PRESS RELEASE

Consolidated Financial Report

4th QUARTER 2020

InterCement

Building sustainable partnerships

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Backed by consistent operational performance, 4Q'20 posted Adj. EBITDA[1] of US$120M, margin up to 34.8% and leverage down to 3.8x, confirming 2020 as the turnaround year!

1. 4Q20 Performance

- Volume of 5.2 million tons in the quarter raised 4.5% YoY, sustaining the ongoing recovery since the COVID-19 negative impact in the 2Q20. Argentina kept a robust growth and expanded volumes by 26.9%, despite the macroeconomic uncertainties, while Brazil confirms its entry into a new cement cycle with volumes up by 3.3% YoY, although the African operations posted a 12.7% YoY drop mainly due to Egypt.
- Total Sales of US$ 345 million were highly affected by relevant FX depreciation of Brazilian Real and Argentinian Peso and decreased 7.3% YoY – although the weaker revenues in Egypt did not help much. Excluding forex impact, sales would have grown 15.2%, with revenues in Brazil expanding by 31.8% in BRL terms.
- Adjusted EBITDA reached US$ 120 million, an expansion of 9.3% when compared to 4Q19, reflecting a significant operational improvement. Brazil booked a solid US$ 50 million, an expansion of +37.8%, while Argentina came with US$ 45 million, an increase of 3.4% YoY, driven by a unique execution in a difficult environment. Therefore, Adjusted EBITDA margin raised to 34.8% in 4Q20, a 5.3 p.p. expansion from 29.6% in 4Q19 – excluding Paraguay figures.
- Free Cash Flow to the Company reached +US$ 33 million, lower than 4Q19 by US$ 11 million, mostly due to working capital moves in 4Q20, as payables postponed due to pandemic context were settled. Additionally payment of interests were higher in the quarter compared to 4Q19 due to the new schedule from the debentures refinancing agreement.
- Net Debt[2] dropped to US$ 1,360 million, a decrease of 13.4% compared to Dec'19, driven by some debt amortization in Argentina, on the back of Yguazú divestment in Paraguay, and FX variation over debt in Argentinian Pesos and Brazilian Reais, as 60%of the new debt profile is denominated in Brazilian Reais. Thus, gross debt decreased 15.9% compared to Dec'19, while cash position was at US$ 261 million.

KEY FIGURES			(Operations in Continuation)			
(US$ million, unless otherwise expressed)	4Q20	4Q19	Var. %	12M20	12M19	Var. %
Cement and Clinker Sales ('000 ton)	**5,150**	4,928	4.5%	**18,923**	19,525	(3.1%)
Sales	**345**	372	(7.3%)	**1,278**	1,484	(13.9%)
EBITDA	**81**	71	14.2%	**277**	238	16.3%
Adjusted EBITDA[1]	**120**	110	9.3%	**343**	303	13.1%
CAPEX	**-37**	-77	(52.4%)	**-175**	-281	(37.6%)
Net Debt[2]	**1,360**	1,571	(13.4%)	**1,360**	1,571	(13.4%)
FCF	**33**	45	(25.4%)	**121**	344	(64.9%)

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.

2. Profit and Loss

INCOME STATEMENT (US$ million)	4Q20	4Q19	Var. %	12M20	12M19	Var. %
Sales	**345**	**372**	**(7%)**	**1.278**	**1.484**	**(14%)**
Net Operational Cash Costs	**(264)**	(301)	12%	**(1.001)**	(1.246)	20%
Operational Cash Flow (EBITDA)	**81**	**71**	**14%**	**277**	**238**	**16%**
Deprec. Amort. and Impairments	**(63)**	(93)	32%	**(199)**	(223)	10%
Operating Income (EBIT)	**18**	**(22)**	**184%**	**78**	**16**	**389%**
Financial Results	**(55)**	(21)	(166%)	**(26)**	(161)	84%
Pre-tax Income	**(37)**	**(42)**	**13%**	**53**	**(145)**	**136%**
Income Tax	**(26)**	(6)	(331%)	**(45)**	(34)	(33%)
Net Inc. from continuing Operations	**(63)**	(48)	(29%)	**8**	(178)	104%
Net Inc. from discontinuing Operations	**-**	(2)	100%	**28**	349	(92%)
Net Income	**(63)**	**(50)**	**(24%)**	**35**	**171**	**(79%)**
Attributable to:						
Shareholders	**(77)**	(65)	(18%)	**(5)**	122	(104%)
Minority Interests	**14**	15	(5%)	**40**	49	(18%)

Volumes Sold totaled 5,150 million ton, an expansion of 4.5% YoY in the quarter, as the regions showed positive reactions after COVID severe impact during 2Q20. In Argentina, volumes are benefitting from the consumer perception that the construction sector is a safe harbor for currency purchase power due to the strict government capital control, which led to a strong expansion of 26.9% in volumes sold. Brazil volumes remained on a healthy path, rising 3.3% YoY, continue to benefit from historical lowest interest rates and greater share of wallet of consumers. South Africa posted better dynamic in the quarter and was up 2.8%, as the bulk market seems to have woken up. On the other hand, Mozambique and Egypt showed volumes YoY retraction, 4.4% in case of Mozambique as its north region continues to be highly affected by the postponement of natural gas projects, and 23.2% in Egypt, as the country continues to face a compressed and unbalanced cement market.

Sales totaled 345 million US dollars during 4Q20, a decrease of 7.3% YoY, affected by material depreciation on InterCement's main operational currencies (i.e. Brazilian Real and Argentinian Peso – the latter depreciated 36% in the period, while the former devaluated 32%). Excluding forex impact, sales would have grown 15.2%, helped by rising volumes and a better pricing strategy. Brazil has been harvesting gains from its revised go-to-market approach – revenues were up 31.8% YoY in BRL terms in 4Q20.

Consolidated **Adjusted EBITDA** reached US$ 120.1 million, up 9.3% - when considered only continued operations. Brazil kept its rising operational performance and posted an Adjusted EBITDA of US$ 49.9 million, a rise of 37.8% YoY, while operations in Argentina booked US$ 45.4 million, an increase of 3.4%, led by operational improvements and the phase out of temporary subsidies in public tariffs in the context of COVID. South African operations, despite an economy severely impacted by the COVID long lockdown, started to emerge from an operational turnaround and posted an expanded Adj EBITDA by +5.3% YoY.

Excluding Egypt, all our operations have posted margin expansion, being Brazil the top performer with 8.4 p.p. increment to 38.3%. Argentina also booked a significant margin expansion to 36.7% (+7.1 p.p.).

Non-recurring items related to streamline InterCement's operations totalled US$ 39.1 million, mostly explained by: (i) slag inventory write-off in Brazil; (ii) impairment related to tangible fixed assets in Mozambique; and (iii) cost on restructuring projects.

ADJ. EBITDA - RECONCILIATION ITENS

(US$ million)	4Q20	4Q19	Var. %	12M20	12M19	Var. %
EBITDA Operations in Continuation	**81**	**71**	**14%**	**277**	**238**	**16%**
Reconciliation Itens to Adjusted EBITDA	**39**	**39**	**0%**	**65**	**64**	**1%**
Write-Off Brazil	**21**	5	326%	**21**	5	326%
Impairment Mozambique	**8**	-	s.s	**8**	-	s.s
Costs due to COVID-19	**0**	-	s.s.	**7**	-	s.s
Reestructuring projects	**4**	12	(68%)	**8**	20	(61%)
Layoff related to reestructuring	**1**	0	s.s.	**7**	11	(32%)
Minority loss - Argentina (Ferrosur Roca)	**0**	-	s.s.	**6**	-	s.s
Taxes on bank debits and credits - Argentina	**1**	0	s.s.	**5**	7	(24%)
Others non-recurring	**4**	6	(30%)	**7**	6	14%
Tax credit sale - Brazil	**0**	16	s.s	**-3**	16	s.s.
ADJ. EBITDA Operations in Continuation	**120**	**110**	**9%**	**343**	**303**	**13%**

Depreciation, Amortization and Impairment decreased 32% YoY, totalling for US$ 63 million and included: (i) impairment in intangible assets in Brazil in the amount of US$10.7 million, associated to concession-related assets that were considered no longer recoverable; (ii) provisions in Argentina in the railway and aggregates segments that amounted for US$11.1 million; and (iii) write-off and provisions in Mozambique in the amount of US$35.8 million, related to a production line discontinuity and environmental provisions. The 30% decline was benefitted by the reversal of impairments in Brazil in the amount of US$ 27.7 million - being US$ 17.3 million associated to expansion projects' fixed assets value reduction due to the expiration of deferred taxes obligations and US$ 10.4 million referred to production lines that were hibernated and now resumed production due to the expectation of expanding demand for 2021.

Financial Results declined by US$ 34 million in 4Q20 compared to 4Q19, due to a combination of positive FX effects in 4Q19 (+US$ 31 million) and negative effects in 4Q20 (-US$ 21 million). Excluding those effects, the financial result would be US$ 24 million better than 4Q19, as result of lower interest expenses – consequence of both lower debt amount and lower CDI interest rate in 2020. On a year over year comparison, the financial results were US$ 134 million better derived from lower interest expenses and positive FX effect.

Income taxes totalled US$ 26 million in 4Q20, US$ 20 million higher than 4Q19, mostly related to the gain on Yguazú proceeds internalized into Argentina to prepay Pesos denominated debt, coupled by robust net income in Argentina, and an income gain due to foreign exchange gain on debentures balance, which are denominated in Brazilian Reais.

All in all, **Net Income** registered a loss of 63 million US dollars, considering only continued operations, compared to a loss of US$ 48 million in 4Q19.

3. Free Cash Flow

Intercement reached US$ 105 million of **Cash Flow from Operations** in the quarter, compared to US$ 141 million a year ago, a drop mainly due to working capital moves, given that several cash initiatives implemented to preserve cash during pandemic 2Q20 and 3Q20, were released to adequate back to usual business conditions.

Interests paid in the period totalled US$ 25 million, an increase of US$ 7 million in comparison to US$ 18 million paid in 4Q19, as a new schedule from the debentures refinancing was in place, which also implied some related breakage costs. This can be noted in the full year figures' comparison, where debt schedule differences are eliminated and the level of interest payments were lower than the year before, due to lower interest rates and debt level in 2020.

FREE CASH FLOW GENERATION MAP				
(US$ million)	**4Q20**	**4Q19**	**12M20**	**12M19**
Adjusted EBITDA	**120**	117	**358**	332
Fluctuation in Operational Assets/Liabilities	**(2)**	85	**45**	(40)
Others	**(13)**	(60)	**(36)**	(82)
Operating Activities	**105**	**141**	**367**	**210**
Interests Paid & Derivative Unwinding	**(25)**	(18)	**(143)**	(157)
Income taxes Paid	**(10)**	(3)	**(25)**	(31)
Cash Flow before investments	**70**	**120**	**199**	**22**
CAPEX	**(37)**	(77)	**(175)**	(281)
Assets Sales / Others	**0**	2	**97**	603
Intersegment payments to carved-out companies	**-**	-	**-**	-
Free Cash Flow to the company	**33**	**45**	**121**	**344**
Borrowings, financing, debentures and repayments	**(64)**	25	**(179)**	(260)
Capital Increases/Decreases	**-**	-	**-**	(75)
Dividends	**(20)**	(18)	**(28)**	(72)
Other investment activities	**(17)**	4	**(31)**	(23)
Changes in cash, equivalents & securities	**(68)**	**55**	**(118)**	**(85)**
Exchange differences	**65**	13	**23**	(22)
Cash, equivalents and securities, End of the Period	**261**	**353**	**261**	**353**

CAPEX disbursement during 4Q20 amounted for US$ 37 million dollars, 52% lower than in 4Q19 as the L'Amali investment project came to its final phase, as commissioning is expected by the end of first semester of 2021.

Total Cash Flow presented a deficit of US$ 68 million in the quarter, a swing of US$ 124 million compared to 4Q19, when a surplus of +US$ 55 million took place. Overall, this swing is explained by working capital moves, higher interest payments and debt amortization, and no need of new financing.

Cash and Cash Equivalents, including financial instruments such as securities, totalled US$ 261 million at December 2020, a conscious reduction of US$ 93 million when compared to 4Q19 (at US$ 353 million).

4. Balance Sheet

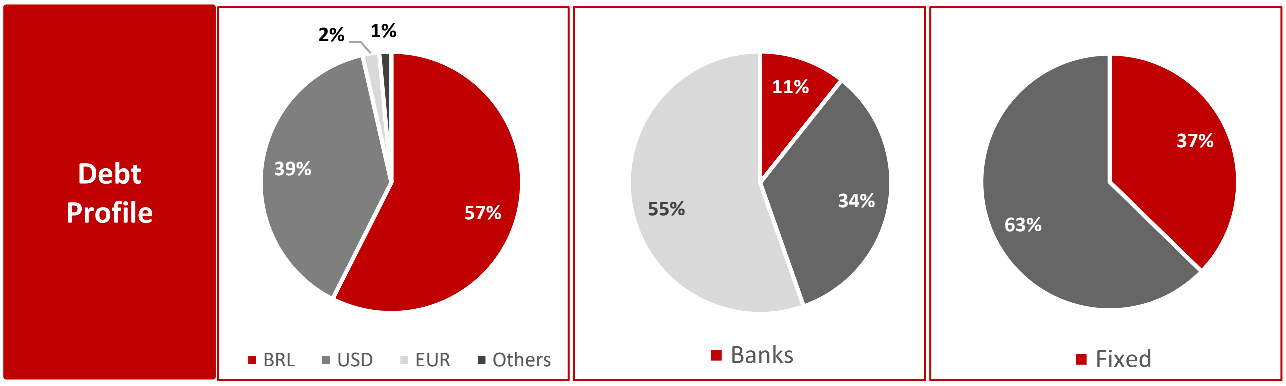
Total Assets amounted to US$ 3,166 million at December 2020, a reduction of US$ 812 million when compared to December 2019, mainly due to the conversion loss of the Balance Sheet arising from the FX devaluation in emerging countries' currencies during the year – especially Brazilian Real, besides the Paraguayan assets sale.

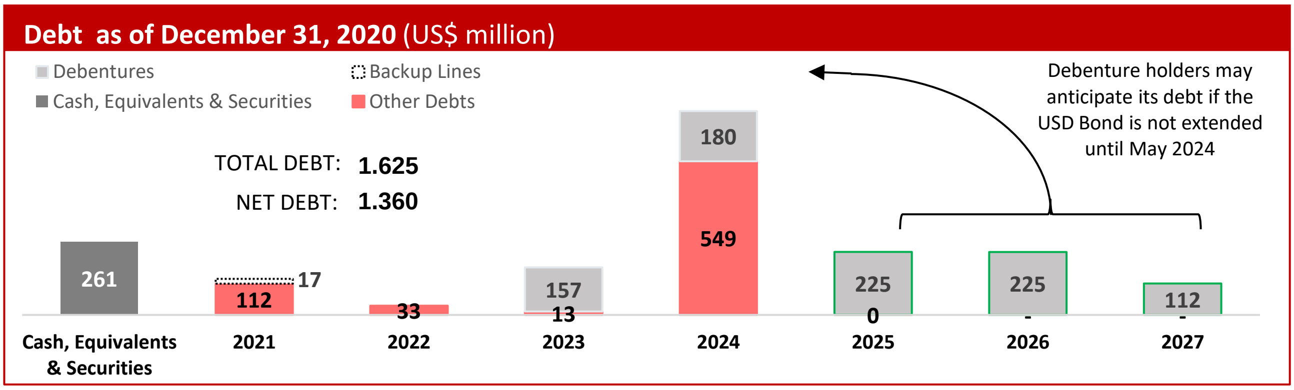
Gross Debt at US$ 1,625 million, implied a net debt of US$ 1,360 million, a decrease of 211 million dollars when compared to Dec'19, when net debt was at US$ 1,571 million. The decline was mostly due to the FX variation over the debt in Brazilian Real and debt amortization generated by the Paraguay divestment proceeds.

CONSOLIDATED BALANCE SHEET SUMMARY

(US$ million)	31 dec 2020	31 dec 2019	Var. %
Assets			
Non-current Assets			
Other Non-current Assets	**2.533**	3.166	(20%)
Derivatives	**5**	7	(33%)
Current Assets			
Cash and Equivalents	**261**	353	(26%)
Other Current Assets	**367**	451	(19%)
Assets classified as held for sale	**-**	-	0%
Total Assets	**3.166**	**3.977**	**(20%)**
Shareholders' Equity attributable to:			
Equity Holders	**419**	790	(47%)
Minority Interests	**296**	338	(13%)
Total Shareholders' Equity	**715**	**1.128**	**(37%)**
Current Liabilities			
Loans & Obligations	**125**	399	(69%)
IFRS 16	**27**	31	(12%)
Other Current Liabilities	**417**	471	(11%)
Non-Current Liabilities			
Loans & Obligations under finance leases	**1.500**	1.532	(2%)
IFRS 16	**30**	40	(23%)
Provisions & Employee benefits	**85**	80	7%
Other Liabilities	**266**	297	(10%)
Liabilities assoc. w/ assets classified as held for sale	**-**	-	0%
Total Liabilities	**2.451**	**2.849**	**(14%)**
Total Liabilities and Shareholders' Equity	**3.166**	**3.977**	**(20%)**

The profile of Debt as of December 31, 2020 was as follows:





The actual refinanced debt profile poses no liquidity pressure for the coming three years, while most of the maturing loans are for working capital purposes, which includes US$ 17 million of backup lines taken. To be noted is the current debt profile by currency, where USD and EUR debt was materially reduced to around 40%, while BRL debt increased to 57%.

InterCement intends to proactively manage its debt profile, with particular focus on extending the 2024 debt maturities. Although we believe our debt maturities will not have a near term impact on our business, we believe it is prudent to explore opportunities to repay debt and extend maturities if favourable conditions arise. We are exploring the possibility of raising proceeds from a private placement or an initial public offering of equity interests in our Brazil operations (“Brazil Subsidiary Equity Offering”), with any public offering resulting in a listing of its equity in Brazil or another jurisdiction. If the Brazil Subsidiary Equity Offering is consummated, InterCement expects that it would maintain a controlling interest in our Brazil operations. Other options may also include engaging in a new liability management transaction with respect to the Senior Notes. Any implementation of one or more of these transactions would be subject to market and other customary conditions.

5. Operations in-depth look – 4Q20

Brazil

Brazil demand continued to show a good trend, although 4Q usual seasonality decelerated the growth pace from previous quarter. Nevertheless, 4Q20 expanded by 3.3% YoY, on the back of a robust growth in the housing sector, mainly driven by the lowest level of interest rates ever, and the pandemic change on share of the wallet of consumers that benefitted self-construction.

EBITDA in 4Q20 totalled US$ 26.6 million, an expansion of 94.5% YoY, driven by better operational performance that led margins to 20.5% (+9.2 p.p. YoY). Excluding non-recurrent expenses (including a non-cash US$ 21.0 million slag inventory write-off), adjusted EBITDA increased to US$ 49.9 million, up 37.8%, with margins rising to 38.3% from 29.9% in 4Q19.

Argentina

Argentina business unit, in spite of macroeconomic uncertainties, showed a strong pace of growth and recorded a 26.9% YoY expansion in volumes, with the market posting solid recovery since September, potentially driven by the consumers' perception of the housing sector as a hard currency value reserve along with low construction costs in US$ terms.

Adjusted EBITDA increased 3.4% YoY to US$ 45.4 million, led by operational improvements and better savings on costs, helped by temporarily lower public tariffs in the context of COVID. Margins, as result, reached 36.7%, a 7.1 p.p. increase.

Africa

African operations registered a 12.7% decline in volumes in 4Q20, but registering better performance at the end of the quarter. The region recorded a 41.3% drop in Adjusted EBITDA in 4Q20.

In South Africa, after a severe lockdown and a massive impact on volumes sold during the first half of the year, it showed a solid recovery in the 2H20 and was up 2.8% in 4Q20, with bulk market starting to improve. Prices were up in local terms, but pressure from ZAR$ depreciation led prices in US$ terms to be flat in comparison to 4Q19. Adjusted EBITDA, as result, grew 5.3% and margins reached 20.8%.

Volumes in Mozambique have decreased 4.4% in the quarter, impacted by the low demand in the country. Prices in MZN$ increased 9.8% in the period, but were not enough to offset currency depreciation. Adjusted EBITDA fell 0.8% YoY in the period, but margins remained in a healthy level of 32.1%.

Egyptian cement industry persisted on a challenging scenario, affected by economic retraction and an oversupply scenario. Thus, volumes sold in Egypt declined 23.2% YoY, while prices fell 19.4% in local currency.

CEMENT AND CLINKER VOLUMES SOLD						
(thousand tons)	4Q20	4Q19	Var. %	12M20	12M19	Var. %
BRA	**2,210**	2,141	3.3%	**8,971**	8,418	6.6%
ARG	**1,621**	1,277	26.9%	**5,162**	5,470	(5.6%)
AFRICA	**1,319**	1,510	(12.7%)	**4,790**	5,637	(15.0%)
Consolidated Total	**5,150**	**4,928**	**4.5%**	**18,923**	**19,525**	**(3.1%)**

NET REVENUES						
(US$ million)	4Q20	4Q19	YoY	12M20	12M19	YoY
BRA	**130**	121	7.5%	**459**	479	(4.0%)
ARG	**124**	148	(16.5%)	**491**	597	(17.6%)
AFRICA	**91**	103	(12.3%)	**328**	401	(18.2%)
Others	**14**	22	(33.9%)	**28**	106	(73.7%)
Sub-Total	**359**	**394**	**(9.0%)**	**1,307**	**1,582**	**(17.4%)**
Intra-Group Eliminations	**(14)**	(23)	36.7%	**(28)**	(98)	71.0%
Consolidated Total	**345**	**372**	**(7.3%)**	**1,278**	**1,484**	**(13.9%)**

ADJ. EBITDA - BU OPENING						
(US$ million)	4Q20	4Q19	Var. %	12M20	12M19	Var. %
BRA	**50**	36	37.8%	**125**	75	67.1%
ARG	**45**	44	3.4%	**163**	171	(5.0%)
AFRICA	**23**	26	(13.4%)	**67**	68	(1.7%)
Others	**2**	3	(41.3%)	**-12**	-11	5.9%
Consolidated Total	**120**	**110**	**9.3%**	**342.75**	**303**	**13.1%**
EBITDA Margin	**34.8%**	**29.6%**	**5.3 p.p.**	**26.8%**	**20.4%**	**6.4 p.p.**

6. Corporate and subsequent events

Promissory Note – Amortization and New Issue

On March 16, 2021, the Company settled its current Promissory Note with BNP Paribas in the amount of R$115,0 million (US$232 million) and issued a clean new Promissory Note.2 of R$100.0 million (US$17.9 million) with BNP, with expiration date on March 16, 2022.

Bonds Interest payment

The Senior Notes interests, in the net amount of US$15.8 million, were duly paid on January 18, 2021 by the Company.

Loma Negra Shares buyback program

On February 18, 2021, Loma Negra launched a share buyback program in the amount of up to AR$ 750.0 million (Argentine Pesos Seven Hundred Fifty Million) or such lower amount that derives from the repurchase of up to 10% of Company's capital stock. The maximum amount of shares or maximum percentage of the Company's capital stock to be repurchased shall never surpass the limit of 10% of the capital stock in accordance with Section 64 of LMC. Until March 19, 2021, the Company already repurchased ARS 194.0 million under such program.

Dividends to Class A shares

On March 24, 2021, InterCement Board of Director proposed dividend distribution in the amount of R$42.0 million (US$7.6 million at the transaction date) to preferred shares hold by third party. The distribution is subject to Ordinary General Assembly approval.

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.

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