



InterCement

Building
sustainable
partnerships

InterCement Group would like to announce that on June 8, 2020 was concluded a debenture issuance by InterCement Participações and InterCement Brasil in an aggregate principal amount of BRL 4.7 billion (equivalent to approximately 910 million US Dollars), to refinance its existing outstanding loans and debentures scheduled to mature from 2020 until 2024. This represents an additional and important step of the Group's comprehensive liability management plan, together with the October 2017 IPO of Loma Negra CIASA, our subsidiary in Argentina, and the January 2018 sale of its assets in Portugal and Cape Verde.

These two new debentures will strengthen the balance sheet of the InterCement Group, by allowing the Group to lengthen its scheduled debt amortization, with principal payments commencing in 2023 and final maturity in May 2027. These debentures will bear interest linked to the Brazilian base interest rate (CDI) plus a spread of 3.75% per annum and also will enable the Group to match its expected cash flow generation with its debt currency profile. The debentures will be mandatorily redeemable in May 2024 if the Group is unable to refinance its existing notes due 2024.

With the closing of the issuance of the debentures and the related refinancing, more than 50% of the Group's consolidated indebtedness is now denominated in BRL, with approximately 35% denominated in USD. These new debentures are secured by the shares of Loma Negra CIASA owned by the Group and are not convertible into equity.

Banco Bradesco, Banco do Brasil and Banco Itaú were the coordinators for these debenture issuances. InterCement Brasil issued debentures in an aggregate principal amount of BRL 1.7 billion, while InterCement Participações issued debentures in an aggregate principal amount of BRL 3.0 billion.