .....	8631	.....	
<b>NET BOOK VALUE AT THE END OF THE PERIOD</b> .....	(281)	.....	
<b>ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD</b> .....	8651	.....	



**OTHER ENTERPRISES - PARTICIPATING INTERESTS AND SHARES**

Acquisition value at the end of the period .....

Codes	Period	Preceding period
8393P	XXXXXXXXXXXXXXXXX	.....

**Movements during the period**

Acquisitions .....

8363 .....

Sales and disposals .....

8373 .....

Transfers from one heading to another..... (+)/(-)

8383 .....

Acquisition value at the end of the period .....

8393 .....

Revaluation surpluses at the end of the period .....

8453P XXXXXXXXXXXXXXXX

**Movements during the period**

Recorded .....

8413 .....

Acquisitions from third parties .....

8423 .....

Cancelled .....

8433 .....

Transferred from one heading to another..... (+)/(-)

8443 .....

Revaluation surpluses at the end of the period .....

8453 .....

Amounts written down at the end of the period .....

8523P XXXXXXXXXXXXXXXX

**Movements during the period**

Recorded .....

8473 .....

Written back .....

8483 .....

Acquisitions from third parties .....

8493 .....

Cancelled owing to sales and disposals .....

8503 .....

Transferred from one heading to another..... (+)/(-)

8513 .....

Amounts written down at the end of the period .....

8523 .....

Uncalled amounts at the end of the period .....

8553P XXXXXXXXXXXXXXXX

Movements during the period..... (+)/(-)

8543 .....

Uncalled amounts at the end of the period .....

8553 .....

NET BOOK VALUE AT THE END OF THE PERIOD .....

(284) .....

**OTHERS ENTERPRISES - AMOUNTS RECEIVABLE**

NET BOOK VALUE AT THE END OF THE PERIOD .....

285/8P XXXXXXXXXXXXXXXX

**Movements during the period**

Additions .....

8583 15.360,00

Repayments .....

8593 .....

Amounts written down .....

8603 .....

Amounts written back .....

8613 .....

Exchange differences..... (+)/(-)

8623 .....

Other movements..... (+)/(-)

8633 .....

NET BOOK VALUE AT THE END OF THE PERIOD .....

(285/8) 15.360,00

ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD .....

8653 .....

## PARTICIPATING INTERESTS INFORMATION

### PARTICIPATING INTERESTS AND SHARES IN OTHER ENTERPRISES

List of the enterprises in which the enterprise holds a participating interest, (recorded in heading 280 and 282 of assets) and the other enterprises in which the enterprise holds rights (recorded in headings 284 and 51/53 of assets) for an amount of at least 10 % of the capital issued.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	Rights held				Data extracted from the most recent annual accounts			
	Nature	directly		subsidiaries	Annual accounts as per	Currency code	Capita land reserves	Net result
		Number	%	%			(+ ) or (- ) (in units)	
<i>Titan Cement Company S.A. Foreign company 22A Halkidos Street 11143 Athens Greece</i>	<i>Voting rights</i>	<i>77.063.529</i>	<i>99,99</i>	<i>0,0</i>	<i>31/12/2019</i>	<i>EUR</i>	<i>785.421.705,00</i>	<i>-8.923.280,00</i>

## OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

## INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS

## Shares and current investments other than fixed income investments ....

Shares - Book value increased with the uncalled amount .....

Shares - Uncalled amount .....

Precious metals and works of art .....

## Fixed income securities .....

Fixed income securities issued by credit institutions .....

## Fixed term accounts with credit institutions .....

With residual term or notice of withdrawal

up to one month .....

between one month and one year .....

over one year .....

## Other investments not mentioned above .....

Codes	Period	Preceding period
51	.....	.....
8681	.....	.....
8682	.....	.....
8683	.....	.....
52	.....	.....
8684	.....	.....
53	.....	.....
8686	.....	.....
8687	.....	.....
8688	.....	.....
8689	.....	.....

## DEFERRED CHARGES AND ACCRUED INCOME

## Allocation of heading 490/1 of assets if the amount is significant

Prepaid insurance fees - AIG .....

Other prepayments .....

Deferred expenses .....

Period
63.908,46
87.451,60
8.329,55
.....

## STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

## STATEMENT OF CAPITAL

## Social capital

Issued capital at the end of the period .....  
 Issued capital at the end of the period .....

Codes	Period	Preceding period
100P	xxxxxxxxxxxxxx	.....
(100)	1.159.347.807,86	

## Changes during the period

Common shares - Constitution .....  
 Capital increase - Exchange TCC ordinary shares 19/07/2019 .....  
 Capital increase - Exchange TCC preference shares 19/07/2019 .....  
 Capital reduction - To be paid to shareholders .....

Capital reduction - Undistributable reserve .....  
 Capital reduction - Distributable reserve .....  
 Capital increase - Exchange TCC ordinary shares 26/08/2019 .....  
 Capital increase - Exchange TCC preference shares 26/08/2019 .....

## Structure of the capital

## Different categories of shares

Shares without nominal value designation .....  
 .....  
 .....

Registered shares .....  
 Shares dematerialized .....

Codes	Value	Number of shares
	100.000,00	5.555
	1.267.890.717,51	71.672.737
	123.868.736,20	6.990.335
	-150.000.000,00	0
	-85.647.774,33	0
	-50.000.000,00	0
	46.068.011,80	3.276.530
	7.068.116,68	502.711
	1.159.347.807,86	82.447.868
	.....	.....
	.....	.....
8702	xxxxxxxxxxxxxx	5.505.555
8703	xxxxxxxxxxxxxx	76.942.313

## Capital not paid

Uncalled capital .....  
 Called up capital, unpaid .....  
 Shareholders having yet to pay up in full .....  
 .....  
 .....  
 .....  
 .....

Codes	Uncalled amount	Capital called but not paid
(101)	.....	xxxxxxxxxxxxxx
8712	xxxxxxxxxxxxxx	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....

## Own shares

Held by the company itself  
 Amount of capital held .....  
 Corresponding number of shares .....  
 Held by the subsidiaries  
 Amount of capital held .....  
 Corresponding number of shares .....

Codes	Period
8721	.....
8722	.....
8731	67.553.829,02 ✓
8732	4.804.140 ✓
8740	.....
8741	.....
8742	.....

## Commitments to issue shares

Owing to the exercise of conversion rights  
 Amount of outstanding convertible loans .....  
 Amount of capital to be subscribed .....  
 Corresponding maximum number of shares to be issued .....  
 Owing to the exercise of subscription rights

	Codes	Period
Number of outstanding subscription rights .....	8745	.....
Amount of capital to be subscribed .....	8746	.....
Corresponding maximum number of shares to be issued .....	8747	.....
<b>Authorized capital not issued</b> .....	8751	1.106.211.679,40 ✓

**Shares issued, non representing capital**

Distribution

Number of shares ..... 8761 .....

Number of voting rights attached thereto ..... 8762 .....

Allocation by shareholder

Number of shares held by the company itself ..... 8771 .....

Number of shares held by its subsidiaries ..... 8781 .....

**SHAREHOLDER STRUCTURE OF THE ENTERPRISE AT THE DATE OF END-OF-YEAR PROCEDURE**

according to the notifications that the enterprise has received pursuant to art. 631 §2, last subsection and art. 632 §2 last subsection of the Belgian company law; art. 14 fourth subsection of the law of 2<sup>nd</sup> May 2007 on the disclosure of major shareholdings; and article 5 of the royal decree of 21<sup>st</sup> August 2008 laying down further rules on certain multilateral trading facilities.

NAME of the persons who hold the rights of the enterprise, specifying the ADDRESS (of the registered office, when it involves a legal person) and the COMPANY IDENTIFICATION NUMBER, when it involves an enterprise under Belgian law	Rights held			
	Nature	Number of voting rights		%
		Linked to securities	Not linked to securities	
<i>E.D.Y.V.E.M. public company LTD</i> 31 Christodoulou Sozou Street, ERMIS Court Building, 1st Floor Office 101 1096 Nicosia Cyprus	Voting rights	12.708.270	0	15,41
<i>Paul and Alexandra Canellopoulos Foundation</i> Theorias 12 105 55 Athina Greece	Voting rights	7.773.251	0	9,42
<i>FMR LLC</i> The Corporation Trust Center, Orange Street 1209, Wilmington, New Castle County 19801 Delaware United States	Voting rights	5.103.523	0	6,19
<i>Titan Cement Company SA</i> Halkidos Street 22A 11143 Athens Greece	Voting rights	4.804.140	0	5,83
<i>Canellopoulos Andreas</i> Rue L. Canellopoulou 8 13677 Varimbobi, Attika Greece	Voting rights	6.673.097	0	8,09
<i>Kanellopoulos Leonidas</i> Rue Gounari 2 14562 Kifissia Greece	Voting rights	1.945.670	0	2,36
<i>Panagiotis Canellopoulos Nellos</i> Rue Herodou Attikou 13 10674 Athènes Greece	Voting rights	763.281	0	0,93

## SHAREHOLDER STRUCTURE OF THE ENTERPRISE AT THE DATE OF END-OF-YEAR PROCEDURE

NAME of the persons who hold the rights of the enterprise, specifying the ADDRESS (of the registered office, when it involves a legal person) and the COMPANY IDENTIFICATION NUMBER, when it involves an enterprise under Belgian law	Rights held			
	Nature	Number of voting rights		%
		Linked to securities	Not linked to securities	
<i>Kanellopoulos Pavlos</i> <i>Rue Likiou 2A</i> <i>10674 Athènes</i> <i>Greece</i>	<i>Voting rights</i>	<i>704.323</i>	<i>0</i>	<i>0,85</i>
<i>Canellopoulos Takis-Panagiotis</i> <i>Vas. Georgiou Street 4</i> <i>10674 Athènes</i> <i>Greece</i>	<i>Voting rights</i>	<i>883,542</i>	<i>0</i>	<i>1,07</i>
<i>Papalexopoulos Dimitrios</i> <i>Mavromichali ST 21</i> <i>14510 Kifissia</i> <i>Greece</i>	<i>Voting rights</i>	<i>2.429.085</i>	<i>0</i>	<i>2,95</i>
<i>Papalexopoulou Eleni</i> <i>Rue Stisichorou 15</i> <i>10674 Athènes</i> <i>Greece</i>	<i>Voting rights</i>	<i>1.237.863</i>	<i>0</i>	<i>1,50</i>
<i>Papalexopoulou Alexandra</i> <i>Alexandrou Papanastasiou ST 75</i> <i>15452 Psychico</i> <i>Greece</i>	<i>Voting rights</i>	<i>2.488.249</i>	<i>0</i>	<i>3,02</i>

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

ANALYSIS OF THE HEADING 164/5 OF LIABILITIES IF THE AMOUNT IS SIGNIFICANT

Other Reserves - Stock option .....
.....
.....
.....

Period
1.616.028,96 ✓
.....
.....

Free Translation



## STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

## BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM

## Current portion of amounts payable after more than one year falling due within one year

	Codes	Period
Financial debts .....	8801	82.863,89
Subordinated loans .....	8811	.....
Unsubordinated debentures .....	8821	.....
Leasing and other similar obligations .....	8831	.....
Credit institutions .....	8841	.....
Other loans .....	8851	82.863,89
Trade debts .....	8861	.....
Suppliers .....	8871	.....
Bills of exchange payable .....	8881	.....
Advance payments received on contract in progress .....	8891	.....
Other amounts payable .....	8901	.....
<b>Total current portion of amounts payable after more than one year falling due within one year ..</b>	<b>(42)</b>	<b>82.863,89</b>

## Amounts payable with a remaining term of more than one but not more than five years

Financial debts .....	8802	56.000.000,00
Subordinated loans .....	8812	.....
Unsubordinated debentures .....	8822	.....
Leasing and other similar obligations .....	8832	.....
Credit institutions .....	8842	.....
Other loans .....	8852	56.000.000,00
Trade debts .....	8862	.....
Suppliers .....	8872	.....
Bills of exchange payable .....	8882	.....
Advance payments received on contracts in progress .....	8892	.....
Other amounts payable .....	8902	133.510.426,40
<b>Total amounts payable with a remaining term of more than one but not more than five years ....</b>	<b>8912</b>	<b>189.510.426,40</b>

## Amounts payable with a remaining term of more than five years

Financial debts .....	8803	.....
Subordinated loans .....	8813	.....
Unsubordinated debentures .....	8823	.....
Leasing and other similar obligations .....	8833	.....
Credit institutions .....	8843	.....
Other loans .....	8853	.....
Trade debts .....	8863	.....
Suppliers .....	8873	.....
Bills of exchange payable .....	8883	.....
Advance payments received on contracts in progress .....	8893	.....
Other amounts payable .....	8903	.....
<b>Total amounts payable with a remaining term of more than five years .....</b>	<b>8913</b>	<b>.....</b>

**GUARANTEED AMOUNTS PAYABLE** (included in headings 17 and 42/48 of the liabilities)**Amounts payable guaranteed by Belgian public authorities**

Financial debts .....	8921	.....
Subordinated loans .....	8931	.....
Unsubordinated debentures .....	8941	.....
Leasing and similar obligations .....	8951	.....
Credit institutions .....	8961	.....
Other loans .....	8971	.....
Trade debts .....	8981	.....
Suppliers .....	8991	.....
Bills of exchange payable .....	9001	.....
Advance payments received on contracts in progress .....	9011	.....
Remuneration and social security .....	9021	.....
Other amounts payable .....	9051	.....

**Total amounts payable guaranteed by Belgian public authorities** ..... 9061 .....

**Amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets**

Financial debts .....	8922	.....
Subordinated loans .....	8932	.....
Unsubordinated debentures .....	8942	.....
Leasing and similar obligations .....	8952	.....
Credit institutions .....	8962	.....
Other loans .....	8972	.....
Trade debts .....	8982	.....
Suppliers .....	8992	.....
Bills of exchange payable .....	9002	.....
Advance payments received on contracts in progress .....	9012	.....
Taxes, remuneration and social security .....	9022	.....
Taxes .....	9032	.....
Remuneration and social security .....	9042	.....
Other amounts payable .....	9052	.....

**Total amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets** ..... 9062 .....

**TAXES, REMUNERATION AND SOCIAL SECURITY****Taxes** (heading 450/3 of the liabilities)

Outstanding tax debts .....	9072	.....
Accruing taxes payable .....	9073	147.093,91 ✓
Estimated taxes payable .....	450	693,23

**Remuneration and social security** (heading 454/9 of the liabilities)

Amounts due to the National Social Security Office .....	9076	.....
Other amounts payable in respect of remuneration and social security .....	9077	774.124,97 ✓

ACCRUALS AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant

Deferred sublease income .....	
Accrued audit fees .....	
.....	
.....	

Period
2.303,29 ✓
61.500,00 ✓
.....
.....

Free Translation



	Codes	Period	Preceding period
<b>Provisions for pensions and other similar rights</b>			
Appropriations (uses and write-backs).....(+)/(-)	635	245.337,06 ✓	.....
<b>Amounts written off</b>			
Stocks and contracts in progress			
Recorded .....	9110	.....	.....
Written back .....	9111	.....	.....
Trade debts			
Recorded .....	9112	.....	.....
Written back .....	9113	.....	.....
<b>Provisions for liabilities and charges</b>			
Additions .....	9115	1.861.366,02 ✓	.....
Uses and write-backs .....	9116	.....	.....
<b>Other operating charges</b>			
Taxes related to operation .....	640	4.799,60 ✓	.....
Other costs .....	641/8	.....	.....
<b>Hired temporary staff and personnel placed at the enterprise's disposal</b>			
Total number at the closing date .....	9096	.....	.....
Average number calculated in full-time equivalents .....	9097	.....	.....
Number of actual worked hours .....	9098	.....	.....
Costs to the enterprise .....	617	.....	.....



## INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Preceding period
<b>NON RECURRING INCOME</b> .....	76	.....	.....
<b>Non-recurring operating income</b> .....	(76A)	.....	.....
Write-back of depreciation and of amounts written off intangible and tangible fixed assets .....	760	.....	.....
Write-back of provisions for extraordinary operating liabilities and charges ...	7620	.....	.....
Capital gains on disposal of intangible and tangible fixed asset .....	7630	.....	.....
Other non-recurring operating income .....	764/8	.....	.....
<b>Non-recurring financial income</b> .....	(76B)	.....	.....
Write-back of amounts written down financial fixed assets .....	761	.....	.....
Write-back of provisions for extraordinary financial liabilities and charges ....	7621	.....	.....
Capital gains on disposal of financial fixed assets .....	7631	.....	.....
Other non-recurring financial income .....	769	.....	.....
<b>NON-RECURRING EXPENSES</b> .....	66	1.047.466,29	.....
<b>Non-recurring operating charges</b> .....	(66A)	1.047.466,29	.....
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets .....	660	.....	.....
Provisions for extraordinary operating liabilities and charges: Appropriations (uses).....(+)/(-) .....	6620	.....	.....
Capital losses on disposal of intangible and tangible fixed assets .....	6630	.....	.....
Other non-recurring operating charges .....	664/7	1.047.466,29	.....
Non-recurring operating charges carried to assets as restructuring costs .(-)	6690	.....	.....
<b>Non-recurring financial charges</b> .....	(66B)	.....	.....
Amounts written off financial fixed assets .....	661	.....	.....
Provisions for extraordinary financial liabilities and charges - Appropriations (uses).....(+)/(-) .....	6621	.....	.....
Capital losses on disposal of financial fixed assets .....	6631	.....	.....
Other non-recurring financial charges .....	668	.....	.....
Non-recurring financial charges carried to assets as restructuring costs .... (-)	6691	.....	.....

**INCOME TAXES AND OTHER TAXES****INCOME TAXES**

	Codes	Period
<b>Income taxes on the result of the period</b> .....	9134	693,23
Income taxes paid and withholding taxes due or paid .....	9135	.....
Excess of income tax prepayments and withholding taxes paid recorded under assets .....	9136	.....
Estimated additional taxes .....	9137	693,23
<b>Income taxes on the result of prior periods</b> .....	9138	.....
Additional income taxes due or paid .....	9139	.....
Additional income taxes estimated or provided for .....	9140	.....
<b>In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit</b>		
.....		.....
.....		.....
.....		.....
.....		.....

**Impact of non recurring results on the amount of the income taxes relating to the current period**

	Period
.....	.....
.....	.....
.....	.....
.....	.....

**Status of deferred taxes**

	Codes	Period
Deferred taxes representing assets .....	9141	.....
Accumulated tax losses deductible from future taxable profits .....	9142	.....
Other deferred taxes representing assets		
.....		.....
.....		.....
.....		.....
Deferred taxes representing liabilities .....	9144	.....
Allocation of deferred taxes representing liabilities		
.....		.....
.....		.....
.....		.....

**VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES****Value added taxes charged**

To the enterprise (deductible) .....	9145	64.090,19	.....
By the enterprise .....	9146	21.525,13	.....

**Amounts withheld on behalf of third party**

For payroll withholding taxes .....	9147	176.277,54	.....
For withholding taxes on investment income .....	9148	.....	.....



## RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	Codes	Period
<b>PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES</b> .....	9149	250.000.000,00
<b>Of which</b>		
Bills of exchange in circulation endorsed by the enterprise .....	9150	.....
Bills of exchange in circulation drawn or guaranteed by the enterprise .....	9151	.....
Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise .....	9153	250.000.000,00
<b>REAL GUARANTEES</b>		
<b>Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise</b>		
Mortgages		
Book value of the immovable properties mortgaged .....	9161	.....
Amount of registration .....	9171	.....
Pledging of goodwill - Amount of the registration .....	9181	.....
Pledging of other assets - Book value of other assets pledged .....	9191	.....
Guarantees provided on future assets - Amount of assets involved .....	9201	.....
<b>Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of third parties</b>		
Mortgages		
Book value of the immovable properties mortgaged .....	9162	.....
Amount of registration .....	9172	.....
Pledging of goodwill - Amount of the registration .....	9182	.....
Pledging of other assets - Book value of other assets pledged .....	9192	.....
Guarantees provided on future assets - Amount of assets involved .....	9202	.....



**COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES**

.....

.....

.....

.....

Period

.....

.....

.....

.....

**AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS**

.....

.....

.....

.....

Period

.....

.....

.....

.....

**SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE****Brief description**

See below

**Measures taken by the enterprise to cover the resulting charges**

See below

**PENSIONS FUNDED BY THE ENTERPRISE****Estimated amount of the commitments resulting from past services** .....

## Methods of estimation

*Certain labor legislation requires that the payment of retirement indemnities is based on the number of years of service to the Company by the employees and on their remuneration. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries, using the projected unit credit method. The last actuarial valuation was undertaken in December 2019. The principal actuarial assumptions used were a discount rate of 1.7%, future salary increases of 1.7%.*

*The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.*

Codes	Period
9220	245.337,06

**NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE NOT INCLUDED IN THE BALANCE SHEET OR THE INCOME STATEMENT**

*Beginning in March 2020, due to the rapid spread of COVID-19 virus, in most countries large-scale social-distancing measures have been imposed, disrupting the global economy and resulting in downfall in demand. From the emergence of the coronavirus crisis, Titan has taken measures to protect the health and safety of our people and to ensure operational continuity and satisfaction of our customer needs. The health and safety of our staff, customers and suppliers is a top priority and several precautionary measures have been taken to this effect. Business continuity plans have also been implemented and all our cement manufacturing plants and other integrated activities' businesses remain operational. Although we have yet to see any significant impact on our operations and the first quarter's sales volumes were at normal levels, it is inevitable that as the COVID-19 crisis is spreading, we will also be impacted in the short term. The construction and building materials sectors are, in the short term, less exposed to this crisis (according to Moody's they are "low risk" sectors) but, nevertheless, are also expected to suffer from reduced sales volumes, particularly and more severely in Q2.*

*In order to assess the potential impact on Titan's liquidity and profitability, the Group has prepared an assessment of the risks which may be faced under a stressed scenario and has run a stress test which incorporates volume declines for the remaining of the year, longer trade receivable settlement days, flat working capital, substantial capex reduction, minor price decreases. No cost containment savings have been included in this forecast, although it is our intention and we have already started working on a number of initiatives that aim to reduce costs and improve cash-flow. Under this scenario, in terms of liquidity availability over the next 12 months, the Group is well covered.*

*We have created contingencies and flexibilities and we have strengthened our liquidity position to €400m in combination of cash in hand and available committed bank credit facilities. It is noted that there is a risk in 2020 that Group EBITDA may decline to a level that may lead to a breach of a financial covenant of our currently unused €200m standby revolving credit facility (RCF). If this covenant is breached, we intend to request a waiver from the lenders which we expect will be granted as the lenders will be fully aware of the exceptional circumstances that may cause this breach. However, based on the assessment carried out by the Group it is not expected that this undrawn facility will be utilized. Our analysis and our projections confirm our confidence that the Group can weather the storm and the temporary decline in profitability.*

*The consequences of COVID-19 do not have a material impact on the Group's financial position for the year ended 31.12.2019. The Group management concludes that, although COVID-19 may have a significant impact on the Group's operations in 2020, such impact will be absorbable and does not endanger the long-term viability of the Group. ....*

.....

.....

.....

.....

Period

0,00

**COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE**

*Aiming to align the long-term personal goals of the executive members of the Board of Directors and other senior executives with the interests of the Company and its shareholders, Titan Cement Company S.A. had adopted since 2000 stock option plans, which were all linked to Group performance. All relevant plans (2000, 2004, 2007, 2010, 2014 and 2017) had been approved by the General Meeting of Shareholders and provided a three-year maturity period. All plans were conditional on achievement of specific targets. Non-executive directors have never participated in these plans. The plans discouraged high-risk behavior of executive directors and senior executives.*

*The Extraordinary General Meeting of Shareholders of 13 May 2019 approved, subject to Completion of the Tender Offer, the amendment of the existing stock option plans, namely to replace the stock options on Titan Cement Company S.A. shares by stock options on shares of the Company, without otherwise amending the terms and conditions of the plans. As a result, two plans (2014 and 2017) are currently under implementation by stock options on shares of the Company owned by the Company's subsidiary Titan Cement Company S.A.*

*As the previous plans did, the 2014 and 2017 plans favor the long-term retention of a significant number of Company shares by the executive directors/senior executives. In line with this principle, the plans' beneficiaries are encouraged to retain a reasonable value (corresponding to a percentage of their annual base salary) in Company shares, depending on their hierarchical level; non-compliance with the above principle can be considered as an unfavorable factor for the determination of future grants*

1.616.028,96

**NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET**

**Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company**

*As at 13/12/2019, TCI is guarantor of two group financing facilities with:*

*- total amount of facilities: EUR 250 million*

*- total amount of debt outstanding: EUR 50 million*

250.000.000,00

**OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)**

**RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS**

	Codes	Period	Preceding period
<b>AFFILIATED ENTERPRISES</b>			
<b>Financial fixed assets</b> .....	(280/1)	1.503.181.932,93	.....
Participating interests .....	(280)	1.503.181.932,93	.....
Subordinated amounts receivable .....	9271	.....	.....
Other amounts receivable .....	9281	.....	.....
<b>Amounts receivable</b> .....	9291	3.454,97	.....
Over one year .....	9301	.....	.....
Within one year .....	9311	3.454,97	.....
<b>Current investments</b> .....	9321	.....	.....
Shares .....	9331	.....	.....
Amounts receivable .....	9341	.....	.....
<b>Amounts payable</b> .....	9351	56.397.466,65	.....
Over one year .....	9361	56.082.863,89	.....
Within one year .....	9371	314.602,76	.....
<b>Personal and real guarantees</b>			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises .....	9381	250.000.000,00	.....
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise .....	9391	.....	.....
<b>Other significant financial commitments</b> .....	9401	.....	.....
<b>Financial results</b>			
Income from financial fixed assets .....	9421	.....	.....
Income from current assets .....	9431	.....	.....
Other financial income .....	9441	.....	.....
Debt charges .....	9461	117.811,00	.....
Other financial charges .....	9471	.....	.....
<b>Disposal of fixed assets</b>			
Capital gains obtained .....	9481	.....	.....
Capital losses suffered .....	9491	.....	.....

**ASSOCIATED ENTERPRISES****Financial fixed assets** .....

Participating interests .....

Subordinated amounts receivable .....

Other amounts receivable .....

**Amounts receivable** .....

Over one year .....

Within one year .....

**Amounts payable** .....

Over one year .....

Within one year .....

**Personal and real guarantees**

Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises .....

Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise .....

**Other significant financial commitments** .....**OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS****Financial fixed assets** .....

Participating interests .....

Subordinated amounts receivable .....

Other amounts receivable .....

**Amounts receivable** .....

Over one year .....

Within one year .....

**Amounts payable** .....

Over one year .....

Within one year .....

Codes	Period	Preceding period
9253	.....	.....
9263	.....	.....
9273	.....	.....
9283	.....	.....
9293	.....	.....
9303	.....	.....
9313	.....	.....
9353	.....	.....
9363	.....	.....
9373	.....	.....
9383	.....	.....
9393	.....	.....
9403	.....	.....
9252	.....	.....
9262	.....	.....
9272	.....	.....
9282	.....	.....
9292	.....	.....
9302	.....	.....
9312	.....	.....
9352	.....	.....
9362	.....	.....
9372	.....	.....

**TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS**

Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company

Nihil .....

.....

.....

.....

Period
0,00
.....
.....
.....

**FINANCIAL RELATIONSHIPS WITH**

**DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS**

	Codes	Period
<b>Amounts receivable from these persons</b> .....	9500	.....
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
.....		
.....		
<b>Guarantees provided in their favour</b> .....	9501	.....
<b>Other significant commitments undertaken in their favour</b> .....	9502	.....
<b>Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person</b>		
To directors and managers .....	9503	440.241,00
To former directors and former managers .....	9504	.....

**AUDITORS OR PEOPLE THEY ARE LINKED TO**

	Codes	Period
<b>Auditor's fees</b> .....	9505	100.000,00
<b>Fees for exceptional services or special missions executed in the company by the auditor</b>		
Other attestation missions .....	95061	51.049,00
Tax consultancy .....	95062	.....
Other missions external to the audit .....	95063	.....
<b>Fees for exceptional services or special missions executed in the company by people they are linked to</b>		
Other attestation missions .....	95081	.....
Tax consultancy .....	95082	.....
Other missions external to the audit .....	95083	.....

**Mentions related to article 134 from the Companies Code**



**FINANCIAL RELATIONSHIPS OF THE GROUP LED BY THE ENTERPRISE IN BELGIUM WITH AUDITORS OR WITH PEOPLE THEY ARE LINKED TO**
**Mentions related to article 134, §4 and §5 from the Companies Code**
**Auditor's fees according to a mandate at the group level led by the company publishing the information .....**
**Fees for exceptional services or special missions executed in these group by the auditor**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

**Fees to people auditors are linked to according to the mandate at the group level led by the company publishing the information .....**
**Fees for exceptional services or special missions executed in the group by people they are linked to**

Other attestation missions .....

Tax consultancy .....

Other missions external to the audit .....

Codes	Period
9507	100.000,00
95071	51.049,00
95072	.....
95073	.....
9509	1.222.182,00
95091	175.000,00
95092	137.017,00
95093	9.465,00

**Mentions related to article 134 from the Companies Code**

## VALUATION RULES

In accordance with the regulations of the Royal Decree of April 28, 2019 implementing the Code of Companies and Associations, the rules applied by the company with regard to inventories, depreciation, impairment, provisions for risks and charges are mentioned here below and are adjusted to the specific characteristics of the company.

Without further mention, all assets and liabilities are valued at their nominal value.

### ASSETS

#### Formation expenses

Formation expenses are valued at their acquisition value.

Formation and capital increase costs are amortized in annual installments of at least twenty percent of the amounts actually spent.

#### Tangible fixed assets

Tangible fixed assets are entered under this section at their acquisition price, their cost price or their contribution value, depending on whether they have been acquired from third parties, produced by the company or contributed to it.

These fixed assets, for which the use is limited in time, are subject to linear depreciation, pro-rata temporis, according to the relevant rates below:

#### Subheadings: Rates

Installations, machinery and equipment:	20%
Furniture:	10%-20%
Vehicles:	25%
Computer equipment:	33%
Other tangible fixed assets:	10%

These fixed assets are subject to additional or exceptional depreciation when, due to their alteration or changes in the economic and/or technological circumstances, their net book value exceeds their use value by the company.

Tangible fixed assets which have been disposed or which will no longer be used for the future activity of the company are, when appropriate, subject to exceptional depreciation in order to align their valuation with their probable realizable value.

Acquisition costs follow the principal and are amortized by fixed annuities, according to the same percentages as those determined for the headings mentioned above. ✓

#### Financial fixed assets

#### Participating interests

Shares held in other companies are considered as a participation when this ownership aims, by establishing a lasting and specific link with these companies and allowing to exercise an influence on the management orientation of these companies.

These participating interests are carried at their acquisition price or at their contribution value. Acquisition costs are fully expensed as incurred.

These fixed assets are subject to reductions in value in case of a lasting capital loss or depreciation justified by the situation, profitability or prospective of the company in which the participation, shares or units are held.

## Cash receivables and deposits

Cash guarantees are under this section at their nominal value. These receivables are subject to write-downs if their repayment on the due date is fully or partly uncertain or compromised.

## Receivables at no more than one year

These receivables are recorded at their nominal value.

They are subject to write-downs if their repayment on the due date is fully or partly uncertain or compromised, or when their realizable value at the end of the financial year is lower than the nominal value. In application of this rule, write-downs are registered for receivables from customers whose creditworthiness is doubtful, for disputed receivables, for those subject to abnormal payments delays.

## Cash at bank and in hand

These values are registered at their nominal value.

They are subject to write-downs if their realizable value at the closing date of the financial year is lower than the nominal value. Additional write-downs are recorded in the same manner as those set for cash investments.

## Deferrals and accruals

Accrued income and charges to be carried forward are valued on a pro rata basis so that the accounts for the financial year include the income and charges related to it.

**LIABILITIES**

## Reserves not available for distribution

When the Company acquires treasury shares, a reserve unavailable for distribution for treasury shares should be created at the acquisition price of the treasury shares. Subsequent changes in book value of treasury shares held by the Company lead to an equal change of the unavailable reserve for treasury shares.

When a subsidiary of the Company acquires shares of the Company, the Company creates an unavailable reserve for treasury shares at the acquisition price of these shares. Subsequent changes to the book value of these shares in the accounting of this subsidiary do not affect the distributable reserve at the level of the Company.

## Provisions for liabilities and charges

Provisions for liabilities and charges cover losses or charges clearly described as to their nature, but which, at the closing date, are either probable or certain but undetermined as to their amount.

Their valuation is made according to the principle of prudence, sincerity and good faith. They are constituted on the basis of methods adopted by the company's administrative body and cannot depend on the result of the financial year.

## Amounts payable within one year

These liabilities are recognized at nominal value.

This section includes:

- as tax liability, an estimated amount intended to cover the taxes related to the result of the financial year insofar as these taxes are not already covered by tax payments and withholding taxes charged to the income statement or other payable withholding taxes and,
- as salary and social security liability, salaries payable and the estimated holiday pay payable taken into account the rates accepted by the Tax Administration.

Amounts payables after one year

These liabilities are recognized at nominal value.

Deferrals and accruals

The accrued charges and deferred income are valued as stated for the same asset item.

#### COMMON RULES

#### Reevaluation of tangible and financial fixed assets

No fixed assets have been revalued.

#### Foreign currency transactions, assets and liabilities

Any transaction denominated in foreign currency is converted into euro on the day of the transaction. Payment for the transaction gives rise to the recognition of any exchange difference under financial charges or income.

At closing date, receivables, current investments, cash at bank and in hand and / or liabilities denominated in foreign currencies, are revalued in euros at the closing exchange rate.

Exchange rate losses are recognized as financial charges; the exchange rate gains are recognized as deferred charges.

No netting can be made between positive and negative deviations of different currencies.

#### Branches

The branch accounts, kept in the currency of the country where it is located, are converted into euros when they are integrated into the head office accounts using the monetary / non-monetary method. Non-monetary items are recorded at their acquisition value, converted at the conversion rate applicable on the acquisition date. Monetary items are converted at the closing rate, unless they are hedged; in the latter case, they are converted at hedging rate. The conversion differences are treated as described above for transactions, assets and commitments in foreign currencies.

The Company's financial statements include the Cyprus Branch of Titan Cement International, as well.

#### FREE TEXT

#### Capital reduction with reimbursement to shareholders

The extraordinary shareholders meeting of 13 May 2019 decided to carry out a capital reduction, for an amount of 150.000.000,00 EUR, without cancellation of shares.

The assembly decided to grant a delegation of power to the board of directors in order to freely decide on the date of reimbursement to the shareholders of the Company for an amount of 150.000.000,00 EUR in one or more times. The assembly does not impose any time limit in this regard. The purpose of this capital reduction is to bring the capital of the company in line with its present and future needs.

The board of directors having decided to proceed to the reimbursement of EUR 0,20 per share; i.e. a total of 16.489.573,60 EUR as of 14 May 2020, this liability to shareholders was recognized as long term other amounts payable (133.510.426,40 EUR) and short-term other amounts payable (16.489.573,60 EUR). No other reimbursement are planned in 2020.

#### Social losses - Art.3:6 &1. 6°) of the Companies and Associations Code (CAC)

The balance sheet shows as of the 31st December 2019, a accumulated losses of 8.356.884,98 EUR. The article 3:6 &1. 6°) of the Company and Association law is therefore applicable.

The Board of Directors having taken into account:

- a. the Company's financial position;
- b. the risks facing the Company that could impact on its business model and capital adequacy;  
and
- c. the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements ✓

state that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements for the fiscal year 2019.



**FREE TRANSLATION**

**TITAN CEMENT INTERNATIONAL SA**

**Statutory auditor's report to the general  
shareholders' meeting on the annual accounts for  
the year ended 31 December 2019**

14 April 2020



## **FREE TRANSLATION**

### **STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF TITAN CEMENT INTERNATIONAL SA ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019**

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We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of Titan Cement International SA (the "Company"). This report includes our report on the annual accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 13 May 2019, following the proposal formulated by the board of directors. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2021. We have performed the statutory audit of the Company's annual accounts for the first year.

#### **Report on the annual accounts**

##### ***Unqualified opinion***

We have performed the statutory audit of the Company's annual accounts, which comprise the balance sheet as at 31 December 2019, and the profit and loss account for period of 18 months then ended, and the notes to the annual accounts, characterised by a balance sheet total of EUR 1.511.665.851,86 and a profit and loss account showing a loss for the year of EUR 8.356.884,98.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2019, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

##### ***Basis for unqualified opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the annual accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Emphasis of matter - subsequent event***

As far as the outbreak of COVID 19 is concerned, we draw your attention to section "Post balance sheet event" of the directors' report on the annual accounts and F 6.14 ("Nature and financial impact of significant events after the closing date not included in the balance sheet or income statement") of the annual accounts in which the board of directors expresses their view that, although the consequences thereof may have a significant impact on the Group's operations in 2020, such consequences do not have a material impact on the Group's financial position for the year ended 31 December 2019. Our opinion is not qualified in respect of this matter.

***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. This matter was addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

***Valuation participations in affiliated companies******Description of the key audit matter***

The participation in affiliated companies of Titan Cement SA as at 31 December 2019 consist of a participation in Titan Cement Company SA for an amount of EUR 1,503 million.

We consider the valuation of participations in affiliated companies as most significant to our audit because of the fact that they represent a substantial amount of the total assets. Additionally, the participation was acquired in steps following the tender offer as a result of contributions in kind of preference and ordinary shares in July and August 2019 and shares purchased during a squeeze out process. The shares acquired during contribution in kind were valued at the contribution value which was based on the Value Weighted Average Closing Price on the acquired shares on the Athex stock exchange in the 90 days before the transaction. The acquisition price of purchased shares were valued at purchase value. At year-end an impairment assessment was made of the participation which could involve significant judgement by management, in case of a permanent reduction in value, with respect to the future results and cash flow generation of the underlying entity.

***How our audit addressed the key audit matter***

We reconciled the valuation of the acquisition cost of shares acquired as a result of a contribution in kind (share exchange), to the contribution value in the notary deeds of the contributions in kind on 19 July 2019 and 23 August 2019. We traced the acquisition price of purchased shares to the closing share price of 23 August 2019, which we reconciled to the certificate received from the Athex Exchange Group.





For the evaluation of the impairment testing on the participation in Titan Cement Company SA, we have obtained management's assessment whereby the book value of the participation of Titan Cement Company SA was compared to the market value of Titan Cement International SA, corrected for the net debt in Titan Cement International SA.

We have assessed whether the valuation methods used were in line with the financial-reporting framework applicable in Belgium.

We found that the valuation methods used by management for determining the acquisition price and evaluating whether a permanent reduction in value exists, are reasonable.

### ***Responsibilities of the board of directors for the preparation of the annual accounts***

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, 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.

### ***Statutory auditor's responsibilities for the audit of the annual accounts***

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 annual accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the annual accounts in Belgium. A statutory audit does not provide any assurance as to the Company's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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;
- Conclude on the appropriateness of the 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 statutory auditor's report to the related disclosures in the annual accounts 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 statutory auditor's report. 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 annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors and with the audit and risk committee 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 the board of directors and with the audit and risk committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with 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 the board of directors and with the audit and committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



## **Other legal and regulatory requirements**

### ***Responsibilities of the board of directors***

The board of directors is responsible for the preparation and the content of the director's report and the separate report on non-financial information as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' and Associations' Code as from 1 August 2019, the Companies' Code until 31 July 2019 and the Company's articles of association.

### ***Statutory auditor's responsibilities***

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report and the separate report on non-financial information, as well as compliance with the articles of association and of certain requirements of the Companies' and Associations' Code as from 1 August 2019 and of the Companies' Code until 31 July 2019, and to report on these matters.

### ***Aspects related to the directors' report***

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and it is prepared in accordance with the articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information is included in a section Non-financial Statements of the Integrated Annual Report. This report of non-financial information contains the information required by virtue of article 3:6, §4 of the Companies' and Associations' Code, and agrees with the annual accounts for the same year. The Company has prepared the non-financial information, based on the UN Global Compact Communication on Progress Guidelines, the Charter and the Global Cement and Concrete Association Guidelines and the UN SDGs 2030. However, in accordance with article 3:75, §1, 6° of the Companies' and Associations' Code, we do *not* express an opinion as to whether the non-financial information has been prepared in accordance with the the UN Global Compact Communication on Progress Guidelines, the Charter and the Global Cement and Concrete Association Guidelines and the UN SDGs 2030.

***Statement related to independence***

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the annual accounts and our registered audit firm remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the annual accounts.

***Other statements***

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' and Associations' Code as from 1 August 2019 and the Companies' Code until 31 July 2019 that we have to report to you.
- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Sint-Stevens-Wolwue, 14 April 2020

The statutory auditor  
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV  
Represented by



Marc Daelman  
Réviseur d'Entreprises / Bedrijfsrevisor

# **Report of the Board of Directors of Titan Cement International SA to the ordinary shareholders meeting of 14 May 2020**

## **General**

The Board of Directors presents you the separate annual accounts and reports to you in respect of its management during the financial year started on July 16, 2018 and ended on December 31, 2019.

## **Legal structure of Titan Cement International S.A.**

Titan Cement International S.A. (TITAN or the Company) is a public limited liability company ("société anonyme") incorporated under Belgian law.

In July 2019 Titan Cement International S.A. (TCI) announced the successful outcome of the voluntary share exchange offer that was submitted on 16 April 2019 to acquire all of the ordinary and preference shares issued by TITAN Cement Company S.A. (TITAN SA ).

The result was that 93% of TITAN's ordinary shares and 92.36% of TITAN's preference shares were tendered. Given the successful outcome of the tender offer, TCI became the parent company of the TITAN Group(TITAN) and its shares were listed on 23rd July 2019 on Euronext Brussels, the Athens Exchange and Euronext Paris.

Finally, on 19th August 2019, the Company completed a squeeze out and acquired 100% of the ordinary and preference shares of TITAN.

## **Principal activities and nature of operations of the Company**

The principal activities of the Company are those of an active investment holding company and the investing and trading in shares including but not limited to any form of dividend and interest earning shares, bonds, deposits, loans, forwards, derivatives and other financial instruments.

The main subsidiaries of the Company operate in the construction and building materials sector

## **Information in relation to branch offices (Article 3:6 § 1, 5° Belgian Companies Code)**

As of 16 November 2018 the Company has created a permanent establishment in Cyprus (Branch) transferring its seat of management in Cyprus and operating a place of business at 12 A.Zakou and Michail Paridi str., Egkomi , 2404 , Nicosia.

## **Financial Review**

### **Comments to the statutory accounts (Article 3:6§ 1, 1° Belgian Companies Code)**

The net loss for the period attributable to the shareholders of the Company amounted to €8.356.885

The Company's operating results are impacted by non recurring charges of € 1.047.466, related to the Restructuring Plan

The Finance charges of €1.480.936 relate to interest expense related to debt financing raised for the completion of the squeeze out process of the Voluntary Tender Offer

On 31 December 2019 the total assets of the Company were € 1.511.665.852 and the Net Assets of the Company were € 1.301.959.348

Management has decided not to upstream ,to the Company ,any dividend from its subsidiaries ,so the company has not reported any income from Participations in the period.

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2019, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Furthermore, the Board of Directors having taken into account:

- a. the Company's financial position;
- b. the risks facing the Company that could impact on its business model and capital adequacy; and
- c. the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements

state that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements for the fiscal year 2019

### **Post balance sheet events**

#### **COVID-19 Risk Assessment**

Beginning in March 2020, due to the rapid spread of COVID-19 virus, in most countries large-scale social-distancing measures have been imposed, disrupting the global economy and resulting in downfall in demand. From the emergence of the coronavirus crisis, Titan has taken measures to protect the health and safety of our people and to ensure operational continuity and satisfaction of our customer needs. The health and safety of our staff, customers and suppliers is a top priority and several precautionary measures have been taken to this effect. Business continuity plans have also been implemented and all our cement manufacturing plants and other integrated activities' businesses remain operational. Although we have yet to see any significant impact on our operations and the first quarter's sales volumes were at normal levels, it is inevitable that as the COVID-19 crisis is spreading, we will also be impacted in the short term. The construction and building materials sectors are, in the short term, less exposed to this crisis (according to Moody's they are "low risk" sectors) but, nevertheless, are also expected to suffer from reduced sales volumes, particularly and more severely in Q2.

In order to assess the potential impact on Titan's liquidity and profitability, the Group has prepared an assessment of the risks which may be faced under a stressed scenario and has run a stress test which incorporates volume declines for the remaining of the year, longer trade receivable settlement days, flat working capital, substantial capex reduction, minor price decreases. No cost containment savings have been included in this forecast, although it is our intention and we have already started working on a number of initiatives that aim to reduce costs and improve cash-flow. Under this scenario, in terms of liquidity availability over the next 12 months, the Group is well covered.

We have created contingencies and flexibilities and we have strengthened our liquidity position to €400m in combination of cash in hand and available committed bank credit facilities. It is noted that there is a risk in 2020 that Group EBITDA may decline to a level that

may lead to a breach of a financial covenant of our currently unused €200m standby revolving credit facility (RCF). If this covenant is breached, we intend to request a waiver from the lenders which we expect will be granted as the lenders will be fully aware of the exceptional circumstances that may cause this breach. However based on the assessment carried out by the Group it is not expected that this undrawn facility will be utilized. Our analysis and our projections confirm our confidence that the Group can weather the storm and the temporary decline in profitability.

The consequences of COVID-19 do not have a material impact on the Group's financial position for the year ended 31.12.2019. The Group management concludes that, although COVID-19 may have a significant impact on the Group's operations in 2020, such impact will be absorbable and does not endanger the long-term viability of the Group.

**Circumstances that may have a material impact on the development of the company (Article 3:6§ 1,3° Belgian Companies Code)**

There are no circumstances ,other than the spread of the COVID-19 virus ,that may have a material impact on the development of the company and its subsidiaries

**Research and Development expenses (Article 3:6 § 1, 4° Belgian Companies Code)**

Given the holding company nature of operations , the company did not have any Research and Development expenses during the period started on July 16, 2018 and ended on December 31, 2019.

**Financial Instruments (Article 3:6 § 1, 8° Belgian Companies Code)** The Company does not use financial instruments in the meaning of Article 3:6 § 1, 8° Belgian Companies Code . You may refer to section "Risk Management" and "The Company's and TITAN's subsidiaries principal risks" for a description of respectively the company's financial risk management objectives and policies and the company's exposure to different risks.

**Corporate governance and risk management**

Our approach to Corporate governance and risk management.

**Governance**

**Governance structure**

The Company has chosen the *one-tier* governance structure, consisting of the Board of Directors, which is authorized to carry out all actions that are necessary or useful to achieve the Company's purpose, except for those which the General Meeting of Shareholders is authorized to carry out by law.

As provided in the 2020 Belgian Code on Corporate Governance, which is adopted by the Company, the Board of Directors will review at least once every five years whether the chosen governance structure is appropriate.

**Board of Directors**

As of 18 July 2019, when the results of the successful exchange offer of Titan Cement International S.A. were officially announced, the Company has a new Board, composed of 15 directors.

The Board members have high level, diverse and complementary expertise and significant experience relevant to the major challenges that TITAN is facing in its business environment and key markets. The Board members bring their experience and competence in areas such

as finance, international investments, corporate governance and business management, as well as their broader perspective on the world and society.

### **The Board's role**

Our Board as a collegial body pursues sustainable value creation by the Company, by setting the Company's strategy, putting in place effective, responsible and ethical leadership and monitoring the Company's performance. In order to effectively pursue such sustainable value creation, the Board has developed an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders. The Board appoints the executive management and constructively challenges the executive management whenever appropriate.

### **Group Executive Committee**

The Group Executive Committee, as appointed by the Board of Directors, is composed of executive directors and senior managers of the Company, heading the main regions and functions of the Group.

The role of the Group Executive Committee is to facilitate the:

- cooperation and coordination between the Company's subsidiaries;
- supervision of the Group operations;
- monitoring of the Group management performance; and
- implementation of decisions and related accountability.

### **Management Committee**

The Management Committee is composed of the Managing Director of the Company and other members appointed and removed by the Board of Directors.

Its main role is to support the Managing Director in the day-to-day management of the Company.

### **Board committees**

The Board, in order to discharge its duties effectively and efficiently, has set up specialized committees to analyze specific issues and advise the Board. Without prejudice to its right to set up other committees, the Board has established the:

- Audit and Risk Committee, entirely comprised of independent directors;
- Remuneration Committee, entirely comprised of independent directors;
- Nominations Committee, comprising of two independent Directors and chaired by the Chairman of the Board, who is non-executive director.

The Board ensures that each committee, as a whole, has a balanced composition and has the necessary independence, skills, knowledge, experience and capacity to execute its duties effectively.



**Titan Cement International S.A. Board of Directors and Board Committees:**

	Executive Director	Non-Executive Director	Independent Director	Audit and Risk Committee	Nomination Committee	Remuneration Committee	Group Executive Committee	Management Committee
<b>Chairman of the BOD</b> Efstratios-Georgios (Takis) Arapoglou		√			√			
<b>Chairman of the Group Executive Committee</b> Dimitri Papalexopoulos	√						√	
<b>Managing Director</b> Michael Colakides	√						√	√
<b>Vice Chairman</b> Kyriacos Riris		√	√	√				
<b>Directors (in alphabetical order)</b>								
William Antholis		√	√			√		
Andreas Artemis		√	√		√			
Takis-Panagiotis Canellopoulos	√							

Haralambos (Harry) David		√	√	√				
Leonidas Kanellopoulos	√							
Alexandra Papalexopoulou	√						√	
Petros Sabatacakis		√	√	√				
Stylianos (Stelios) Triantafyllides		√	√			√		
Maria Vassalou		√	√		√			
Bill Zarkalis	√						√	
Mona Zulficar		√	√			√		

**Pull out figures:**

- **9/15** directors are non-executive
- **8/15** directors have been recognized as independent by the Extraordinary Meeting of Shareholders\*
- **4** different nationalities are represented by our Directors
- **93.33%** Board meeting attendance
- **20%** of the Board members are women

\*according to the criteria defined by the Belgian law and the 2020 Belgian Corporate Governance Code

## Embedding sustainability

Sustainability is a top priority for our company and is embedded firmly within our strategy through a regular review of all issues of materiality to our stakeholders, the definition of appropriate actions and targets and the implementation of relevant environmental and social policies.

Our two governance bodies, the Board of Directors, which oversees the strategy and takes policy decisions and the Group Executive Committee, which is entrusted with the coordination and supervision of the Group's business operations, oversee the implementation of our strategy and sustainability imperatives and reflect the culture of transparency and collaboration across the Group.



### ExCom Sustainability Committee

The purpose of this Committee is to strengthen and support management's long-term approach covering economic, environmental and social sustainability and to monitor the implementation of the sustainability strategy set by the Board.

In particular, its role is to:

- oversee and monitor the implementation of the company's sustainability strategy;
- monitor performance vs the targets set and decide on corrective actions;
- review and revise the areas of focus and set appropriate targets; and
- review corporate materiality assessment.

The Chair of the Committee is also the Chairman of the Group Executive Committee and a member of the Group's Board of Directors. He oversees the implementation of the sustainability strategy on behalf of the Board.

**Chair: Chairman of the Group Executive Committee**

**Convener: Group Corporate Affairs Director**

### Sustainability Working Group

A team comprising of Group Corporate Affairs, Group Corporate Social Responsibility, Group Engineering Technology, Group Human Resources, Group Procurement, Group Investor Relations and Regional Directors.

The main tasks of the Sustainability Working Group are to:

- develop and present specific proposals related to Group Sustainability Agenda;
- facilitate internal communication and co-ordination of sustainability initiatives and action plans;
- coordinate TITAN's engagement efforts with international and industry organizations, networks and initiatives; and
- provide guidance to TITAN's business units for stakeholder engagement and public commitments related to sustainability at local, national and regional level.

**Chair: Group Corporate Affairs Director**

**Convener: CSR Director**

**Synthesis: Group Corporate Affairs, Group Corporate Social Responsibility, Group Engineering and Technology, Group Human Resources, Group Procurement, Group Investor Relations, Regional Directors (2)**

### **Risk management**

The Board has the overall responsibility for determining the nature and extent of the principal risks that the Company is willing to assume in achieving the strategic objectives of the Group, while responsibility for the monitoring of the effectiveness the Group's risk management and internal control systems is delegated by the Board to the Audit Committee.

### **Debt and liquidity profile**

Net debt as at 31.12.2019 was €56m consisting of a medium term loan facility extended by the Company's affiliate Titan Global Finance PLC.

Outstanding debt is related to the financing of the acquisition, through the squeeze out process, of the remaining of TITAN SA shares, following the successful outcome of the Public Tender Offer.

In November 2019, Standard & Poor's renewed its outlook on the Group. It assigned TITAN a credit rating of "BB" on a stable outlook.

### **Resolutions of the Board of Directors**

- Return of Capital: Following the authorization granted to the Board of Directors by the Extraordinary Meeting of the company's Shareholders on the 13th of May 2019, the Board of Directors of Titan Cement International SA decided the return of capital of €0.20 (20 cents) per share to all the Shareholders of the Company on record on May 14, 2020. There will be a separate announcement regarding the relevant payment details.
- Share buy-back: The Board also decided to activate the buy-back programme for TCI shares (approved at the Extraordinary Meeting of Shareholders for an amount up to €50m, in May 2019). As of 20th of March 2020, TCI and TITAN initiated a shared buyback programme for up to 1 million TCI shares for an amount up to €10m for a duration of two months.

### **Equity market information**

#### **Successful outcome of the voluntary tender offer to shareholders and listing of Titan Cement International S.A.**

After the successful outcome of the voluntary share exchange tender offer submitted to TITAN Cement Company S.A. shareholders, Titan Cement International S.A. (TCI) became the new parent company of the TITAN Group. TCI's ordinary shares were listed on July 23, 2019 on Euronext Brussels, the Athens Exchange and Euronext Paris.

The total number of TCI shares outstanding (including treasury stock) is 82,447,868 shares. Share price evolution TCI's share (TITC) price closed at the end of 2019 at €19.10 in Euronext and at €18.96 in the Athens Exchange, corresponding to a decline of 1.9% since the first day of listing in Euronext and a decline of 2.17% in the Athens Stock Exchange. At the end of 2019, TCI's capitalization stood at €1.5 billion.

The ordinary shares of TITAN Cement Company S.A, traded in the Athens Exchange until the end of July 2019, posted an increase of 1.3% from the start of the year. The preference shares of TITAN Cement Company S.A, also traded in the Athens Exchange until the end of July 2019, posted an increase of 4.0% from the start of the year.

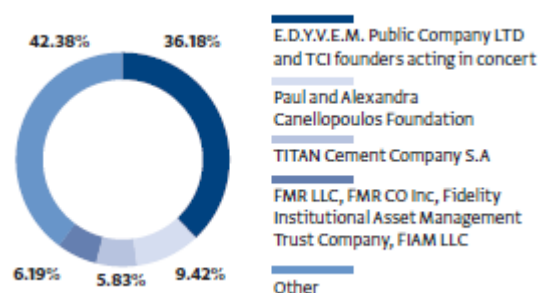
Symbols	Euronext	ATHEX
Oasis	TITC	TITC
Reuters ticker	TITC.BR	TITC.PA
Bloomberg ticker	TITC.BB	TITC.GA
ISIN Code: BE0974338700		

## Listings

TCI is listed on Euronext Brussels, Euronext Paris and the Athens Exchange. TCI's shares are components of the BEL Industrials, the ATHEX Composite Index and is included in other indices such as FTSE/ATHEX Large Cap Index, MSCI Greece Large Cap and the FTSE4Good Emerging for its enduring commitment to sustainable development (since Dec. 2016).

## Liquidity and market making contracts

In order to maintain a satisfactory level of liquidity for its shares, in November 2019 TCI entered into a liquidity provider agreement for its shares traded on Euronext and a market maker agreement for its shares traded on ATHEX, both with local financial institutions.



## Treasury shares

Following the completion of the Tender Offer, TITAN Cement Company S.A. (TITAN) became a direct subsidiary of Titan Cement International SA (TCI). TITAN owns TCI shares, which are treated as Treasury shares. TITAN acquired these TCI shares during the tender process, exchanging its previously held own Treasury shares with TCI shares. As at 31 December 2019, TITAN held 4,804,140 TCI shares, representing 5.83% of the voting rights of TCI.

## ESG investors

Since 2010, TCI has achieved and maintained the "Advanced" level reporter in line with the United Nations Global Compact principles. TCI is also included in the FTSE4Good Emerging Index. In mid-2019 TITAN Group

was included in the best EM performers by Vigeo Eiris and received an A ranking by MSCI ESG Research LLC. for its 5-year ESG performance.

**More information for investors**

There is comprehensive information on the TCI website about regulatory announcements, investor relations calendar, share price analysis tools and quarterly financial results. For details, visit:

<https://ir.titan-cement.com> or contact us at [ir@titan-cement.com](mailto:ir@titan-cement.com)

## Corporate Governance Statement

### 1. Corporate Governance Code

#### 1.1 Application of the Belgian Corporate Governance Code 2020

Titan Cement International S.A. (the Company) is a public limited liability company incorporated under Belgian law. Its shares are listed on the regulated markets of Euronext Brussels, Euronext Paris and the Athens Exchange.

The Company is committed to the highest governance principles, seeking consistent enhancement of its corporate governance performance and promoting transparency, sustainability and long-term value creation.

After the successful completion, on 18 July 2019, of the voluntary tender offer made by the Company to the shareholders of TITAN Cement Company S.A. (the Completion of the Tender Offer), the Company applies the principles of the Belgian Corporate Governance Code 2020 (the 2020 CG Code or the Code), which is the reference code in the meaning of article 3:6, § 2, section 1 of the Belgian Companies and Associations Code. The Code is publicly available on the website of the Corporate Governance Committee ([https://www.corporategovernancecommittee.be/sites/default/files/generated/files/page/2020\\_belgian\\_code\\_on\\_corporate\\_governance.pdf](https://www.corporategovernancecommittee.be/sites/default/files/generated/files/page/2020_belgian_code_on_corporate_governance.pdf)).

The Code is structured under ten principles, which are further detailed in several provisions–recommendations. The “comply or explain” principle states that all listed companies are expected to comply with all the provisions of the Code, unless they provide an adequate explanation for deviating from a provision.

The Board of Directors of the Company adopted a Corporate Governance Charter (the Charter) on 19 July 2019. The Charter, which is available on the Company’s website ([https://www.titan-cement.com/wp-content/uploads/2019/08/TCI\\_CG\\_Charter\\_26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI_CG_Charter_26.8.2019.pdf)), clearly describes the main aspects of the Company’s governance structure, as well as the terms of reference of the Board of Directors and its Committees.

#### 1.2 Deviations from the Code

The Company complies with the provisions of the Code except with regard to the following deviations:

- a. The non-executive members of the Board are not partly remunerated in the form of shares in the Company. As such, the Company deviates from Provision 7.6 of the Code. This deviation is explained by the fact that the interests of the non-executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company and, hence, that the issue of shares to them is not deemed necessary at this point in time. It should be also noted that that this is a new provision of the Code which had not been taken into account when the remuneration of the non-executive directors was decided. However, the Company intends to review this matter in order to align its corporate governance with the provisions of the Code.
- b. No provisions (i) regarding the recovery of variable remuneration paid to executives or withholding the payment of variable remuneration to executives (including specific circumstances in which it would be appropriate to do so) and (ii) relating to early termination are included in the contracts with the Managing Director and other executives. Therefore, the Company deviates from Provision 7.12 of the Code. This deviation is explained by the fact that variable remuneration will only be paid, if the criteria for the payment of such variable remuneration will be met for the entire relevant period. Moreover, the Company does not deem it necessary to include any provision relating to early termination in the existing contracts with executives as the current executives of the Company have already had long careers in and, hence, relationships with the Group.
- c. As at 31 December 2019, no minimum threshold of shares to be held by the executives had been set. Therefore, the Company deviated from Provision 7.9 of the Code. This deviation was explained by the fact that the interests of the executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company as the existing long-term incentive programs are

based on the performance of the Company's shares. Hence, setting a minimum threshold of shares to be held by executives was not deemed necessary.

It should be noted that the Company intends to set within 2020 a minimum threshold of shares to be held by the executives who exercise stock options.

### **1.3 Governance Structure**

The Company has a one-tier governance structure. As a result, the Board of Directors is authorized to carry out all actions that are necessary or useful to achieve the Company's purpose, except for those for which the General Meeting of Shareholders is authorized to carry out by law.

At least once every five years, the Board shall review whether the chosen one-tier structure is still appropriate, and if not, it should propose a new governance structure to the General Meeting of Shareholders.

## **2. Capital, Shares and Shareholders**

### **2.1 Capital**

The Company was incorporated in 2018 by its founders Andreas Canellopoulos, Nello-Panagiotis Canellopoulos, Takis-Panagiotis Canellopoulos, Pavlos Canellopoulos, Leonidas Kanellopoulos, Dimitri Papalexopoulos, Alexandra Papalexopoulou and Eleni Papalexopoulou (TCI founders).

The initial share capital of the Company amounted to €100,000 and was represented by 4,000 shares, without nominal value, with voting rights, each representing an equal share in the capital.

Pursuant to resolution of the Extraordinary General Meeting dated 13 May 2019, the share capital of the Company was increased twice, first on 19 July 2019, upon the Completion of the Tender Offer and, subsequently on 26 August 2019, upon the completion of the Squeeze-out process.

The Extraordinary General meeting dated 13 May 2019 had also decided, subject to the Completion of the Tender Offer, the reduction of the Company's capital as follows:

- a. by an amount of €150,000,000, to be paid to the shareholders, in accordance with articles 7:208 and 7:209 of the Belgian Companies and Associations Code, without annulation of shares. The Board of Directors was delegated to decide the date of payment of the above amount to the shareholders in one or more disbursements;
- b. by an amount of €50,000,000, for the creation of a distributable reserve, in accordance with articles 7:208 and 7:209 of the Belgian Companies and Associations Code, without annulment of shares. The disposal of this reserve requires the decision of the General Meeting of Shareholders by simple majority;
- c. by an amount of €85,647,774.33 (i.e. the aggregate price of the TITAN shares issued in exchange for treasury shares tendered by TITAN Cement Company S.A. in the context of the Tender Offer) for the creation of a distributable reserve which will be made un-distributable as long as the own shares are held by TITAN or its subsidiary.

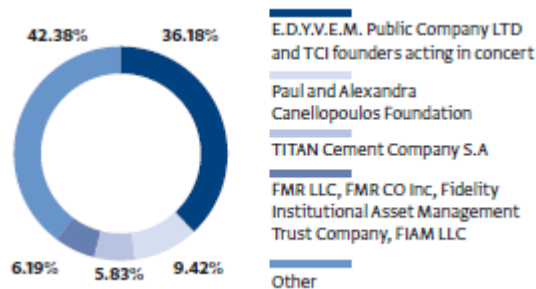
On 31 December 2019 and likewise today, the share capital of the Company amounts to €1,159,347,807.86 and is represented by 82,447,868 shares, without nominal value, with voting rights, each representing an equal share of the capital.

### **2.2 Shareholder Structure**

The chart below represents the shareholder structure of the Company as of 31 December 2019, based on the transparency declarations made by its shareholders. Given that the Company has not set a specific threshold requiring a transparency declaration in its Articles of Association, the legal threshold is applied, requiring a transparency declaration at 5% and each subsequent of 5%.

Between 31 December 2019 and the date of this report a transparency declaration was received by FMR LLC based on which FMR LLC's participation in TCI stands at 6.7%





The Company's Shareholder Structure and the relevant transparency declarations are available on the Company's website: <https://ir.titan-cement.com/en/shareholder-center/shareholder-structure>.

### 2.3 Interactions with institutional and individual investors

The Company regularly interacts with institutional investors. Roadshows are organized with executive board members and investor relations representatives. The Company's representatives attend investor conferences and pursue dialog with the investment community on TITAN's strategy and business performance.

In 2019, TITAN participated in many events, including roadshows and conferences, in several countries across the world.

At the same time, all shareholders have access to clear, comprehensive and transparent information through direct contact with the investor relation team.

The Shareholder Services Department responds to all queries and requests for information and shareholder assistance.

## 3. Board of Directors

### 3.1 Resumes of Directors

#### Efstratios-Georgios (Takis) Arapoglou

##### Chairman – Non-executive Director – Chairman of the Nomination Committee

Born in Alexandria, Egypt, Takis Arapoglou is a consultant with an earlier career in International Capital Markets and Corporate & Investment banking and later in managing, restructuring and advising publicly listed Financial Institutions and Corporates, primarily in SE Europe and the Middle East.

His most recent executive assignments include: Managing Director and Global Head of the Banks and Securities Industry for Citigroup; Chairman and CEO of the National Bank of Greece; Chairman of the Hellenic Banks Association; CEO of Commercial Banking at EFG Hermes Holding SAE.

He currently holds the following non-executive board positions: Chairman of Bank of Cyprus Group, Chairman of Tsakos Energy Navigation (TEN) Ltd, Independent board member of EFG Hermes Holding SAE and Board member of Bank Alfalah Ltd, representing the International Finance Corporation (IFC).

He has degrees in Mathematics, Engineering and Management from Greek and British universities.

#### Kyriacos Riris

##### Vice Chairman – Independent Director – Chairman of the Audit and Risk Committee

Born in Cyprus, Kyriacos Riris completed his high-school education in Cyprus, before continuing his higher education and professional qualifications at Birmingham Polytechnic.

He completed his professional exams with the Association of Certified Chartered Accountants (ACCA) in the UK in 1975, becoming a Fellow of the Association of Certified Accountants in 1985. Since 1976 he was worked mostly in Greece. He was a member of the Executive Committee of PwC Greece and became a Partner in 1984. His responsibilities have included that of Managing Partner of the Audit and the Advisory/Consulting Departments respectively, and later Deputy Territory Senior Partner. In 2009, he was elected as Chairman of the Board of PwC Greece, retiring from that position in 2014.

With a career spanning some 40 years, he has accumulated vast experience with both domestic and multinational entities in a variety of sectors and industries, including manufacturing, shipping, commerce, food and beverages, construction, pharmaceuticals, financial services and information systems.

### **Dimitri Papalexopoulos**

#### **Chairman of the Group Executive Committee**

Born in Athens, Greece, Dimitri Papalexopoulos started his career as a business consultant for McKinsey & Company Inc. in the USA and Germany.

He joined TITAN in 1989.

He is Vice Chairman of the Board of the Hellenic Federation of Enterprises (SEV), and Vice Chairman of the European Round Table for Industry (ERT), while he is a member of the Board of the Foundation for Economic and Industrial Research (IOBE) and the Hellenic Foundation for European and Foreign Policy (ELIAMEP).

He holds a MSc in Electrical Engineering from the Swiss Federal Institute of Technology (ETHZ, 1985) and an MBA from Harvard Business School (1987).

### **Michael Colakides**

#### **Managing Director – Group CFO**

Born in Cyprus, Michael Colakides started his career in banking at Citibank Greece, where over time he held the positions of Head of FIG, Head of Corporate Finance and Local Corporate Banking (1979–1993). In 1993 he was appointed executive Vice Chairman at the National Bank of Greece, Vice Chairman of ETEBA Bank S.A. and member of the BoD of other NBG affiliates. In 1994 he joined TITAN Cement Company S.A., where he held the position of Group CFO and executive board member until 2000. He was also responsible for several cement company acquisitions in SE Europe and the U.S.

From 2000 to 2007, he served as Vice Chairman and Managing Director at Piraeus Bank S.A., overseeing the domestic wholesale and retail banking business as well as the Group's international network and activities. In 2007 he moved to EFG Eurobank Ergasias S.A., assuming the position of Deputy CEO–Group Risk Executive (2007–2013) overseeing the risk management functions of the Group.

Currently he is a non-executive member of the board of Eurobank Cyprus Ltd.

He holds a BSc in Economics from the London School of Economics and an MBA from the London Business School.

### **William Antholis**

#### **Independent Director – Member of the Remuneration Committee**

Born in New York, USA, William Antholis is director and CEO of the Miller Center, a nonpartisan affiliate of the University of Virginia that specializes in presidential scholarship, public policy and political history.

From 2004 to 2014, he was Managing Director of the Brookings Institution. He has also served in government, including at the White House's National Security Council and National Economic Council, and at the U.S. State Department's policy planning staff and bureau of economic affairs.

He has published two books, as well as dozens of articles, book chapters, and opinion pieces on U.S. politics, U.S. foreign policy, international organizations, the G8, climate change and trade.

He earned his PhD from Yale University in politics (1993) and his BA from the University of Virginia in government and foreign affairs (1986).

#### **Andreas Artemis**

##### **Independent Director – Member of the Nomination Committee**

Born in Limassol, Cyprus, Andreas Artemis has been an executive member of the Board of Directors of Commercial General Insurance Group since 1985 and Chairman since 2002.

He is also a member of the Board of Directors of the Cyprus Employers and Industrialists Federation and of the Council of the Cyprus Red Cross Society.

He has served as member of the Board of Directors of the Bank of Cyprus Group (2000–2005), Vice Chairman (2005–2012) and Chairman (2012–2013). He has also served on the Board of Directors of the Cyprus Telecommunications Authority (1988–1994) and as Honorary Consul General of South Africa in Cyprus (1996–2012).

He studied Civil Engineering at the Queen Mary and Imperial colleges of the University of London and holds a BSc (Engineering) and a MSc degree.

#### **Takis-Panagiotis Canellopoulos**

##### **Executive Director**

Born in Athens, Greece, Takis Canellopoulos started his career as financial analyst in AIG before joining the Financing Division of EFG Eurobank.

He was Investor Relations Director of the TITAN Group from 2001 to May 2016, working in various positions in the Finance Department of the Group before that (1995–2001).

Currently, he is a member of the Board of Directors of Canellopoulos Adamantiadis S.A. and he is a founding partner of 3K Investment Partners. He is also a member of the Board of Directors of the Union of Listed Companies (ENEISET).

He studied Economics (BA) at Brown University and Business Administration (MBA) at New York University Stern School of Business.

#### **Haralambos (Harry) David**

##### **Independent Director – Member of the Audit and Risk Committee**

Harry David earned his BS from Providence College and began his career as a certified investment advisor with Credit Suisse in New York.

He then served in several executive positions within Leventis Group Companies in Nigeria, Greece and Ireland.

Today he serves as the Chairman of Frigoglass S.A. and is on the Boards of A.G. Leventis (Nigeria) PLC, the Nigerian Bottling Company, Beta Glass (Nigeria) PLC, Ideal Group, Pikwik (Nigeria) Ltd (a joint venture with Pick n Pay, South Africa) and ELVIDA Foods S.A.

He is a member of the Organizing Committee of the Athens Classic Marathon and member of the TATE Modern's Africa Acquisitions Committee.

Has served on the boards of Alpha Finance, Greece's Public Power Corporation and Emporiki Bank (Credit Agricole).

#### **Leonidas Kanellopoulos**

##### **Executive Director**

Born in Athens, Greece, Leonidas Kanellopoulos is Cement Operations Director of TITAN Cement Group's Greek Region.

Since 2012, he has covered various roles within the Group's Finance and Strategic Planning functions. Prior to that, he worked for Separation Technologies LLC.

He is a member of the BoD of Junior Achievement Greece.

He holds a BA in Economics with Honors from Harvard University and an MBA from INSEAD, where he received the Henry Ford II Prize.

### **Alexandra Papalexopoulou**

#### **Executive Director**

Born in Athens, Greece, Alexandra Papalexopoulou is a member of the Group Executive Committee in charge of Strategic Planning, having previously held various roles in business development and exports within the Group.

She started her career as an analyst for the Organization for Economic Co-operation and Development (OECD) and an associate at the consulting firm Booz, Allen & Hamilton in Paris in the 1990s.

She is a Non-Executive Director of Coca-Cola HBC, a FTSE 100 company.

She is a member of the Board and Treasurer of the Paul & Alexandra Canellopoulos Foundation, member of the Board of INSEAD Business School and serves on the Board of Trustees of the American College of Greece (ACG).

She holds a BA in Economics from Swarthmore College, USA, and a MBA from INSEAD, France.

### **Petros Sabatacakis**

#### **Independent Director – Member of the Audit and Risk Committee**

Born in Athens, Greece, Petros Sabatacakis held the position of Chief Risk Manager for Citigroup (1999–2004). He was also a member of the Management Committee and Director of Citicorp and Citibank.

From 1992 until 1997 he was in charge of the financial services subsidiaries of AIG, its treasury operations, and the market and credit risk activities. He was a member of the executive committee and partner of C.V. STARR.

He has also worked at Chemical Bank (now JPMorgan Chase).

He has served as Chairman of Plan International and Childreach International (a non-profit organization), as trustee of the Athens College in Greece and as member of the Board of Directors of the Gennadius Library.

He has earned three degrees from Columbia University: a BSc, a MBA and a PhD in Economics.

### **Stylios (Stelios) Triantafyllides**

#### **Independent Director – Member of the Remuneration Committee**

Born in Nicosia, Cyprus, Stelios Triantafyllides has been working with and been a partner of the Antis Triantafyllides & Sons LLC law firm since 1983. His practice focuses on international business transactions, banking and finance, capital markets, M&A and joint ventures, general corporate and commercial, corporate restructuring, tax, financial services and securities regulation. He is the legal adviser to the Cyprus Securities and Exchange Commission. He regularly advises major international companies on corporate and banking matters.

He is member of the Cyprus Bar Association (admitted 1984) and is Chairman of the Committee for Private Companies and a member of the Committee on the Cyprus Stock Exchange. From 2006 to 2012, he was a member of the Board of Directors of the Cyprus Investment Promotion Agency (CIPA).

He studied at Worcester College, Oxford University (MA (Jurisprudence)) and the University of California, Berkeley (LLM).

### **Maria Vassalou**

### **Independent Director – Member of the Nomination Committee**

Maria Vassalou is the Chief Investment Officer at Vassalou Capital Management. She has more than 14 years of investment experience.

Prior to founding Vassalou Capital Management, she was a Partner and Portfolio Manager at Perella Weinberg Partners, responsible for the PWP Global Macro Business. She joined Perella Weinberg Partners from MIO Partners, a subsidiary of McKinsey & Company, where as a Portfolio Manager she managed a similar global macro investment strategy in a dedicated legal entity, and as Head of Asset Allocation she provided counsel on allocation for liquid assets within MIO's portfolio.

Prior to joining MIO, she was a Global Macro Portfolio Manager at SAC Capital Advisors LP. She joined SAC from Soros Fund Management, where she was responsible for global quantitative research, as well as the development and management of global quantitative trading strategies.

She began her career in academia and she was an Associate Professor of Finance at Columbia Business School, which she joined in 1995. She is a Past President of the European Finance Association and was the Chair of the 2008 European Finance Association meetings. A Research Affiliate of the Centre for Economic Policy Research (CEPR) in London for many years, she is a past member of the Academic Advisory Board of the Vienna-based Gutmann Center of Competence in Portfolio Management.

Since 2016, she has been a member of the Board of Directors of Tsakos Energy Navigation (NYSE: TNP).

She earned a BA in Economics from the University of Athens and holds a PhD in Financial Economics from London Business School. She is the recipient of several professional awards and she was included in the 50 Leading Women in Hedge Funds in 2015.

### **Vassilios (Bill) Zarkalis**

#### **Executive Director**

Born in Athens, Greece, Bill Zarkalis has been the President and CEO of Titan America LLC since 2014.

He is a business executive with an international career, having led diverse global teams across all continents while located mostly in the USA and Switzerland. He dedicated 18 years to Dow Chemical Co., where he started in commercial posts, growing in experience through a fast succession of marketing and product management responsibilities, culminating into global business-unit leadership roles. Among others, he served as Vice President of Dow Automotive, M&A Leader for DuPont-Dow Elastomers, Global Business Director for Specialty Plastics & Elastomers, and Global Business Director for Synthetic Latex.

He joined TITAN in 2008 as Group Executive Director for Business Development and Strategic Planning. In 2010 he became the TITAN Group CFO, where he served until 2014 before moving into his current role in Titan America.

He holds a BSc in Chemical Engineering from the National Technical University of Athens and a MA from Pennsylvania State University.

### **Mona Zulficar**

#### **Independent Director – Chairwoman of the Remuneration Committee**

Mona Zulficar is one of the founding partners of Zulficar & Partners, a specialized law firm, which has become one of the best ranked law firms in Egypt since it was established in June 2009. She was previously senior partner at Shalakany Law Firm, serving as the Chair of its Executive Committee for many years.

She is recognized in local and international legal circles as a precedent setter and one of Egypt's most prominent corporate, banking and project finance attorneys. As an M&A and capital markets transactions specialist, she has led negotiations on some of Egypt's and the Middle East's largest and most complex successful transactions over the past three decades. She has also played an instrumental role in modernizing and reforming economic and banking laws and regulations as a former member of the board of the Central

Bank of Egypt and as a prominent member of national drafting committees. She is also a leading human rights activist, recognized locally and internationally and has initiated several successful campaigns for new legislation including women's rights, freedom of opinion and family courts.

She served as Vice President of the Constitutional Committee of 50 and played a key role in drafting the 2014 Egyptian Constitution, and is currently member of the National Council for Human Rights. She has served as Non-Executive Chairperson of EFG Hermes since 2008. In 2015, she was elected President of the Egyptian Microfinance Federation and has chaired several NGOs active in providing social development and microfinance to poor women. Internationally, she served as an elected member of the international Advisory Committee of the United Nations Human Rights Council for two terms, ending in 2011.

She holds a BSc in Economics and Political Science from Cairo University and an LLM from Mansoura University as well as an honorary PhD in law from the University of Zurich.

### 3.2 Role and competencies of the Board of Directors

The Corporate Governance Charter, which is available on the Company's website ([https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG\\_Charter\\_26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI	CG_Charter_26.8.2019.pdf)), defines the terms of reference of the Board of Directors including its role, mission, composition, training and evaluation.

### 3.3 Structure of the Board of Directors

As at 31 December 2019, the Board was composed of fifteen (15) directors:

- The majority of directors, namely nine (9) out of fifteen (15), including the Chairman, are non-executive directors and eight (8) of them are independent directors.
- Eight (8) out of fifteen (15) directors, namely Kyriakos Riris, William Antholis, Andreas Artemis, Haralambos David, Petros Sabatacakis, Stylianos Triantafyllides, Maria Vassalou and Mona Zulficar met on their appointment the independence criteria of article 7:87 of the Belgian Companies and Association Code and also those of Principle 3.5 of the Code.
- Six (6) out of the fifteen (15) Board members, namely Dimitri Papalexopoulos, Michael Colakides, Takis-Panagiotis Canellopoulos, Leonidas Kanellopoulos, Alexandra Papalexopoulou and Bill Zarkalis are executive directors.
- Three (3) out of fifteen (15) directors are women;<sup>1</sup>
- The directors represent four (4) different nationalities;
- The Board meeting attendance (during the period that started upon successful Completion of the Tender Offer and the listing of the Company's shares and the election of the board members in July 2019) was 93.33%. The individual attendance of each Board member is shown in the table included in Section 3.5 ("Functioning of the Board of Directors") below.

The current Board, in accordance with article 17 of the Company's Articles of Association, consists of fifteen (15) directors as follows:

Name	Position	Term started	Term expires
Efstratios-Georgios Arapoglou (Takis)	Chairman, Non-Executive Director	May 2019	May 2022
Kyriacos Riris	Vice-Chairman, Independent Non-Executive Director	October 2018	May 2021
Dimitri Papalexopoulos	Executive Director	May 2019	May 2022

<sup>1</sup> Given that the Company's listing was made in August 2019, the Company is not required to comply with the legal rules on gender diversity provided in article 7:86 of the Belgian Companies and Associations Code until 1 January 2026. Nevertheless, the Company intends to comply with this rule at the soonest.

Michael Colakides	Managing Director	May 2019	May 2022
William Antholis	Independent Non-Executive Director	May 2019	May 2022
Andreas Artemis	Independent Non-Executive Director	May 2019	May 2022
Takis-Panagiotis Canellopoulos	Executive Director	May 2019	May 2022
Haralambos (Harry) David	Independent Non-Executive Director	May 2019	May 2022
Leonidas Kanellopoulos	Executive Director	May 2019	May 2022
Alexandra Papalexopoulou	Executive Director	May 2019	May 2022
Petros Sabatacakis	Independent Non-Executive Director	May 2019	May 2022
Stylianos (Stelios) Triantafyllides	Independent Non-Executive Director	October 2018	May 2021
Maria Vassalou	Independent Non-Executive Director	May 2019	May 2022
Bill Zarkalis	Executive Director	May 2019	May 2022
Mona Zulficar	Independent Non-Executive Director	May 2019	May 2022

### 3.4 Chairman of the Board of Directors

The Chairman of the Board, Mr. Efstratios- Georgios (Takis) Arapoglou, is a person with proven professionalism, independence of mind and coaching capabilities, with consensus-building, communication and meeting management skills.

### 3.5 Functioning of the Board of Directors

During the second half of 2019 and following the Completion of the Tender Offer, the Board of Directors held five (5) scheduled meetings on 19 July, 23 August, 6 November, 20 November and 18 December.

Below is a table showing the individual attendance of each Board member at the scheduled meetings of the Board:

Director	Board of Directors Meetings	Board Committees Meetings		
		Audit and Risk Committee	Remuneration Committee	Nomination Committee
Efstratios-Georgios (Takis) Arapoglou	5/5	-	-	The first meeting of the Committee took place on 25 February 2020, in order to seek and propose to the Board the nomination of a new candidate in view of a vacant directorship .
Kyriacos Riris	5/5	2/2	-	
Dimitri Papalexopoulos	5/5	-	-	
Michael Colakides	5/5	-	-	
William Antholis	5/5	-	1/1	
Andreas Artemis	5/5	-	-	
Takis-Panagiotis Canellopoulos	5/5	-	-	
Haralambos (Harry) David	5/5	2/2	-	
Leonidas Kanellopoulos	5/5	-	-	All current directors were nominated by
Alexandra Papalexopoulou	5/5	-	-	

Petros Sabatacakis	4/5	1/2	-	the Extraordinary General Meeting of Shareholders of 13 May 2019.
Stylios (Stelios) Triantafyllides	4/5	-	1/1	
Maria Vassalou	4/5	-	-	
Bill Zarkalis	5/5	-	-	
Mona Zulficar	3/5	-	1/1	

Before the Completion of the Tender Offer, the Company's Board consisted of five (5) members, namely Kyriakos Riris as Chairman, Stylios (Stelios) Triantafyllides, Komninos-Alexios Komninos, Nicolaos Birakis and Spyridon Hadjinicolaou.

The Extraordinary General Meeting of Shareholders dated 13 May 2019 had acknowledged the resignation of Mr. Birakis, Mr. Komninos and Mr. Hadjinicolaou as Board members subject to the Completion of the Tender Offer. As a result, the current Board of Directors resumed office upon the announcement of the Completion of the Tender Offer on 18 July 2019 and held its first meeting on 19 July 2019.

### 3.6 Induction

Soon after joining the Board, in September 2019, all directors received appropriate induction training.

The purpose of the induction process was to help the new directors grasp the fundamentals of the Company, including its governance, key policies, financial and business challenges and, also, to advise them on their rights and duties as directors.

The Company makes available all the necessary resources to develop and update the knowledge and qualifications of the directors so that they can perform their duties in the Board and the Committees of which they are members.

### 3.7 Board evaluation

The Board is responsible for a periodic assessment of its own effectiveness with a view to ensuring continuous improvement in the governance of the Company. The Board assesses at least every three years its own performance and its interaction with the executive management, as well as its size, composition, functioning and that of its Committees. The evaluation is carried out through a formal process, whether externally facilitated or not, in accordance with a methodology approved by the Board.

At the end of each Board member's term, the Nomination Committee evaluates this Board member's presence at the Board or Committee meetings, his or her commitment and constructive involvement in discussions and decision-making in accordance with a pre-established and transparent procedure. The Nomination Committee also assesses whether the contribution of each Board member adapted to changing circumstances.

In order to facilitate such evaluation, the directors give their full assistance to the Nomination Committee, and any other persons, whether internal or external to the Company, entrusted with the evaluation of the directors.

Given that the vast majority (13 out of 15 directors) of the members of the current Board of Directors was elected by the Extraordinary General Meeting on 13 May 2019, the first Board evaluation will be carried out within 2020 and the main features of the evaluation process of the Board, its committees and its individual directors will be disclosed in the Corporate Governance Statement for the year 2020.

### 3.8 Code of Conduct – Conflicts of interest

A Code of Conduct has been drawn up, setting out the expectations for the Company's leadership and employees in terms of responsible and ethical behavior.



All Board members are expected to uphold the highest standards of integrity and to always act in the best interest of the Company.

Each member of the Board undertakes, both during his or her membership of the Board and afterwards, not to disclose to anyone in any manner any confidential information relating to the business of the Company or companies in which the Company has an interest, unless he or she has a legal obligation to disclose such information.

No member of the Board may use the information described above to his or her own advantage.

Each member of the Board undertakes not to develop, either directly or indirectly, during the term of his or her mandate, any activities nor perform any actions that conflict with the activities of the Company or its Subsidiaries.

All members of the Board are required to inform the Board of conflicts of interests as they arise. In case a director has a direct or indirect financial interest that conflicts with the interests of the Company, he or she is required to inform the other directors before the Board takes a decision and the Board is required to implement the procedures set forth in articles 7:96 and 7:97 of the Belgian Companies and Associations Code.

The Board approved on 19 July 2019 (a) the Company's Policy for transactions and other contractual relationships between the Company or Group Subsidiaries and Members of the Board or the Management Committee or the Group Executive Committee or other designated persons and (b) the Company's Dealing Code, which is addressed to the Company's directors, managers and officers, as well as to Group's directors, managers, officers and employees who are in possession of inside information (within the meaning of the Regulation (EU) No 596/2014 on market abuse). Both the Policy for Transactions and the Dealing Code are included (as Appendix 2 and Appendix 8, respectively) in the Company's Corporate Governance Charter which is available on the Company's website (<https://www.titan-cement.com/>) at the link: [https://www.titan-cement.com/wp-content/uploads/2019/08/TCI\\_CG\\_Charter\\_26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI_CG_Charter_26.8.2019.pdf).

#### **4. Composition and Operation of Board Committees**

##### **4.1. Audit and Risk Committee**

###### **4.1.1. Composition, Role and Functioning**

Chairman: Kyriacos Riris, independent director

Members: Harry David, independent director  
Petros Sabatacakis, independent director

Notwithstanding the relevant expertise of the other members of the Committee, the Committee's Chairman, Mr. Riris, has the necessary expertise with regard to accountancy and auditing.

The Audit and Risk Committee performs all duties set out in article 7:99 of the Belgian Companies and Associations Code and is entrusted with the development of a long-term audit program encompassing all activities of the Company, including:

- a. Monitoring the financial reporting process;
- b. Monitoring the effectiveness of the Company's internal control and risk management systems;
- c. Monitoring the internal audit and its effectiveness;
- d. Monitoring the statutory audit of the annual and consolidated financial statements, including any follow-up on any questions and recommendations made by the External Auditor;
- e. Reviewing and monitoring of the independence of the External Auditor, in particular regarding the provision of additional services to the Company.

After it was set up on 19 July 2019, the Audit and Risk Committee held two meetings, one on 6 November 2019 and one on 18 December 2019.

Among the items of the agenda of the meeting on 6 November 2019 were the discussion on the terms of reference, scope and role of the Committee; the self-assessment and independence confirmation of all three members; the presentation of the Q3 Financials by the Group CFO, the discussion among the Committee members and their recommendation to the Board to approve them; the follow-up of the Group's cash flow in relation to the actual Q3 results; the discussion and approval of the Policy of the Company for Non-Audit services (NAS Policy); the reporting of Non-Audit Services provided in Q3 and their approval by the Audit and Risk Committee after relevant management approval.

The second half of the above meeting focused on the functioning and operation of the Group Internal Audit, the presentation by the Head of the Group Internal Audit of the department and the internal audit methodology applied, the discussion on the Q3 audit results and the review of specific arrangements of the TITAN Ethics Point, the platform for raising concerns confidentially.

The Audit and Risk Committee meeting on 18 December 2019 was again split in two parts. The first part focused on the presentation by the External Auditor (PwC) of their audit plan for the year ending 31 December 2019, while the second focused on monitoring the status of implementation of the Internal Audit plan for the year 2019 and on the presentation and approval of the Internal Audit plan for the year 2020.

#### **4.1.2 External Auditor**

The audit of the Company's financial statements and the entities to be recorded in the financial statements in accordance with the Belgian Companies and Associations Code was entrusted by virtue of the Extraordinary General Meeting resolution dated 13 May 2019, to SCRL PriceWaterhouseCoopers, with registered office located at 1932 Sint-Stevens-Woluwe, Woluwedal, 18, represented by Mr. Marc Daelman, for a term of three years, ending on the date of the Annual General Meeting to be held in 2022 related to the approval of the annual accounts of the year ending on 31 December 2021.

The responsibilities and powers of the External Auditor are set by law.

The Audit and Risk Committee monitors and assesses the effectiveness, independence and objectivity of the external auditor having regard to the:

- content, quality and insights on key external auditor plans and reports;
- engagement with the external auditor during committee meetings;
- robustness of the external auditor in handling key accounting principles; and
- provision of non-audit services.

The yearly 2019 audit fees for Titan Cement International S.A. (TCI) were set at € **100.000**

They include the audit of the statutory and consolidated accounts of TCI.

Additional audit fees for TCI affiliates in 2019 amount to € **1.222.182**.

Additional non- audit fees of € **372.531** were paid in 2019 by TCI and affiliates, of which:

-€**226.049** for assurance services;

-€**137.017** for tax advisory and compliance services; and

-€**9.465** for other advisory services.

The rules governing the composition, tasks and method of functioning of the Audit and Risk Committee are laid down in Appendix 3 of the Company's Charter ("Terms of Reference of the Audit and Risk Committee"), which is available on the Company's website (<https://www.titan-cement.com/>) at the link: [https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG Charter 26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI_CG_Charter_26.8.2019.pdf).

## 4.2 Remuneration Committee

Chairwoman: Mona Zulficar, independent director

Members: William Antholis, independent director  
Stelios Triantafyllides, independent director

The Remuneration Committee has the duties set out in article 7:100 of the Belgian Companies and Associations Code, including, to prepare and assess proposals for the Board:

- a. with regard to the Company's remuneration policy and the remuneration of directors, members of the Company's Management Committee and members of the Group Executive Committee, as well as on the arrangements concerning early termination;
- b. on the annual review of the executive management's performance; and
- c. on the realization of the Company's strategy against performance measures and targets.

During the second half of 2019 and following its establishment on 19 July 2019, the Remuneration Committee held one meeting on 6 November. The main topics of this meeting were:

- a. The main principles and programs referring to Group Compensation and benefits;
- b. The new Long-Term Incentive Plan (LTIP 2020);
- c. The new Deferred Compensation Plan (DCP 2020);
- d. The main terms of the employment contract of the managing Director and the members of the Management Committee; and
- e. To make proposals to the Board regarding the above matters.

On 19 March 2020 the Remuneration Committee met again with main topics:

- a. The submission to the Board of the remuneration report for the year 2019 to be presented to the Annual General Meeting;
- b. The submission to the Board of the new Remuneration Policy of the Company, which will be submitted to the Annual General Meeting for approval;
- c. The submission to the Board of the new Long-Term Incentive Plan (LTIP 2020).

The rules governing the composition, tasks and method of functioning of the Remuneration Committee are laid down in Appendix 5 of the Company's Charter ("Terms of Reference of the Remuneration Committee"), which is available on the Company's website (<https://www.titan-cement.com/>) at the link: [https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG\\_Charter\\_26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI	CG_Charter_26.8.2019.pdf).

## 4.3 Nomination Committee

Chairman: Efstratios-Georgios (Takis) Arapoglou, non-executive director

Members: Maria Vassalou, independent director  
Andreas Artemis, independent director

The Nomination Committee consists of three non-executive directors of the Board, two of whom are independent. The Chairman of the Board, who is a non-executive director, is the Chairman of the Committee.

The Nomination Committee was established and all its members were appointed by the Board of Directors on 19 July 2019.

The Nomination Committee makes recommendations to the Board with regard to the appointment of directors, the Managing Director of the Company and other members of the Management Committee and the Group Executive Committee as well as their orderly succession.

The Nomination Committee meets at least once a year and whenever a meeting is deemed necessary and advisable for its proper functioning.

Given that all directors had been elected, subject to the Completion of the Tender Offer, by the Extraordinary Meeting of Shareholders dated 13 May 2019, the Nomination Committee did not hold any meetings after its establishment during the second half of 2019.

The first meeting of the Committee took place on 25 February 2020, in order to seek and propose to the Board the nomination of a new candidate in view of a vacant directorship.

The rules governing the composition, tasks and method of functioning of the Nomination Committee, as well as the procedure to be followed by the latter for the appointment and reappointment of Board members, are laid down in Appendix 4 of the Company's Charter ("Terms of Reference of the Nomination Committee"), which is available on the Company's website (<https://www.titan-cement.com/>) at the link: <https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG Charter 26.8.2019.pdf>.

#### **4.4 Group Executive Committee**

Chairman: Dimitri Papalexopoulos

Members:	Michael Colakides	Managing Director and Group CFO
	Alexandra Papalexopoulou	Group Strategic Planning Director
	Bill Zarkalis	USA Region Director
	Sokratis Baltzis	Egypt and Group Trading Director
	Konstantinos Derdemezis	Albania, North Macedonia, Serbia and Kosovo Director
	Spyridon John Kollas	Human Resources Director
	Christos Panagopoulos	Turkey and Bulgaria Director
	Yanni Paniaras	Greek Region and Group Corporate Affairs Director
	Fokion Tasoulas	Group Engineering and Technology Director
Convenor:	Antonis Kyrkos	Deputy Group Strategic Planning Director

The role of the Group Executive Committee is facilitating the supervision of the Group operations, the cooperation and coordination between the Company's subsidiaries and the monitoring of the Group management performance and ensuring the implementation of decisions and related accountability.

After it was established on 19 July 2019, the Group Executive Committee held eight (8) meetings during 2019. A variety of coordination topics were covered, including strategy, quarterly results, Group budget, H&S reviews, sustainability reviews, progress of key projects (CO<sub>2</sub>, digitization), etc.

The rules governing the composition, tasks and method of functioning of the Group Executive Committee, as well as the code of conduct, are laid down in Appendix 7 of the Company's Charter ("Terms of Reference of the Group Executive Committee"), which is available on the Company's website (<https://www.titan-cement.com/>) at the link: <https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG Charter 26.8.2019.pdf>.

#### **4.5 Management Committee**

Chairman: Michael Colakides, Managing Director

Members: Grigoris Dikaïos, Company CFO

Konstantinos Derdemezis, Regional Business Director

Christos Panagopoulos, Regional Business Director

The main role and the main duties of the Management Committee are to implement and monitor the company strategy, to prepare and present to the Board the financial statements of the Company in accordance with the applicable accounting standards and policies of the Company, to prepare the Company's required disclosure of the financial statements and other material financial and non-financial information, to manage and assess the internal control systems of the Company and to support the Managing Director in the day-to-day management of the Company and with the performance of his other duties.

The Management Committee meets whenever a meeting is required for its proper functioning.

The rules governing the composition, tasks and method of functioning of the Management Committee, as well as the code of conduct, are laid down in Appendix 6 of the Company's Charter ("Terms of Reference of the Management Committee"), which is available on the Company's website (<https://www.titan-cement.com/>) at the link: [https://www.titan-cement.com/wp-content/uploads/2019/08/TCI CG\\_Charter\\_26.8.2019.pdf](https://www.titan-cement.com/wp-content/uploads/2019/08/TCI	CG_Charter_26.8.2019.pdf).

## **5. Diversity and Inclusion**

TITAN is committed to offering equal opportunities and encourages diversity and inclusion at every level of employment in the Company. Diversity includes more than gender, age, nationality, disability, ethnic origin, sexual orientation, culture, education and professional background. At Group level, particular attention is afforded to monitoring the full implementation of the Human Rights Policy and to ensure consistent improvement across the organization. Improving the gender mix at all levels is always an area of focus. Likewise, another area of focus are inclusion and the creation of a working environment that maximizes the potential of all employees.

Currently, the number of women on the Board is 3 out of 15 and although the Company is not legally required to comply with the rules of article 7:86 on gender diversity before 1 January 2026, it intends to comply with the 33% rule before the end of the above grace period.

The Board has promoted diversity in the composition of the Board Committees, by appointing a woman to chair the Remuneration Committee and another woman as member of the Nomination Committee. As a result, one out of the three members of the Nomination Committee and the Remuneration Committee is female.

TITAN monitors gender diversity in management at both Group and local levels. In 2019 an assessment of Group policies was conducted by Group Human Resources Department to define priorities and future targets accordingly.

Diversity on Board level has also been promoted through a balanced mixture of academic and professional skills. More specifically, the Board includes directors coming from the banking and insurance sector, the corporate/business sector and the legal and audit services sector. As far as residence is concerned, six Board members reside in Cyprus, four in the USA, four in Greece and one in Egypt.

The Group will focus on fostering diversity and inclusion awareness through workshops, training and development programs in the various regions.

## **6. Internal Audit and Risk Management in the Scope of the Financial Reporting Process**

The key elements of the system of internal controls utilized in order to avoid errors in the preparation of the financial statements and to provide reliable financial information are the following:

The assurance mechanism regarding the integrity of the Group's financial statements consists of a combination of the embedded risk management processes, the applied financial control activities, the relevant information technology utilized, and the financial information prepared, communicated and monitored.

Each month the Company's subsidiaries submit financial and non-financial data to the Group's consolidation department and provide explanatory information where necessary.

In consolidating the financial results and statements, the Group utilizes specialized consolidation software and specialized software for reconciling intercompany transactions. These tools come with built-in control mechanisms and have been parametrized in accordance with the Group's needs. Finally, the above tools use best practices regarding the consolidation process, which the Group has to a large extent adopted.

The Group's management reviews on a monthly basis the consolidated financial statements and the Group's Management Information (MI) – both sets of information being prepared in accordance with IFRS and in a manner that facilitates their understanding.

The monthly monitoring of the financial statements and Group MI and their analysis by the relevant departments are key elements of the controlling mechanism regarding the quality and integrity of financial results.

The Group's external auditors review the mid-year financial statements of the Group and its material subsidiaries and audit their full-year financial statements of the Company and the Group. In addition, the Group's external auditors inform the Audit and Risk Committee about the outcome of their reviews and audits.

The Audit and Risk Committee, during its quarterly meetings prior to the financial reporting, is informed by the Managing Director and Group CFO and also by the other competent Group officers about the performance of the Group, monitors the consolidated accounts and the financial reporting process and reports accordingly to the Board. The Audit and Risk Committee monitors the financial reporting process and the effectiveness of the Company's internal control and risk management systems.

The approval of the financial statements (Company and Consolidated) by the Board is made after the relevant recommendation of the Audit and Risk Committee.

## **7. Internal Audit**

The internal audit is carried out by the Group Internal Audit function. As of January 2020, the function assumed a broader role, taking over responsibility for risk and compliance, in addition to the internal audit.

Internal Audit is an independent department with its own written regulation, reporting directly to the Audit and Risk Committee.

The Group Internal Audit workforce consists of 17 executives duly trained and having appropriate experience to carry out their work. Four (4) new hires will be added early 2020.

Internal Audit's primary role is to monitor the effectiveness of the internal control environment. Internal Audit's scope also includes:

- monitoring implementation and compliance with the Company's Internal Regulation, Code of Conduct, Articles of Association and applicable laws in all jurisdictions in which the Group operates;
- providing consulting services (e.g. new procedures review, new IT systems post-implementation reviews);
- undertaking special assignments (e.g. fraud investigations)

After the establishment of the Audit and Risk Committee on 19 July 2019, the Committee received all audit reports issued thereafter. Likewise, the Audit and Risk Committee received all progress reports referring to the most important audit findings during the third and fourth quarters of 2019.

During the second semester of 2019, the Audit and Risk Committee held two scheduled meetings with the Head of the Group Internal Audit. The Head of the Group Internal Audit had a number of meetings with the Chairman of the Audit and Risk Committee pertaining to the better preparation of the Audit and Risk Committee meetings with regard to the Internal Audit.

Following relevant recommendation of the Audit and Risk Committee, the Board of Directors approved the Internal Audit plan for the year 2020 and specified the functions and areas on which internal audit should primarily focus.

## **8. Remuneration report 2019**

In accordance with the applicable provisions, this Remuneration Report describes the remuneration paid to Members of the Board of Directors and Management Committee of Titan Cement International.

### **8.1 Compensation of the Board of Directors in 2019**

TITAN Group delivered a sustained performance and stronger cash flow generation.

TITAN Group demonstrated strength through 2019 sustaining a growth performance despite challenges in the Eastern Mediterranean market. Group consolidated revenue for 2019 reached €1,609.8 m, higher by 8.0% compared to the previous year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) increased by 2.8% to €267.1m. Net Profit after Taxes and minorities (NPAT) at €50.9m declined by 5.5% compared to 2018.

Group results were led for another year by the US operations. Titan America delivered another strong performance in 2019 as cement consumption in the United States continued to increase against a backdrop of healthy macroeconomic indicators. The Greek market showed some first signs of growth. Performance in Greece improved in 2019, driven by a modest increase in overall demand construction. South-eastern Europe performance improved significantly. Continuing economic growth led to greater demand for building materials and gradual recovery of the construction sector. Conditions in the Eastern Mediterranean continued to be challenging. Egypt recorded a decline in demand, which, together with the commencement of the operation of the army owned mega-plant in the country, led to a substantial deterioration of capacity utilization. The situation in Turkey is similar, where, following a major drop in demand, there are signs of stabilization at very low utilization levels. Brazil appears to be turning to moderate growth

Trends in sales volumes were mixed across markets and product lines. Domestic cement sales increased in all regions except the Eastern Mediterranean where volumes declined. Furthermore, severe competition in export markets had an adverse effect on the Group's cement exports, while supply shortages caused a reduction in sales of fly ash in the USA. Overall, Group cement sales declined by 7%.

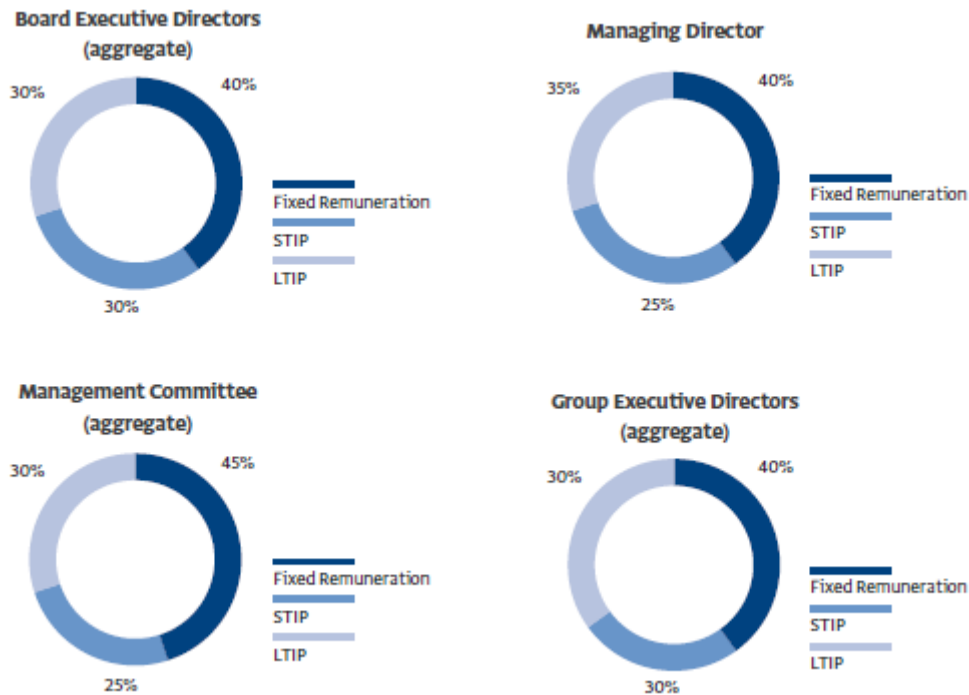
### **8.2. Remuneration policy at a glance**

The objective of TITAN's remuneration policy is to ensure the Company is remunerating its Directors on the basis of the Company's short and long-term business plan, so as to continue creating value for customers, shareholders, employees and the community.

Our Remuneration Policy reflects the following remuneration principles, which shape the nature and positioning of pay for the Board and the Management Committee of Titan Cement International S.A., as well as the TITAN Group Executive Committee of:

- Fair and appropriate level of fixed remuneration aiming at attracting high caliber senior professionals who can add value to the Company,
- Balanced approach between fixed and variable remuneration, so as to avoid over relying on variable pay and undue risk taking,
- Balanced approach between short and long-term incentives, to ensure there is focus on short term objectives that will ultimately contribute to the creation of long-term value creation,
- Alignment of executives to shareholder interests and long-term value creation through long-term incentives where the reward is delivered in shares,
- Avoidance of undue risk taking by focusing on financial and non-financial performance metrics in variable pay design.

The following pie charts represent the fix/variable pay mix for on-target performance:



Element of Remuneration	Overview
Base salary	Competitive fixed compensation considering individual responsibilities, relevant experience and required competencies
Short-Term Incentive Scheme	<p>Target payout:</p> <ul style="list-style-type: none"> <li>Executive Members of the Board, Management Committee and the Group Executive Committee: up to 100% of Annual Base Salary</li> </ul> <p>Maximum: In case of overachievement, the collective part of the STI is capped at 130% of target, the individual part at 150% and the safety part at 200%</p> <p>Performance Criteria:</p> <ul style="list-style-type: none"> <li>Financial Performance (up to 45%): EBITDA (80%) and ROACE (20%)</li> <li>Individual Performance (up to 55%): combination of objectives and behaviors</li> <li>Safety (5%): Lost Time Injury Frequency Rate</li> </ul>
Long-Term Incentive Plan (LTIP)	<p>Two LTIPs applied in 2019: A Restricted Stock Incentive Plan and a Special Trust Fund Plan:</p> <p>Target payout:</p> <ul style="list-style-type: none"> <li>Management Committee: up to 100% of Annual Base Salary</li> </ul>



Element of Remuneration	Overview								
	<ul style="list-style-type: none"> <li>Executive Members of the Board and the Group Executive Committee: up to 110% of Annual Base Salary</li> </ul> <p><u>Restricted Stock Incentive Plan</u></p> <p>Executives can buy shares at a discounted price after the end of the vesting period. The number of stock options depends on the actual performance against specific criteria.</p> <p>Performance Criteria:</p> <ul style="list-style-type: none"> <li>ROACE: 3-year average</li> <li>Total Shareholder's Return (TSR): compared to the average total performance of the shares of a peer index comprised of the following companies:             <table data-bbox="479 724 820 913"> <tr> <td>1. Lafarge-Holcim</td><td>5. CRH</td></tr> <tr> <td>2. Heidelberg</td><td>6. Buzzi</td></tr> <tr> <td>3. Cemex</td><td>7. Argos</td></tr> <tr> <td>4. Cementir</td><td>8. Vicat</td></tr> </table> </li> </ul> <p>Performance Curve:</p> <ul style="list-style-type: none"> <li>on target performance: 75%</li> <li>threshold: 20%</li> <li>stretch: 100%</li> </ul> <p>Vesting period: 3 years</p> <p><u>Special Trust Fund Plan</u></p> <p>TITAN makes annual contributions for each eligible participant to a special fund, which mainly invest in TCI shares. Contributions vest after 4 years.</p> <p><i>The two plans will be replaced by a new Long-Term Incentive Plan, which is included in the Remuneration Policy proposed in the 2020 Annual General Assembly.</i></p>	1. Lafarge-Holcim	5. CRH	2. Heidelberg	6. Buzzi	3. Cemex	7. Argos	4. Cementir	8. Vicat
1. Lafarge-Holcim	5. CRH								
2. Heidelberg	6. Buzzi								
3. Cemex	7. Argos								
4. Cementir	8. Vicat								
Retirement Allowance	<p>Type of Plan: Defined contribution plan</p> <p>Maximum contribution: up to 10% of Annual Base Salary</p> <p>Plan mechanism:</p> <p>First tier: up to 8% of Annual Base Salary.</p> <p>Second-tier: 8-10% of Annual Base Salary. TITAN matches the employee's contribution by a ratio of 1:2.</p>								

Element of Remuneration	Overview
	In the event Executives leave the Company prior to 5 years from the entry to the Program, any contributions by the Company are lost

### 8.3. Non-Executive Directors' Remuneration in 2019

As of July 1<sup>st</sup>, 2019, the fees of the Non-Executive Directors, were:

Non-Executive Director	Compensation by the Company			
	Board of Directors	Board Committees	Pro-bono allowance	Compensation by Subsidiaries
Eftsratios-Georgios Arapoglou	€ 100,000 gross	€ 7,500 gross	No	€ 104,000 gross*
Kyriacos Riris	€ 25,000 gross	€ 10,000 gross	No	Non applicable
Andreas Artemis	€ 25,000 gross	€ 5,000 gross	No	Non applicable
William Antholis	€ 25,000 gross	€ 4,000 gross	€ 10,000 gross	Non applicable
Haralambos David	€ 25,000 gross	€ 7,500 gross	No	Non applicable
Petros Sabatacakis	€ 25,000 gross	€ 7,500 gross	€ 5,000 gross	€20,000 gross**
Stylianos Triantafyllides	€ 25,000 gross	€ 4,000 gross	No	Non applicable
Maria Vassalou	€ 25,000 gross	€ 5,000 gross	€ 10,000 gross	Non applicable
Mona Zulficar	€ 25,000 gross	€ 6,000 gross	€ 6,000 gross	Non applicable

\* Mr. Arapoglou was until 31 July 2019 the Chairman of TITAN Cement Company S.A.

\*\* Mr. Sabatacakis was until 31 July 2019 member of the Board of TITAN Cement Company S.A.

As per TITAN's policy, Non-Executive Directors do not receive variable compensation linked to results or other performance criteria. More specifically, Non-Executive Directors are not entitled to annual bonuses, stock option or performance share units, or to any supplemental pension scheme.

### 8.4. Executive Directors, Management Committee Remuneration in 2019

The actual remuneration of the Executive Directors of the Board has been determined by the Board following relevant recommendation of the Remuneration Committee. A new Remuneration Policy (2020 Remuneration Policy) will apply in 2020 subject to approval by the Annual General Meeting of 14 May 2020.

The remuneration package of the Managing Director of the Company, Mr. Michael Colakides, was set by the Board of Directors following relevant recommendation of the Remuneration Committee. His last salary review was carried out in April 2019, before the Completion of the Tender Offer and his appointment as Managing Director of the Company, taking into account TITAN's peer group of European companies.

### Executive Directors of the Board, Management Committee Remuneration packages as of January 1<sup>st</sup>, 2019

Name	Year	Annual Base Salary	Board Fees	Allowances	Annual Variable Compensation	Long- Term Incentive	Pension Contribution	Total Remuneration	Fixed Remuneration	Variable Remuneration
<b>Board Executive Directors<sup>1</sup></b>	<b>2019</b>	1,763,555	135,000	134,459	1,194,436	1,465,115	140,021	4,832,586	45%	55%
<b>Managing Director, Titan Cement International</b>	<b>2019</b>	415,350	47,500	27,514	324,880	400,000	36,311	1,251,555	42%	58%
<b>Management Committee<sup>1</sup></b>	<b>2019</b>	707,880		161,661	383,580	332,081	56,339	1,641,541	56%	44%

<sup>1</sup> TCI was established in July 2018 as a company. The current BoD and management committee was appointed in May 2019 subject to successful completion of tender offer, which was realized on 19 July 2019. Managing Director figures are reported separately and therefore are excluded

## 2019 performance criteria and outcomes | Short-Term Incentives

Following relevant recommendation by the Remuneration Committee, the Board determines the most relevant performance criteria for the short-term incentive plan. These KPIs provide the framework for incentive schemes throughout the company. Additionally, the Board sets challenging, but realistic target levels for each of those performance criteria.

The emphasis for 2019 was on financial metrics reflecting a focus on profitability and return on investments, in line with the company's strategy to balance growth and profitability. These performance criteria are an important measure of the success of the execution of the company's strategy and, as such, the remuneration is directly linked to long-term value creation by the company.

The target levels are set at the beginning of the year. The final assessment is determined at the end of the fiscal year, based on the audited financial results. Any potential payout under the short-term incentive plan occurs annually during the first semester of the next financial year. A minimum level of performance must be achieved before any payment under the plan will be made. Payout is capped for stretch performance.

The final assessment of performance under the short-term incentive plan is done by the Remuneration Committee, which in turn make the necessary proposal to the Board for decision making.

In 2019, EBITDA and ROACE were resulting in a 82,1% and 80.3% in respective part of variable pay

The remuneration committee considered the overall performance and concluded to award the variable pay as above for or 2019.

## 2019 Variable Pay outcome calculations for the Managing Director

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Michael Colakides,

*Managing Director*

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Target Variable Pay:

417,900 x 70% =	292,530x	Outcome: 118,6%	=	€324,880
				(78% of annual base salary)

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## 2019 performance criteria and outcomes | Long-Term Incentives

The Extraordinary General Meeting of Shareholders of 13 May 2019 approved, subject to Completion of the Tender Offer, the amendment of the existing stock option plans, namely to replace the stock options on TITAN Cement Company S.A. shares by stock options on shares of the Company, without otherwise amending the terms and conditions of the plans. As a result, two plans (2014 and 2017) are currently under

implementation by stock options on shares of the Company owned by the Company's subsidiary TITAN Cement Company S.A.

#### **2014 Plan**

On 20 June 2014, the General Meeting of TITAN S.A. approved the introduction of a new, three-year Stock Option Program. According to this Program, the Company's Board of Directors could grant options up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors of the Company, Directors who hold senior positions at Group or Regional or Country level in companies of the TITAN Group, and finally a limited number of the other employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options that were granted in 2014, 2015 and 2016 was three years. Therefore, the relevant option rights became mature in December 2016, 2017 and 2018 respectively, provided that the beneficiaries were still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries were entitled to exercise, was determined by the Board of Directors, within the first four months of 2017, 2018 and 2019 respectively and depended:

- a. by 50% on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period and;
- b. by 50% on the overall performance of the Company's TSR compared to the average overall performance of a predefined international cement producing companies peer group:

1. Lafarge-Holcim	5. CRH
2. Heidelberg	6. Buzzi
3. Cemex (in US\$)	7. Argos (in US\$)
4. Cementir	8. Vicat

The Beneficiaries are entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after vesting of the stock options.

#### **2017 Plan**

On 12 May 2017, the General Meeting of TITAN S.A. approved the introduction of a new, three-year Stock Option Program. According to this Program, the Company's Board of Directors could grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors of the Company, Directors who hold senior positions at Group or Regional or Country level in companies of the TITAN Group, and finally a limited number of the other employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options that were granted in 2017, 2018 and 2019 was three years. Therefore, the relevant option rights become mature in December 2019, 2020 and 2021 respectively. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2020, 2021 and 2022 respectively and shall depend:

- a. by 50% on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period; and
- b. by 50% on the overall performance of the Company's TSR compared to the average overall performance of a predefined international cement producing companies peer group:

1. Lafarge-Holcim	5. CRH
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- |                    |                    |
|--------------------|--------------------|
| 2. Heidelberg      | 6. Buzzi           |
| 3. Cemex (in US\$) | 7. Argos (in US\$) |
| 4. Cementir        | 8. Vicat           |

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

#### Remuneration in shares (for 2019)

Name	Specification of plan	Grant Date	Vesting Date	Expiry Date	Exercise Price	Options Granted	Options Vested	Options Exercised
Dimitri Papalexopoulos, Chairman, Group Executive Committee	Restricted Stock Incentive Plan	7/6/2019	31/12/2021	12/2025	€ 10	65,450	8,994	0
Michael Colakides, Managing Director	Restricted Stock Incentive Plan	7/6/2019	31/12/2021	12/2025	€ 10	19,400	8,242	10,486
Takis-Panagiotis Canellopoulos, Executive Director of the Board	Restricted Stock Incentive Plan	7/6/2019	31/12/2021	12/2025	€ 10	6,310	1,126	0
Leonidas Kanellopoulos, Executive Director of the Board	Restricted Stock Incentive Plan	7/6/2019	31/12/2021	12/2025	€ 10	4,370	379	0
Alexandra Papalexopoulos, Executive Director of the Board	Restricted Stock Incentive Plan	7/6/2019	31/12/2021	12/2025	€ 10	42,430	5,249	0

Bill Zarkalis, Executive Director of the Board	Restricted Stock Incentive Plan	7/6/20 19	31/12/20 21	12/20 25	€ 10	44,850	11,240	30,890
Grigoris Dikaïos, CFO	Restricted Stock Incentive Plan	7/6/20 19	31/12/20 21	12/20 25	€ 10	3,400	752	0
Konstantinos Derdemezis, Regional Business Director	Restricted Stock Incentive Plan	7/6/20 19	31/12/20 21	12/20 25	€ 10	15,760	2,998	1,500
Christos Panagopoulos, Regional Business Director	Restricted Stock Incentive Plan	7/6/20 19	31/12/20 21	12/20 25	€ 10	12,130	2,251	0



## **Pension**

Pension contributions are an element of the overall total remuneration of Management Committee members and Executive Directors of the Board and vary by individual. TITAN provides a defined contribution scheme to Executive Directors of the Board and Management Committee members. In 2019, the amount of €232,671 was paid by the Company as pension contribution for the Executive Directors of the Board and the Management Committee members (€148,850 in 2018 for the Board Executives of TITAN S.A.).

## **Contract Terms**

The employment contracts of the Managing Director, Board Executive Directors and Management Committee Members are contracts of indefinite duration. In case of termination of employment at the initiative of the Company, severance payment cannot exceed 18 months' remuneration.

The Board may consider higher severance payment further to recommendation by the Remuneration Committee. For the payment of additional compensation in case of retirement or early termination of employment, Board approval is required following respective recommendation of the Remuneration Committee.

Notice periods are according to statutory law provisions.

## **9. 2019 Remuneration Policy**

### **9.1. Introduction**

The objective of TITAN's Remuneration policy is to attract, reward and retain qualified, high-caliber leaders in the Board of Directors, in the Management Committee and in the Group Executive Committee, who are driving TITAN's business strategy forward, increasing shareholder value, through sustainable growth with responsibility and integrity, serving the needs of society with respect for the environment.

In establishing the Remuneration Policy, the Board of Directors has considered the external environment in which TITAN operates, legal requirements and principles of the Belgian Corporate Governance Code 2020, anticipated requirements under SRD II, market practices and guidance provided by representatives of institutional shareholders.

Given that the date of Completion of the Tender Offer was 18 July 2019, the remuneration policy applied during 2019 is the one approved by the Annual General Meeting of Shareholders of TITAN Cement Company S.A.

This Remuneration Policy, is aligned to a great extend with the anticipated Belgian implementation of the European Shareholder Rights Directive II ("SRD II").

### **9.2. Remuneration Policy overview**

The Policy applies to the remuneration of all members of the Board of Directors, the Management Committee and the Group Executive Committee and it aims at ensuring that TITAN is remunerating on the basis of the Company's short and long-term business plan, so as to continue creating value for customers, shareholders, employees, societies and economies.

Here, it is worth mentioning that TITAN, following the principle of being consistent across the whole spectrum of operations, applies the same principles, terms and conditions when it comes to the remuneration policies of its subsidiaries.

The Policy sets out details of the terms under which future remuneration will be offered to current and/or new Directors in the Board, the Management Committee and the Group Executive Committee.

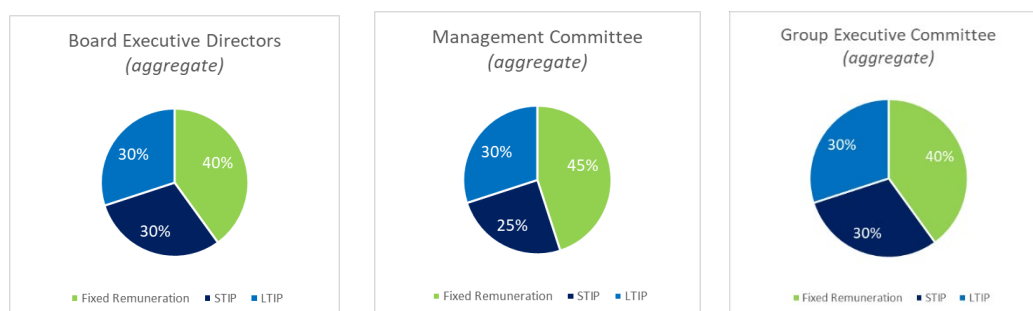
The following table depicts an overview of the Policy, highlighting which remuneration components apply to each Audience:

Audience	Annual Salary	Board Fees	Pension	Allowances*	Benefits	STIP	LTIP
Board Executives	✓	✓	✓	✓	✓	✓	✓
Board Non-Executives		✓		✓			
Management Committee	✓		✓	✓	✓	✓	✓
Group Executive Committee	✓		✓	✓	✓	✓	✓

\*Only the non - executive members who do not live in Cyprus or Greece receive a pro bono allowance.

### Target Pay Mix

The following pie charts represent the target pay mix for the Managing Director, the Board Executive Directors (on aggregate target average), the Management Committee members (on aggregate target average) and the Group Executive Committee members (on aggregate target average) in case of 'on-target' performance and reflects the underlying pay-for-performance principles and market-competitive reference of the Remuneration Policy.



Details of each reward component, including its purpose and link to strategy, mechanisms and relevant performance measures are presented later in this document.

### Labor Market

In setting the remuneration levels for the Managing Director, as well as the other Board Executive Directors, the Management Committee and the Group Executive Committee members, the Remuneration Committee gathers market insights from various relevant perspectives. These reflect the relevant industries for the Company (e.g. Construction Materials), the relevant geographies (e.g. Europe, and for specific positions the U.S.), and also take into consideration the size and the scope of the Company and the respective positions.

### 9.3. Which principles govern Remuneration and how they contribute to Titan's business strategy and long-term interests and sustainability?

Main principles that govern the Remuneration Policy and contribute to the Company's business strategy and sustainability are:

- Establish a fair and appropriate level of fixed remuneration aiming at attracting high caliber senior professionals who can add value to the Company

- Maintain a balanced approach between fixed and variable remuneration, so as to avoid over relying on variable pay and undue risk taking
- Establish a balanced approach between short and long-term incentives, to ensure there is focus on short term objectives that will ultimately contribute to the creation of long-term value creation,
- Introduce long-term incentives where all or part of the reward is delivered in shares which aligns executives to shareholder interests and value, as well as the stock performance of the Company over the longer term.
- Introduce financial and non-financial performance metrics in variable pay design, so as to avoid potential undue risk taking

#### **9.4. Determination, review and implementation of the Remuneration Policy**

The Remuneration Committee regularly reviews the Remuneration Policy, ensuring continuous alignment with its principles, as well as market trends and best practices. On annual basis the Remuneration Committee recommends the levels of the annual remuneration of Board Executive Directors, Management Committee Members and Group Executive Committee Members on the basis of their performance and responsibilities.

The Committee also recommends the levels of remuneration of Non-Executive Directors on the basis of their time commitment and responsibilities.

In case of substantial changes, and at least every four years, the Company Remuneration Policy is submitted for approval to the General Meeting.

The level of remuneration for the Chairman of the Board of Directors is decided by the General Meeting, following respective recommendation of the Board of Directors and of the Remuneration Committee before that. Likewise, the level of remuneration for the Managing Director and the Management Committee as well as the Group Executive Committee Members, is set by the Board of Directors, following a recommendation of the Remuneration Committee and in line with the applicable Remuneration Policy.

The Extraordinary General Meeting of Shareholders of 13 May 2019 also approved, subject to Completion of the Tender Offer, the amendment of the existing Titan stock option plans, namely to replace the stock options on TITAN Cement Company S.A. shares by stock options on shares of the Company, without otherwise amending the terms and conditions of the plans. As a result, two plans (RSIP 2014 and RSIP 2017) are currently under implementation by stock options on shares of the Company.

#### **9.5. Remuneration Policy of the Executive Directors of the Board, Management Committee and Group Executive Committee**

The table below sets out the remuneration policy for the Executive Directors of the Board, the Management Committee members and the Group Executive Committee:

Remuneration Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it operates	Maximum and how it links to performance
<p><b>Fixed Pay</b></p> <p>To pay fairly and reasonably for the best and most appropriate person for the role, taking into account the level of responsibility, as well as the knowledge and experience required to deliver upon expectations, while ensuring that the Company pays no more than is necessary, always supporting its longer-term interests and sustainability.</p>	<p>Salaries and Board Fees are normally reviewed, but not necessarily increased, annually.</p> <p>The Company's policy is to set levels considering levels of pay at other companies of a similar size for roles of similar scope and responsibility (please refer to Labor Market in the same document).</p> <p>Decisions are influenced by:</p> <ul style="list-style-type: none"> <li>– The performance and experience of the individual</li> <li>– The performance of the Company</li> <li>– The individual's role and responsibilities</li> <li>– Pay and employment conditions elsewhere in the Company</li> <li>– Rates of inflation and market-wide increases across international locations</li> <li>– The geographic location of the executive.</li> </ul>	<p>Whilst there is no prescribed maximum level of salary, increases are normally not expected to exceed average increases for the wider workforce considering relevant geography.</p> <p>Larger increases may be awarded in certain circumstances including where the individual's role has an increase in responsibility or experience.</p>

Remuneration Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it operates	Maximum and how it links to performance
<p><b>Short-Term incentive scheme (STIP)</b></p> <p>To provide focus on the short-term performance of the Company</p> <p>To recognize for achieving annual Company performance at collective and individual level, whilst respecting the Company's safety standards</p>	<p>The positioning of the Target Payout is at the top quartile of the market, it increases with job size and the opportunity has been defined up to 100% of Annual Base Salary for the Management Committee, the Executive Directors of the Board and the Group Executive Committee.</p> <p>The STIP has collective, individual and safety targets.</p> <p>The collective part of the STIP, which weighs up to 45% of total payout, is linked to EBITDA by 80% and ROACE performance at Group and Regional/ BU level by 20%. Exceptional items and non-recurring contributions to EBITDA are excluded from the calculations and relevant adjustments are made for the payout following Remuneration Committee approval.</p> <p>Individual performance, which weighs up to 55% of total payout considers both the "What" based on SMART (Specific, Measurable, Achievable, Relevant, Time Specific) objectives and the "How" based on the assessment of behaviors as per the "TITAN Leadership Platform".</p> <p>Safety target measured by Lost Time Injury Frequency Rate ("LTIFR") weighs 5%.</p>	<p>In case of overachievement, the collective part of the STI is capped at 130% of target, the individual part at 150% and the safety part at 200%.</p> <p>The maximum STI payout is defined at a percentage of up to 150% of Annual Base Salary.</p> <p>Calculation and payment of bonuses takes place once a year after the final annual business results have been officially announced. The performance appraisal is carried out by the Managing Director and the Chairman of the Group Executive Committee and is approved by the Remuneration Committee of the Board.</p> <p>Deviations linked to short term variable compensation payout may be proposed by the Managing Director and the Chairman of the Group Executive Committee to the Remuneration Committee linked to exceptional items and non-recurring contributions to EBITDA (including centrally managed CO2 rights). Deviation requires Remuneration Committee approval.</p> <p>No claw back terms apply.</p>

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**Long-term incentive plan (LTIP)**

To provide an incentive to Group Executives to contribute in improving share performance in the long term, in alignment with the interests of the shareholders.

To focus on delivering sustainable performance for the company over the long term

Awards are granted to the plan participants in the form of restricted stock options and contributions to special trust fund which invest mainly to company shares. The individual awards granted are based on each participant's position, fixed salary, individual performance and potential for development.

The LTI award granted to each participant is approved by the Board of Directors following relevant recommendation by the Remuneration Committee.

The award has been defined up to 110% of Annual Base Salary for the Management Committee, the Executive Directors of the Board and the Group Executive Committee.

The number of restricted stock options linked to the '2017 restricted stock option plan' is determined by dividing the amount of the award by the value of each stock option. The value of each option is calculated for the specific grant year based on internationally recognized valuation methods.

The vesting schedule has as follows:

- a) The part of the LTI award linked to '2017 restricted stock option plan' is on year 3

Payout is linked to actual performance against set KPIs as follows: 50% on Total Shareholders' Return (TSR) of the Company's share (including potential dividends) vs the average TSR performance of the shares of a Peer Index and 50% on the average 3-year Return on Average Capital Employed (ROACE) compared to the target of each 3-year period.

Maximum award is up to 110% of Annual Base Salary for the Management Committee and the Executive Directors of the Board and the Group Executive Committee

Remuneration Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it operates	Maximum and how it links to performance								
	<p>The peer group which formulates the index is the following (peer group is set by the Board of Directors and may be changed, if required):</p> <table> <tr> <td>1. Lafarge- Holcim</td> <td>5. CRH</td> </tr> <tr> <td>2. Heidelberg</td> <td>6. Buzzi</td> </tr> <tr> <td>3. Cemex</td> <td>7. Argos</td> </tr> <tr> <td>4. Cementir</td> <td>8. Vicat</td> </tr> </table> <p>b) The part of the LTI award linked to contributions to ‘Special Trust Fund’ is on year 4.</p> <p>Participants are expected to maintain in TCI shares (or Fund(s)) at a minimum a reasonable value of investment in Company’s shares, relevant to their position level. Top level Group/Regional executives (Board Executive Directors, Group Executive Committee members) are expected to maintain at a minimum an investment in company shares equal to one Annual Base Salary TCI shares, as well as Fund(s) balance, already owned by participants through previous LTI plans will be taken into consideration.</p> <p>The awards are granted personally to each participant. Therefore, they are neither transferable nor assignable to any third party.</p>	1. Lafarge- Holcim	5. CRH	2. Heidelberg	6. Buzzi	3. Cemex	7. Argos	4. Cementir	8. Vicat	
1. Lafarge- Holcim	5. CRH									
2. Heidelberg	6. Buzzi									
3. Cemex	7. Argos									
4. Cementir	8. Vicat									

Remuneration Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it operates	Maximum and how it links to performance
<b>Retirement allowance</b>  To provide market competitive retirement benefits for recruitment and retention purposes.	<p>The Company operates a defined contribution pension plan in which the Executive Directors may participate.</p> <p>The first tier could reach up to 8% of Annual Base Salary.</p> <p>The second-tier ranges from 8-10% of Annual Base Salary. In that tier the company matches the employee's contribution by a ratio of 1:2.</p> <p>In the event Executives leave the Company prior to 5 years from the entry to the Program, any contributions by the Company are lost.</p>	Up to 10% of Annual Base Salary
<b>Other benefits</b>  To provide a competitive benefit package for recruitment and retention purposes and to ensure the well-being of the Executive Directors.	<p>Benefits provided currently include, but not limited to company car, fuel, medical and life insurance.</p> <p>Additional benefits which are generally of low cost, may be provided from time to time if they are considered appropriate and in line with market practice.</p> <p>All benefits may at any time be recalled or amended at the Company's discretion.</p>	Maximum value for each category of benefit is determined based on relevant market benchmark.

## 9.6. Executive Directors' service contracts and payments for loss of office

### 9.6.1. Service contracts and loss of office

The employment contracts of the Managing Director, Board Executive Directors and Management Committee Members, as well as the Group Executive Committee Members are contracts of indefinite duration. In case of termination of employment at the initiative of the Company, of the Managing Director, the Board Executive Directors, the Management Committee members, or the Group Executive Committee members, compensation is paid, which, as provided in the relevant contractual provision is equal to the compensation provided by the law.



Termination payments are according to local law provisions and should not exceed 18 months' remuneration. The Board of Directors may consider higher severance payment further to recommendation by the Remuneration Committee.

For the payment of additional compensation in case of retirement or early termination of employment, Board approval is required following respective recommendation of the Remuneration Committee.

Notice periods are according to statutory law provisions.

#### **9.6.2. Treatment of variable pay awards**

Annual Incentive Scheme awards and Long-Term Incentive Plan awards are non-contractual and are dealt with in accordance with the rules of the relevant plans.

##### **Short-Term Incentive Plan**

A short-term incentive scheme may become payable, if eligible executive is employed on the date of official publication of Group annual business results. Exceptions to this may only take place with approval of the Managing Directors and the Chairman of the Group Executive Committee.

##### **Long-Term Incentive Plan (2017 Restricted Stock Incentive Plan, Special Trust Fund)**

In the event of termination of employment, the LTI awards already granted are treated as stated below. Possible deviation is subject to the approval of the TCI Board of Directors (or the committee designated by the Board of Directors, as appropriate).

1. **Retirement** (due to pension or disability): everything stipulated by the plan for active participants (that continue working in the Group) applies, without any differentiation.
2. **Voluntary Resignation, Termination without cause**: vesting stops on the date of termination and any unvested awards are lost. Subject to Board Remuneration Committee approval (or the designated committee by the Board of Directors, as appropriate, the participant may receive at a maximum the awards that would vest on a pro-rata basis, according to the calendar months completed during the vesting period ( $n/36$  for the 50% of award and  $n/48$  for the other 50% of award) till the employment termination date.
3. **Termination with cause**: vesting stops on the date of termination and any unvested awards are lost.
4. **Death**: participant's lawful inheritor(s) are eligible to receive on a pro-rata basis the awards that would vest till the date of the participant's death.

No specific clauses and/ or arrangements in relation to change in control are applicable.

Under special circumstances, the Board of Directors may temporarily allow special exceptions to the remuneration policy. Such exception is allowed in case the Board of Directors, following relevant recommendation of the Remuneration Committee, is persuaded that it serves the long-term benefit of the Company as a whole and the Company's sustainability.

## 9.7. Remuneration Policy for Non-Executive Directors

The table below sets out the remuneration policy for the Non-Executive Directors including the Non-Executive Chairman of the Board:

Structure and payment of remuneration	Setting the level of remuneration
<p><b>Fees</b></p> <p>The Non-Executive Directors are paid:</p> <ul style="list-style-type: none"> <li>• a basic board fee which is fixed and covers the time required to perform their duties.</li> <li>• where it applies, committee chairmanship fees</li> <li>• where it applies, committee membership fees</li> <li>• where it applies, pro-bono travel allowance for all non-Greece and non-Cyprus based non-executive board members</li> </ul> <p>There is no performance-based variable pay or pension provided Non-Executive Directors.</p> <p><b>Expenses</b></p> <p>The Company covers all travel and accommodation expenses of the Board members.</p> <p>The Company provides customary insurance policies covering Board of Directors' activities in carrying out their duties.</p> <p><b>Payment review</b></p> <p>Fees are reviewed, but not necessarily increased, annually.</p>	<p>The Non-Executive Directors' market for reference in setting and increasing Non-Executive Director fees will usually be companies of a similar size in terms of market capitalization, revenue, profit, complexity and internationality of the business and any other factors considered relevant by the Board of Directors including fee levels in countries from which Non-Executive Directors may be recruited.</p> <p>Fee levels and increases will be determined considering:</p> <ul style="list-style-type: none"> <li>• Market rates;</li> <li>• The need to ensure that Non-Executive Directors can be recruited with the relevant skills, diversity, knowledge and experience for the board;</li> <li>• The time commitment for the role;</li> <li>• Any increase in the scale, scope or responsibility of the role</li> <li>• Any need to recruit a Non-Executive Director with specific skills and experience.</li> </ul> <p>The remuneration of the Board of Directors was approved by the Extraordinary General Meeting of Shareholders of 13 May 2019 as follows:</p> <p>Chairman's fees: €200,000 gross per annum</p> <p>Independent directors: €50,000 gross per annum and per each independent director</p> <p>Executive directors: €30,000 gross per annum and per each executive director</p> <p>Likewise, the remuneration of the members of the Board Committees was approved by the Extraordinary</p>

Structure and payment of remuneration	Setting the level of remuneration
	<p>General Meeting of Shareholders of 13 May 2019 as follows:</p> <p><b>Audit and Risk Committee:</b></p> <ul style="list-style-type: none"> <li>• Chairperson €20,000 gross per annum</li> <li>• Members €15,000 gross per annum (and per member)</li> </ul> <p><b>Nomination Committee:</b></p> <ul style="list-style-type: none"> <li>• Chairperson €15,000 gross per annum</li> <li>• Members €10,000 gross per annum (and per member)</li> </ul> <p><b>Remuneration Committee:</b></p> <ul style="list-style-type: none"> <li>• Chairperson €12,000 gross per annum</li> <li>• Members €8,000 gross per annum (and per member)</li> </ul>

## 10. Information to be disclosed pursuant to Article 34 of the Royal Decree of 14 November 2007

In accordance with Article 34 of the Belgian Royal Decree of 14 November 2007, the Company hereby discloses the following items:

### 10.1. Capital Structure – Transfer of Company Shares

As referred above, in Section 2.1, on 31 December 2019, the Company's share capital amounted to €1,159,347,807.86 represented by 82,447,868 shares, without nominal value, with voting rights, each representing an equal share of the capital.

The shares of the Company are of the same class and are in either registered or dematerialized form. Holders of shares may elect to have, at any time, their registered shares converted to dematerialized shares, and vice versa.

The Company's Articles of Association do not contain any restriction on the transfer of the Company's shares.

### 10.2. Restrictions on voting rights

Each Share of the Company corresponds to one vote at the Shareholder's Meeting.

Article 13 of the Company's Articles of Association provides that in the event shares are held by more than one owner, are pledged, or if the rights attached to the shares are subject to joint ownership, usufruct or any other kind of split-up of such rights, the board of directors may suspend the exercise of such voting rights until a sole representative of the relevant shares is appointed.

### 10.3. Shares conferring special control rights

None of the Company shares carries any special rights of control.

#### **10.4. Agreements between Shareholders of the Company, which are known to the Company and contain restrictions on the transfer of shares or on the exercise of voting rights**

It is known to the Company, following the transparency declaration received by the Company on 26 July 2019, that the following shareholders, holding in total 38.11% of the voting rights, are acting in concert: Andreas Canellopoulos, Leonidas Kanellopoulos, Nello-Panagiotis Canellopoulos, Pavlos Kanellopoulos, Takis-Panagiotis Canellopoulos Alexandra Papalexopoulou, Dimitri Papalexopoulos, Eleni Papalexopoulou and E.D.Y.V.E.M. Public Company Ltd (a company 100% owned by the above natural persons).

#### **10.5. Control mechanism of any employee scheme where the control rights are not exercised by the employees**

There is no employee scheme with such a mechanism.

#### **10.6. Amendment of the Company's Articles of Association**

Amendments to the Company's Articles of Association must be submitted to be approved by the Shareholders' Meeting, at which at least 50% of the share capital must be present or represented. If such quorum is not met at the first Extraordinary Shareholders' Meeting, a new Shareholders' Meeting may be convened and shall validly deliberate and resolve irrespective of the share capital present or represented.

Any amendment of the Company's Articles of Association must be passed by a 75% majority of the votes cast.

#### **10.7. Rules governing the appointment and replacement of Board Members**

Pursuant to Article 17 of the Company's Articles of Association, the Company is managed by a Board of Directors that shall consist of a minimum of three and a maximum of fifteen directors, who shall be natural persons or legal entities, whether or not shareholders, appointed by the Shareholders' Meeting.

The directors are appointed for a maximum term of three years and may be reappointed. Their mandate may be revoked at any time by the Shareholders' Meeting.

When a legal entity is appointed a director, it must specifically appoint an individual as its permanent representative to carry out the office of director in the name and on behalf of the legal entity. The appointment and termination of the office of the permanent representative is governed by the same disclosure rules as if the permanent representative was exercising the office on his/her own behalf.

Should a director's mandate become vacant, for whatever reason, the remaining directors may temporarily fill such a vacancy. The next Shareholders' Meeting must confirm the mandate of the co-opted director; in case of confirmation, the co-opted director finishes the mandate of his or her predecessor, unless the Shareholders' Meeting decides otherwise. If there is no confirmation, the mandate of the co-opted director expires immediately after the Shareholders' Meeting, without prejudice to the validity of the composition of the Board of Directors until that date.

As long as the Shareholders' Meeting or the Board of Directors, for whatever reason, does not fill such vacancy, the directors whose mandate has expired remain in function if the Board of Directors would otherwise no longer consist of the minimum number of directors required by law or the Company's Articles of Association.

#### **10.8. Powers of the Board of Directors**

The Board of Directors is vested with the power to perform all acts that are necessary or useful for the realization of the Company's purpose, except for those which the law or the Company's Articles of Association reserve to another corporate body.

The powers of the Board of Directors are further detailed in the Company's Articles of Association and in the Company's Charter, which are both available on the Company's website (<https://www.titan-cement.com/>) at the link: <https://www.titan-cement.com/about-us/corporate-governance/>.

## **10.9. Power of the Board of Directors to issue and buy-back shares**

**10.9.1** The Board of Directors, pursuant to article 6 of the Company's Articles of Associations and the relevant resolution of the Shareholders' Meeting of 13 May 2019, has the power to increase the share capital of the Company in one or several times by a cumulated amount of maximum €1,106,211,679.40. The Board of Directors can exercise this power for a period of five (5) years as from the date of publication of the Annexes to the Belgian State Gazette of the completion of the condition precedent of the amendment to the Company's Articles of Association approved by the Extraordinary Shareholders' Meeting of 13 May 2019. The authorization may be renewed in accordance with the relevant legal provisions.

**10.9.2** Pursuant to Article 15 of the Company's Articles of Association, the Company may, without any prior authorization of the Shareholders' Meeting, in accordance with articles 7:215ff of the Belgian Companies and Associations Code and within the limits set out in these provisions, acquire, on or outside a regulated market, its own shares, which correspond to maximum 20% of the issued shares, for a price which will respect the legal requirements, but which will in any case not be more than 20% below the lowest closing price in the last thirty trading days preceding the transaction and not more than 20% above the highest closing price in the last thirty trading days preceding the transaction. This authorization is valid for five years from the date of the publication of the completion of the condition precedent of the amendment to these articles of association approved by the extraordinary shareholders' meeting of 13 May 2019.

This authorization covers the acquisition on or outside a regulated market by a direct subsidiary within the meaning and the limits set out in article 7:221ff of the Belgian Companies and Associations Code. If the acquisition is made by a direct subsidiary, the dividends attached to the shares held by the subsidiary go to the subsidiary.

The Board of Directors is authorized, subject to compliance with the provisions of the Belgian Companies and Associations Code, to acquire for the company's account the company's own shares if such acquisition is necessary to avoid serious and imminent harm to the company. Such authorization is valid for three years as from the date of publication of the completion of the condition precedent of the amendment of these articles of association, approved by the Extraordinary Shareholders' Meeting of 13 May 2019, in the Annexes to the Belgian State Gazette.

The Board of Directors is authorized to divest itself of part of or all the company's shares at any time and at a price it determines, on or outside the stock market or in the framework of its remuneration policy to personnel or directors of the company or to prevent any serious and imminent harm to the company. The authorization covers the divestment of the company's shares by a direct subsidiary within the meaning of the Belgian Companies and Associations Code. The authorization is valid without any time restriction, irrespective of whether the divestment is to prevent any serious and imminent harm for the company or not.

## **10.10. Important agreements which come into effect, are amended or terminated in the event of change of control of the Company, following a public tender offer**

The Company has not entered into agreements, which come into effect, are amended or terminated in the event of a change of control of the Company, solely following a public tender offer.

It should be noted, though, that the Company has entered into, which has, as it is common in such agreements, a "change of control" clause, specifying the right of the lending bank to request the early repayment of the loan or the exit of the counterparty from a company of the Group, in any event of a change of control in the Company. In particular, a Multicurrency Revolving Facility Agreement up to the amount of €200 million has been entered into among the Group's subsidiary TITAN Global Finance PLC, a syndicate of lending banks, the Company and TITAN Cement Company S.A. as Guarantors.

#### **10.11. Agreements between the Company and the Board Members or employees providing for compensation if the Board Members resign or are made redundant without valid reason or if the employment of the employees ceases because of a takeover bid**

The Company has not entered into any agreement with members of the Board of Directors or employees providing for the payment of compensation upon their resignation or dismissal without valid grounds or upon termination of their tenure or employment, due to a public tender offer.

#### **11. Shareholder Information and Services**

The Board as a whole has responsibility for ensuring that a satisfactory and effective dialogue with shareholders takes place. The Investor Relations team, together with the Managing Director, the CFO and other Group executives, regularly meet with institutional investors and participate in investor roadshows and industry conferences. The announcements of the annual and the interim Group results are accompanied by webcasts and conference calls for analysts and investors.

All the regulatory and non-regulatory announcements, as well as all other information related to the Company are available on the Company's website: [www.titan-cement.com](http://www.titan-cement.com).

##### **11.1 Investor Relations Department**

The Investor Relations Department is responsible for monitoring Company relations with its shareholders and investors, and for communicating with the investor community on an equal footing, in a transparent and timely manner concerning the Company's performance. The aim is to generate long-term relationship with the investment community and retain the high level of trust that investors have in the Group.

Investor Relations: [ir@titan-cement.com](mailto:ir@titan-cement.com)

Investor Relations Director Afroditi Sylla, e-mail: [syllaa@titancement.com](mailto:syllaa@titancement.com)

##### **11.2 Shareholder Services Department**

The Shareholder Services Department is responsible for providing timely information to shareholders and for facilitating their participation in General Meetings and to exercising their rights as shareholders. The Department is also responding to correspondence from shareholders on a wide range of issues.

Shareholder Services Manager: Nitsa Kalesi, e-mail: [kalesin@titan.gr](mailto:kalesin@titan.gr)

##### **11.3 Share Facts**

###### **11.3.1 Share Basic Data**

Sector	5010 – Construction & Materials
Subsector	50101030 – Cement
Type	Common share
Stock Exchange	Euronext (Brussels & Paris), Athens Exchange
Number of shares	82,447,868
ISIN	BE0974338700
CFI code	ESVUFN

###### **11.3.2 Tickers**

Oasis	Reuters	Bloomberg
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Euronext	TITC	TITC.BR	TITC.BB
ATHEX	TITC	TITC.PA	TITC.GA

## **Risk management**

The Company, through its subsidiaries (the Group /TITAN) is active in a diverse geographical, business and operational landscape, resulting in a multitude of potential risk exposures, including strategic, legal, financial, sustainability and operational risks. In order to effectively identify and mitigate such exposures, the Group manages its risks in accordance with established international practices for industrial companies, embedding in its processes and governance the following five key dimensions of Enterprise Risk Management :

- a. Identification and understanding of risks (risk transparency);
- b. Analysis and mapping of risks and identification of a relevant mitigation strategy;
- c. Development of risk management processes, as part of the Group's decision-making framework;
- d. Allocation of resources within the organization to implement designed risk management processes;
- e. Incorporation of risk management in the Group's culture and performance management as a core management competence.

## **Risk Management process and classification**

Risk management is built into the daily operations of TITAN, and Group management identifies and monitors risks in the course of its regular business planning and operational activities. The management's role also includes the robust assessment of all risks that could have an impact on the current and future operation of the Group or specific business units. As a result, risks are identified and quantified using multiple sources and are reported in the course of the planning and performance management cycle of the Group, ensuring a quick and effective response.

Complementing this risk management culture that is integral to the Group's business processes and decision-making (both strategic and operational), a systematic exercise was performed in the last two years to assess all material risks faced by the Group that could affect the Company's business model, performance, solvency, or liquidity. A 'risk management committee' comprising senior managers from the Group's strategy, legal and internal audit department identified the Group's main risks and categorized them in 'strategic', 'financial', 'legal' and 'operational/sustainability' risks. These were then assessed along the following three dimensions, in line with industry best practices:

- a. Probability: scale from 1 (Rare) to 5 (Almost certain)
- b. Impact: scale from 1 (Incidental) to 5 (Extreme)
- c. Preparedness: scale from 1 (Low) to 5 (High)

Risks were categorized using established risk taxonomies relevant for the Group's business (provided by consultants and external risk experts). They were then assessed using a variety of techniques, including the benchmarking of sector practices, enriched with the advanced practices of other industries, the qualitative and quantitative assessment of the risk elements, the evaluation of risk ownership and the recording of mitigating actions that are adopted or planned. The initial assessment was iterated with input from key Group managers. The risks were then cross-referenced with the output of the Group's materiality assessment exercise and reviewed by the Group Executive Committee. Finally, the Board validated the relevant risk assessment and monitored TITAN's risk management and internal control systems, reviewing their effectiveness (covering all material controls, including financial, operational and compliance controls).

## **Risk Management governance and controls**

In TITAN Group, the Board is overall responsible for determining the nature and extent of the principal risks that the Group is willing to assume in achieving its strategic objectives. The Board discusses and assesses on a regular basis the main areas of risk to which the Group is exposed, identifies new risks, defines the risk appetite of the Group and monitors the effectiveness of the risk management and internal controls.

Risks are managed on a day-to-day basis by the Group's management, at various levels in the organization according to the nature of each risk. TITAN's risk governance framework follows a customized approach that best addresses the particularities of each risk area and ensures the optimum degree of risk ownership and accountability for the appropriate mitigation actions.

According to this framework, strategic and financial risks are managed mainly by the Group Executive Committee, Group Finance and the Capex Committee. The management of most operational and sustainability risks is to a large extent embedded into the daily operation and processes of the local business units. Other risks, including legal and compliance risks, as well as operational and sustainability risks, including environmental risks, risks regarding energy and fuel prices, availability and cost of raw materials, safety at work, labor issues, brand and reputation, are managed both at Group level by the Group Executive Committee and the competent Group functions (Group Legal, Group Procurement, Group Corporate Affairs, Group IT, Group Communication, Group HR) and also at local business unit level (BU Legal, Procurement, Corporate Social Responsibility, HR units). This approach ensures that line management owns all the operational and sustainability risks that occur at the level of individual businesses and enables a strong risk culture embedded in all relevant decision-making. At the same time, all risks of higher magnitude that are relevant at Group level are managed centrally, aggregating risk data points from multiple sources across the organization, integrating insights and crafting mitigating action plans that can be shared among all appropriate organizational levels.

The Group Executive Committee is also responsible for setting Group policies and ensuring that they are implemented throughout the Group. In parallel, the ethics and compliance programs implemented throughout TITAN's operations, ensure that the Group's principles and values are integrated in the day-to-day operations and the risk management culture is reinforced across the Group.

The effectiveness of the systems and policies implemented at Group and business unit level are systematically reviewed by the Group Executive Committee and the business units' management, including in terms of compliance with relevant standards of the Group. Whenever weaknesses are identified, corrective measures are taken.

Group Internal Audit reports on the effectiveness of the risk management and internal control frameworks to the Audit Committee on a regular basis.

The Board and the Audit Committee receive on a regular basis management reports on the key risks to the business and the steps taken to mitigate such risks and to consider whether the significant risks faced by the Group are being properly identified, evaluated and managed.

The Board has delegated responsibility for the monitoring of the effectiveness the Group's risk management and internal control systems to the Audit Committee.

## **The Company's and its subsidiaries principal risks**

### **Strategic risks**

- **Industry cyclical**

The building materials industry is dependent on the level of activity in the construction sector, which tends to be cyclical and dependent on various factors, including, but not limited to, the level of infrastructure spending, the demand for private and commercial real estate, mortgage lending, local economic activity,



inflation and interest rates. The Company's and its subsidiaries (the Group ) business, operational results or financial condition could be adversely affected by a continued deterioration of the global economic outlook or cyclical weakness in the construction industry on a global scale or in a significant market in which it operates.

- **Market conditions**

The Group operates both in mature markets, such as the United States and Western Europe, and in emerging markets, such as, Egypt, Turkey and Brazil. Some of these markets contribute significantly to the Group's revenues and/or profitability. As a result, any future deterioration in the global economic environment, or in any particular market, that contributes significantly to the Group's revenues and profitability, could have a material adverse effect on the construction sector, and consequently, on the Group's business, operational results and financial condition.

- **The concentration of a large proportion of the Group's business, operations and assets in the United States**

A large proportion of the Group's business, operations and assets is concentrated in the United States, in particular Virginia, Florida, North and South Carolina, and New Jersey, and the Group's operational results are heavily dependent on the Group's performance in the United States. In addition, the Group's financial performance in the US market is heavily affected by fluctuations in the US dollar-euro exchange rate, with a weakening of the dollar against the euro having a significant negative effect on the Group's operational results on a consolidated level. Any decrease in cement consumption, building activity or decreased public spending on infrastructure in any of the US markets in which the Group operates, or a combination of the above, or any decrease of the US dollar against the euro, could have a material adverse effect on the Group's operating performance, business and profitability.

- **Political and economic uncertainty**

The Group operates and may seek new opportunities in emerging markets with differing and, at times, volatile economic, social and political conditions. These conditions could include political unrest, civil disturbance, currency devaluation and other forms of instability, and may result in sudden changes to the operating and regulatory environment. Changes in these conditions may adversely affect the Group's business, results of operation, financial performance and/ or prospects.

The annual budgeting and strategic review process along with the regular monitoring of financial results and forecasts, helps track political and economic events which may create uncertainties regarding financial performance. Where political tensions are heightened, mitigation measures are in place to provide maximum protection of TITAN's people and assets.

- **Climate change, greenhouse gas emissions and emissions trading**

Changes in legislation, regulations and obligations relating to climate change and emissions trading may result in additional capital expenditure and reduced profitability, due to increases in operating costs, or long-term prospects of certain of the Group's production facilities. For example, the Group's operations in Greece and Bulgaria, are required to comply with an EU-wide cap and trade emissions scheme, namely the European Trading Scheme (ETS), under which industrial installations must control and report their CO<sub>2</sub> emissions on an annual basis. Because of the increased operational costs that the ETS imposes on the Group and may impose in the future, the Group may face increased competition from cement producers operating outside the EU, which do not incur ETS compliance costs. Furthermore, increased prices for cement because of increased CO<sub>2</sub> compliance costs could prompt customers to substitute other products for cement, which could further negatively affect demand for the Group's product.

The Group closely monitors relevant regulatory developments and takes proactive measures to mitigate potential negative consequences. At the same time TITAN continues its efforts to reduce its carbon footprint. Such mitigation measures include the reduction of the amount of clinker used in the production

of cement, the use of alternative fuels, fuel efficiency measures, the reduction of thermal energy consumption, the development of new products and continuous innovation across the value chain.

### **Financial risks**

The Company, due to the nature of its subsidiaries' business and geographical positioning, is exposed to financial risks associated with foreign currency, interest rates, liquidity and leverage, as well as counterparties. Financial risks are managed by Group Finance and Treasury.

The company and the does not engage in speculative transactions or transactions which are not related to its activities.

- **Foreign currency risks**

Group exposure in foreign currency derives from existing or expected cash flows and from acquisitions/investments denominated in currencies other than the euro. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP, BRL and TRY.

Natural hedges (equity invested in long-term fixed assets and borrowings in the same currency as the activities that are being financed), currency swaps and forward foreign currency contracts are used to manage currency exposures.

- **Interest rate risks**

The ratio of fixed to floating rates of the Company's 's borrowings is decided on the basis of market conditions, strategy and financing requirements.

- As at 31st December 2019, the Company's debt was 100% on a floating rate basis

The Group's exposure to interest rate changes and increased borrowing costs are managed through employing a mix of fixed and floating rate debt and interest rate derivatives, where appropriate. The ratio of fixed to floating rates of the Group's

borrowings is decided on the basis of market conditions, Group strategy and financing requirements.

As at 31st December 2019, the Group's ratio of fixed to floating interest rates stood at 92%/8% (31 December 2018: 89%/11%).

- **Liquidity and leverage risks**

In order to manage liquidity risks and to ensure the fulfilment of its financial obligations, the Company itself and through its subsidiaries, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks, which complement its operating cash flows.

Current financial position allows it to have access to the international financial markets and raise needed funds.

- **Counterparty risks**

Counterparty risk relating to financial institutions' inability to meet their obligations towards the Group, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. As at 31st December 2019, the majority of Group liquidity was held with investment grade financial institutions.

The Group is also exposed to counterparty risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at business unit level and, where it is deemed necessary, additional security is requested to cover credit exposure. As at 31st December, 2019 all outstanding doubtful receivables were adequately covered by relevant provisions.

## **Legal and Compliance Risks**

- **Regulatory compliance risk**

The Group is subject to many local and international laws and regulations including those related to competition law, corruption and fraud, across many jurisdictions of operation and is therefore exposed to changes to those laws and regulations and to the outcome of investigations conducted by governmental, international or other regulatory authorities. Potential breaches of local and international laws and regulations in the areas of competition law, corruption and fraud, among others, could result in the imposition of significant fines and/or sanctions for non-compliance, and may inflict reputational damage. To address such risks, all operations are continuously monitored by the Group and BU legal departments and Internal Audit, and appropriate training is conducted, to ensure that the Group's Code of Conduct and relevant Group Policies are effectively adhered to.

Exposure to the risk of corruption is also systematically monitored at local and Group levels and relevant reports provided by independent organizations such as Transparency International are examined. Following the publication of 2019 Transparency International Corruption Perception Index (see Table 5 in section "Management Report; Non - Financial Statements") the perception of corruption in most of the countries TITAN currently operates follow a negative trend.

## **Operational and Sustainability Risks**

- **Production cost (incl. raw materials and energy)**

Thermal and electrical energy and fuel costs, freight rates or other transportation costs and the cost of raw materials constitute the most important elements of the Group's cost base. Increases or significant fluctuations in energy and fuel costs, freight rates or other transportation costs could adversely affect the Group's operational results, business and financial condition, especially if it is unable to pass along higher input costs to its customers.

In order to reduce costs and also curtail its environmental footprint, the Group is investing in low energy-requirement equipment and in energy efficiency. Ensuring access to the required quality and quantity of raw materials is an additional priority, which is taken into account when planning a new investment. With regard to existing facilities, care is taken to secure the adequacy of supply of raw materials during their entire lifetime.

The Group is investing in the use of alternative raw materials in order to gradually limit its dependence on natural raw materials. To this end, the Group has set specific quantifiable targets for and monitors the substitution of natural raw materials by alternative raw materials.

- **Health and safety**

Cement production and the operation of quarries and ready-mix facilities have inherent safety risks which could be influenced by factors outside the Group's control. Ensuring health and safety and preventing accidents at work is a priority for TITAN. Excellence in the area of health and safety is embedded in all TITAN operations and activities. The Group has implemented detailed policies and procedures promoting Health and Safety including the coverage by an adequate number of safety engineers in all production units. Particular emphasis is placed on training and raising safety awareness and on the strict application of safety systems and processes.

TITAN's Group Health and Safety Policy provides assessment of all incidents, proactive planning, the setting of specific targets, safety training and the monitoring of progress. Health monitoring of employees is performed regularly.

In parallel with all the other preventive measures, TITAN's production and construction sites are regularly audited by the Group's safety specialists.

- **Risks related to the environment**

The Group's operations are subject to extensive environmental and safety laws and regulations in the United States, the EU and elsewhere, as interpreted by the relevant authorized agencies and the courts. These may impose increasingly stringent obligations and restrictions regarding, among other things, land use, remediation, air emissions, waste and water and occupational and community health and safety. The costs of complying with these laws and regulations are likely to increase over time. With a view to the continuous improvement of the environmental impact of its operations, TITAN applies in all its plants management systems to monitor and report their environmental impact. The Group's environmental management provides targets for the reduction of air emissions, the protection of biodiversity, water management and recycling and quarry rehabilitation. In 2019, no significant fines were imposed for noncompliance to environmental regulations.

- **Risks arising from various risks of business interruption, including as a result of natural disasters**

The Group is subject to stringent and evolving laws, regulations, standards and best practices with respect to the environment, relating to, among other things, climate change, noise, air, water and soil emissions, as well as waste disposal. The costs of complying with these laws and regulations are likely to increase. With a view to the continuous improvement of the environmental impact of its operations, TITAN applies in all its plants management systems to monitor and report their environmental impact.

- **Information Technology & Cybersecurity Risks**

Given the increasing connectivity of the Group's plants, assets and systems, and the importance of data availability with the advent of the digitization of operations, certain risks could arise from the unavailability of IT and operational systems, delayed provision or the loss of data. The risk of a system failure or from cybersecurity issues has increased especially due to the introduction of service centers based on central server or cloud-based solutions. The impact of a failure or cybersecurity issues increases continuously

with the number of connected locations and the increasing digitization of business processes. To mitigate such risks, the Group is investing intensively in its IT and systems infrastructure, building the appropriate resilience and security measures and controls.

## **Non-Financial Review**

### **An overview of our environmental and social performance and our non-financial statements.**

In accordance with 3:6, §1, 9th Companies and Associations Code, Titan Cement International SA is required to prepare a non-financial information statement.

Titan Cement International hereby refers to the non-financial information statement as described in the integrated annual report of the Company. Titan Cement International SA furthermore declares that, with regard to the matters that are included in the non-financial information statement, no other policies, procedures, performance indicators or risks apply than those stated in the integrated annual report of the Company.

You may refer to the Company's Integrated Annual Report, on the TCI's website. For details visit <https://ir.titan-cement.com> or contact us at [ir@titan-cement.com](mailto:ir@titan-cement.com)

### **Proposal for the resolution of the Ordinary Shareholders Meeting on May 14, 2020.**

The Board of director proposes, amongst others, the following to the Ordinary shareholders meeting:

- Acknowledge the Board of Directors report and the report of the statutory auditor for the year ending December 31, 2019
- Approval of the separate annual accounts of December 31, 2019
- To appropriate the loss of the period of EUR 8.356.884,98 to the accumulated losses
- Discharge for the directors for their mandate exercised in the financial year ended December 31, 2019.
- Discharge for the auditor PwC Bedrijfsrevisoren BV, represented by its liable partner Marc Daelman for the financial year ended December 31, 2019.

**Declaration by the persons responsible**

The Board of Directors hereby declares that, to the best of its knowledge:

- a. The financial statements prepared in accordance with Belgian Generally Accepted Accounting principles , give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company ;
- b. The management report includes a fair review of the development and performance of the business and the position of the issuer together with a description of the main risks and uncertainties that the Company faces

For the Board of Directors,

Efstratios- Georgios (Takis) Arapoglou  
Chairman of the Board of Directors

Michael Colakides  
Managing Director- Group CFO