PRESS RELEASE

Consolidated Financial Report

3rd QUARTER 2020

InterCement

Building sustainable partnerships

Adj. EBITDA[1] of US$107M, led by material operational improvement, margin at 28%; Volumes in Brazil at strong pace, at +13% YoY, but potentially stabilizing

1. 3Q20 Performance

- Volumes raised 3% YoY, showing positive signs at most of the regions after COVID severe halt in 2Q20. Brazil continued on a solid pace of growth, at +13% YoY, backed by strong demand. Argentina, despite macroeconomic uncertainties, expanded volumes by 3%, while volumes in African operations fell 11% YoY, but with better performance during August and September.
- Total Sales registered 378 million US dollar, or 371 million excluding Paraguay, a +2.6% YoY increase in 3Q20, helped by rising volumes but materially affected by significant depreciation on emerging countries' currencies in the period – mostly at Brazil and Argentina. Excluding forex impact, sales would have increased 22.8%.
- Adjusted EBITDA reached US$ 107 million, or US$ 104 million excluding Paraguay, an expansion of 78.9% when compared to 3Q19, boosted by significant operational improvement. Brazil posted strong recovery, to reach US$ 41 million, led by operational turnaround, while ARG increased 52% YoY, driven by lower costs. On top of that, consolidated Adjusted EBITDA margin raised to 28.1% in 3Q20, considering only continued operations, a 12.0 p.p. expansion from 16.1% in 3Q19.
- Free Cash Flow to the Company significantly improved to +US$ 221 million, better than 3Q19 by US$ 211 million, mostly due to divestment of Paraguayan assets sale, but also due to company's significant operational improvement, greater focus on working capital management, lower interest paid, taxes credit sale and lower Capex disbursement.
- Net Debt[2] totaled US$ 1,309 million, a decrease of 16.7% compared to Dec'19, due the cash flow generation in the period and FX variation over debt in Brazilian Reais and Argentinian Pesos, a reflection of the new debt profile with 56% of the debt denominated in Reais. Meanwhile, cash position was at US$ 263 million and the gross debt decreased 18.3% compared to Dec'19, due to the Company's focus on reducing indebtness and positive impact from BRL devaluation in the period.

(mn US$, unless otherwise expressed)	3Q20	3Q19	Var. %	(Operations in Continuation)		
				3Q20	3Q19	Var. %
Cement and Clinker Sales ('000 ton)	**5.434**	5.278	3,0%	**5.388**	5.227	3,1%
Sales	**378**	379	(0,2%)	**371**	361	2,6%
EBITDA	**99**	65	52,1%	**96**	57	68,5%
Adjusted EBITDA[1]	**107**	66	61,5%	**104**	58	78,9%
CAPEX	**-33**	-59	(44,4%)	**-**	-	-
Net Debt[2]	**1.309**	1.604	(18,4%)	**-**	-	-
Net Debt (31 Dec)	**-**	1.571	(16,7%)	**-**	-	-
FCF	**221**	9	2232,2%	**-**	-	-

Note: The review of this report is not part of the scope review of the independent auditors, thus, this report was not reviewed by the independent auditors

1 – Adjusted EBITDA: it is non-accounting metric and was not audited by independent auditors.

2 – Net Debt is calculated as follows: the sum of current and non-current borrowings and financings and debentures (excluding interest payable, current and non-current obligations under finance leases) less cash, cash equivalents, current securities and derivatives.

Divesture in Paraguay Business

On August 21st, the Company, through its Argentinian subsidiary Loma Negra C.I.A.S.A. sold its total stake in the Paraguayan company Yguazú Cementos S.A., represented by 51.0017% of the capital of Yguazú to the local partner of Yguazú.

With an attractive valuation multiple, the asset sale positively contributed to InterCement Group liability management. It allowed the company to prepay debts in Argentinian Pesos, getting the benefit of eliminate debts with high interest rates. This transaction also affected positively the gross debt by the elimination of the Paraguayan debt and the Argentinian debt prepayments with the proceeds.

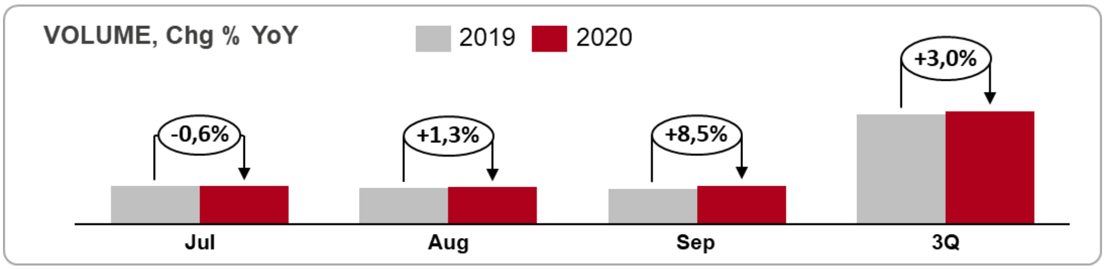
After the prepayments, the InterCement's debt profile is now well balanced in terms of currency, since it is now primarily in BRL(56%) and USD(39%), providing a better match in terms of the company's leverage ratio compared to the cash generation. Combined with the previous debenture issuance, those actions are strong signals of the InterCement efforts to optimize the corporate structure and maximize the company's value.

2. Profit and Loss

INCOME STATEMENT

(US$ million)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
Sales	**371**	**361**	**3%**	**933**	**1.112**	**(16%)**
Net Operational Cash Costs	(275)	(304)	10%	(737)	(945)	22%
Operational Cash Flow (EBITDA)	**96**	**57**	**69%**	**196**	**168**	**17%**
Deprec. Amort. and Impairments	(55)	(44)	(26%)	(137)	(130)	(5%)
Operating Income (EBIT)	**41**	**13**	**209%**	**60**	**38**	**59%**
Financial Results	66	(78)	185%	30	(140)	121%
Pre-tax Income	**106**	**(64)**	**265%**	**90**	**(102)**	**188%**
Income Tax	(8)	(10)	17%	(19)	(28)	32%
Net Inc. from continuing Operations	98	(74)	232%	71	(130)	154%
Net Inc. from discontinuing Operations	22	(4)	635%	28	351	(92%)
Net Income	**120**	**(78)**	**254%**	**98**	**221**	**(56%)**
Attributable to:						
Shareholders	109	(78)	240%	72	187	(62%)
Minority Interests	11	(1)	1721%	26	34	(23%)

Volumes Sold increased 3.1% YoY in the quarter, as most of the regions have posted positive reactions after COVID severe impact. Argentina recovered from the halt that has been through in 2Q20 and posted expanding volumes, mostly in September (~+20% YoY), while South Africa also showed recovering volumes and was down only 1%, mainly affected by the bulk market that remained in a slow pace of recovery. Mozambique resumed its growth, being up 6% YoY in the quarter, driven by infrastructure projects. Meanwhile, Brazil remained on its growth trend, driven by strong demand, up 12.7% YoY, led by historical lowest interest rates and greater share of wallet of consumers, which boosted self-construction (people that decided to improve/reform its house or its commerce), but recent pace of growth indicates a potential stabilization . On the other hand, Egypt market remained in an oversupply environment within a context of economic retraction, with volumes sold decreasing by 25% YoY during 3Q20.



Sales totaled 378 million US dollars during 3Q20,or US$ 371 million considering only continued operations, an increase of 2.6% YoY, helped by rising volumes while negatively affected by material depreciation on our main operational currencies (i.e. Brazilian Real and Argentinian Peso) – the latter depreciated 38% in the period, while the former devaluated 31%.

Brazil continued on its operational turnaround, posting an Adjusted EBITDA of 41.2 million US dollars, a rise of 138.6% YoY, while our operations in Argentina registered an increase of 51,7% reaching 48.8 million US dollars, driven by significant operational improvement, helped by temporarily lower public tariffs in the context of COVID. South African operations, despite an economy severely impacted by the COVID, have been through a material operational turnaround in the last few quarters and was able to post an expanding Adj EBITDA, +20% YoY. In addition, Mozambique was also up, +2%, helped by rising volumes. As result, consolidated **Adjusted EBITDA** reached 107.3 million US dollar, up 61.5%, or US$ 104.2 million excluding Paraguay, an expansion of 78.9% vs. 3Q19, with margins rising to 28.1%, +12.0 p.p. YoY. All our operations have posted margin expansion, being Brazil the top performer, increasing 18.5 p.p. to 31.7%, boosted by its operational turnaround, supported by the 'Go-to-market' strategy that increased the focus on sales to decentralized and more profitable customers, leading to higher operational efficiency. In the same direction, South Africa (+6.6. p.p.), Argentina (+5.1 p.p.), Mozambique (+2.3 p.p.), and even Egypt (+3.9 p.p.) registered margins expansion.

Non-recurring items totalled US$ 8.3 million, mostly explained by: (i) minority loss in Ferrosur in Argentina due to capital increase, as statutory regulations and concession contract oblige 20% of the capital increase to be issued to minority interests; (ii) non-recurring costs due to COVID-19; (iii) taxes on financial transactions in Argentina, reclassified from financial expense to operational expense; (iv) cost on restructuring projects; and (v) downsizing expenses, mainly in Argentina and Egypt.

ADJ. EBITDA - RECONCILIATION ITENS						
(US$ million)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
EBITDA Operations in Continuation	**96**	**57**	**69%**	**196**	**168**	**17%**
Reconciliation Itens to Adjusted EBITDA	**8**	**1**	**516%**	**26**	**26**	**3%**
Costs due to COVID-19	2	-	s.s	7	-	s.s
Minority loss - Argentina (Ferrosur Roca)	5	-	s.s	5	-	s.s
Taxes on bank debits and credits - Argentina	2	1	34%	4	7	(35%)
Reestructuring projects	1	0	s.s.	4	8	(51%)
Layoff related to reestructuring	1	0	s.s.	6	11	(41%)
Refinancing debt - cost & fees	0	-	s.s	2	-	s.s
Others non-recurring	0	-	s.s	0	-	s.s
Tax credit sale - Brazil	-3	-	s.s	-3	-	s.s
ADJ. EBITDA Operations in Continuation	**104**	**58**	**79%**	**223**	**193**	**15%**

Depreciation and Amortizations increased 26% YoY, totalling for 55 million US dollars, affected by US$ 12.3 million of impairments in Argentina referred to railway and aggregates business units, associated with lower expectation of value of the assets after the COVID impact.

Financial Results moved to positive terrain, to +US$ 66 million (from US$ 78 million expense in 3Q19). This was mostly result of: (i) foreign exchange gain of US$ 92 million in the quarter, basically driven by exchange currency gains in debt amounts in BRL; and (ii) a decrease in interests expenses by US$ 8 million mostly due to BRL depreciation and due to the lowest historical level of Brazilian Interest Rate (CDI).

Income taxes totalled US$ 8 million in 3Q20, a variation of US$ 2 million vs 3Q19, mostly related to significant net income in Argentina in the period.

As result, **Net Income** registered a gain of 98 million US dollars, considering only continued operations, compared to a loss of 74 million US dollars in 3Q19.

3. Free Cash Flow

In this quarter company reached positive generate **Cash Flow from Operations**, reaching +US$ 201 million, compared to +US$ 121 million one year ago. The improvement was result of company's better operational performance, tax credits sale and greater focus on working capital management, led by several initiatives implemented during COVID in order to preserve cash, which part has been permanent, such as optimization of inventories' levels, better management of receivables and closer relationship with suppliers.

Interests paid in the period totalled US$ 35 million, a decline of 46% in comparison to US$ 65 million paid in 3Q19. The decrease is mostly consequence of: (i) total debt reduction, especially after the repayment of Argentinian and Paraguayan debt in the context of Yguazú divestment; (ii) lower interest rates, especially in Brazil (Interbank Rate); and (iii) exchange currency effect given BRL depreciation.

FREE CASH FLOW GENERATION MAP

(US$ million)	3Q20	3Q19	9M20	9M19
Adjusted EBITDA	107	66	238	215
Fluctuation in Operational Assets/Liabilities	85	57	47	(124)
Others	9	(3)	(23)	(22)
Operating Activities	**201**	**121**	**262**	**69**
Interests Paid & Derivative Unwinding	(35)	(65)	(118)	(139)
Income taxes Paid	(8)	(12)	(15)	(28)
Cash Flow before investments	**158**	**44**	**129**	**(98)**
CAPEX	(33)	(59)	(138)	(204)
Assets Sales / Others[1]	95	24	97	602
Free Cash Flow to the company	**221**	**9**	**88**	**300**
Borrowings, financing and debentures	11	45	1.130	147
Repayment of borrowings, financ. and debent.	(161)	(44)	(1.245)	(432)
Capital Increases/Decreases	-	0	-	(75)
Dividends	(4)	-	(8)	(53)
Other investment activities	(5)	(16)	(14)	(27)
Changes in cash, equivalents & securities	**62**	**(6)**	**(49)**	**(141)**
Exchange differences	(4)	(22)	(42)	(35)
Cash, equivalents and securities, End of the Period	**263**	**284**	**263**	**284**

CAPEX disbursement during 3Q20 amounted by US$ 33 million dollars, 44% lower than in 3Q19, mostly as result of lower level of investments requirements in L'Amali project as it moves towards its conclusion – its commissioning is expect towards the first semester of 2021. Moreover, in spite of keeping environment and safety investments as top priority, other investments remained under a rationalization policy due the COVID context of preserving cash.

Another positive impact was the divestment of the 51% stake in the Paraguayan company Yguazú, contributing to the cash flow generation in the period, but it was offset with debt repayment in Argentina and Paraguay. Important to highlight that our debt refinancing in June, through debentures issuance at InterCement Participações and InterCement Brasil, addressing our bilateral loans and the first and second issuance of debentures, scheduled to mature from 2020 until 2024, will enable the company to better match the cash flow generation with the debt service. It is worth to note that after the issuance, 56% of the debt is now issued in BRL.

Total Cash Flow reached +US$ 62 million, a material US$ 69 million change from 3Q19 when we saw a deficit of US$ 6 million in 3Q20, led by better Operational Cash Flow, lower interest payments and lower CAPEX disbursements. Meanwhile, the cash inflow from Yguazú assets sale proceeds was offset by larger amount of debt amortization.

Cash and Cash Equivalents, including financial instruments such as securities, totalled US 263 million dollars at September 2020, a decrease of US 21 million dollars when compared to 3Q19 (at US 284 million dollars).

4. Balance Sheet

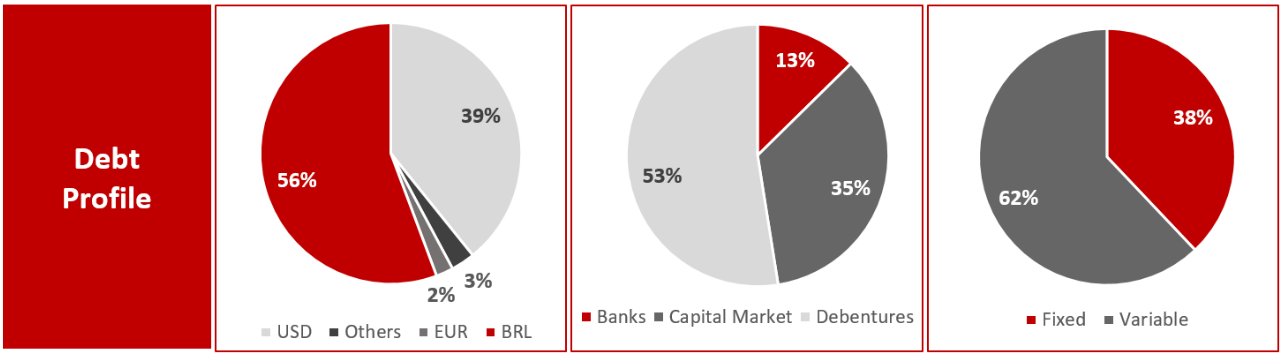
Total Assets amounted to 3,077 million dollars at September 2020, a reduction of 900 million dollars when compared to December 2019, mostly as result of Paraguayan asset sale, which reduced US$ 131 million in Assets and FX devaluation in emerging countries' currencies during the nine-month period – especially Brazilian Real, South African Rand, Argentinian Peso and Mozambican Metical.

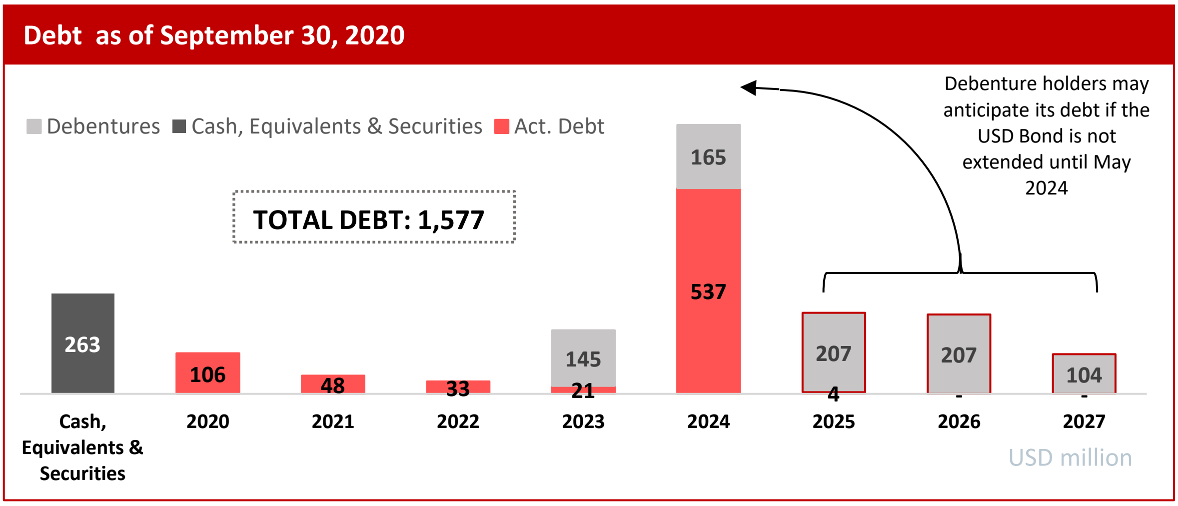
Gross Debt, registered 1,577 million dollars, and net debt of 1,309 million dollars, representing a decrease of 262 million dollars when compared to Dec'19, when net debt registered 1,571 million dollars, mostly due to the FX variation over the debt in Brazilian Real and by the Paraguay divestment net cash. Meanwhile, the gross debt had a reduction of 18.3% in the period, mostly due to Brazilian Reais and Argentinian Peso depreciation and also by the debts prepayments in Argentina and Paraguay with the proceeds from Yguazú assets sale.

CONSOLIDATED BALANCE SHEET SUMMARY

(US$ million)	30 sep 2020	31 dec 2019	Var. %
Assets			
Non-current Assets			
Other Non-current Assets	2.421	3.166	(23,5%)
Derivatives	6	7	(16,0%)
Current Assets			
Cash and Equivalents	263	353	(25,7%)
Other Current Assets	387	451	(14,2%)
Assets classified as held for sale	-	-	0,0%
Total Assets	**3.077**	**3.977**	**(22,6%)**
Shareholders' Equity attributable to:			
Equity Holders	408	790	(48,3%)
Minority Interests	304	338	(10,0%)
Total Shareholders' Equity	**713**	**1.128**	**(36,8%)**
Current Liabilities			
Loans & Obligations	118	399	(70,4%)
IFRS 16	17	31	(45,6%)
Other Current Liabilities	416	471	(11,7%)
Non-Current Liabilities			
Loans & Obligations under finance leases	1.459	1.532	(4,8%)
IFRS 16	31	40	(22,3%)
Provisions & Employee benefits	80	80	0,0%
Other Liabilities	243	296	(17,9%)
Liabilities assoc. w/ assets classified as held for sale	-	-	0,0%
Total Liabilities	**2.364**	**2.849**	**(17,0%)**
Total Liabilities and Shareholders' Equity	**3.077**	**3.977**	**(22,6%)**

The profile of Debt as of September 30, 2020 was as follows:





The actual debt profile do not represents short-term liquidity pressure, since most of the maturing contracts are for working capital, which include US$ 23MM of backup lines taken. All the debt prepaid in Argentina were also short-term debt and backup lines. This prepayment allowed the company to enhance the quality of the working capital debts by rolling over the debt with the lower interest rates.

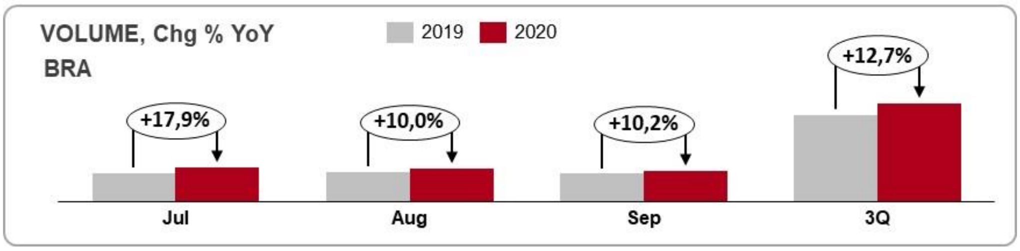
The next step in the Liability Management Plan is adequate the 2024 amortization wall. The company is monitoring the credit market and it is ready to take advantage of a future issuance window with an improved economic perspective.

5. Operations in-depth look – 3Q20

Brazil

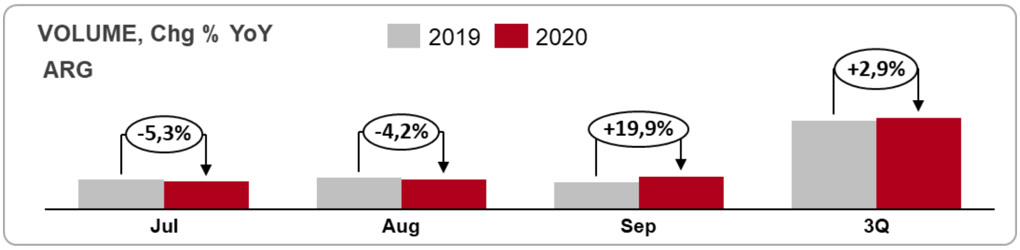
Brazil demand continued to show solid trend, up 12.7% YoY in 3Q20, helped by a robust growth in housing sector, potentially driven by historical lowest level of interest rates and by a larger share of the wallet of consumers that benefitted self-construction. InterCement Brazil posted double-digit YoY growth during the quarter, but recent pace of growth indicates a potential stabilization of volumes at current level. Pricing trend in local terms remained positive, increasing significantly during the quarter, however, due to BRL material depreciation, prices in US$ terms continued under pressure, falling 2% YoY.

EBITDA in 3Q20 totalled US$ 43.8 million, an expansion of 156.8% YoY, driven by better operational performance that led margins to 33.7% (+20.7 p.p. YoY). Excluding non-recurrent expenses, adjusted EBITDA increased to US$ 41.2 million, up 138.6%, with margins rising to 31.7% from 13.2% in 3Q19.



Argentina

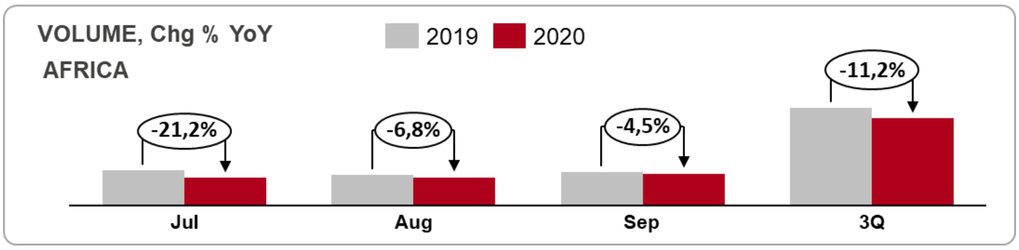
Argentina business unit recorded a 2.9% YoY expansion in volumes, posting solid recovery in recent months, potentially driven by the consumers' perception of the housing sector as a hard currency value reserve.



Adjusted EBITDA increased 51.7% YoY to US$ 48.8 million, led by better expenses management and lower costs (part being US$ denominated), leading margins to increase by 5.1 p.p. to 32.6%

Africa

African operations registered an 11% decline in volumes in 3Q20, but with sequential improvements during the quarter, as August and September posted minor declines. Moreover, the region registered significant operational improvements, leading Adjusted EBITDA to expand by 6.6% YoY in spite of declining prices.



In South Africa, after a severe lockdown and a massive impact on volumes sold during 2Q20, it recovered and posted a minor decline of 1% YoY this quarter, in spite of a still weak bulk market. Prices were up in local terms, but pressure from ZAR$ depreciation led prices in US$ terms to decline. However, operational turnaround in place led Adjusted EBITDA to raise 20.4% YoY and margins to reach 24.5%.

Volumes in Mozambique have increased 6% in the quarter, driven by the resume of infrastructure projects, Prices in MZN$ slightly increased in the period, but currency depreciation led prices in hard currency to drop at double-digit figures.. Improvements in costs efficiency led Adjusted EBITDA to raise 1.8% YoY in the period, pushing margins up to 22.7%, from 20.4% in 3Q19.

Egyptian cement industry kept on a challenging scenario, affected by economic retraction and an oversupply scenario. Thus, volumes sold in Egypt declined 25.2% YoY, while prices fell 14% in local currency.

CEMENT AND CLINKER VOLUMES SOLD

	3Q20	3Q19	Var. %	9M20	9M19	Var. %
BRA	2.527	2.242	12,7%	6.761	6.278	7,7%
ARG	1.533	1.490	2,9%	3.541	4.192	(15,5%)
AFRICA	1.328	1.495	(11,2%)	3.472	4.127	(15,9%)
Consolidated Total	**5.388**	**5.227**	**3,1%**	**13.773**	**14.597**	**(5,6%)**

NET REVENUES

(US$ million)	3Q20	3Q19	YoY	9M20	9M19	YoY
BRA	130	131	(0,9%)	329	357	(7,9%)
ARG	150	117	28,2%	368	449	(18,0%)
AFRICA	91	110	(17,2%)	237	298	(20,3%)
Others	6	23	(75,7%)	14	85	(83,9%)
Sub-Total	**376**	**381**	**(1,2%)**	**948**	**1.188**	**(20,2%)**
Intra-Group Eliminations	(6)	(20)	70,5%	(14)	(76)	81,4%
Consolidated Total	**371**	**361**	**2,6%**	**933**	**1.112**	**(16,1%)**

ADJ. EBITDA - BU OPENING

(US$ million)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
BRA	41	17	138,6%	75,0	38,5	94,6%
ARG	49	32	51,7%	117,3	127,4	(7,9%)
AFRICA	20	18	6,6%	44,4	42,0	5,7%
Others	(5)	(10)	(43,4%)	-14,0	-14,8	(5,2%)
Consolidated Total	**104**	**58**	**78,9%**	**222,7**	**193,1**	**15,3%**
EBITDA Margin	**28,1%**	**16,1%**	**12,0 p.p.**	**23,9%**	**17,4%**	**6,5 p.p.**

6. Corporate and subsequent events

Repurchases of Debentures issued in 2012 by InterCement Brasil S.A.

During October and November 2020, the Brazilian subsidiary repurchased and subsequently cancelled 100% of the debentures issued in 2012 with final maturity in April 2022. The amount is equivalent to US$ 18.9 million (R$ 104.5 million).

Dividends paid to non-controlling interests by Loma Negra.

On October 14, 2020, the Argentinean subsidiary executed the dividends distribution of US$ 31.5 million that the company declared available on September 30, 2020 following the cash collected from the sales of Paraguayan operating segment. The non-controlling interests corresponds to US$ 15.4 million.

Disclaimer:

This announcement contains forward-looking statements within the meaning of federal securities law that are subject to risks and uncertainties. These statements are only predictions based upon our current expectations and projections about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "potential," "seek," "forecast," or the negative of these terms or other similar expressions.

The forward-looking statements are based on the information currently available to us. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including, among others things: changes in general economic, political, governmental and business conditions globally, changes in inflation rates, fluctuations in the exchange rate of the peso, the level of construction generally, changes in cement demand and prices, changes in raw material and energy prices, changes in business strategy and various other factors.

You should not rely upon forward-looking statements as predictions of future events. Although we believe in good faith that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or to changes in our expectation.

It is also important to bear in mind that independent auditors have not audited non-financial data and non-accounting metrics, such as EBITDA and Adjusted EBITDA.