



**InterCement**

## 2021 Results Presentation



# 2021 and 4Q21 Highlights

Despite pressure on energy costs, solid level of EBITDA, and leading to lowest leverage rate in 9 years



## 2021

20.1 million tons of Cement and Clinker Volume sold (6.2% vs 2020)

US\$ 1,694 million of Sales (+32.3% vs 2020)

US\$ 470 million of adjusted EBITDA (+37.1% vs 2020)

27.7% of adjusted EBITDA Margin (+0.9 p.p. vs 2020)

+US\$ 392 million Operational Cash Flow; +US\$ 54 million Free Cash Flow

US\$ 1,298 million of Net Debt, leverage at 2.8x

## 4Q21

5.1 million tons of Cement and Clinker Volume sold (-0.3% vs 4Q20)

US\$ 476 million of Sales (+38.3% vs 4Q20)

US\$ 126 million of adjusted EBITDA (+4.5% vs 4Q20)

26.3% of adjusted EBITDA Margin (-8.5 p.p. vs 4Q20)



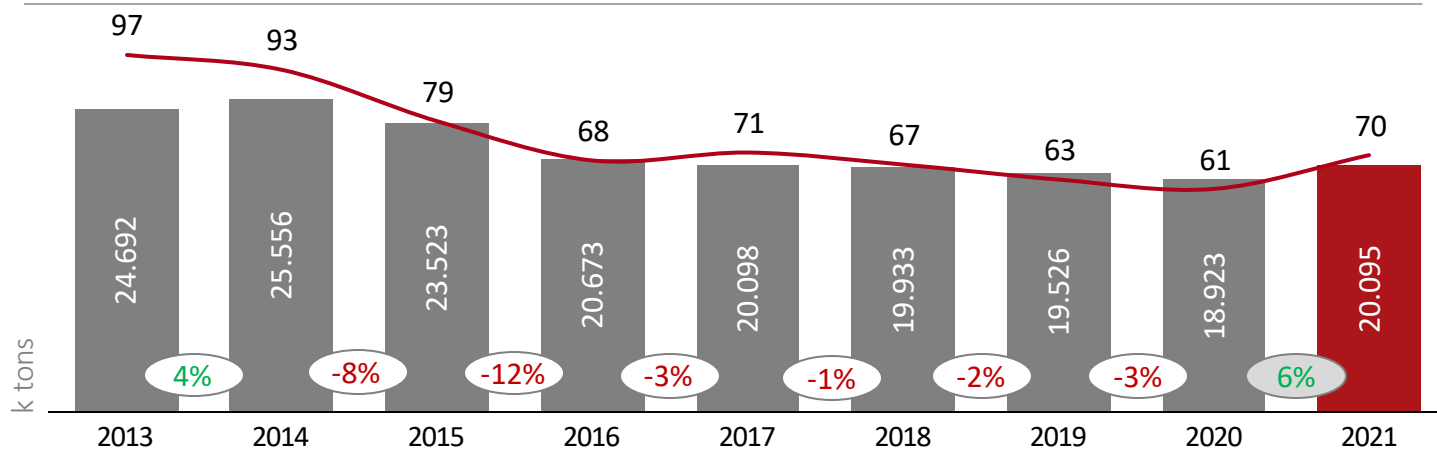


# Volume

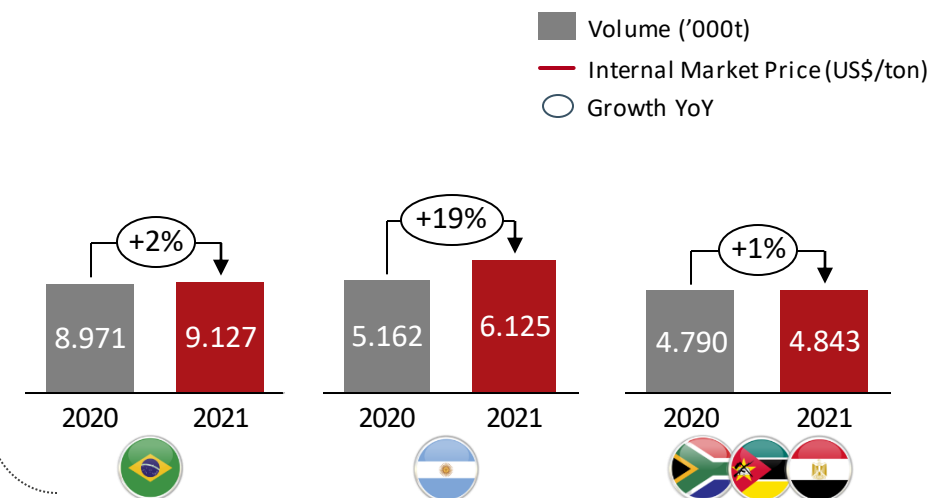
Solid performance in Argentina in 4Q21 offset by a decline in Brazil resulting in a stable performance of cement and clinker sold when compared to 4Q20 at 5.1 million tons



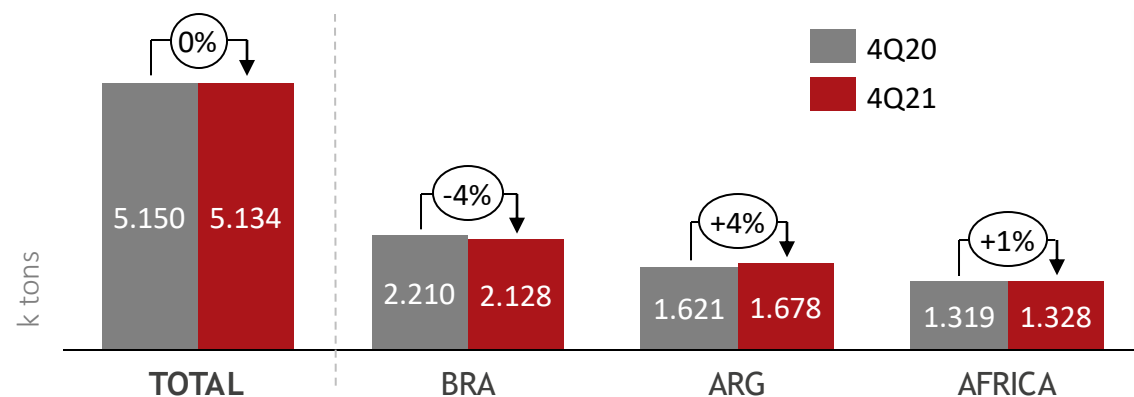
Historic Cement and Clinker Volume<sup>1</sup>



2021 Volume per Region



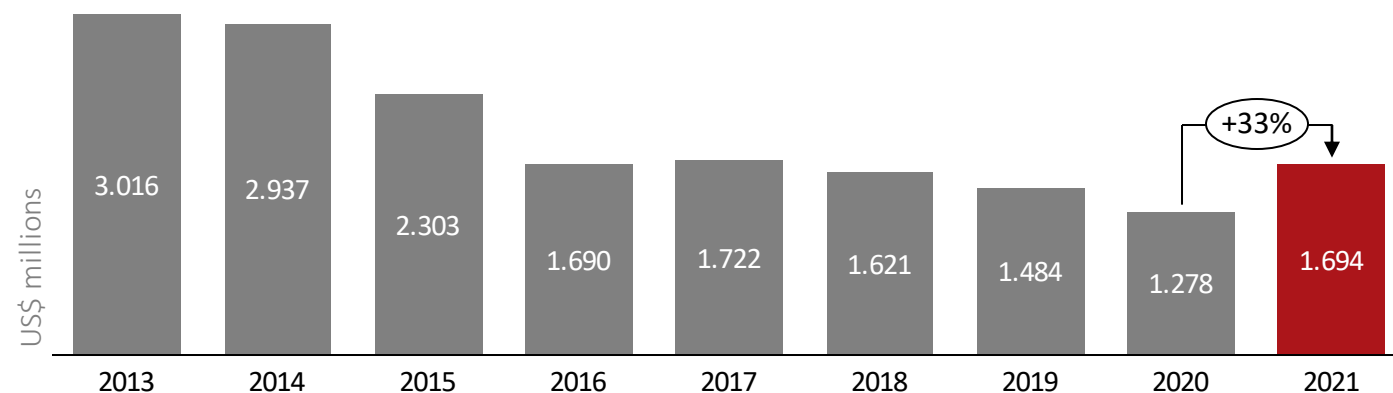
4Q21 Volume per Region



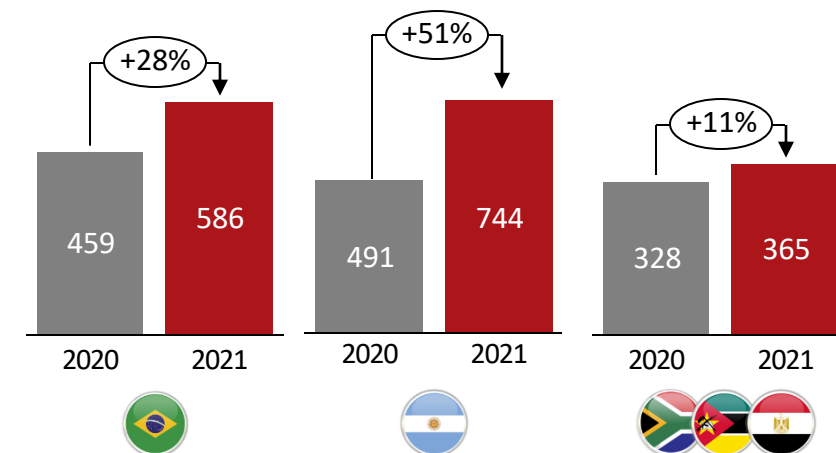
- BRA:** Despite the decline, still at a healthy level of demand, helped by positive construction activity and agribusiness growing demand
- ARG:** Loma Negra's solid performance, backed by retail strong demand along with the resume of bulk demand
- SAF:** A positive recovery quarter after last quarter's social unrest and some industrial constraints
- MOZ:** New entrant's accommodation in the Southern market continued to impact volumes
- EGY:** Signs of improvement led by regional construction activity

Great improvement in top line, led by Argentina operations and good overall pricing dynamic

Historic Sales<sup>1</sup>

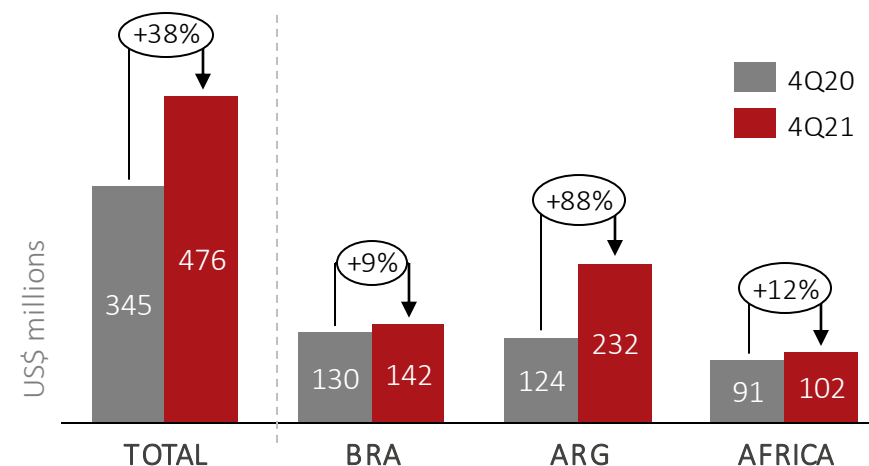


2021 Sales per Region



- Revenues expanded by +38% in 4Q21 vs 4Q20, helped by benign pricing behavior in most of the geographies, being able to pass-through part of the escalating costs;
- Improved top line dynamics supported by a more rational competitive environment in Brazil and cost pass-through in Argentina

4Q21 Sales per Region



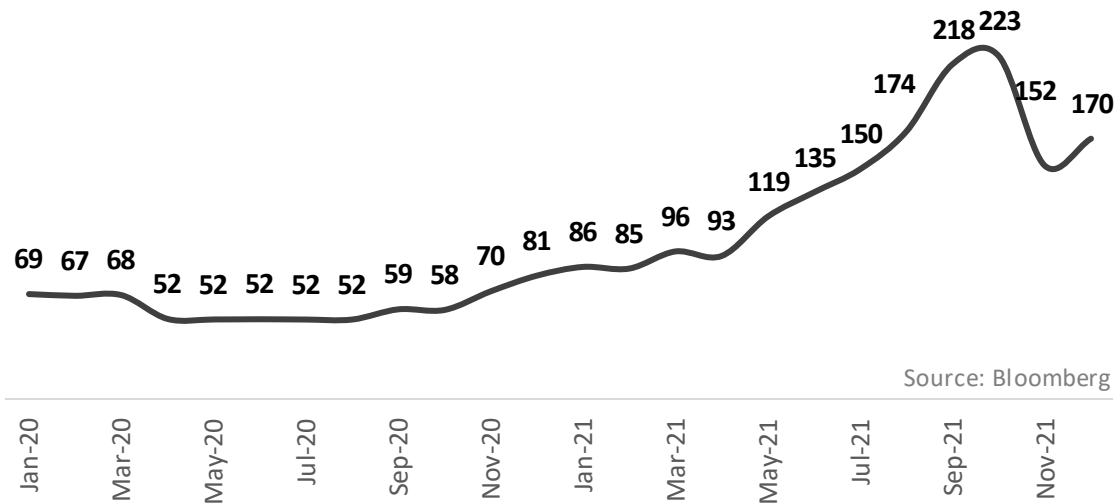
# Costs Evolution

Coal, Petcoke and Electricity | Rising production costs



Coal

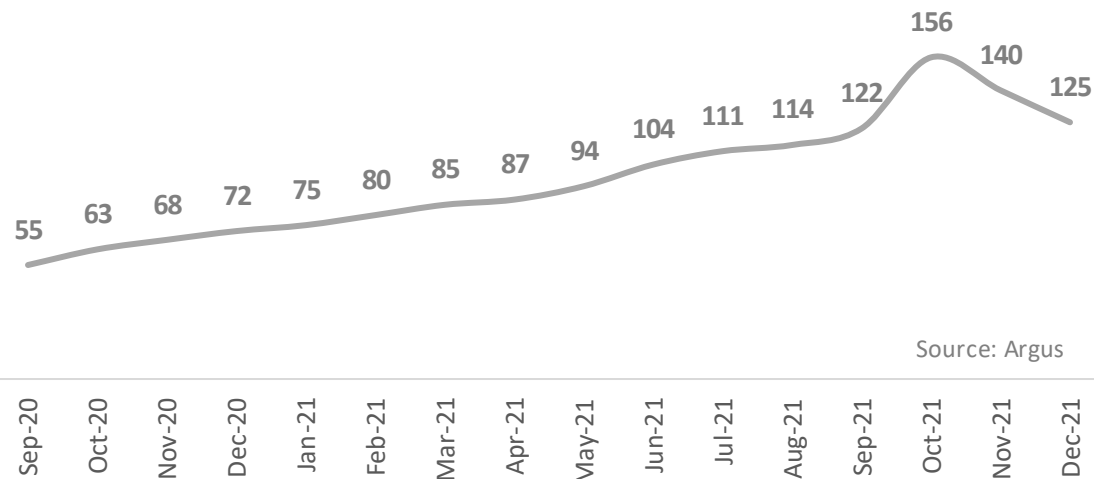
US\$ per ton



Source: Bloomberg

Petcoke

US\$ per ton

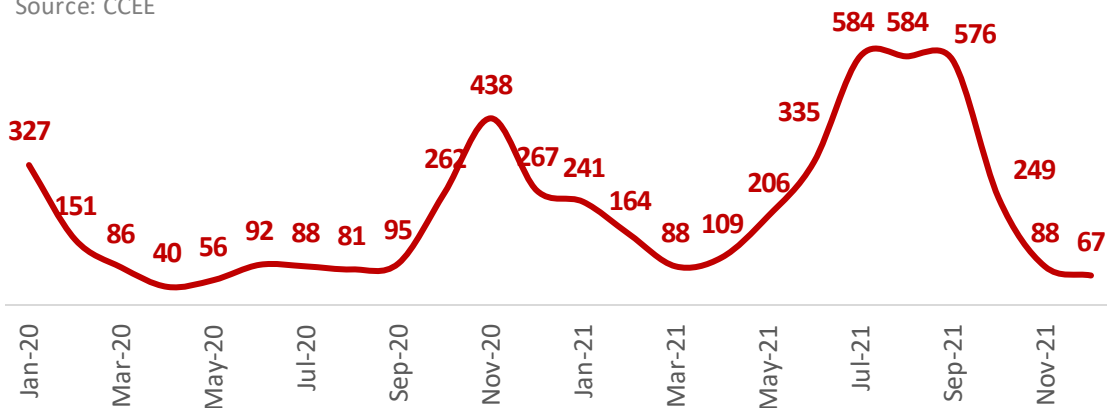


Source: Argus

Brazilian Electricity Tariff – SPOT Market

Source: CCEE

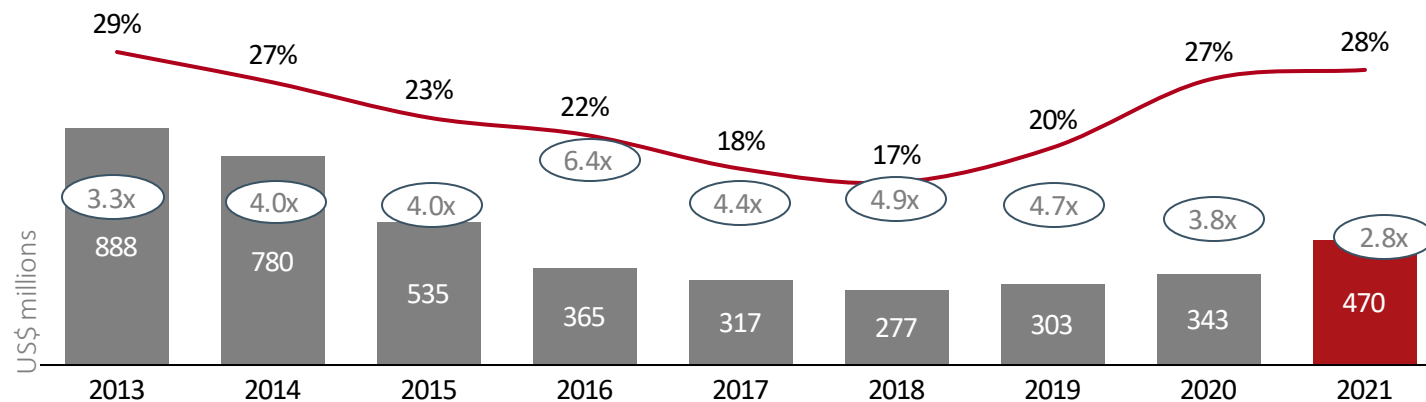
R\$ per kWh



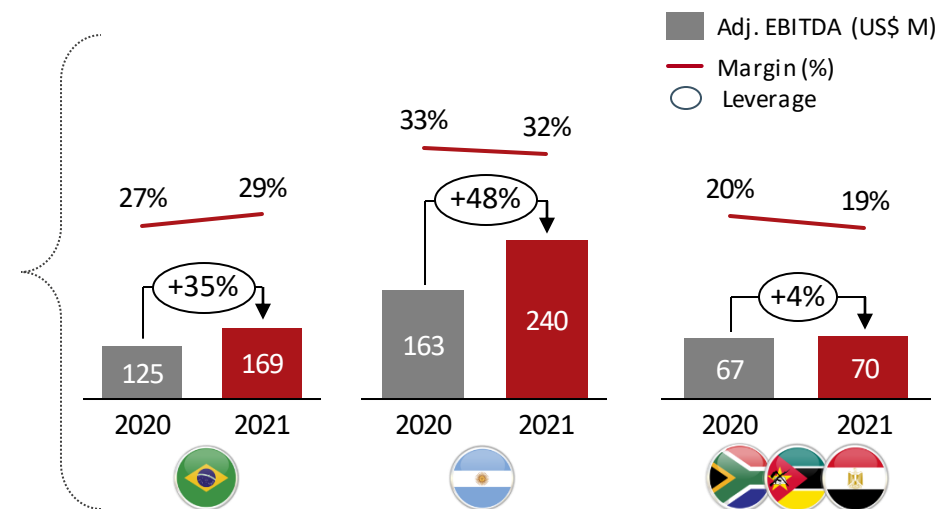
- Rising energy costs throughout 2021, affected by global shock of supply in the context of COVID-19
- Brazilian electricity tariffs reached peak level at 3Q21, driven by severe dry season. During 4Q21 tariffs weakened to reach healthier level at YE21

Expansion of 5% YoY in 4Q21 over an already strong level, supporting a new

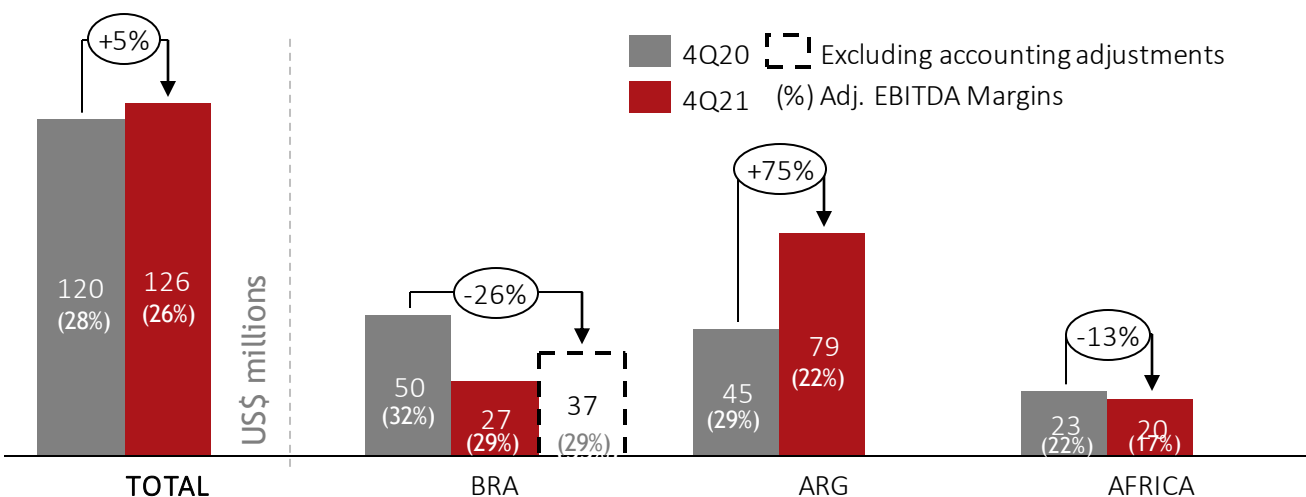
## Historical Adjusted EBITDA, Margin and Leverage<sup>1</sup>



## 2021 Adjusted EBITDA and Margin



## 4Q21 Adjusted EBITDA and Margin



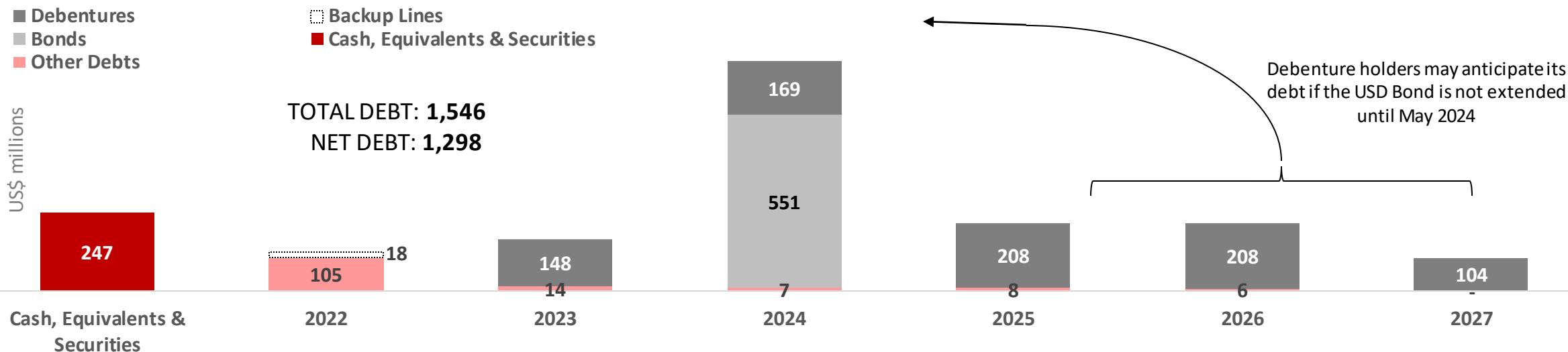
- BRA:** Affected by rising costs and also accounting adjustments of US\$10MM
- ARG:** Strong top line performance offset the cost pressure
- SAF:** Strong improvement YoY due to better industrial performance
- MOZ:** Drop on volumes and prices led to double digit decline of operational result
- EGY:** Prices increase and volume expansion supported a material improvement on results and margin

# Capital Structure

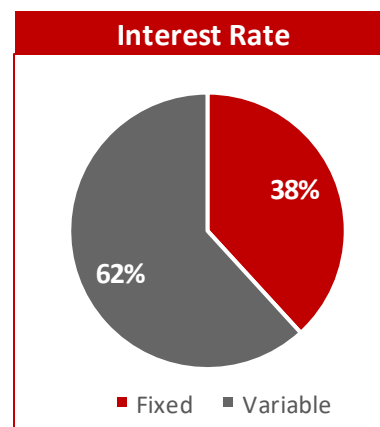
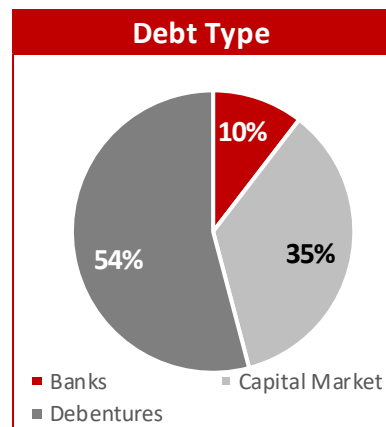
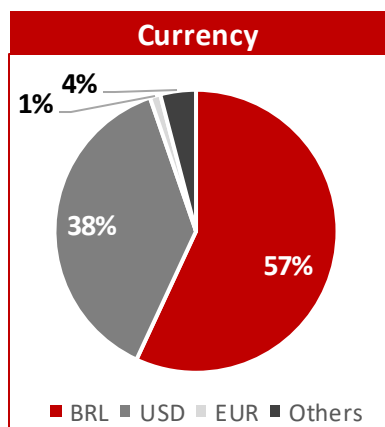
## Debt Profile and relevant events



### Debt Maturity Schedule



### Actual Debt Profile



### Subsequent Events

**Jan-22 | Bilateral Payments and Coupon payment:** InterCement Trading Inversiones liquidated a bilateral in the amount of US\$14 million and Mozambique business unit liquidated a bilateral in the amount of US\$6 million

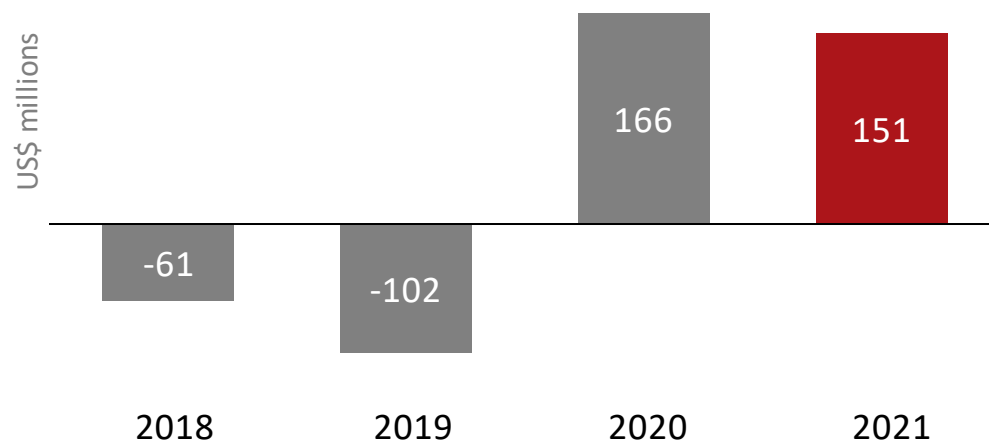
The company paid interests in the amount of US\$16 million to Senior Notes holders

# Cash Flow and CAPEX

US\$ 158MM positive operational cash flow in 4Q21 helped by strong operational performance, leading to a free cash flow of +US\$43M in the quarter



Free Cash Flow to Firm - Historical



- Operational Cash Flow at +US\$158M in 4Q21 and US\$392M in 2021, helped by strong operational performance
- Larger net income in operations from Brazil, Argentina and South Africa led to larger tax disbursements, also affected by Argentinean government increase on corporate tax rate
- Higher Brazilian interest rates have led to larger interest payment in the quarter
- Positive Free Cash Flow of US\$43M in 4Q21 and +US\$54M in 2021

Free Cash Flow Generation Map

FREE CASH FLOW GENERATION MAP	4Q21	4Q20	12M21	12M20
Adjusted EBITDA	126	120	470	358
Fluctuation in Operational Assets/Liabilities	24	(2)	(86)	45
Others	9	(13)	8	(36)
<b>Operating Activities</b>	<b>158</b>	<b>105</b>	<b>392</b>	<b>367</b>
CAPEX	(57)	(37)	(162)	(175)
Income taxes Paid	(23)	(10)	(79)	(25)
<b>Free Cash Flow to Firm</b>	<b>78</b>	<b>57</b>	<b>151</b>	<b>166</b>
Interests Paid & Derivative Unwinding	(39)	(25)	(111)	(143)
Assets Sales / Others	3	0	14	97
<b>Free Cash Flow</b>	<b>43</b>	<b>33</b>	<b>54</b>	<b>121</b>
Borrowings, financing and debentures	81	(16)	326	1.114
Amortizations	(47)	(49)	(342)	(1.294)
Dividends	(3)	(20)	(20)	(28)
Other investment activities	(9)	(17)	(51)	(31)
<b>Changes in cash, equivalents and securities</b>	<b>65</b>	<b>(68)</b>	<b>(34)</b>	<b>(118)</b>
Exchange differences	1	65	1	23
<b>Cash, Equivalents and Securities, EoP</b>	<b>247</b>	<b>261</b>	<b>247</b>	<b>261</b>

US\$ millions