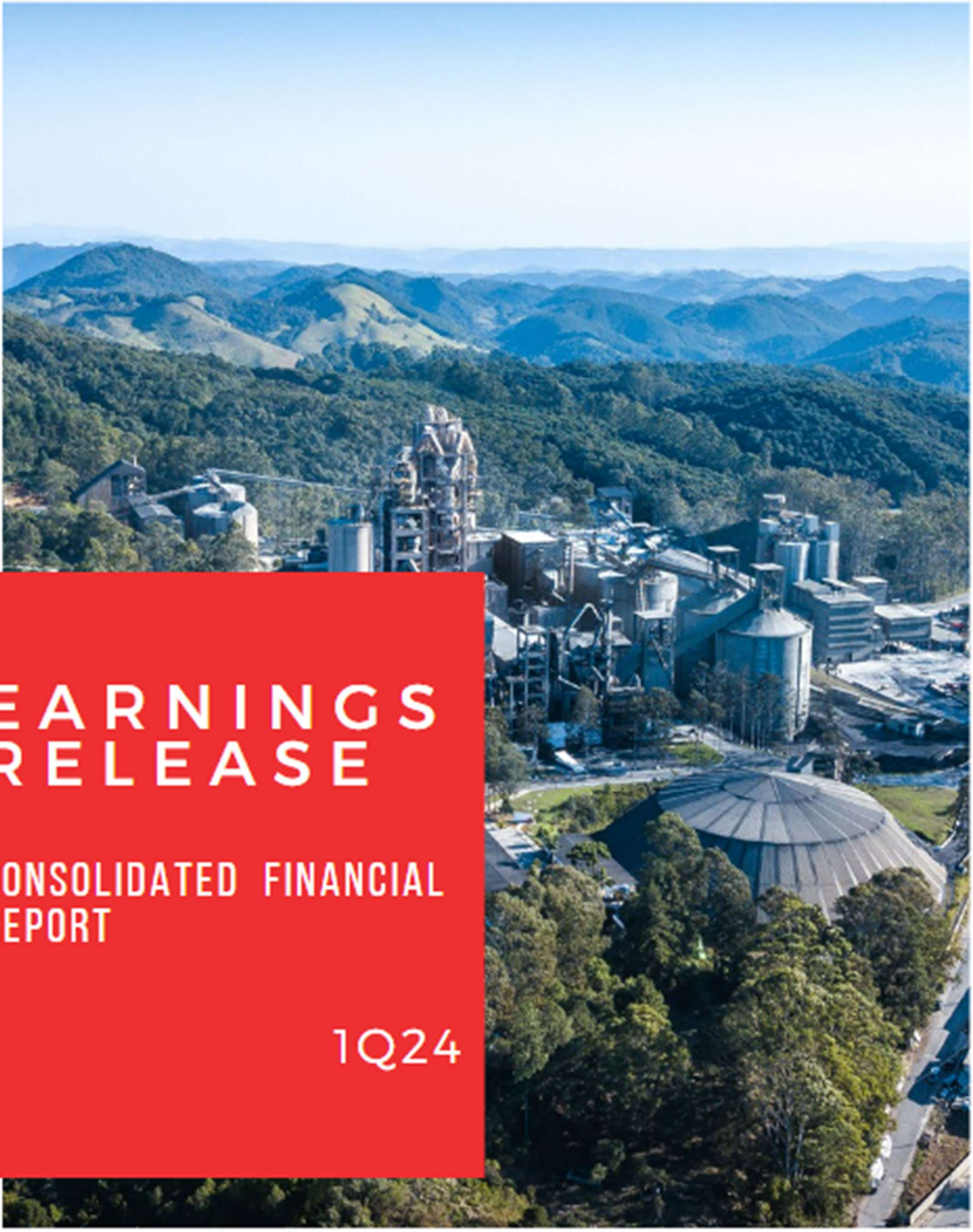

EARNINGS RELEASE

CONSOLIDATED FINANCIAL REPORT

1Q24

InterCement

Building sustainable partnerships

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1Q24 posted Adjusted Ebitda growth in Brazil, offset by contraction in Argentina, on the back of macroeconomic adjustments

Considering the sale of the African operations in 2023, the Group's current capital and operating structure, and the fact the main shareholder publishes its financial statements in Brazilian Reais (BRL), as from March 31, 2024, InterCement's financial statements are reported in BRL, which is also its functional currency.

1. 1Q24 Performance

- The overall volume of 3 million tons (Mt) was down by 15.1% YoY, impacted mainly by the challenging economic environment in Argentina, where volumes contracted 31% YoY. Brazil presented a decrease (-2.9%) compared with the same period in 1Q23, which was slightly better than the overall local industry (-3.5%).
- Total sales of BRL 1,425 million decreased 22.4% YoY, primarily attributed to a lower demand for cement sales in Argentina and significant devaluation of the Argentinean Peso. Sales in Brazil declined 11.7% in the quarter following the market trend (without adjusting the baseline for the sale of the concrete business, which contributed to Sales in 1Q23).
- Adjusted EBITDA[1] reached BRL 324 million, reflecting a 22% decline compared to BRL 413 million recorded in 1Q23, mostly as a result of the context of challenging economic environment, leading to lower sales volume and the local currency devaluation pronouncedly outpacing inflation in Argentina YoY. In Brazil, it reached BRL163 million, showing an increase in comparison to the previous year (8.9% YoY), on the back of lower costs and expenses.
- Negative Free Cash Flow to the Firm (FCFF) of BRL 372 million, 33% worse than that in 1Q23, impacted by lower Adjusted EBITDA especially in Argentina, given the macro context and a higher CAPEX disbursement.
- Net Debt[3] at BRL 6,954 million, posted an increase of 11% when compared to Dec'23, mainly due to the seasonal working capital increase in the first three months, besides the bonds coupon payment and dividends distributed to minority shareholders of the power generation SPVs. The cash position at 1Q24 was at BRL 1,362 million, of which BRL 1,129 million at the holdcos, BRL 34 million in Argentina and BRL 199 million in Brazil. As a result of the aforementioned factors, leverage stood at 4.6x Adj. EBITDA as of Mar'24.

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

2 – CAPEX and FCF to the firm of continuing operations, since per IFRS5, cash flow is presented on an integral basis.

3 – 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.

KEY FIGURES			
(BRL million)	1Q24	1Q23	Var. %
Cement and Clinker Sales ('000 ton)	**3,038**	3,577	(15%)
Sales	**1,425**	1,837	(22%)
EBITDA	**319**	391	(18%)
Adjusted EBITDA[1]	**324**	413	(22%)
CAPEX[2]	**(120)**	**(94)**	28%
FCF to the firm[2]	**(372)**	**(280)**	(33%)

Debt			
(BRL million)	1Q24	4Q23[4]	Var. %
Net Debt[3]	**6,954**	6,289	11%
Net Debt/ Adjusted EBITDA LTM	**4.6**	3.9	17%

2. Working Capital Considerations and going concern considerations

Management continues to execute the "Liability Management Plan" announced in prior years, which includes divestments of assets. In January 2023, the Company concluded the sale of its Egypt, South Africa and Mozambique segments. Group is now focused on the more significant businesses (Brazil and Argentina) and on our indebtedness.

Working together with BTG Pactual Bank, management is evaluating more suitable alternatives with the aim of balancing the capital structure. In this context, a competitive process has been organized and is currently underway. Consequently, offers were received for these strategic alternatives and cash flows scenarios were built reflecting the different outcomes of the debt restructuring and the potential divestment options.

Considering this assessment and possible future outcomes, the current negative working capital situation may be overcome under such plausible scenarios, despite the intrinsic uncertainty associated with any scenario involving multiple stakeholders and creditors.

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2 – CAPEX and FCF to the firm of continuing operations.

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4 – Given the hyperinflationary economic conditions in the last quarter of 2023 and substantial devaluation of the Argentine peso, management provided alternative figures for the Statement of Profit and Loss for the Argentinean Segment, not adjusting the first three quarters results of 2023 for the effects of the last quarter inflation and the year end exchange rate, given the extraordinary, non-recurring aspect of the mismatch between the currency devaluation and the inflation rate observed in the last quarter.

In connection with the referred liability management plan, on May 1st, 2024, the Company signed an exclusivity agreement until July 12, 2024, with Companhia Siderúrgica Nacional (CSN) on the potential acquisition of shares representing 100% of the Company's stock.

Notwithstanding the foregoing, on the date hereof, there is no signed document that generates any binding obligation or commitment on the part of the Company or its subsidiaries in relation to any potential transaction. Also, subsequently to March 31, 2024 the Company has reached an agreement with its debentures holders to defer the payments originally due in 2023 to May 27, 2024, to preserve liquidity while negotiating a comprehensive refinancing plan.

The working capital is negative in BRL 3,647 million, driven by "Borrowing and Financing and Debentures" in the Current Liabilities amounting to BRL 4,687 million. Furthermore, the Company is seeking additional opportunities to generate cash from the sales of other non-core and non-operating assets.

Therefore, the condensed interim consolidated financial statements were prepared on the basis of a going concern. This position will be reevaluated based on the progression of discussions with the Company's creditors and the receipt of proceeds from the potential sale of Group assets, which will be key factors to address the short-term obligations.

3. Profit and Loss

Total of Volumes Sold reached 3Mt in 1Q24, a contraction of 15.1% YoY. In Argentina, volumes decreased 31.3%, mostly explained by an overall market contraction, that followed the macroeconomic adjustments promoted by the new government, which suspended public construction works, among other austerity measures aimed to control inflation and stabilize the economy. Brazil volumes were down 2.9% YoY, also influenced by the economic environment, with high interest rates and lower disposable income, as well as by above-average rainfall in certain regions and less working days in comparison to the same period of last year.

Moneywise, **sales** amounted to BRL 1,425 million during 1Q24, marking a decrease of 22% YoY. In Brazil, the decline (-11.3% YoY) was due to the lower demand combined to a retraction in prices as a consequence of the competitive market dynamics last year. Yet, in comparison to the previous quarter (4Q23), average price showed signs of slight recovery. Meanwhile, in Argentina (-32.3% YoY), revenue was impacted by the challenging economic environment, following the ARS maxidevaluation in December and the monetary tightening to fight inflation.

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

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STATEMENT OF PROFIT AND LOSS

(BRL million)	1Q24	1Q23	Var. %
Sales	**1,425**	**1,837**	**(22%)**
Net Operational Cash Costs	**(1,106)**	(1,446)	24%
Operational Cash Flow (EBITDA)	**319**	**391**	**(18%)**
Deprec. Amort. and Impairments	**(175)**	(192)	9%
Operating Income (EBIT)	**144**	**200**	**(28%)**
Financial Results	**167**	**(267)**	**163%**
Foreign exchange gains/(losses), net	**(27)**	**(76)**	65%
Financial income	**594**	**222**	168%
Financial expenses	**(400)**	**(413)**	3%
Pre-tax Income (Loss)	**311**	**(66)**	**569%**
Income Tax	**(183)**	(19)	(860%)
Net Inc. (Loss)	**128**	**(85)**	**251%**
Net Inc. (Loss) from discontinued Op.	**49**	(224)	122%
Net Income (Loss) from continuing & discontinued	**177**	**(309)**	**157%**
Attributable to:			
Shareholders	**10**	(394)	102%
Minority Interests	**167**	85	97%

Cash costs (including expenses) decreased 24% in the period, following the lower sale volumes (-15%) and also partially reflecting the ARS maxidevaluation. Additionally, part of this decrease is explained by the softening of energy input prices, such as natural gas and electrical power in Argentina, and petcoke in Brazil.

The combination of the aforementioned factors, led the **Adj. EBITDA** to decline 22%, to BRL 324 million.

In Brazil, the Adj. EBITDA totaled BRL 163 million, reflecting an increase of 8.9% vs 1Q23, despite lower sales, thus registering margin recovery. Argentina's Adj. EBITDA totaled BRL 159 million in 1Q23, posting a decrease of 39.4% YoY, on the back of the maxidevaluation of the ARS, coupled to challenging economic scenario, high inflation effects and weaker demand across all segments of the market.

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

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Non-recurring items related to InterCement's operations totaled BRL 5 million during 1Q24, basically explained by one-off restructuring expenses and related layoffs, with an Adj. EBITDA reconciliation as follows:

ADJ. EBITDA - RECONCILIATION ITEMS			
(BRL million)	1Q24	1Q23	Var. %
EBITDA	**319**	**391**	**(18%)**
Reconciliation Items to Adjusted EBITDA	**5**	**23**	**(79%)**
Restructuring projects	-	3	s.s
Layoff related to restructuring	1	7	(86%)
Others non-recurring	4	1	214%
ADJ. EBITDA	**324**	**413**	**(22%)**

Depreciation, Amortization and Impairment, totaled BRL 175 million in 1Q24, a decrease of BRL 16 million (-9% YoY), mainly due to the local currency devaluation in Argentina.

Financial Results amounted to a positive BRL 167 million, BRL 434 million better than the loss in 1Q23, mostly consequence of the hyperinflationary monetary adjustments in Argentina (which was only partly offset by the ARS, limited devaluation in the quarter).

Income taxes is BRL 165 million higher than that in 1Q23 (yet majorly deferred) due to the relevant, positive impact from financial income in the first quarter of the year.

All in all, **Net Income from continuing operations** totaled an income of BRL 128 million, in contrast to BRL 85 million loss from continuing operations recorded in the same period of the previous year. Additionally, the Group recognized a BRL 49 million gain related to Africa´s divestment (discontinued operations), which also encompasses the reimbursement for investment in the expansion of Nacala plant in Mozambique.

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4. Free Cash Flow

FREE CASH FLOW GENERATION MAP (BRL million)	1Q24	1Q23
Adjusted EBITDA	324	413
Fluctuation in Operational Assets/Liabilities	(571)	(538)
Others	13	(22)
Operating Activities	**(234)**	**(147)**
CAPEX	(120)	(94)
Income taxes Paid	(18)	(39)
Free Cash Flow to the firm	**(372)**	**(280)**
Interests Paid	(187)	(158)
Other Investing activities	23	201
Free Cash Flow	**(536)**	**(237)**
Borrowings and financing	468	717
Repayment of borrowings, financ. and debent.	(300)	(519)
Dividends	(53)	(50)
Other financing activities	5	(23)
Changes in cash & equivalents	**(416)**	**(112)**
Exchange differences	29	(42)
Cash, cash equivalents and securities, End of the Period	**1,362**	**825**

InterCement registered a negative BRL 234 million of **Cash Flow from operating activities** in 1Q24, showing a decrease of BRL 87 million vs 1Q23, basically as a result of the combination of lower Ebitda from Argentina and higher stock levels, on the back of the challenging economic environment, leading to lower sales volume.

CAPEX disbursement in 1Q23 was BRL 120 million, 27.6% higher than in 1Q23, mainly due to higher levels of maintenance Capex planned and executed in both Brazil and Argentina operations for this quarter.

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2 – CAPEX and FCF to the firm of continuing operations, since per IFRS5, cash flow is presented on an integral basis.

3 – 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.

Interests paid in 1Q24 amounted to BRL 187 million, comprising the bonds coupon payment in January 2024 by HoldCos (BRL 78 million) and interests paid by Loma Negra (BRL 108 million) on its gross debt, which was higher in 1Q24 than that in the previous year.

As a result, the Free Cash Flow is negative in BRL 536 million, which corresponds to a BRL 579 million decrease compared with 1Q23, when InterCement benefited not only from higher Ebitda, but also from lower capex and the disposal of its operations in Egypt.

At the financing side, the debt position fluctuation in the period is mostly derived from amortizations and new debt issues (working capital) in Argentina, and BRL 53 million of dividends payment to minority shareholders of the power self-producer SPVs in Brazil.

All in all, InterCement had a negative BRL 416 million change in its cash position in the quarter. Cash and Cash Equivalents balance, including financial instruments such as securities, totaled BRL 1,362 million at the end of March 2024.

5. Balance Sheet

Total Assets amounted to BRL14,967 million on March 31, 2024, showing an increase of 11%, mainly due to the high inflation in Argentina (only partly offset by the ARS devaluation). Reflecting the cash flow shown above, the cash and cash equivalents position was reduced, while working capital increased, as typically happens during the first quarter of the year.

Gross Debt, at BRL 8,317 million (outstanding principal amount), is 3,5% higher than that in the end of Dec'23, when gross debt was at BRL 8,034 million, due to the FX impact (BRL depreciation in the first quarter) and higher debt in Argentina (BRL 299 million). At the OpCos level, in Brazil, the outstanding balance was maintained basically the same in BRL, while in Argentina the gross debt balance increased by new debt issuances, aimed to fund working capital requirements, partly offset by amortizations and the local currency (ARS) devaluation.

For the same reason that led total assets to increase, related to the mismatch between inflation rate and the ARS devaluation rate, total shareholders' equity increased 53% in the quarter.

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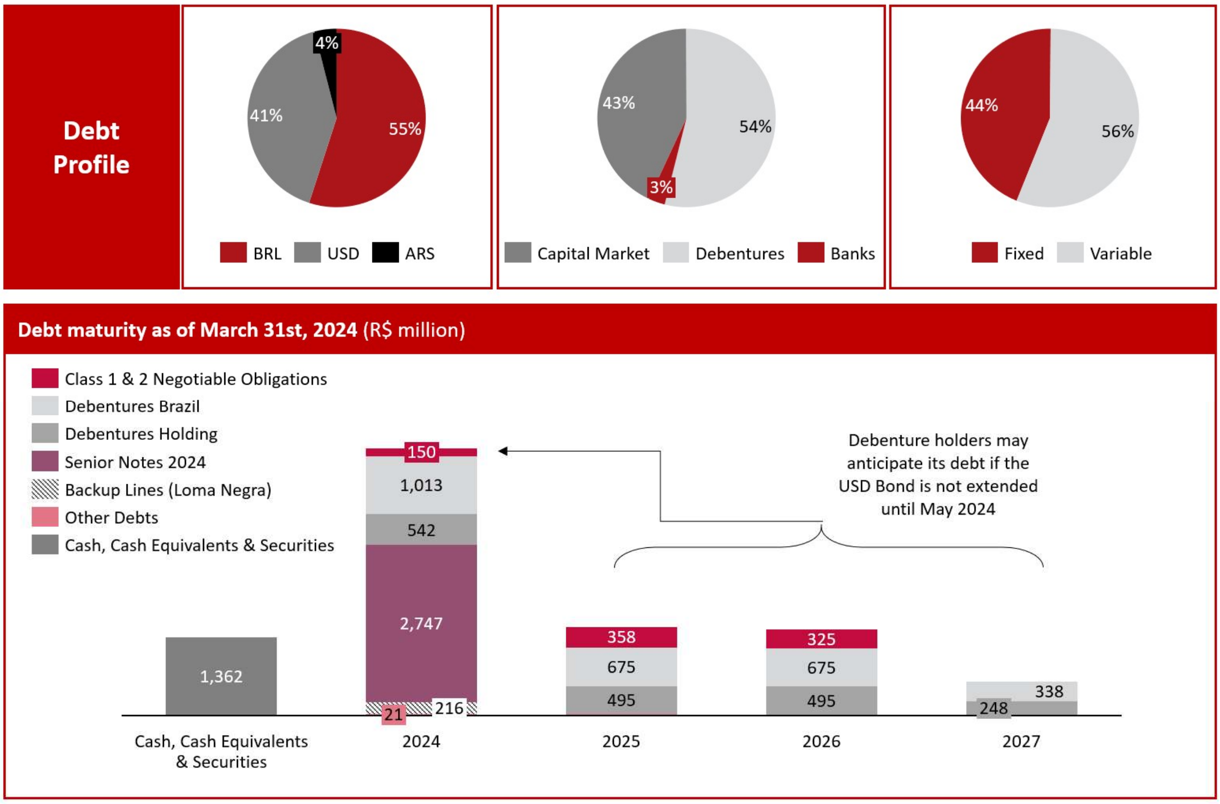
3 – Net Debt is calculated as follows: the sum of current and non-current borrowings and financings and debentures (excluding interest payable, current and non-current obligations under finance leases) less cash, cash equivalents, current securities and derivatives.

CONSOLIDATED BALANCE SHEET SUMMARY	31 mar 2024	31 dec 2023	
(BRL million)	Total	Total	Var. %
Assets			
Non-current Assets			
Other Non-current Assets	**11,681**	10,329	13%
Cash, cash equivalents and securities	**1,362**	1,750	(22%)
Derivatives	**1**	1	0%
Other Current Assets	**1,923**	1,350	42%
Assets classified as held for sale	**-**	16	(100%)
Total Assets	**14,967**	**13,446**	**11%**
Current Liabilities			
Borrowing and Financing and Debentures	**4,687**	4,472	5%
Lease Liabilities	**66**	66	(0%)
Other Current Liabilities	**2,179**	2,232	(2%)
Non-Current Liabilities			
Borrowing and Financing and Debentures	**3,630**	3,612	0%
Leases Liabilities	**221**	237	(7%)
Provision for tax, civil and labor risks and environmental recovery	**165**	155	6%
Other Liabilities	**1,329**	908	46%
Total Liabilities	**12,277**	**11,683**	**5%**
Shareholders' Equity attributable to:			
Equity Holders	**1,215**	846	44%
Minority Interests	**1,475**	915	61%
Total Shareholders' Equity	**2,690**	**1,761**	**53%**
Total Liabilities and Shareholders' Equity	**14,967**	**13,444**	**11%**

The Debt Profile on March 31, 2024 was as follows:



(*) Not included interests payable

Among the next debt maturities, there are (i) loans for working capital purposes that include BRL 216 million of backup lines (in Argentina), which are regularly renewed, (ii) BRL 1,554 million representing debentures (HoldCo + Brazil) amortizations due in 2024, which include two installments from Brazil and one from HoldCo that were postponed from 2023, (iii) Maturity of senior notes in July, representing BRL 2,747 million, (iv) BRL 21 million of bilateral loans in Brazil and Argentina. On a currency perspective, the debt is mainly balanced between BRL and US Dollar, which correspond to 54% and 41% of the total gross debt, respectively.

In this quarter, the Company succeeded to execute new loans in Argentina, in order to refinance its short-term maturities.

6. Operational In-depth - 1Q24

Brazil

Cement volume sold recorded a 2.9% decrease in the quarter YoY, showing a slightly better performance than the overall local industry (-3.5%). Considering the volume sold per working day, the market contraction was softer, down just 1.1% vs 1Q23. The topline reduced 11.3% compared to 1Q23, as prices were still lower than their average in the first quarter of last year, yet higher than in 4Q23. Production costs decreased 13% vs 1Q23 driven by the reduction in petcoke price, enhanced strategy for acquiring raw materials and logistical optimization.

As a result, Adj. EBITDA amounted to BRL 163 million in the quarter, showing an increase of 8.9% vs 1Q23.

Although the market demand continues to retract due to lower disposable income and house indebtedness hindering the recovery to an increasing level of activity, for the coming months, the perspective of a slight market growth is more encouraging. However, given the tragic floods that hit the south of Brazil (Rio Grande do Sul State) in May'24, the second quarter may be adversely impacted. The Company operates two plants in the state, which were not damaged by the floods, but are impacted by temporary logistical constraints.

As the floods are still affecting many communities and businesses in that region and the authorities' primary focus is on the assistance of the affected population, it is yet unclear how this event will impact the market demand and the business performance along this year. The Company is also focused on supporting its employees directly impacted.

Argentina

Argentinean operations showed a volume retraction of 31.3% YoY, primarily driven by a general demand contraction from private and public sectors, reflecting the economic scenario, that resulted from the new government measures implemented to fight hyperinflation and stabilize the economy. Although the decrease in volume affected both dispatch modes, the bulk mode was more severely impacted by the political transition, as a result of the suspension of public construction works. In March, demand plummeted even more pronouncedly, around 43%, also impacted by a long period of rain causing construction works to be reduced in some important regions.

This contributed to a 32.3% retraction in revenue, on the back of the volume drop and, to a lesser extent, also affected by softer price dynamics (measured in USD), once inflation and local currency devaluation mismatched in the end of 2023 and beginning of this year. Yet, along the quarter, prices recovered in USD terms, as inflation outpaced the ARS devaluation during this period.

The lower cost of energy inputs, both thermal and electrical, were not enough to fully offset the context of high inflation, maxidevaluation and lower sales volume. Therefore, Adj. EBITDA decreased 39.4% YoY to BRL 159 million, while margins were 2.8p.p lower than that in the same period of last year.

See below the summary tables for our operational performance in 1Q24:

CEMENT AND CLINKER VOLUMES SOLD (thousand tons)	1Q24	1Q23	Var. %
BRA	1,980	2,038	(2.9%)
ARG	1,058	1,539	(31.3%)
Consolidated Total	**3,038**	**3,577**	**(15.1%)**

NET REVENUES (BRL million)	1Q24	1Q23	Var. %
BRA	756	852	(11.3%)
ARG	668	987	(32.3%)
Others	8	16	(50.3%)
Sub-Total	**1,432**	**1,855**	**(22.8%)**
Intra-Group Eliminations	(7)	(18)	59%
Consolidated Total	**1,425**	**1,837**	**(22.4%)**

ADJ. EBITDA (BRL million)	1Q24	1Q23	Var. %
BRA	163	150	8.9%
ARG	159	261	(39.4%)
Others	2	2	0%
Consolidated Total	**324**	**413**	**(21.6%)**
EBITDA Margin	**22.7%**	**22.5%**	**0.2 p.p.**

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

7. Subsequent events

Exclusivity agreement with CSN

The Company executed, on May 1st, 2024, an agreement providing for exclusivity until July 12th, 2024, to Companhia Siderúrgica Nacional (CSN) with respect to the potential acquisition of shares representing 100% (one hundred percent) of the Company's capital stock. Notwithstanding the foregoing, on the date hereof, there is no signed document that generates any binding obligation or commitment on the part of the Company or its subsidiaries in relation to any potential transaction.

Agreement with debenture holders for renewal of standstill

The Company has reached an agreement with its debentures holders to defer the payments to May 27, 2024 to preserve liquidity while negotiating a comprehensive refinancing plan.