INTERCEMENT PARTICIPAÇÕES S.A. IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

InterCement | Building sustainable partnerships

São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1.909
6º ao 10º andar - Vila Nova Conceição
04543-011 - São Paulo – SP - Brasil
Tel: +55 11 2573-3000
ey.com.br

Independent auditor's report on the consolidated financial statements

To the Shareholders, Board of Directors and Management of
InterCement Participações S.A – In Judicial Reorganization.

Disclaimer of opinion

We were engaged to audit the consolidated financial statements of InterCement Participações S.A – In Judicial Reorganization and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statements of profit or loss, of comprehensive income (loss), of changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including the main accounting policies and other explanatory notes.

We have not issued an opinion on the consolidated financial statements of the Company and its subsidiaries because, due to the relevance of the matter described in the following section described "Basis for disclaimer of opinion", we were unable to obtain appropriate and sufficient audit evidence to provide a basis for our audit opinion on the consolidated financial statements.

Basis for disclaimer of opinion

As mentioned in explanatory notes 1 and 10 to the consolidated financial statements, on December 3, 2024, the Company filed a petition for judicial reorganization jointly with its wholly owned subsidiary Intercement Brasil S.A. – In Judicial Reorganization, and its indirect Parent Company Mover Participações S.A. – In Judicial Reorganization, and some of Group subsidiaries, which was accepted on December 5, 2024 by the judge of the 1st Bankruptcy and Judicial Reorganization Court of the District of the Capital of the State of São Paulo, pursuant to article 52 of Law 11.101/2005. The judicial reorganization was deemed a necessary step to enable the Company to rebalance its capital structure and to renegotiate its existing debts, including the overdue financial loans. On February 10, 2025, the Company submitted the judicial reorganization plan, establishing the terms and conditions proposed to enable the overcoming of the current economic and financial situation; however, as of the date of the consolidated financial statements, the judicial reorganization plan has not been approved by the creditors, and it is possible that the terms and conditions presented therein will be revised until its final approval at a General Meeting of Creditors, to be scheduled during the year 2025. Considering the Company's financial situation, which depends on the successful execution of its judicial reorganization plan, its ability to continue as a going concern is still uncertain.

Due the fact that the Company depends on the successful execution of the judicial reorganization plan to overcome the current economic and financial situation, as mentioned in the paragraph above, we were unable to conclude whether the consolidated financial statements should be prepared based on the going concern basis of accounting, or if they should be prepared on another basis. The basis for preparing consolidated financial statements, the realization of non-current assets, including deferred tax assets, as well as the need to recognize additional allowances and provisions, the sufficiency of the recorded allowances and provisions, measurement of trade payables, borrowings, financing and debentures, and their corresponding fair values, depend on the completion and successful execution of the judicial reorganization plan, and are essential factors to the determination of the Company´s ability to continue as a going concern, and whether or not the corresponding assets and liabilities are appropriately measured and presented as of December 31, 2024.

It is also worthy to mention that as of December 31, 2024, the Company incurred in losses from continuing operations in the amount of R$274,493 thousand and profits from discontinued operations in the amount of R$27,709 thousand and, according to the balance sheet ended on that date, the consolidated current liabilities exceeded the total current assets in the amount of R$8,635,141 thousand. This scenario raises significant doubt to the Company's ability to continue as a going concern, and given the uncertainties referred to above, it was not possible to conclude on the use of the going concern basis of accounting as of December 31, 2024, nor to determine potential effects or adjustments to the consolidated financial statements on that date.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) (current named by the IFRS Foundation as “IFRS accounting standards”, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company’s and its subsidiaries’ ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s and its subsidiaries’ financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We are independent in relation to the Company and its subsidiaries, in accordance with the relevant ethical principles set forth in the Professional Code of Ethics for Accountants and in the professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities in accordance with these standards.

São Paulo, April 2, 2025.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC-SP 034519/O

Cezar Augusto Ansoain de Freitas
Accountant CRC SP-246234/O

INTERCEMENT PARTICIPAÇÕES S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Consolidated Statements of Financial Position as of December 31, 2024 and December 31, 2023

(In thousands of Brazilian Reais - BRL)

ASSETS	Notes	12.31.2024	12.31.2023 Recasted	LIABILITIES AND EQUITY	Notes	12.31.2024	12.31.2023 Recasted
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and cash equivalents	3	1,843,784	1,749,677	Trade payables		1,107,218	927,403
Trade receivables	5	460,885	266,806	Obligations from confirming		-	12,490
Inventories	6	1,487,029	801,450	Debentures	10	8,328,633	4,367,761
Recoverable taxes		70,200	151,194	Borrowings and financing	9	183,332	104,036
Other receivables		79,368	130,371	Interest payable	9 and 10	2,109,608	775,533
		3,941,266	3,099,498	Leases liabilities	14	76,011	66,200
				Taxes payable	16	425,631	161,354
				Payroll and related taxes		210,889	123,018
				Advances from customers		51,795	39,477
				Other payables		83,290	193,056
						12,576,407	6,770,328
Assets classified as held for sale	2.24	-	15,526	Liabilities directly associated with assets classified as held for sale	2.24	-	-
Total current assets		3,941,266	3,115,024	Total current liabilities		12,576,407	6,770,328
NONCURRENT ASSETS				NONCURRENT LIABILITIES			
Securities	4	6,834	43,283	Debentures	10	402,598	3,580,683
Trade receivables	5	2,091	2,549	Borrowings and financing	9	18,914	31,653
Inventories	6	437,649	169,400	Leases liabilities	14	201,314	237,392
Recoverable taxes		109,820	41,894	Provision for tax, civil and labor risks	11	103,653	88,189
Deferred income tax and social contribution	16	407,256	375,000	Provision for environmental recovery	12	86,355	66,629
Judicial deposits		76,761	83,050	Taxes payable		26,294	22,539
Derivatives	24.9	7,571	1,441	Deferred income tax and social contribution	16	1,675,588	754,151
Other assets and receivables		124,379	59,675	Other payables		127,870	132,448
Right-of-use assets	14	246,445	271,124	Total noncurrent liabilities		2,642,586	4,913,684
Property, plant and equipment	7	8,567,942	5,121,969	TOTAL LIABILITIES		15,218,993	11,684,012
Intangible assets:							
Goodwill	8	3,718,381	3,716,131				
Other intangible assets	8	457,076	445,141	SHAREHOLDER'S EQUITY			
Total noncurrent assets		14,162,205	10,330,657	Capital	15	2,562,966	2,562,966
				Accumulated loss		(980,782)	(176,829)
				Other comprehensive loss	15	(1,030,935)	(1,539,722)
				Equity attributable to the Company's owners		551,249	846,415
				Non-controlling interests	15	2,333,229	915,254
				Total equity		2,884,478	1,761,669
TOTAL ASSETS		18,103,471	13,445,681	TOTAL LIABILITIES AND EQUITY		18,103,471	13,445,681

The accompanying notes are an integral part of this consolidated financial statements

INTERCEMENT PARTICIPAÇÕES S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Consolidated Statements of profit or loss for the year ended December 31, 2024 and 2023

(In thousands of Brazilian Reais – BRL except per loss per share)

	Notes	12.31.2024	12.31.2023 Recasted
CONTINUING OPERATIONS			
NET SALES	17	7,468,994	6,031,587
COST OF SALES AND SERVICES	18	(5,739,530)	(4,848,027)
GROSS PROFIT		1,729,464	1,183,560
OPERATING INCOME (EXPENSES)			
Selling expenses	18	(372,785)	(270,018)
Administrative expenses	18	(534,374)	(432,659)
Other income	18	140,333	105,837
INCOME BEFORE FINANCIAL INCOME (EXPENSES), INCOME TAX AND SOCIAL CONTRIBUTION		962,638	586,720
FINANCIAL INCOME (EXPENSES)			
Foreign exchange losses	19	(354,248)	(804,292)
Financial income	19	1,734,246	922,670
Financial expenses	19	(2,083,366)	(1,628,714)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		259,270	(923,616)
INCOME TAX AND SOCIAL CONTRIBUTION			
Current	16	(420,704)	(27,931)
Deferred	16	(113,059)	(121,631)
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		(274,493)	(1,073,178)
DISCONTINUED OPERATIONS			
PROFIT (LOSS) FOR THE YEAR FROM DISCONTINUED OPERATIONS	2.24	27,709	(164,390)
LOSS FOR THE YEAR FROM CONTINUING AND DISCONTINUED OPERATIONS		(246,784)	(1,237,568)
PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO			
Company's owners		(803,953)	(1,303,726)
Non-controlling interests		557,169	66,158
LOSS PER SHARE FROM CONTINUING OPERATIONS			
Basic/diluted loss per share	21	(15.72)	(22.96)
LOSS PER SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS			
Basic/diluted loss per share	21	(15.19)	(24.64)

The accompanying notes are an integral part of this consolidated financial statements

INTERCEMENT PARTICIPAÇÕES S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income (loss) for for the year ended December 31, 2024 and 2023

(In thousands of Brazilian Reais - BRL)

	Notes	12.31.2024	12.31.2023 Recasted
CONTINUING OPERATIONS			
LOSS FOR THE YEAR FOR CONTINUED OPERATION		(274,493)	(1,073,178)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Employee benefits		(8,778)	(1,481)
Items that might be reclassified subsequently to profit or loss:			
Effects of hyperinflationary monetary adjustment and Exchange differences from translation of foreign operations		1,547,747	(983,749)
Derivative and hedging transactions		(35,825)	4,369
TOTAL COMPREHENSIVE INCOME FOR THE YEAR FROM CONTINUING OPERATIONS		1,228,651	(2,054,039)
DISCONTINUED OPERATIONS			
PROFIT (LOSS) FOR THE YEAR FROM DISCONTINUED OPERATION	2.24	27,709	(164,390)
Other comprehensive income:			
Items that might be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		-	169,970
TOTAL COMPREHENSIVE INCOME FOR THE YEAR FROM DISCONTINUED OPERATIONS		27,709	5,580
COMPREHENSIVE INCOME (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO:			
Company’s owners		(322,875)	(1,682,862)
Non-controlling interests		1,551,526	(371,177)
COMPREHENSIVE INCOME / (LOSS) FROM CONTINUING AND DISCONTINUED OPERATIONS ATTRIBUTABLE TO:			
Company’s owners		(295,166)	(1,601,509)
Non-controlling interests		1,551,526	(446,950)

The accompanying notes are an integral part of this consolidated financial statements

INTERCEMENT PARTICIPAÇÕES S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Consolidated statements of changes in shareholders' equity for the years ended December 31, 2024 and 2023

(In thousands of Brazilian Reais - BRL)

				Earnings reserves							
	Notes	Share capital	Capital Reserves	Legal	Capital Budget	Transactions with shareholders	Other comprehensive income (loss)	Accumulated profit / (losses)	Total attributable to Company's owners	Non-controlling interests	Total equity
BALANCE AS OF DECEMBER 31, 2022 (Recasted)		2,562,966	1,363,133	-	-	(236,236)	(1,241,939)	-	2,447,924	1,842,231	4,290,155
Profit (loss) for the year		-	-	-	-	-	-	(1,303,726)	(1,303,726)	66,158	(1,237,568)
Loss absorption through capital reserves and earnings reserv	15	-	(1,363,133)	-	-	236,236	-	1,126,897	-	-	-
Other comprehensive income	15	-	-	-	-	-	(297,783)	-	(297,783)	(513,108)	(810,891)
Dividends declared to noncontrolling interests	15	-	-	-	-	-	-	-	-	(480,027)	(480,027)
BALANCE AS OF DECEMBER 31, 2023 (Recasted)		2,562,966	-	-	-	-	(1,539,722)	(176,829)	846,415	915,254	1,761,669
Profit (loss) for the year		-	-	-	-	-	-	(803,953)	(803,953)	557,169	(246,784)
Other comprehensive income	15	-	-	-	-	-	508,787	-	508,787	994,357	1,503,144
Dividends declared to noncontrolling interests	15	-	-	-	-	-	-	-	-	(130,902)	(130,902)
Other		-	-	-	-	-	-	-	-	(2,649)	(2,649)
BALANCE AS OF DECEMBER 31, 2024		2,562,966	-	-	-	-	(1,030,935)	(980,782)	551,249	2,333,229	2,884,478

The accompanying notes are an integral part of this consolidated financial statements

INTERCEMENT PARTICIPAÇÕES, S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows for the year ended December 31, 2024 and 2023

(In thousands of Brazilian Reais - BRL)

	Notes	12.31.2024	12.31.2023 Recasted
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (Loss) before income tax and social contribution		286,978	(1,027,894)
Adjustments to reconcile income before income tax and social contribution			
with net cash generated by (used in) operating activities:			
Depreciation, amortization and impairment losses	18	800,303	712,598
Recognition of expected credit losses, net		6,488	281
Recognition of allowance for inventories, net		8,895	3,179
Interest, accrued charges, and exchange differences		703,368	1,555,536
Loss on sale of long-lived assets	18	(1,890)	(50,152)
Exchange difference from translation of disposed discontinued operations	2.24	-	169,970
Gain / (Loss) on the sale amount	2.24	(27,709)	31,806
Other noncash operating losses, net		37,219	32,865
Decrease (increase) in operating assets:			
Related parties		(451)	(686)
Trade receivables		(199,818)	(148,720)
Inventories		(965,814)	(221,094)
Recoverable taxes		(26,059)	134,603
Other receivables		29,306	(39,038)
Increase (decrease) in operating liabilities:			
Related parties		(6,498)	(716)
Trade payables		178,694	286,663
Obligations from confirming		(12,490)	(359,339)
Payroll and vacation payable		87,664	(6,293)
Other payables		543,462	(17,015)
Taxes payable		14,675	11,939
Cash generated by operating activities before income tax and interest paid		1,456,323	1,068,493
Income tax and social contribution paid		(97,848)	(81,754)
Interest paid		(453,554)	(859,252)
Net cash generated used by operating activities		904,921	127,487
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in securities		36,449	(4,663)
Purchase of property, plant and equipment		(741,307)	(547,294)
Purchase of intangible assets		(49,925)	(42,135)
Sale of fixed and financial assets		39,975	50,168
Cash received from discontinued operations (Paraguay disinvestment in 2020)		-	7,493
Cash received from sale of property, plant and equipment and discontinued operations (Egypt)	2.24	-	174,552
Cash received from sale of property, plant and equipment and discontinued operations (Africa)	2.24	49,208	1,003,047
Other		(5,339)	(2,880)
Net cash generated (used) in investing activities		(670,939)	638,288
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings, financing and debentures	9 and 10	1,486,445	1,853,491
Repayment of borrowings, financing and debentures	9 and 10	(1,375,973)	(1,239,978)
Dividends paid by Argentinian and Brazilian subsidiaries to non-controlling interests		(179,872)	(387,048)
Disbursements due to certains financial instruments liquidations		-	(119,429)
Payment of principal portion of lease liabilities	14	(116,334)	(152,374)
Other instruments		(2,681)	(3,791)
Net cash used in financing activities		(188,415)	(49,129)
DECREASE IN CASH AND CASH EQUIVALENTS		45,567	716,646
EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS		48,540	(130,838)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3	1,749,677	1,163,869
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3	1,843,784	1,749,677

The accompanying notes are an integral part of this consolidated financial statements

INTERCEMENT PARTICIPAÇÕES S.A. - IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements for the year ended December 31, 2024
(Amounts in thousands of Brazilian Reais - BRL, unless otherwise stated)

1. General Information

InterCement Participações S.A. – In Judicial Reorganization ("Company" or "ICP") is a privately-held company headquartered in the City of São Paulo, State of São Paulo, Brazil, engaged in holding equity interests and investments abroad, leading a business group operating in 2 countries ("ICP Group" or "Group"). Its parent company is Mover Participações S.A. – In Judicial Reorganization ("Mover"). The Group is primarily engaged in the manufacture and sale of cement and cement by-products, in addition to the extraction of the minerals used to manufacture these products.

The Company owns 22 cement plants, 15 concrete plants, and 2 aggregates plants, located in Brazil and Argentina, with an aggregate installed capacity of approximately 28 million tons per year. Additionally, in Brazil it holds participation in hydroelectric power generation equity interests and assets.

As of December 31, 2024, the Company presented a loss from continuing operations of BRL274,493 (loss of BRL 1,073,178 as of December 31, 2023), significantly impacted by the recognition in the second semester of 2024 of interest and penalties in connection with the default on Brazilian debentures, as provided in the respective debt agreements (representing a non-recurring item) (See Note 19). The Company presented a negative working capital of BRL8,635,141 (negative in BRL3,655,304 as of December 31, 2023), as senior notes, which were due in July, 2024, and the debentures issued by Intercement Brasil and Intercement Participações (overdue, as referred senior notes were not refinanced by July 15, 2024) are now classified as current liabilities, while Group negotiates with creditors new terms for these debts.

These losses, cash constraints and negative working capital are a consequence of: i) a reduction in cement demand in recent years, which increased the competitive pressure on sales prices; ii) the inflationary pressure on certain costs and expenses that occurred between 2022 and 2024, particularly in respect of pet coke, a relevant raw material, which cost increased significantly in the international market in 2022, with a slight reduction in 2023 and 2024, having a negative effect on the operational margins and, consequently, on the cash flow; iii) the impact of the substantial increase of the interest rates since 2021, particularly the Selic rate in Brazil, on loans, financing and debentures, resulting in a notable increase in the debt servicing costs.; iv) the recording in the third quarter of 2024 of interest and penalties on Brazilian debentures, as provided in respective debenture indentures and, mainly, v) the above referred classification of senior notes and the debenture instalments as current liabilities - see Note 10 for further information.

Considering the results achieved in the year ended on December 31, 2024, as well as the review of the most plausible assumptions utilized in the Company's business plan and budget for 2025, management expects the recovery of the gross margin and a slight increase in cash generation in Brazil. This involves certain already implemented cost containment measures, as well as maintaining our market share, particularly in the most strategic regions of operations. This assessment encompasses, apart from the actions undertaken by the management itself, considerations regarding certain macroeconomic assumptions that lie beyond the Company's purview, such as potential reductions in pet coke costs, already being reflected in the costs incurred during the twelve months of 2024, the exchange rate (BRL/USD) and the Selic rate; also considering the competitive environment, as well as the Company's ability to conclude its restructuring process as indicated below. In relation to Argentina, the evolution of the economy will depend on the consolidation of the economic model and its capacity to generate confidence in its sustainability, thus providing a solid platform to support sustained development, and as for the construction sector and cement demand, the next quarters are expected to maintain the recovery trend, with year-on-year improvements. The speed of this recovery will depend on the general evolution of the economy, while the growth of mortgage credit and the impact of investment projects linked to the RIGI (Incentive Scheme for Large Investments) could favor growth projections.

Restructuring Plan and Judicial Reorganization Filing

As previously disclosed to the market, the Company and certain other entities within its economic group have been actively working to restructure their financial obligations. These efforts included signing exclusivity agreements in 2024 for the potential sale of 100% of Company's share capital, as well as initiating the Judicial Reorganization process in December. In this context, the following actions took place during 2024 and more recently:

(i) The protective injunction in support of the collective mediation procedure with the main financial creditors, as reported in the Material Fact disclosed on July 15, 2024, that provided for the suspension, for a period of 60 days, of the enforcement measures related to obligations to pay principal and interest instalments of that indebtedness subject to the mediation process that was initiated on that date, and included both outstanding debentures and Senior Notes, the latter of which matured and were due and payable on July 17, 2024.

(ii) The out-of-court reorganization process, as reported in the Material Fact disclosed on September 16, 2024, submitting an out-of-court reorganization plan in Brazilian Courts, together with its subsidiaries, InterCement Brasil S.A. – In Judicial Reorganization ("ICB"), InterCement Financial Operations B.V. – In Judicial Reorganization ("IC BV"), InterCement Trading e Inversiones S.A. – In Judicial Reorganization ("ITI"), and InterCement Trading e Inversiones Argentina S.L. – In Judicial Reorganization ("ITI – Arg"), to implement a restructuring of their outstanding indebtedness, which agreement was not entered into.

(iii) On December 3, 2024, the Company filed a petition for judicial reorganization in the Bankruptcy and Judicial Reorganization Courts of the District of São Paulo, together with its Parent company, Mover, and certain of its subsidiaries, namely ICB, IC BV, ITI, and ITI Arg. This measure aimed to guarantee stability for the applicant companies, preserving their ability to generate value for customers, employees, suppliers, partners and other stakeholders, as well as ensuring that their social function is fulfilled. In addition, the Judicial Reorganization will allow the conclusion of the negotiations in a timely manner, regardless of any sale of assets, given the company's robust cash generation capacity. Due to the request for Judicial Recovery, the exclusivity agreement for the potential sale of 100% (one hundred percent) of the share capital of ICP to a prospective buyer was automatically terminated.

On December 5, 2024, the judge of the 1st Bankruptcy and Judicial Reorganization Court of the District of the Capital of the State of São Paulo granted the processing, jointly, of the request for judicial reorganization formulated by the Company and its Parent Company, Mover and other entities within its economic group, pursuant to article 52 of Law 11.101/2005 ("LFR"). The court decision to grant the request, among other measures, determined the following:

(a) the appointment of Deloitte Touche Tohmatsu Consultores Ltda. to act as judicial administrator;

(b) the suspension of all actions and executions against the Intercement Group, as well as the prohibition of any form of retention, seizure, attachment, sequestration, search and seizure and judicial or extrajudicial constriction on its assets, arising from judicial or extrajudicial demands whose credits or obligations are subject to Judicial Recovery, under the terms of art. 6 and 52, item IIII, of the LFR;

(c) issuing a public notice, pursuant to article 52, paragraph 1 of the LRF, for the presentation of claims and/or divergences of claims within the scope of the Judicial Reorganization process;

(d) the presentation of the Company's judicial reorganization plan within 60 (sixty) days of the publication of the court decision, pursuant to article 53 of the LFR.

(iv) On February 10, 2025, the Company submitted the Judicial Reorganization Plan (“Plan”) as part of the ongoing Judicial Reorganization process involving the Company and certain other entities within its economic group, in accordance with Article 53 of LFR. The Plan sets forth the proposed terms and conditions aimed at overcoming the Company's current economic and financial challenges, ensuring business continuity, and preserving value. To date, the primary restructuring measures under consideration include adjusting the Company’s payment capacity through modifications to payment terms, charges and methods.

Considering the cash flow scenario resulting from the potential debt restructuring expected to materialize in the coming months, the current negative working capital situation may be overcome, despite the intrinsic uncertainty associated with this scenario involving multiple stakeholders and creditors. Given the likelihood of success of the aforementioned scenario, the Company deems it appropriate to apply the going concern assumption in the preparation of its consolidated financial statements for the year ended December 31, 2024. This position will be reassessed on a quarterly basis, considering the progress of the process referred above, which is critical to meeting short-term obligations.

Accordingly, the Company reaffirms its confidence in the Group's operational strength, believing that the Judicial Reorganization will serve as crucial tool for achieving a structured and definitive solution to restore economic and financial balance. This process is expected to enable the Company to sustain solid operational performance and resume the growth of its activities.

Divestments of Egypt, Mozambique and South Africa business segments

Mozambique and South Africa segment

During the first quarter of 2023 the Group decided to divest the operations in Mozambique and South Africa, and engaged external specialists to assist in the sale of such businesses. On June 27, 2023, the Company reached an agreement with Huaxin Cement Co. Ltd., regarding the sale of the corresponding businesses, collectively, the "African Business”, which was concluded definitively in December 2023, upon the receipt of the provisional selling price of BRL1,121,066 (US$231,563) in the end of December 2023. In April, 2024, the

Company and the Buyer agreed upon the price adjustment to be paid in the context of the divestment of the African assets, which amounted to BRL49,208 (US$9,887), and was received on May 13, 2024. On June 28, 2024, in the context of an arbitration proceeding in Mozambique, we were notified of an indemnification charge in respect of an ongoing dispute, and reached a deal with the buyer for a settlement in the amount of BRL21,499 (US$4,000 thousand), paid in October, 2024.

Egypt segment

On January 27, 2023, the Company announced the signing of a definitive agreement to sell all of its operations in Egypt, with immediate transfer of control to the buyer, in the amount of BRL208.684 (US$40,000). Such sale was aligned with the Group's ongoing liability management plan to deleverage the Company and focus on our core markets.

The net proceeds, received in January, 2023, were fully applied to repay existing debts at the time, in accordance with the trust deed agreements.

IFRS 5 application

As required by International Financial Reporting Standards 5 ("IFRS 5") "Non-Current Assets Held for Sale and Discontinued Operation", the results for the twelve-months period ended December 31, 2023 arising from Egypt, Mozambique and South Africa were presented as "discontinued operations" in the Consolidated Statements of profit and loss as of December 31, 2023 (for further information, see Note 2.24 below).

2. Basis of Preparation and Significant Accounting Policies

2.1. Basis of preparation, functional, reporting and presentation currencies

The accompanying consolidated financial statements were prepared on a going concern basis from the books and accounting records of the Company and its subsidiaries, and all consolidated entities prepared its financial information in accordance with International Financial Reporting Standards ("IFRS"). Such standards include the IFRS issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards ("IAS") issued by the Accounting Standards Committee ("IASC") and the interpretations issued by the IFRS Interpretation Committee ("IFRIC"). These standards and interpretations are hereinafter referred to collectively as "IFRS".

All relevant information in the financial statements is being evidenced and corresponds to that used by management in the conduction of the Company.

Functional, reporting and presentation currencies

The Company's functional currency is the Brazilian Reais. As prescribed by IAS 21, paragraph 38 - The Effects of Changes in Foreign Exchange Rates, the Company may present its financial information in any currency. Considering the sale of the African operations in 2023, Group's current capital and operating structure, and the fact the main shareholder publishes its financial statements in Brazilian Reais, as from 1Q'24 the Company considers the presentation currency for the purposes of the filing in Singapore to be the same as the functional currency.

Accordingly, the comparative annual consolidated financial information as of December 31, 2023, previously prepared in U.S. Dollars and released on April 10, 2024, are now being presented in Brazilian Reais following requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, once the change in the presentation currency represents a change in accounting policies. The comparative financial information is identified as "Recasted" to indicate the changes from the previously presented financial information.

Note on the accounting practice for the effects of inflation on the financial statements of Loma Negra CIASA.

Inflation levels in Argentina have been high these past years and the inflation rate accumulated over these past three years has exceeded 100% without the expectation of a significant decrease in the short-term, despite the recent economic changes after the recent presidential election. Therefore, such situation had trigged the requirement of a hyperinflation accounting as prescribed by IAS 29 Financial Reporting in Hyperinflationary Economies, or IAS 29, applicable to our segment whose functional currency is the Argentine peso. Such adjustments started as from July 1, 2018 (date at which hyperinflation was identified).

IAS 29 requires that the financial statements recorded in a hyperinflationary currency be adjusted by applying a general price index and expressed in the measuring unit (the hyperinflationary currency) current at the end of the reporting period. As a result of the above, our consolidated financial statements for the year end December 31, 2024 and 2023 reflect hyperinflation accounting for our Argentinean subsidiaries applying IAS 29 rules.

The impacts of such accounting standard in our consolidated financial statements for the year ended December 31, 2024 were an equity increase of BRL2,080,510 (BRL25,193,530 as of December 31, 2023), with reference to the opening balance, reported in other comprehensive income (loss), mainly arising from the revaluations of Property, plant and equipment and Intangible assets (Notes 7 and 8) and also the impact of the year presented as financial income, amounting of BRL1,577,277 (BRL830,948 as of December 31, 2023) (Note 19)

2.2. New standards and interpretations, revisions and amendments

a) New standards and interpretations came into effect during the year ended December 31, 2024:

New Standards	Effective Date
• Amendments to IAS 7 (CPC 03 (R2)) e à IFRS 7 (CPC 40 (R1)) – Supplier Finance Arrangements.	January 1st, 2024

Management evaluated the respective change in the standard and concluded that no adjustments were necessary in the consolidated financial statements ended on December 31, 2024.

b) New standards and interpretations that will take effect in future years

The new and amended standards and interpretations that were issued, but not yet effective, up to the date of issuance of the Group's financial statements are demonstrated below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New Standards	Effective Date
• Amendments to IAS 21 (CPC 02 (R2)) – Effects of changes in foreign exchange rates • Amendments to IFRS 1 (CPC 37 (R1)) – First-time Adoption of International Financial Reporting Standards • Amendment to IAS 28 (CPC 18 (R3)) – Investments in Associates and Joint Ventures (equity method); • Amendments to IFRS 18 – Presentation and Disclosure in Financial Statements • Amendments to IFRS 19 – Subsidiaries without Public Accountability	January 1st, 2025

2.3. Critical accounting judgements/estimates

The preparation of the consolidated financial statements in accordance with IFRS recognition and measurement principles requires the Board of Directors ("Management") to make judgements, estimates and assumptions that can affect the presented amount of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, as well as of income and expenses.

These estimates are based on the best knowledge existing at each moment and the planned actions, and are regularly reviewed based on the information available. Changes in facts and circumstances can lead to a revision of the estimates and so actual results may differ from these estimates.

The significant estimates and assumptions made by Management in preparing these financial statements include assumptions used in estimating the following items:

• Impairment of non-current assets (excluding Goodwill)

The determination of a potential impairment loss can arise as result from the occurrence of several events, many of them external to the ICP Group, such as macroeconomic conditions, industry and market considerations, cost factors, financial performance, ongoing debt restructuring, or any other changes, either internal or external, to ICP Group.

The identification of impairment indicators and the determination of the assets' recoverable amount, are subject to a Management's judgement referring to the identification and evaluation of the different impairment indicators, cash-generating units, expected cash flows, applicable discount rates, growth rates, useful lives and transaction values.

• Impairment of goodwill

Goodwill is subjected to annual impairment tests or whenever there are indications of a possible loss in value. The recoverable amounts of the cash-generating units to which goodwill has been allocated, is the higher between the market value, determined according with recent transaction multiples, and the value in use, determined according to the expected future discounted cash flows. The calculation of these amounts requires the use by Management of estimates regarding the projections of expected future discounted cash flows and the determination of discount rates considered.

• Accounts receivable allowances for expected credit losses

The expected credit losses associated to accounts receivable is evaluated at the end of each reporting period, taking into consideration the debtor's historical information and his risk profile and the economic environment. The accounts receivable are adjusted by the assessment of the expected credit losses at the reporting periods dates, which might differ from the effective risk to incur.

• Useful lives of intangible and property, plant and equipment.

The useful life of an asset is the time period during which an entity expects that an asset will be available for use and it must be reviewed at least at the end of each year.
The determination of the assets useful lives, amortization/depreciation methods to be applied, residual values and estimated losses resulting from the early replacement of equipment, due to technological obsolescence, is essential to determine the amount of amortization/depreciation charge to the statements of profit or loss of each year.

These parameters are defined according to Management's best estimate, for the assets and businesses in question, also considering the best practices adopted by companies operating in the same business activity.

• Provisions recognition and contingent liabilities disclosure

The Group periodically analyses possible obligations that arise from past events that should be recognized or disclosed. The inherent subjectivity to the determination of the probability and amount of internal resources required to settle the obligations, might lead to significant adjustments, either by the variation of the assumptions used or by the future recognition of provisions previously disclosed as contingent liabilities.

• Recognition of deferred tax assets

Deferred tax assets are only recognised when it is probable that there will be sufficient future taxable income to utilise the corresponding deferred tax assets or when there are deferred tax liabilities whose reversal is expected to occur in the same period of the reversal of the deferred tax assets. The carrying amount of deferred tax assets is reviewed by Management at the end of each reporting period, at each jurisdiction.

• Measurement of derivative financial instruments

The measurement of derivative financial instruments involves a number of estimates and assumptions, in particular expectations about interest rate and exchange rates, as well as estimates of the Group's credit risk and the various involved counterparties, which may differ from the original ones.

2.4. Basis for consolidation

a) Controlled entities – Subsidiaries

Subsidiary companies have been consolidated in each accounting period. The Group controls a company when it is exposed to, or has rights to, variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. Although the Group generally holds a majority of voting rights in the companies that are controlled, this applies irrespective of the percentage of interest in the share capital if control is obtained through agreements with other shareholders.

Third party participation in shareholders' equity and net profit of such companies is presented separately in the consolidated statements of financial position and consolidated statement of comprehensive income under the caption "Non-controlling interests".

The results of controlled companies acquired or sold during the period are included or excluded in the consolidated statement of comprehensive income from the date of their control is obtained to the date of their control is lost, respectively.

Significant balances and transactions between controlled companies are eliminated in the consolidation process. Capital gains or losses within the Group on the sale of subsidiary and associated companies are also eliminated.

Whenever necessary, adjustments are made to the financial statements of subsidiaries and associated companies to conform to the Group's accounting policies.

b) Consortiums and joint operations

Interests in consortiums and joint operations are recognized line by line in the Company's balance sheet and income statement. Interest in these companies is restricted to the percentage agreed upon between the parties.

c) Business combinations

Business combinations, namely the acquisition of controlled companies are recorded in accordance with the purchase method.

Acquisition cost is determined by the sum of the fair value of the assets given, liabilities and contingent liabilities incurred or assumed and equity instruments issued by the Group in exchange for the assumption of control in the entity acquired. Costs relating to the acquisition are recognized as expenses when incurred. Where applicable, cost includes the fair value of the contingent payments measured as of the date of acquisition. Subsequent changes in the value of the contingent payments or deferred payments, measured in accordance with IFRS 13, are recorded in the statements of operations.

The identifiable assets, liabilities and contingent liabilities of a subsidiary that meet the criteria to be recognised in accordance with IFRS 3 - Business Combinations ("IFRS 3"), are measured by their fair value as of the purchase date, except for non-current assets (or groups of assets) that are identified as held for sale in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations ("IFRS 5"), which are recognised and measured by their respective fair values less costs to sell.

Any excess of cost plus the amount of the non-controlling interests over the fair value of the identifiable assets and liabilities acquired as of the purchase date is recorded as Goodwill. Where acquisition cost increased with non-controlling interests is lower than the fair value of the net assets identified, the difference is recorded as a gain in the statements of profit and loss for the period in which the acquisition is made after reconfirmation of the fair value attributed.
If the process for recording combinations of business activities is incomplete at the end of the year in which the combination occurs, the Group discloses the situation and the amounts provided can be adjusted during the provisional measuring period (the period between the date of acquisition and the date the Group obtains complete information on the facts and circumstances that existed as of the date of acquisition, up to a maximum of 12 months).

Non-controlling interests are reflected separately in equity from the interests of the shareholders. Non-controlling interests can initially be measured at their fair value or by the proportion of the fair value of the assets and liabilities of the subsidiary acquired. This option is made separately for each transaction.

After initial recognition, the book value of the non-controlling interests is determined as the amount initially recognized plus the proportion of changes in equity of the subsidiary. Comprehensive income of a subsidiary is attributed to non-controlling interests even if it is negative.

The results of subsidiaries acquired or sold during the period are included in the statement of comprehensive income (loss) as from the date of acquisition or up to the date of sale.

In specific situations in which the Group has in substance control of other entities created for a specific purpose, even if it does not have participations directly in the entities, they are consolidated.

Changes in the percentage of control over subsidiaries that do not result in loss of control are recorded as equity transactions. The value of the Group's non-controlling interests is adjusted to reflect changes in percentages. Any difference between the amount for which the non-controlling interests is adjusted and the fair value of the transaction is recorded directly in equity and attributed to the shareholders of the Parent Company.

When the Group loses control over a subsidiary, the gain or loss on the sale is calculated as the difference between (i) the aggregated amount of the fair value of the assets received and the fair value of the interests retained and (ii) the book value of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. Amounts previously recognized in equity as "Other comprehensive income (loss)", namely the exchange effect resulting from the translation of foreign currency financial statements are transferred to the statements of profit or loss or to retained earnings in the same way as would happen if related assets or liabilities were sold. The fair value of the interests retained corresponds to the fair value at the initial recognition for purposes of the subsequent recording in accordance with IAS 39 – Financial instruments or, where applicable, cost for purposes of the initial recognition of an investment in an associate or joint venture.

d) Goodwill

Differences between the cost of investments in subsidiaries, plus the fair value of non-controlling interests, and the fair value of the identifiable assets, liabilities and contingent liabilities of these companies as of the date of acquisition, if positive, are recognized as goodwill.

Goodwill is stated in the functional currency of the respective cash-generating unit, being translated to the Company functional currency (Brazilian Reais) at the rate of exchange as of the balance sheet date. Exchange differences generated in that translation are recorded in the equity caption “Currency translation adjustments”.

Goodwill on acquisition prior to December 31, 2008 was maintained at the former amount and denominated in Reais, being subject to annual impairment tests as from that date.

Where cost is lower than the fair value of the net assets and contingent liabilities identified, the difference is recorded as a gain in the consolidated statement of profit or loss and other comprehensive income (loss) for the period in which the acquisition takes place.

2.5. Intangible assets

Intangible assets, which comprise essentially contractual rights and costs incurred on specific projects with future economic value, are stated at cost less accumulated amortisation and impairment losses. Intangible assets are only recognised if it is probable that they will produce future economic benefits for the Group, they are controlled by the Group and their value can be determined reliably.

Internally generated intangible assets, namely current research and development costs, are recognised as costs when incurred.

Internal costs relating to the maintenance and development of software are recorded as costs in the statements of profit or loss and other comprehensive income (loss) when incurred, except where such costs relate directly to projects which will probably generate future economic benefits. In such cases these costs are capitalised as intangible assets.

Amortization of such assets is provided on a straight-line basis as from the date the assets are available for use, in accordance with their estimated useful life, as follows:

	Useful life in years
Software licenses	3 to 5
Project development costs	3 to 5
Mining rights and concession related assets	10 to 35
Trademarks, patents and others	6

2.6. Property, Plant and Equipment

Property, plant and equipment used in production, rendering services or for administrative use are stated at cost, including expenses incurred with their purchase, less accumulated depreciation and impairment losses, when applicable.

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives (reviewed when evidence of inadequacy exists), except when another method is shown to be more adequate based on its use, as from the date the assets become available for their intended use and in the proper place, in accordance with the following estimated periods of useful lives:

	Useful life in years
Buildings and other constructions	5 to 50
Machinery and equipment	4 to 40
Vehicles	4 to 32
Furniture and fixtures	2 to 14
Mines and ore reserves	(*)
Reservoirs, dams, and feeders	24
Furnaces, mils and silos	50 to 100

(*) The depletion of mines and ore reserves is conducted: (a) based on actual output as compared to total expected yield; or (b) on a straight-line basis over the mine's useful lives.

Land relating to stone quarry operations and mineral resources is depreciated on a straight-line basis over their expected operating periods less, where applicable, their residual amount.

The amount subject to depreciation does not include, when determinable and significant the estimated residual value of the assets at the end of their useful lives. Additionally, the assets stop being depreciated when they are classified as assets held for sale.

Improvements are only recognised as assets when they increase the useful life or efficiency of the assets, resulting in increased future financial benefits.

Tangible assets in progress correspond to tangible assets under construction/production and are recorded at acquisition or production cost less possible impairment losses. These assets are depreciated as from the date they become available for their intended use.

Gains and losses arising from the sale or write-off of tangible assets, which are determined by the difference between the proceeds of the sale of the assets and their net book value at the date of sale, are recognised by its net amount in the statements of profit or loss as “Other operating income” or “Other operating expenses”.

2.7. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets (Note 2.5).

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. See accounting policies for impairment of non-financial assets in Note 2.8.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (nominal rate) at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.8. Impairment of non-current assets, excluding goodwill

Impairment valuations are made whenever an event or change in circumstances is identified that indicates that the book value of an asset may not be recovered. Where such indications exist, the Group determines the recoverable value of the asset, so as to determine the possible extent of the impairment loss. In situations in which the individual asset does not generate cash flows independently of other assets, the recoverable value is estimated for the cash generating unit to which the asset belongs.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised by charge to the consolidated statement of profit or loss, caption “impairment losses on goodwill, tangible and intangible assets”.

The recoverable amount is the higher between the net selling price (selling price, less costs to sell) and the value in use. Net selling price is the amount that would be obtained from selling the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. The value in use is the present value of the estimated future cash flows resulting from the continued use of the asset and sale thereof at the end of its useful life. The recoverable amount is estimated for each asset individually or, where this is not possible, for the unit generating the cash flows to which the asset belongs.

Impairment losses recognised in prior periods are reversed when there are indications that such losses no longer exist or have decreased. The reversal of impairment losses are recognised in the statement of profit or loss, caption “impairment losses on goodwill, tangible and intangible assets”. However, the impairment loss is reversed up to the amount that would have been recognised (net of amortisation or depreciation) if the impairment loss had not been recorded in prior periods.

2.9. Foreign currency assets, liabilities and transactions

Transactions in currencies other than the functional currency of the respective subsidiary are recorded at the exchange rates in force on the date of the transaction. Foreign currency monetary assets and liabilities at the balance sheet dates are translated to the functional currency of the respective subsidiary at the rates of exchange in force on those dates.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group’s net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised directly in shareholders´s equity (“Other comprehensive income (loss)).

The foreign currency financial statements of subsidiary and associated companies are translated as follows: assets and liabilities at the exchange rates in force on the balance sheet dates; shareholders' equity captions at the historical exchange rates; and consolidated statements of profit or loss, other comprehensive income (loss) and statement of cash-flows captions at the average exchange rates, with the exception of Argentinean segment that profit or loss, other comprehensive income (loss) and statement of cash-flows are translated at the exchange rate on the balance sheet dates due to hyperinflationary accounting required per IAS 29 (see Note 2.1 above) .

The exchange differences arising on translating foreign operations are recognized in the shareholders' equity within "Other comprehensive income (loss)" caption in the case of subsidiary companies and in the shareholders' equity caption "Reserves - Adjustments in investments in associates", when applicable, in the case of investments in associated companies, and is transferred to the statements of profit or loss when the corresponding investments are sold.

In accordance with IAS 21, goodwill and fair value corrections determined on the acquisition of foreign entities are considered in the reporting currency of such entities, and are translated to Brazilian Reais at the exchange rate in force on the Financial Position date. Exchange differences arising from these translations are reflected in the equity caption "Other comprehensive income (loss)", except when they correspond to a discontinued operation, in which case they are included in net result of discontinued operations.

2.10. Borrowing costs

Costs incurred on loans obtained directly to finance the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for its intended use or sale ("qualifying assets") are capitalised as part of the cost of the assets during that period.

To the extent that variable interest rate loans, attributable to finance the acquisition, construction or production of qualifying assets, are being covered through a cash flow hedge relation, the effective portion of fair value of the derivative financial instrument is recognized in Reserves and transferred to the statements of profit or loss when the qualifying asset has an impact on results. Additionally, to the extent that fixed interest rate loans used to finance a hedged item are covered by a fair value hedge relation, the financial burden in addition to the cost of the asset should reflect the interest rate covered.

Any financial income generated by loans obtained in advance to finance specific capital expenditure is deducted from the capital expenditure subject to capitalisation.

2.11. Inventories

Raw materials and consumable materials are stated at average cost using the average cost as the costing method.
Finished and semi-finished products and work in progress are stated at production cost, which includes the cost of the raw materials incorporated, labour and production overheads.

Inventories are adjusted when net realizable value is lower than book value, through the recognition of an impairment loss, the reduction being reversed when the reasons that gave rise to it cease to exist.

2.12. Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their value is realizable through a sale transaction rather than through its continued use. This situation is only considered to arise when: (i) the sale is highly probable; (ii) the asset is available for immediate sale in its present condition; (iii) the management is committed to a plan of sale; and (iv) the sale is expected to take place within a period of twelve months.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of the book value or their fair value less the costs incurred in their sale, and are presented separately in the consolidated statements of financial position.

A discontinued operation is a component of an entity which was either sold or is classified as available for sale and:

- Represents a significant separate operating or geographic business line;
- Is part of a single coordinated plan to sell a significant separate business line or geography;
- Is a subsidiary acquired exclusively to be resold.

The amounts included in the consolidated statements of profit or loss and other comprehensive income (loss) and consolidated statement of cash flows relating to these discontinued operations are presented separately for the current period and all earlier periods that are presented in the financial statements.

Assets and liabilities relating to discontinued operations (not yet sold) are presented in separate lines for the latest year presented, without readjustment of prior years.

2.13. Segment reporting

An operating segment is a distinguishable component of an entity that is engaged in providing a product or service or a group of related products or services which are different from those of other segments.

The Group reports its assets and liabilities, as well as its operations, as geographical segments, following the way Management carries out the business.

2.14. Balance sheet classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.15. Provisions

Provisions are recognised when: (i) exists an obligation (legal or constructive) resulting from a past event; (ii) under which it is probable that it will have an outflow of resources to settle the obligation; and (iii) the amount of the obligation can be reasonably estimated. At each balance sheet date provisions are reviewed and adjusted to reflect the best estimate as of that date.

When one of the conditions described is not completed the Group disclosures the events in question as contingent liabilities, unless the possibility of outflow of resources is remote, in which case they are not subject to disclosure.

a) Onerous contracts

If the Group has a contract that is onerous (i.e. take or pay), the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract (if applicable).

An onerous contract is a contract under which the unavoidable costs (i.e. take or pay contracts, which the costs cannot be avoid because it has contract) of meeting the obligation under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from the failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e. both incremental costs and an allocation of costs directly related to contract activities).

b) Provisions for restructuring costs

Provisions for restructuring costs are recognised by the Group whenever there is a formal detailed restructuring plan which has been communicated to the parties involved.

c) Environmental recovery

In accordance with current legislation and practices in force in several business segments in which the Group operates, land used for quarries must be environmentally rehabilitated.

In this regard, provisions are recorded to cover the estimated cost of environmentally recovering and rehabilitating the land used for quarries, whenever this can be reasonably determined. Such provisions are recorded together with a corresponding increase in the amount of the underlying assets, based on the conclusions of landscape rehabilitation studies, being recognised in the statements of profit or loss as the corresponding assets are depreciated.

In addition, the Group has the procedure of progressively rehabilitating the areas freed up by the quarries, using the recorded provisions.

2.16. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial measurement of financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income(loss) - OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

• Financial assets at amortised cost (debt instruments);
• Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
• Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
• Financial assets at fair value through profit or loss

The main financial assets as of December 31, 2024 and 2023 are:

a) Cash and cash equivalents and securities

The caption “Cash and cash equivalents” includes cash, bank deposits, and financial investments which mature or are redeemable in the short-term (three months or less), highly liquid and immediately convertible into cash with insignificant risk of change in value. Securities includes mainly by investments funds and bonds investments, which are determined as amortized cost or at fair value depending on its characteristics and portfolio.

b) Accounts receivable

Accounts receivable are measured at fair value on the initial recognition and are subsequently stated at amortised cost in accordance with the effective interest rate method. Correspond to receivable from sale in the normal course of business, net of the expected credit losses, which is evaluated at the end of each reporting period, taking into consideration the debtor’s historical information and his risk profile and economic environment. The accounts receivable are adjusted by the assessment of the expected credit losses at the reporting period dates, which might differ from the effective risks when incurred.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contract independently of its legal form. Equity instruments are contracts that have a residual interest in the Group’s assets after deducting its liabilities.

Equity instruments issued are recorded at the amount received net of costs incurred to issue them.

The Company also has contracts, which contains components of equity instruments and financial instruments, these components are classified separately according to their contractual characteristics. Equity instruments are measured at historical cost and derivative financial instruments at fair value through profit or loss.

The main financial liabilities and equity instruments as of December 31, 2024 and 2023 are as follows:

a) Borrowings, financing and debentures

Borrowing, financing and debentures are initially recorded as liabilities at the amount received, net of loan issuing costs, which corresponds to their fair value on that date. Borrowing, financing and debentures are subsequently measured at amortised cost, being the corresponding financial costs calculated at the effective interest rate.

Accrued interest is recognized on an accruals basis and is presented in the consolidated statements of financial position caption “Interest payable”.

b) Trade payables, obligations from confirming and other payables

Trade payables, obligations from confirming and other payables are initially recognised at fair value and subsequently measured at amortised cost in accordance with the effective interest rate method. Trade and other payables relates to payables to services rendered or goods received in the normal course of business.

Obligations from confirming refers to obligations to be paid to financial institutions arising mainly from the acquisition of raw materials, consumable materials, and transportation services from suppliers in Brazil who opted to anticipate its cash collections at a discount with the financial institutions which operate such credit lines in such country. This operation does not substantially modify the characteristics of the original obligation with the supplier (trade payable), even with the change in counterparty (obligation changes from trade payables due to suppliers to financial institutions), by means it does not extend and/or changes the original payment terms established in the invoices, including the maturity dates (typically between 90 days and 120 days, in line with the cycle normal payment of the Company), and the purchase price from the suppliers, who are solely responsible for the financial costs associated to the referred discounts. The Company presents obligations from confirming (due to financial institutions) separately from trade payables in the consolidated statements of financial position and in the consolidated statements of cash flows.

As of December 31, 2023, obligations from confirming amounted to BRL2,580. These operations were ceased during 2024.

c) Derivative financial instruments and hedge accounting

The Group has the policy of using financial derivative instruments to hedge the financial risks to which it is exposed as a result of changes in interest and exchanges rates, when deemed necessary.

The Group contracts financial derivative instruments in accordance with internal policies set and approved by the Board of Directors.

Financial derivative instruments are measured at fair value. The method of its recognition depends on the nature and purpose of the transaction.

<u>Hedge instruments</u>

Derivative financial instruments are designated as hedging instruments in accordance with the provisions of IFRS 9, as regards their documentation and effectiveness.

Changes in the fair value of derivative instruments designated as “fair value hedging” are recognised as financial income or expense for the period, together with changes in the fair value the asset or liability subject to the risk.

Changes in the fair value of derivative financial instruments designated as “cash flow hedging” instruments are recorded in “Other comprehensive income (loss)” as hedging operations reserves regarding their effective component and in financial income or expense for the period regarding their non-effective component. The amounts recorded are transferred to financial income or expense in the period in which the effect on the hedged item is also reflected in the statements of profit or loss.

Changes in the fair value of derivative financial instruments hedging net investments in a foreign entity are recorded in “Other comprehensive income (loss)” as currency translation adjustments regarding their effective component. The ineffective component of such changes is recognised immediately as net financial expenses for the period. If the hedging instrument is not a derivative, the corresponding variations resulting from changes in the exchange rate are recorded in “Other comprehensive income (loss)” as currency translation adjustments.

Hedge accounting is discontinued when the hedging instrument matures, is sold or exercised, or when the hedging relationship ceases to comply with the requirements of IFRS 9.

Trading instruments

Changes in the fair value of derivative financial instruments which are contracted for financial hedging purposes in accordance with the Group's risk management policies, but do not comply with all the requirements of IFRS 9 to qualify for hedge accounting, are recorded as net financial expenses in the statements of profit or loss for the year in which they occur.

Determination of Fair value of financial instruments

The fair value of financial assets and financial liabilities is determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;

- The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flows analysis using prices from observable current market transactions;

Derecognition of financial assets and liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statements of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at Fair Value through Other Comprehensive Income "FVTOCI", the cumulative gain or loss previously accumulated in the investments revaluation reserve is recycled to the statements of profit or loss. In contrast, on derecognition of an investment in equity instrument, which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to the statements of profit or loss, but is transferred to retained earnings.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statements of profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in the statements of profit or loss as the modification gain or loss within other gains and losses.

2.17. Impairment of financial assets

The Group recognises expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and other receivables. The amount of expected credit losses is updated at each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises expected credit losses for trade receivables and other receivables as mentioned in Note 2.3 above. For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the expected credit losses for that financial instrument at an amount equal to 12-month expected credit losses.

Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month expected credit losses represents the portion of lifetime expected credit losses that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2.18. Contingent assets and liabilities

A contingent liability is (i) a possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events; or (ii) a present obligation that arises from past events, but that is not recognized because an outflow of funds are not probable or the amount cannot be reliably measured.

Contingent liabilities are not recognised in the financial statements but are disclosed in their notes, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not subject to disclosure.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events.

Contingent assets are not recognised in the financial statements, but are disclosed in the notes to the financial statements when a future economic benefit is probable.

2.19. Revenue recognition and costs and income accruals basis

Income resulting from sales is recognised in the statements of profit or loss when delivered has occurred and the transfer of control of the goods or services has being completed and there are no other significant performance obligation to be fulfilled thereafter. Sales are recognised at the fair amount received or receivable, net of taxes, discounts and other costs incurred to realise them, by the fair value of the amount received or receivable.

Income from services rendered is recognised in the statements of profit or loss operations in the period in which they are rendered considering the phase of completion of the transaction as of the balance sheet date.

Interest and financial income are recognised on an accrual basis in accordance with the effective interest rate.

Costs and income are recognised in the period to which they relate regardless the date of invoicing. Costs and income, the amount of which is not known, are estimated.

Costs and income attributable to the current period which will only be paid or received in future periods, as well as amounts paid and received in the current period that relate to future periods and will be attributed to each of the periods by the amount corresponding to them, are recorded in the captions “Other current assets” and “Other current liabilities”.

Dividends relating to investments recorded at cost or in accordance with IFRS9 are recognized when is given the right to receive them.

2.20. Income tax

Tax on income for the year is calculated based on the taxable results of the companies included in the consolidation and takes into consideration deferred taxation.

Current income tax is calculated based on the taxable results (which could differ from the accounting results) of the companies included in the consolidation, in accordance with the tax rules applicable to the area in which the tax jurisdiction of each Group Company.

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes and are recorded in the statements of profit or loss, except when they are related with items registered as other comprehensive income recognised directly in equity, in which case the deferred tax is recorded in equity.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the temporary differences reverse, and are not subject to discounting.

Deferred tax liabilities are recognised for all the taxable temporary differences. Deferred tax assets are only recognised when there is probable that there will be sufficient future taxable income to utilise them. At each reporting period an assessment is made of the temporary differences underlying the deferred tax assets so as to recognize or adjust them based on the current expectations of their future recovery. The compensation of deferred tax assets and liabilities is not allowed, except if: i) there is a legal right to compensate such assets and liabilities or there is the intention and its allowed to do such compensation; ii) such assets and liabilities are related to income taxes due to the same tax authority; iii) there is an intention to clear those balances for settlement purposes.

Deferred income taxes assets are recognized over unused tax losses when it is probable that future income subject to taxation will be available and against which they will be used in accordance with each subsidiary's tax regulations.

2.21. Earnings (loss) per share

Earnings (loss) per share are calculated dividing the result attributable to the ordinary shareholders of the parent company, by the weighted average number of shares in circulation during the period.

The diluted earnings per share are calculated dividing the result attributable to the ordinary shareholders of the parent company, by the weighted average number of shares in circulation during the period, adjusted by potential ordinary diluting shares.

Potential ordinary diluting shares can result from options over shares and other financial instruments issued by the Group, convertible to shares of the Parent Company.

2.22. Exchange rates

The main exchange rates used to translate the financial information were as follows:

		Closing exchange rate (R$)		Average exchange rate (R$)	
Currency		12.31.2024	12.31.2023	12.31.2024	12.31.2023
USD	US Dollar	6.19232	4.84130	5.38954	4.99522
EUR	Euro	6.43630	5.35160	5.82953	5.39754
MZN	Mozambique Metical (**)	-	0.07654	0.07744	0.07868
EGP	Egyptian Pound (*)	0.18846	0.21090	0.15864	0.17216
ZAR	South African Rand (**)	-	0.26270	0.26273	0.26771
ARS	Argentinian Peso (***)	0.00600	0.00599	0.00600	0.00599

(*) The closing exchange rate refers to January 23, 2023 (date we derecognized our investment) and the average exchange rate was calculated for the period from January 1 to January 23, 2023. See Note 2.24 for further considerations on the sale of Egypt.

(**) The closing and average exchange rate refers to December 31, 2023 (date we derecognized our investment). See Note 2.24 for further considerations on the sale of South Africa and Mozambique.

(***) As a result of the application of IAS 29, non-monetary assets and liabilities, shareholders' equity and statement of profit or loss of subsidiaries operating in highly inflationary economies shall be expressed in terms of the unit of measurement current at the balance sheet date and translated at the period-end exchange rate (rather than the average rate), thus resulting in year-to-date effects on the statement of profit or loss of both inflation and currency conversion.

2.23. Consolidation

The consolidated financial statements incorporate the following direct and indirect subsidiaries and joint operations:

			12.31.2024			12.31.2023	
			Equity interest - %			Equity interest - %	
			Direct	Indirect		Direct	Indirect
SUBSIDIARIES:							
HOLDINGS AND CORPORATE SUPPORT COMPANIES SEGMENT							
InterCement Portugal, S,A,	1	Portugal	99.68	0.01		99.68	0.01
Intercement Trading e Inversiones S.A.	2	Spain	-	99.69		-	99.69
Intercement Trading e Inversiones Argentina S.L.	3	Spain	-	99.69		-	99.69
Intercement Financial Operations B.V.	4	Netherlands	-	99.69		-	99.69
Intercement Luxembourg Reinsurance S.A.	5	Luxembourg	-	99.69		-	99.69
Intercement Imobiliária S.A.	6	Portugal	100	-		100	-
InterCement Atividades Imobiliarias S.A.	7	Brazil	100	-		100	-
BRAZIL SEGMENT							
InterCement Brasil S.A.	8	Brazil	-	99.69		-	99.69
Neogera Investimentos em Inovação Ltda.	9	Brazil	-	99.69		-	99.69
Barra Grande Participações, S.A.	10	Brazil	-	79.82		-	79.82
Estreito Participações S.A.	11	Brazil	-	83.51		-	83.51
Machadinho Participações S.A	12	Brazil	-	79.90		-	79.90
Ecoprocessa - Tratamento de residuos, Ltda.	13	Brazil	-	99.69		-	99.69
Comican - Companhia de Mineração Candiota, Ltda.	14	Brazil	-	99.69		-	99.69
ARGENTINA SEGMENT							
Loma Negra C.I.A. S.A.	15	Argentina	-	51.98	a)	-	51.98
Cofesur S.A.	16	Argentina	-	51.98	a)	-	51.98
Recycomb S.A.	17	Argentina	-	51.98	a)	-	51.98
Ferrosur Roca S.A.	18	Argentina	-	41.55		-	41.55
Cementos del Plata S.A.	19	Uruguay	-	0.10		-	0.10
JOINT OPERATIONS:							
BRAZIL SEGMENT							
BAESA - Energética Barra Grande S.A.	20	Brazil	-	7.18		-	7.18
CONSORTIUM:							
BRAZIL SEGMENT							
Consórcio Estreito Energia - OESTE	21	Brazil	-	3.71		-	3.71
Consórcio Machadinho	22	Brazil	-	4.22		-	4.22

DISCONTINUED OPERATIONS (See Note 2.24 for further information)

Intercement Reinsurance S.A.	1	Luxembourg
Cimentos de Moçambique, S.A.	2	Mozambique
Cimbetão - Moçambique S.A.	3	Mozambique
Cimentos de Nacala, S.A.	4	Mozambique
Natal Portland Cement Company (Pty) Ltd.	5	South Africa
NPC Intercement (Pty) Limited.	6	South Africa
Simuma Rehabilitation Trust	7	South Africa
NPC Concrete (Pty) Ltd.	8	South Africa
South Coast Stone Crushers (Pty) Ltd.	9	South Africa
Sterkspruit Aggregates (Pty) Ltd.	10	South Africa
Intercement South Africa (Pty) Ltd.	11	South Africa
Intercement Trading e Inversiones Egipto S.L.	12	Spain
Amreyah Cement Company, S.A.E.	13	Egypt
Cement Services Company, S.A.E.	14	Egypt
Amreyah Cimpor Ready Mix Company, S.A.E.	15	Egypt

During 2024 there were no ownership changes. In 2023 the changes in ownership were as follow:

a) Loma Negra repurchased certain of its own-shares from non-controlling shareholders resulting in an increase of Company's indirect participation of 0.0093% in Loma Negra´s equity and respective equity´s participation increases in Loma Negra's subsidiaries. See Note 15 – "Earnings reserves – Transaction with shareholders - item b" for further information.

2.24. IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations

As a result of the classification of our segments in Egypt, South Africa and Mozambique in 2023 as discontinued operations (See Note 1), the following main changes in relation to the normal presentation of the remaining continuing operations were applied:

- Total profit or loss for the year ended December 31, 2024 from "Discontinued Operations" are presented in a single line in the Consolidated Statements of Profit or Loss under the caption "Profit / (Loss) for the period from Discontinued Operations";

- Notes to the consolidated financial statements were adjusted to present the profit or loss, assets and liabilities of the continuing operations only, even if in some cases, whenever considered significant for a proper understanding of the effects, details on the "Discontinued operations" are also presented therein;

- "Discontinued operations" correspond to the Group's businesses (segments) in Egypt, Mozambique and South Africa, which were sold in 2023, and are consistent with the Group's operating geographic segments as demonstrated in Note 24 - "Operating Segments";

- The valuation criteria used for the "Discontinued operations" are consistent with those used for continuing operations.

In summary the impacts on the financial statements were the following:

	12.31.2024				12.31.2023 Recasted			
	Business sale value	Net assets carve-out	Gain on the sale	Reversal of CTA	Business sale value	Net assets carve-out	Loss on the sale	Reversal of CTA
Egypt	-	-	-	-	208,684	(208,684)	-	(224,183)
Mozambique and South Africa	27,709	-	(27,709)	-	1,121,066	(1,152,872)	(31,806)	54,213

It is worth of mention that Egypt segment was presented in December 2022 as “Assets classified as held for sale” and “Liabilities directly associated with assets classified as held for sale” (sale initiatives commence in late 2022 and the investment was fully derecognized as of September 30, 2023, upon the sale completion and transfer of control) but in relation to Mozambique and South Africa segments, both the sale initiatives and the conclusion of the agreement took place during 2023, thus its net assets were fully derecognized as of December 31, 2023.

“Discontinued Operations” and “Assets and Liabilities of Discontinued Operations” details, as well as information on the cash flow generated by discontinued operations; are presented below:

The contribution of these operations to the Group´s discontinued operations cash flow is as follows:

.	12.31.2023 Recasted		
	Presented	Discontinued operation	Continued operation
Net cash used in (generated by) operating activities	127,487	128,973	(1,486)
Net cash used in (generated by) investing activities	638,288	(189,396)	827,684
Net cash used in (generated by) financing activities	(49,129)	(106,083)	56,954
Decrease in cash and cash equivalents	716,646	(166,506)	883,152
Exchange differences on cash and cash equivalents	(130,838)	(18,674)	(112,164)
Cash and cash equivalents at the beginning of the year	1,163,869	185,180	978,689
Cash and cash equivalents at the end of the year	1,749,677	-	1,749,677

It’s also worth to mention that in 2024 the Company sold non-operational equipment (concrete units along with machinery, equipment, land and other fixed assets in the Brazilian segment), having collected BRL15,526. As of December 2023, the Company classified these assets as “Assets classified as held for sale”.

Details of the net loss from our discontinued operations:

DISCONTINUED OPERATIONS	12.31.2024	12.31.2023 Recasted
NET SALES	-	1,183,432
COST OF SALES AND SERVICES	-	(984,503)
GROSS PROFIT	-	198,929
OPERATING INCOME (EXPENSES)		
Selling expenses	-	(8,287)
Administrative expenses	-	(84,819)
Other income/(expenses), net	-	36,423
INCOME BEFORE FINANCIAL INCOME (EXPENSES), INCOME	-	142,246
FINANCIAL INCOME (EXPENSES)		
Foreign exchange gains/(losses), net	-	11,657
Financial income	-	7,790
Financial expenses	-	(64,647)
Gain / (Loss) on the sale amount	27,709	(31,806)
Reversal of accumulated exchange differences	-	(169,970)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	27,709	(104,730)
INCOME TAX AND SOCIAL CONTRIBUTION		
Current	-	(33,506)
Deferred	-	(26,154)
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	27,709	(164,390)
LOSS FOR THE PERIOD ATTRIBUTABLE TO		
Company’s owners	27,709	(88,617)
Non-controlling interests	-	(75,773)

The net result for the year ended December 31, 2023 for Egypt, Mozambique and South Africa are, respectively, loss of BRL224,183 (due to the recycling at the disposal date of the cumulative translation adjustment previously recorded as “other comprehensive income”), gain of BRL29,056 and gain of BRL30,737.

Details of the assets and liabilities, related to our discontinued operations, derecognized from the consolidated financial position, in the year ended December 31, 2023 (The Egypt figures were already presented as assets classified as held for sale in December, 2022):

ASSETS	Mozambique and South Africa	Egypt
CURRENT ASSETS		
Cash and cash equivalents	118,019	21,996
Securities	-	2,690
Trade receivables	31,295	3,186
Inventories	138,001	290,633
Recoverable taxes	40,367	43,159
Other receivables	16,382	44,757
Total current assets	344,064	406,421
NONCURRENT ASSETS		
Inventories	45,435	117,160
Deferred income tax and social contribution	7,077	620
Other receivables	10,703	26,926
Investments	2,333	-
Right-of-use assets	26,294	1,033
Property, plant and equipment	685,832	389,574
Intangible assets:		
Goodwill	572,278	-
Other intangible assets	53,287	-
Total noncurrent assets	1,403,239	535,313
Total assets	1,747,303	941,734
LIABILITIES		
CURRENT LIABILITIES		
Trade payables	127,025	340,109
Borrowings and financing	28,897	69,268
Interest payable	3,924	457
Leases liabilities	15,564	-
Taxes payable	2,526	37,772
Payroll and related taxes	19,942	49
Advances from customers	30	64,181
Other payables	30,878	16,979
Total current liabilities	228,786	528,816
NONCURRENT LIABILITIES		
Borrowings and financing	192,128	13,239
Leases liabilities	12,617	542
Provision for tax, civil and labor risks	8,434	112,031
Provision for environmental recovery	16,130	-
Deferred income tax and social contribution	133,634	31,924
Other payables	2,702	46,498
Total noncurrent liabilities	365,645	204,234
Total liabilities	594,431	733,050
Net assets	1,152,872	208,684

3. Cash and Cash Equivalents

	12.31.2024	12.31.2023
Cash and bank accounts	107,792	1,280,604
Short-term investments	1,735,992	469,073
Total cash and cash equivalents	1,843,784	1,749,677

Short-term investments were as follows:

	12.31.2024	12.31.2023
Short Term Investment in Brazilian Reais (a)	1,585,915	458,828
Short-term investments in foreign subsidiaries:		
Investment fund in Argentinean Pesos (b)	3,087	182
Short-term investments in U.S. Dollars (c)	384	423
Short-term investments in U.S Dollars (d)	146,606	-
Public Debit Securities in U.S Dollars (e)	-	9,640
	1,735,992	469,073

a) Short-term investments in Brazilian Reais have a yield between 93% and 101.5% of interbank interest rate “CDI” per year (70% and 101% per year as of December 31, 2023).

b) Represents short-term investments in Argentinean pesos with interest of 30.99% per year (89.2% per year as of December 31, 2023).

c) Short-term investments in U.S. Dollars with interest of 0.19% per year held by Argentinian segment (0.1% per year as of December 31, 2023).

d) Short-term investments in U.S Dollars with interest of 3.36% per year held in our subsidiary in Spain.

e) Public Debit Securities in U.S Dollars held by the Argentinian subsidiary as a short-term investment that yield interest of 0.75% per year.

Short-term investments are available for immediate withdraws, without significant risks of changes in value.

4. Securities

Securities are classified as financial assets, as follows:

	12.31.2024	12.31.2023
Market investments	6,834	43,283
Total	6,834	43,283

"Market investments" are held by the Brazilian subsidiaries, which are composed by (i) investments in Brazilian Reais amounting BRL913 (BRL37,329 as of December 31, 2023) yielding 101% of interbank interest rate "CDI" per annum; and (ii) remaining amount of BRL5,921 composed by escrow accounts that do not bear interests (BRL5,954 as of December 31, 2023). In January 2024, the Brazilian subsidiaries settled the credit line obtained from Santander and the guarantee, maintained as market investments (CDB), was then redeemed, in the principal amount of BRL30,000 (see note 9).

5. Trade Receivables

	12.31.2024	12.31.2023
Current		
Domestic and foreign customers (a)	507,114	302,486
(-) Expected Credit Losses	(46,229)	(35,680)
Trade receivables	460,885	266,806
Noncurrent		
Domestic and foreign customers	2,091	2,549
Trade receivables	2,091	2,549

(a) In December 2023, our Brazilian subsidiary sold to financial institutions trade receivables in the amount of BRL76,258 (with a discount of BRL692), recorded as "Financial Expenses". The sale was irrevocable and without co-obligation to the Brazilian subsidiary (true-sale), therefore, such amount was derecognized at the time. As of December 31, 2024, there were no similar credit assignments.

Aging list of trade receivables (current and noncurrent) by maturity

	12.31.2024	12.31.2023
Current	311,024	245,852
Past-due:		
0 to 30 days	112,473	18,219
31 to 60 days	9,825	4,634
61 to 90 days	8,946	1,301
91 to 180 days	26,580	13,102
181 days or more	40,357	21,927
Total	509,205	305,035

Changes in expected credit losses (current and non-current)

	12.31.2024	12.31.2023
Opening balance	35,680	63,137
Exchange difference / Effects of hyperinflationary	1,934	(14,724)
Recognitions	8,615	14,468
Derecognitions	-	(4,447)
Amounts written off in the year as uncollectible	-	(8,541)
Discontinued operations (Note 2.24)	-	(14,213)
Closing balance	46,229	35,680

6. Inventories

	12.31.2024	12.31.2023
Current:		
Finished products	82,155	66,053
Work in process	389,744	233,043
Supplies, raw material and consumable	924,383	450,325
Fuel	178,602	153,348
Advances to suppliers	20,715	2,692
Packaging and other	7,933	8,660
Allowance for impairment losses	(116,503)	(112,671)
Total	1,487,029	801,450
Noncurrent:		
Supplies and consumable materials	464,189	190,440
Allowance for impairment losses	(26,540)	(21,040)
Total	437,649	169,400

Changes in the allowance for impairment losses (current and noncurrent):

	12.31.2024	12.31.2023
Opening balance	133,711	223,135
Effects of hyperinflationary monetary adjustment (Note 2.1)	3,252	7,524
Recognitions	8,895	9,939
Derecognitions/Write-off	(2,892)	(15,165)
Exchange variation gains or losses	77	(16,336)
Discontinued operations (Note 2.24)	-	(75,386)
Closing balance	143,043	133,711

7. Property, Plant and Equipment

	12.31.2024			12.31.2023
	Cost	Depreciation & Impairment	Net book value	Net book value
Land	255,113	(66,699)	188,414	144,606
Buildings	4,722,892	(3,294,897)	1,427,995	907,124
Machinery and equipment	11,879,075	(6,530,009)	5,349,066	3,088,223
Vehicles	1,050,519	(953,199)	97,320	41,544
Furniture and fixtures	301,483	(293,884)	7,599	4,778
Mines and ore reserves	2,057,675	(1,585,374)	472,301	202,205
Reservoirs, dams and feeders	280,970	(144,710)	136,260	144,357
Spare parts	127,003	(32,460)	94,543	31,039
Other	43,791	(31,457)	12,334	15,076
Advances to suppliers	80,226	(17,373)	62,853	62,990
Construction in progress	1,250,869	(531,612)	719,257	480,027
Total	22,049,616	(13,481,674)	8,567,942	5,121,969

Construction in progress

As of December 31, 2024, construction in progress mainly relates to: (i) BRL328,964 (BRL95,614 as of December 31, 2023) in Argentinian business segment mainly explained by an adaptation of the bagging process for cement bags from 50kg to 25kg (according to legal requirements), and in quarry roads and railways; and (ii) BRL390,293, net of impairment losses of BRL531,612 (BRL384,412 as of December 31, 2023, net of impairment losses of BRL513,807), in Brazilian business segment mainly due to projects for expansion of units and improvements in the production process, which are temporarily suspended and adjusted to recoverable value, and during the third quarter of 2024, additions were made related to the major shutdown projects at the Apiaí, Campo Formoso, Ijací, and São Miguel dos Campos units. Impairment losses are revised on an annual basis and might be reversed once the expansion projects are finalized and the expected future cash flows are sufficient to cover their respective costs.

In addition, in Brazil business segment, two cement plants were given as guarantee as part of “CADE” litigation, as referred in Note 12.

Changes in property, plant and equipment were as follows:

	Land	Buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Mines and ore reserves	Reservoirs, dams and feeders	Spare parts	Other	Construction in progress	Advances to suppliers	Total
Balance as of December 31, 2022	226,280	1,316,688	4,895,703	71,246	11,352	278,504	152,457	96,415	13,718	494,596	48,722	7,605,681
Effects of hyperinflationary monetary adjustment (Note 2.1)	25,254	322,026	1,404,112	29,160	2,335	119,828	-	17,666	2,209	20,928	-	1,943,518
Additions	9	27,000	73,962	1,714	787	2,538	62	14,892	513	439,541	-	561,018
Disposals	(37,226)	(2,962)	(8,815)	(2,334)	(83)	-	-	(8,535)	(181)	(1,706)	(66)	(61,908)
Depreciation	(1,206)	(52,490)	(413,745)	(12,778)	(4,081)	(45,496)	(8,162)	(4,697)	(1,620)	-	-	(544,275)
Impairment reversal (provision)	17,146	-	95	-	17	-	-	-	9	(18,081)	-	(814)
Effect of changes in exchange rates	(52,190)	(606,867)	(2,638,320)	(54,326)	(4,846)	(221,930)	-	(61,013)	(9,362)	(41,532)	14,334	(3,676,052)
Assets classified as held for sale	(10)	(4,754)	(10,549)	-	(11)	-	-	(176)	-	(8)	-	(15,508)
Transfers	2,328	9,950	255,188	11,330	3,827	68,761	-	(15,192)	11,297	(351,348)	-	(3,859)
Discontinued operations (Note 2.24)	(35,779)	(101,467)	(469,408)	(2,468)	(4,519)	-	-	(8,321)	(1,507)	(62,363)	-	(685,832)
Balance as of December 31, 2023	144,606	907,124	3,088,223	41,544	4,778	202,205	144,357	31,039	15,076	480,027	62,990	5,121,969
Effects of hyperinflationary monetary adjustment (Note 2.1)	43,509	558,146	2,367,406	48,340	3,765	238,648	-	29,739	4,412	112,788	-	3,406,753
Additions	4,751	9,581	23,109	-	64	1,858	-	41,221	197	651,670	-	732,451
Disposals	(4,793)	(1,421)	(873)	(727)	-	(3,815)	-	(1,838)	-	(1,004)	(137)	(14,608)
Depreciation	(459)	(94,201)	(444,377)	(28,375)	(2,742)	(68,302)	(8,097)	(7,721)	(4,006)	-	-	(658,280)
Impairment reversal (provision)	(4)	-	-	-	-	-	-	(881)	-	(17,802)	-	(18,687)
Effect of changes in exchange rates	727	839	10,587	69	6	213	-	7	(7,048)	(72)	-	5,328
Assets classified as held for sale	10	13	442	-	-	-	-	-	-	-	-	465
Transfers	67	47,914	304,549	36,469	1,728	101,494	-	2,977	3,703	(506,350)	-	(7,449)
Balance as of December 31, 2024	188,414	1,427,995	5,349,066	97,320	7,599	472,301	136,260	94,543	12,334	719,257	62,853	8,567,942

Additions

Argentina business segment:
Investments in the total amount of BRL422,945 for the year ended December 31, 2024 (BRL208,895 for the year ended December 31, 2023), primarily due to the increase of the quarry recovery of BRL84,962 (BRL68,743 for the year ended December 31, 2023), an adaptation process for 25 kg bags of BRL162,524 (BRL 51,280 for the year ended December 31, 2023), improvements in railways and locomotives of BRL17,853 (BRL18,600 for the year ended December 31, 2023), improvements in cement plants (including L'amali, San Juan, Catamarca and Zapala) of BRL30,062 and spare parts replacements of BRL37,609.

Brazil business segment:
Investments in the total amount of BRL309,506 for the year ended December 31, 2024 (BRL275,920 for the year ended December 31, 2023), mainly refer to acquisitions of machinery and equipment, such as kilns, clinker coolers, cyclone towers and mills. In 2023, acquisitions also focused on this group, with highlights such as bag filters, flour addition systems, and the replacement of grinding mill linings.

Impairment

The Group performs its property, plant and equipment impairment test annually or when the circumstances indicate that the carrying amount may be impaired.

The Group's impairment test for property, plant and equipment is based on estimates of the recoverable amount per cash-generating unit, as the higher of fair value less cost to sell and value in use. To estimate the value in use, the estimated future cash flows are discounted using a discount rate that reflects market appreciations at the end of the period regarding the time value of money considering the risks specific to the assets involved.

The Group has considered various factors when reviewing the impairment indicators, such as market capitalization, participation in each of the operating segments, unused installed capacity, trends in industry, among other factors.

As of December 31, 2024, for the determination of the value in use, the Company considered as part of the projections, the terms included in the judicial recovery plan, which is still subject to be approved by the Company's creditors (further commented in Note 1 above). Considering these cash generation projections, no additional impairment loss provision were deemed necessary (on top of already recognized provisions for specific assets, due to their market value depreciation, and dormant plants, mainly in Brazil).

Transfers

As of December 31 2024, there are transfers from property, plant and equipment to other intangible assets in the amount of BRL 7,449.

8. Other intangible assets and goodwill

	12.31.2024	12.31.2023
Other intangible assets:		
Software licenses	37,919	26,366
Mining rights and concession related assets	365,529	372,504
Project development costs	742	574
Trademarks, patents, other intangibles and intangible in progress	52,886	45,697
Total	457,076	445,141

Impairment analysis

Goodwill is subject to impairment tests annually in the last quarter of the year, or whenever there are indications of impairment. The impairment tests are prepared based on the recoverable amounts of each of the corresponding business segments (cash generating units as indicated in Note 25).

Attending to business model and considering the financial statement structure adopted for management purposes, goodwill is attributed generally to each business segment, due to the existence of synergies between the units of each segment in a perspective of vertical integration of business.

The recoverable value of each group of cash-generating units is compared, in the tests performed, with the respective recognized value of assets and liabilities ("book value"). An impairment loss is only recognized when the book value exceeds the higher of the value in use and transaction value, based on cash flow projections under medium and long-term business plans approved by the Board of Directors, plus perpetuity.

Given Company's going concern assessment in line of the filing for judicial recovery (see Note 1), for the Goodwill impairment testing, as part of the determination of the value in use, management considered in the projections, the terms included in the judicial recovery plan, which is still subject to be approved by the Company's creditors. Based on these assessment, the Company concluded that the value in use is higher than the book values and, therefore, no impairment was deemed necessary.

Cash Flow projections

The Group annually or when there is impairment indicatives revises assumptions underlying to the determination of recoverable amount of liquid assets, considering the estimate of future cash flows which reflect, among others, a set of estimates related to market growth, market share, investments and costs.

In general, the model was projected by applying growth rates for the markets, considering estimated GDP growth for related economies, leading to expected demand growth for building materials. The projection was also aligned to the terms and conditions expected to be reached in accordance with the judicial recovery plan, as mentioned above, consequently, subject to change.

Brazilian and Argentina business segments considered a cash flow projection of 10 years, since Management believes periods above 5-year can be reasonably projected and a 10-year cash flows better reflects the market cycles. Additionally, the new plant L'Amali in Argentina commenced its operations in 2021 and the 10-year cash flows better reflect the ramp-up of such plant and, consequently, the value in use of the cash generating unit.

Determination of discount rate

Discount rates are calculated for each cash generating unit based on risk-free rate adjusted by the country risk premium, among other parameters.

The determination of the value in use was based on discounted cash flows calculated in local currency, using the corresponding Weight Average Capital Cost ("WACC") and perpetuities rates, for each segment business, as follows:

	12.31.2024		12.31.2023	
Goodwill per operating segments:	Goodwill	"WACC" rate	Goodwill	"WACC" rate
Brazil	2,748,644	15.52%	2,748,643	11.62%
Argentina	969,737	32,94% - 19.46%	967,488	129.76% - 46.07%
	3,718,381		3,716,131	

(*) Discount rate calculated after taxes.

For Argentina business segment, due to hyperinflationary environment, "WACC" rate is built through a multi-year composition, referring to the first year of the projection, and varies thereafter according to the inflation rate and country risk premium variations ("Rolling WACC").

Based on discounted future cash flow determined by Management, as of December 31, 2024 and 2023, considering the premises above mentioned, the expected cash flow generation for each business segment is larger than the corresponding carrying amounts resulting in no need of impairment losses in both years.

Sensitive analysis

Considering the discounted future cash flows of December 31, 2024, the Group calculated the eventual impact of changes in the discount rates and EBITDA margins on all our business segments projections.

As a result, an increase on the below percentages to our discount rates or a decrease of the below percentages to our EBITDA margins would generate the need to record additional impairment losses in the following amounts (if needed):

WACC sensitive analyzes	1.00%	2.00%	3.00%	4.00%	5.00%	6.00%
Impairment BR	-	-	-	-	(378,443)	(830,663)
Impairment AR	-	-	-	-	-	-
EBITDA Margin sensitive analyzes	**-1.00%**	**-2.00%**	**-3.00%**	**-4.00%**	**-5.00%**	**-6.00%**
Impairment BR	-	-	-	-	-	-
Impairment AR	-	-	-	-	-	-

Changes in intangible assets for the year ended December 31, 2024 and 2023 were as follows:

	Software licenses	Mining rights and concession related assets	Project development costs	Trademarks, patents, other intangibles and intangible in progress	Goodwill	Total
Balance as of December 31, 2022	41,301	437,383	1,182	33,930	4,370,493	4,884,289
Effects of hyperinflationary monetary adjustment (Note 2.1)	5,950	-	-	-	1,293	7,243
Additions	6,454	13,746	-	36,086	-	56,286
Disposals	(195)	-	-	(81)	-	(276)
Amortization	(16,652)	(42,629)	(650)	(2,542)	-	(62,473)
Effect of changes in exchange rates	(11,039)	(7,469)	-	(191)	(83,377)	(102,076)
Assets classified as held for sale (Note 2.24)	-	-	(18)	-	-	(18)
Transfers	547	19,872	60	(16,617)	-	3,862
Discontinued operations (Note 2.24)	-	(48,399)	-	(4,888)	(572,278)	(625,565)
Balance as of December 31, 2023	26,366	372,504	574	45,697	3,716,131	4,161,272
Effects of hyperinflationary monetary adjustment (Note 2.1)	11,203	-	-	-	2,246	13,449
Additions	4,121	6,210	-	39,594	-	49,925
Disposals	(31)	-	-	(1,437)	-	(1,468)
Amortization	(17,144)	(35,735)	(418)	(3,260)	-	(56,557)
Impairment reversal (provision)	-	1,367	-	-	-	1,367
Effect of changes in exchange rates	16	-	-	-	3	19
Transfers	13,388	21,183	586	(27,708)	-	7,449
Balance as of December 31, 2024	37,919	365,529	742	52,886	3,718,380	4,175,456

9. Borrowings and Financing

						12.31.2024		12.31.2023	
Functional Currency	Business unit	Type of financing	Currency	Annual Interest rates	Maturity	Current	Noncurrent	Current	Noncurrent
ARS	U.N. Argentina	Bilateral	ARS	17%-112%	Jan-24	-	-	4,299	-
ARS	U.N. Argentina	Subsidised loan	USD	17%-18%	Jun 24/Jul 24	-	-	712	-
ARS	U.N. Argentina	Working capital	ARS	37%-40%	Jan-25	83,607	-	37,322	-
ARS	U.N. Argentina	Working capital	USD	6%-7.25%	Jan-25/Apr-26	68,072	18,914	-	-
BRL	U.N. Brazil	Subsidised loan	BRL	2,94%	Dec-24	-	-	8,840	-
BRL	U.N. Brazil	Bilateral	BRL	IPCA - 5,49%	Jul-26	31,653	-	52,863	31,653
						183,332	18,914	104,036	31,653

In January 2024, ICB anticipated the credit line obtained from Santander and the guarantee, accordingly, the security (CDB) in the amount of BRL30,000 (principal value) was redeemed, see Note 4.

As of December 31, 2023, the incurred interest expenses related to those financing agreements classified in current liabilities and presented as 'Interest payable' amounts to BRL1,135.

Changes in Borrowings and Financing for the year ended December 31, 2024 and 2023 were as follows:

	Borrowings and financing
Balance as of December 31, 2022	1,146,218
New borrowings and financing	495,577
Payments	(1,054,842)
Discontinuing operations	(221,025)
Effect of changes in exchange rates	(230,239)
Balance as of December 31, 2023	135,689
New borrowings and financing	1,486,445
Payments	(1,223,950)
Effect of changes in exchange rates	(195,938)
Balance as of December 31, 2024	202,246

Maturity schedule

As of December 31, 2024, the non-current portion of the borrowings and financing related to the continuing operations mature as follows:

Period	12.31.2024
2026	18,914

10. Debentures

Functional Currency	Business unit	Instrument	Currency	Annual interest rate	Final maturity		12.31.2024 Current	12.31.2024 Noncurrent	12.31.2023 Current	12.31.2023 Noncurrent
EUR	Holdings and Financial Vehicles (*)	Senior Notes	USD	5.75%	July-24	a)	3,406,930	-	2,660,420	-
BRL	Holdings and Financial Vehicles (*)	Debenture	BRL	CDI + 3.75%	June-27	b)	1,778,999	-	541,262	1,238,151
BRL	U.N. Brazil	Debenture	BRL	CDI + 3.75%	June-27	b)	1,698,055	-	637,561	1,065,805
BRL	U.N. Brazil	Debenture	BRL	CDI + 3.75%	June-27	c)	1,000,000	-	375,000	614,805
ARS	U.N. Argentina	Senior Notes	ARS	Badlar + 2%	August-24	d)	-	-	153,518	-
ARS	U.N. Argentina	Senior Notes	USD	6.5%	December-25	e)	444,649	-	-	347,233
ARS	U.N. Argentina	Senior Notes	USD	7.49%	March-26	f)	-	340,675	-	266,272
ARS	U.N. Argentina	Senior Notes	USD	6%	May-26	g)	-	61,923	-	48,417
							8,328,633	402,598	4,367,761	3,580,683

(*) Takes into consideration the set of companies included in the holding companies segment and business support, corporate, and trading entities.

(a) In July 2014, the Senior Notes ("Notes") were issued by IC BV, with a payment maturity of 10 years. The notes in the amount of US$750,000 thousand were launched with coupon of 5.75% per annum and are listed at the Singapore Stock Exchange. As of December 31, 2024 and December 31,2023, the Group hold bonds at the face value of BRL1,237,295 (US$199,812 thousand).

(b) On June 8, 2020, the Company issued two Debentures, one by ICP in the amount of BRL2,976,666 and another by ICB in the amount of BRL1,700,161. The interest expenses are presented separately in the statements of financial position as 'Interest payable'. These instruments are guaranteed by Loma Negra shares held by the Company and were scheduled to be mandatorily redeemed in May 2024 if the Company was unable to refinance its existing Senior Notes maturing on July 17, 2024.

In accordance with the financial contractual clauses, the maturity of the instalments was accelerated, resulting in the entire debt being classified as short-term as presented above. Overdue debts are subject to a non-compensatory late penalty of 2% on the past due amount. The late payment interest will accrue from the date of default until the date of actual payment, at a rate of 1% per month on the outstanding amount. Based on the accrual accounting principle, as of December 31, 2024 the company recognized late penalty and interest amount of BRL179,859 for ICB and BRL 174,694 for ICP (see Note 19).

(c) On September 30, 2021, ICB issued new Debentures in the amount of BRL1,000,000. The commission fees amounted to BRL 9,223 and are being amortized during the lifetime of the loan using the effective interest method and the interest expenses are presented separately in the statements of financial position as 'Interest payable'. These instruments are guaranteed by Loma Negra shares held by the Company and were scheduled to be mandatorily redeemed in May 2024 if the Company was unable to refinance its existing Senior Notes maturing on July 17, 2024.

In accordance with the financial contractual clauses, the maturity of the instalments was accelerated, resulting in the entire debt being classified as short-term as presented above. Overdue debts are subject to a non-compensatory late penalty of 2% on the past due amount. The late payment interest will accrue from the date of default until the date of actual payment, at a rate of 1% per month on the outstanding amount. Based on the accrual accounting principle, as of December 31, 2024 the company recognized late penalty and interest amount of BRL105,788 for ICB (see Note 19).

(d) On February 22, 2023, Loma Negra tendered its Class 1 Negotiable Obligations, obtaining as a result a face value of ARS25,636,250 thousand (equivalent to BRL149,714), with interest rate of BADLAR + 2%, and a 18 months maturity.

(e) On June 21, 2023, Loma Negra tendered its Class 2 Negotiable Obligations, obtaining as a result a face value of BRL444,649 (US$71,723 thousand) with interest rate of 6.5%, and a 30-month maturity.

(f) On September 1, 2023, Loma Negra tendered its Class 3 Negotiable Obligations, obtaining as a result a face value of BRL340,675 (US$55,000 thousand) with interest rate of 7.49%, and a 30-month maturity.

(g) On November 1, 2023, Loma Negra tendered its Class 4 Negotiable Obligations, obtaining as a result a face value of BRL61,923 (US$10,000 thousand) with interest rate of 6%, and a 30-month maturity.

As of December 31, 2024 and December 31, 2023, the incurred interest expenses classified as current liabilities and presented as 'Interest payable' amount to BRL2,109,608 and BRL774,398, respectively.

Changes in debentures and senior notes (principal amounts) in the year ended December 31, 2024 and 2023 were as follows:

	Debentures
Balance as of December 31, 2022	7,530,742
New debentures	1,357,914
Payments	(185,136)
Effect of changes in Exchange rates, comissions and other	(755,076)
Balance as of December 31, 2023	7,948,444
Payments	(152,023)
Effect of changes in exchange rates	934,810
Balance as of December 31, 2024	8,731,231

Maturity schedule

As of December 31, 2024, the non-current portion of debentures and senior notes mature as follows (continued operations only):

Period	12.31.2024
2026	402,598

Covenants

Debentures and Senior Notes contain certain restrictive covenants that require compliance with financial ratios calculated based on the Company's consolidated financial statements.

<u>Debentures</u>

The financial covenants are measured by the Net Debt over Adjusted EBITDA. The leverage indicator limits for the next closing periods are 3.85X in 2024 and 3.35X from 2025 until 2027.

Also, for the new debentures issued on September 30, 2021, the Company agreed with the debenture holders' compliance with net leverage, measured by the Net Debt over Adjusted EBITDA based on consolidated financial information of ICB (Company's subsidiary in Brazil). The leverage ratio limits for next closing periods are 2.50X in 2024 and 2.00X from 2025 until 2027.

As of December 31, 2023, management obtained a waiver for the obligation to comply with these financial covenants as formally approved by the Debenture holders General Meeting on December 7, 2023. As of December 31, 2024 compliance with covenants clauses is directly related to the presentation of the Judicial Recovery Plan, which is still subject to be approved by the Company's creditors, as mentioned in note 1.

<u>Senior notes</u>

The non-compliance with financial covenant (ratio Net Debt / EBITDA of 4.5) foresees that the Company operates with certain restrictions, being the principal ones:

i) Limitation in US$500,000 for new debts, provided it is not used to refinance the existing debt;
ii) Restrictions on certain payments, such as dividends to shareholders above the statutory minimum legal required amount;
iii) Dividends limitation of US$25,000 per year, on a cumulative basis, for preferred shareholders after the Senior Notes issuance (July/2014).

As of December 31, 2024 compliance with covenants clauses is directly related to the presentation of the Judicial Recovery Plan, which is still subject to be approved by the Company's creditors, as mentioned in note 1. As of December 31, 2023 covenants were met.

11. Provisions for tax, civil and labor risks and judicial deposits

Provisions

The Group is subject to labor and social security, tax, civil and other risks. Management periodically reviews known contingencies and group tax positions, assesses the likelihood of losses and recognizes corresponding provisions based on its legal counsel's opinion and other available data at the date of the reporting period.

The provision for risks is demonstrated as follows:

	12.31.2024	12.31.2023
Labor and social security	68,537	46,277
Tax (a)	42,353	40,070
Civil and other	11,011	9,720
	121,901	96,067
Judicial deposit (b)	(18,248)	(7,878)
Total	103,653	88,189

(a) Tax

<u>Brazil</u>: Refer to tax assessment notices and lawsuits amounting to BRL12,146 (BRL3,018 as of December 31, 2023) mainly related to discussions of: (i) AFRMM: unconstitutionality; (ii) Social Security Contribution: Accident Prevention Factor (FAP) and (iii) IRPJ – monetary update of balance.

ICP: Refers to legal dispute regarding the charging of financial transaction services over purchasing and reselling InterCement Portugal´s shares occurred in 2014 in the amount of BRL20,338 (BRL18,992 as of December 31, 2023).

InterCement Portugal: Refers basically to the provisions for tax risks related to income tax, amounting to BRL5,567 as of December 31, 2024 (BRL14,449 as of December 31, 2023), which are being challenged in courts. The provision for tax contingences was reduced by BRL11,811, due to tax risks reassessments as a result of favourable judicial decision.

(b) Judicial deposits

The Group has escrow deposits related to the labor and social security, tax, civil and other risks as follows:

	12.31.2024	12.31.2023
Labor and social security	5,736	4,497
Tax	11,508	2,405
Civil and other	442	443
Environmental	562	533
Total	18,248	7,878

Changes in the provision for risks for the year ended December 31, 2024 and 2023 are as follows:

	Labor and social security	Tax	Civil and other	Escrow deposit	Total
Balance as of December 31, 2022	38,395	62,728	12,106	(13,798)	99,431
Effects of hyperinflationary monetary adjustment (Note 2.1)	7,368	3,237	1,612	-	12,217
Recognition/deposit	27,080	5,287	3,324	(1,116)	34,575
Payment	(12,409)	(2,007)	(3,542)	7,036	(10,922)
Reversal	-	(17,448)	-	-	(17,448)
Discontinued operations (Note 2.24)	-	(6,776)	(1,658)	-	(8,434)
Exchange differences	(14,157)	(4,951)	(2,122)	-	(21,230)
Balance as of December 31, 2023	46,277	40,070	9,720	(7,878)	88,189
Effects of hyperinflationary monetary adjustment (Note 2.1)	6,741	815	983	-	8,539
Recognition/deposit	25,366	14,099	6,335	(12,622)	33,178
Payment	(9,758)	(3,917)	(5,565)	2,252	(16,988)
Reversal	-	(10,697)	(1,611)	-	(12,308)
Transfers	-	-	860	-	860
Effect of changes in exchange rates	(89)	1,983	289	-	2,183
Balance as of December 31, 2024	68,537	42,353	11,011	(18,248)	103,653

Contingent liabilities

In the normal course of its business the Group is involved in several legal cases and complaints relating to its labor and social security, tax, civil and other risks, which the likelihood of loss is assessed as possible or less likely than not of loss for uncertain income tax positions as per IFRIC 23.

As of December 31, 2024, and December 31, 2023, the Group has the following exposure:

	12.31.2024	12.31.2023
Labor and social security	52,883	64,788
Tax and uncertain income tax position (a)	7,184,502	7,088,966
Civil, administrative and other (b)	1,331,939	1,205,282
	8,569,324	8,359,036

The most significant contingent liabilities are:

a) Tax and uncertain income tax position

Brazil – ICB

Risk exposure amounts to BRL5,518,837 as of December 31, 2024 (BRL5,683,234 as of December 31, 2023) and refers mainly to administrative and judicial proceedings related to: administrative and judicial proceedings related to a) PIS/COFINS - credit disallowance, alleged non-collection, incidence of tax on the value of freight carried out between the industry and the distributor, alleged improper use of credit, interest on equity; b) ISS - alleged non-collection and non-retention; c) IPTU - alleged underpayment due to divergence in the calculation basis; d) IPI - reimbursement; e) II, IPI, PIS/COFINS - import; f) ICMS - transportation/freight, tax substitution, alleged non-collection, electricity, rate differential, failure to comply with accessory obligation, improper use of credit; g) Social security contribution - alleged non-collection; h) CFEM - alleged difference and lack of collection.

Brazil - ICP

Risk exposure amounts to BRL936,194 as of December 31, 2024 (BRL889,701 as of December 31, 2023) and refers mainly to ongoing challenges of taxable income earned abroad by subsidiaries and affiliated entities.

Other holdings

Risk exposure is BRL134,630 as of December 31, 2024 (BRL105,789 as of December 31, 2023) and refers to claims for withholding taxes not collected.

Management and Company´s legal counsel believe the risk of an unfavourable outcome of this dispute is “less likely than not” and no provision was recorded.

Portugal

Under the Consolidated Income Tax Regime (RETGS), applicable to the Company and other Portuguese entities of the Group until the year 2000, intra-group results ("eliminated results"), amounting to BRL1,705,620 as of December 31, 2024 and BRL1,418,174 as of December 31 (equivalent to €265,000 thousand in both periods), were generated due to property, plant and equipment sales between group companies.

During the Corporate Income tax (CIT) inspection of the fiscal year 2016, the Tax Authority requested the provision of information relating to such property, plant and equipment sales, with the purpose of assessing the need for possible adjustments to the Group's taxable profit in that fiscal year and in the fiscal years ending in 2017 and 2018, due to the transitional rules successively inserted in the State Budget Laws of the years 2016, 2017 and 2018, which required partial or total incorporation (in the event of termination of the Group) in those years of any taxable income that were still pending from taxation.

In previous years, the final Income tax inspection Report for the year 2016 incorporated a correction of €98,926 thousands to the Group's Taxable base, corresponding to 25% (cf. Law No. 7-A / 2016, of December 31) of the eliminated results calculated by the Tax Authority by reference to December 31, 2015 and for that year an additional tax assessment of €4,201 thousands was received and is being contested. Even so, the amount of €4,100 thousands was already compensated with a Company tax credit. Therefore, there is no provision as of 2023 and 2023 related to 2016 inspection report.

The final Income tax inspection Report for the years 2017 and 2018 incorporated corrections to the Group available tax losses, and also for the above referred “eliminated results” partial incorporation, and accordingly additional tax assessments of BRL124,498 (equivalent to €20,504 thousands) and BRL345,995 (equivalent to €56,983 thousands), respectively for those years, were received and both are being contested, resulting in an exposure risk (including interest) of BRL592,140 as of December 31, 2024, and BRL454,886 as of December 31, 2023 (equivalent to of about €92,000 thousands and €85,000 thousands, respectively).

For the purposes of suspending the tax enforcement proceedings for those years of 2017 and 2018, the tax authority accepted totally for the year 2017, and up to the amount of €67,804 thousand for the year 2018, with a guarantee waiver for the remaining amount, the guarantees provided in the form of a Guarantee (“Fiança”) from the subsidiary ITI, a company included in the process of the Judicial Restructuring, as described in Note 1, suspension that is reassessed annually.

Based on the opinion of the Company´s legal advisors, the risk of an unfavourable outcome on these disputes is “less likely than not”, therefore, no contingency provision was recorded.

b) Civil

<u>Brazil</u>

The main lawsuit relates to infraction against the economic order (“CADE), as described below:

Administrative Council for Economic Defence ("CADE")

The Company, along with other companies in the industry, is part of administrative proceedings related to antitrust regulation in progress at the Administrative Council for Economic Defense ("CADE"). In July 2015, CADE's tribunal judged the administrative appeal presented by the Group under the process initiated in 2007 regarding competition in Brazil (as well by other involved companies), maintaining the condemnation decision about cartel formation and the imposition of a pecuniary fine and other accessory penalties. As of December 31, 2024, the fines imposed to the Group corresponds to BRL1,183,969 and as of December 31, 2023, fines correspond to BRL1,074,481, besides the obligation to sell 20% of its installed capacity of the concrete assets in the relevant Brazilian markets in which the Company operates, among other accessory penalties.

After the referred administrative CADE's decision became final, the Group appealed judicially, having obtained, on October 22, 2015, the grant of the preliminary injunction to suspend all penalties imposed by CADE, by the presentation of real guarantees (two plants), until the final judgment decision. Such preliminary injunction decision was judicially appealed by CADE and was rejected. The proceeding did not have any significant change until December 31, 2024. Based on the opinion of the legal advisors, the risk of loss in court has been considered as possible, therefore, no provision was recorded for this contingent liability.

12. Provision for Environmental Recovery

Changes in the provisions for environmental recovery in the years ended December 31, 2024 and 2023 are as follows:

	Environmental recovery
Balance as of December 31, 2022	75,111
Hyperinflationary monetary adjustment (Note 2.1)	24,854
Recognition	14,202
Payment	(2,730)
Reversal	(823)
Effect of changes in exchange rates	(27,855)
Discontinued operations (Note 2.24)	(16,130)
Balance as of December 31, 2023	66,629
Hyperinflationary monetary adjustment (Note 2.1)	9,916
Recognition	14,494
Payment	(3,931)
Reversal	(142)
Transfers	(860)
Effect of changes in exchange rates	249
Balance as of December 31, 2024	86,355

13. Related Parties

Transactions and balances between Group companies consolidated upon the full consolidation method were eliminated in the consolidation process and therefore are not disclosed herein. The balances and transactions between the Group and associated companies and with other related parties fall within normal operational activities, and include advances, loan agreements, sales and purchases of products and services.

The outstanding balance recorded within "Other Receivables" as non-current assets against HM Engenharia e Construções S.A., refers to properties (land) sold in 2019, with final maturity in 2028, and the balance recorded against Camargo Corrêa Desenvolvimento Imobiliário S.A., refers to properties (buildings) sold in 2021, the receipt will occur after the regularization of the property registrations with the competent authorities.

Balances as of December 31, 2024 and 2023 with related parties, are as follows:

	12.31.2024			
	Current assets	Non current assets	Current liabilities	
	Other receivables	Other receivables	Trade payables	Other payables
Affiliates:				
HM Engenharia e Construções S.A	-	17,549	-	-
Camargo Corrêa Desenvolvimento Imobiliário S.A.	-	8,463	-	-
Others	7	-	13	62
Total as of December 31, 2024	7	26,012	13	62
Total as of December 31, 2023	1,237	28,207	58	57

Transactions conducted in the years ended December 31, 2024 and 2023 are as follows:

	12.31.2024	
	Purchases/ Expenses	Financial income
Affiliates:		
Instituto Intercement	2,850	-
SUCEA Participações SA	1,670	-
CCR S.A.	170	-
Construções e Comércio Camargo Corrêa S.A.	186	-
HM Engenharia e Construções S.A	-	717
Others	96	-
CCDI	583	-
Total as of December 31, 2024	5,555	717
Total as of December 31, 2023	2,160	-

Management compensation

The amount of BRL 12,933 was paid in the year ended December 31, 2024, and refers to short-term benefits, such as salaries, profit sharing, and other benefits (BRL 23,265 for the year ended December 31, 2023). The long-term incentive plan for the Group's Senior Management, set for a period of 4 years (2021 to 2024), with benefits mainly determined based on financial and operational indicators, was extinguished, and a new plan was established with the first payment of BRL1,652 in December 31, 2024 and a constructive obligation in the amount of BRL8,348 was recognized. The expenses incurred for the year ended December 31, 2023, amounted to BRL10,107.

14. Right-of-use assets and lease liabilities

The changes of rights-of-use assets in the year ended December 31, 2024 and 2023 are demonstrated as follows:

Changes in right-of-use assets:

	Buildings	Machinery and equipment	Vehicles	Other	Total
Cost					
As of December 31, 2022	82,524	472,217	25,481	5,161	585,383
Additions	1,404	236,557	30,262	-	268,223
Write-offs	(236)	-	(70)	-	(306)
Discontinued operations	(10,994)	(5,113)	(36,878)	-	(52,985)
Exchange difference / Effects of hyperinflationary monetary adjustment	(38,977)	41,796	(18,795)	(5,161)	(21,137)
As of December 31, 2023	33,721	745,457	-	-	779,178
Additions	1,922	54,894	3,282	-	60,098
Write-offs	(12,617)	(18,366)	-	-	(30,983)
Impairment	-	3,808	-	-	3,808
Exchange difference / Effects of hyperinflationary monetary adjustment	39,879	-	-	-	39,879
As of December 31, 2024	62,905	785,793	3,282	-	851,980
(-) Accummulated depreciation					
As of December 31, 2022	(36,927)	(382,599)	(13,496)	(3,134)	(436,156)
Additions	(5,992)	(90,005)	(14,838)	-	(110,835)
Write-offs	236	-	70	-	306
Discontinued operations	6,849	2,140	19,841	-	28,830
Exchange difference / Effects of	17,365	(19,121)	8,424	3,134	9,802
As of December 31, 2023	(18,469)	(489,585)	-	-	(508,054)
As of December 31, 2023					
Additions	(10,640)	(63,941)	(4,572)	(1,609)	(80,762)
Write-offs	5,098	-	-	-	5,098
Exchange difference / Effects of hyperinflationary monetary adjustment	(21,817)	-	-	-	(21,817)
As of December 31, 2024	(45,828)	(553,526)	(4,572)	(1,609)	(605,535)
Balance as of December 31, 2024	17,077	232,267	(1,290)	(1,609)	246,445
Balance as of December 31, 2023	15,252	255,872	-	-	271,124

The changes in obligations under finance leases in the year ended December 31, 2024 and 2023 are demonstrated below:

Changes in lease liabilities:

	Lease Liabilities
As of December 31, 2022	165,791
Additions, net of write-offs	268,224
Payments	(152,374)
Present value adjust	53,805
Discontinued operations	28,181
Exchange difference / Effects of hyperinflationary	(60,035)
As of December 31, 2023	303,592
Additions, net of write-offs	29,115
Payments	(116,613)
Present value adjust	44,237
Exchange difference / Effects of hyperinflationary	16,994
As of December 31, 2024	277,325

The obligations under finance leases are broken-down as current and non-current and are aged as demonstrated below:

Lease liabilities included in the statement of financial position:

	12.31.2024	12.31.2023
Current	76,011	66,200
Non-current	201,314	237,392
Lease liabilities	277,325	303,592

Lease liabilities - Maturity analysis:

	Lease Liabilities
Less than one year	76,011
One to five years	194,584
More than five years	6,730
Lease liabilities	277,325

15. Shareholder's Equity

Share Capital

As of December 31, 2024 and December 31, 2023 share capital is represented by 55,279,765 registered shares without par value, of which 52,920,764 are common shares and 2,359,001 are preferred shares Class A.

Preferred Shares – InterCement Participações

Class A

The preferred shares (Class A) grant their holders the right to receive minimum dividends, not accumulating losses, do not grant voting rights in the Company's shareholders' meetings, and can be redeemed by decision of the Board of Directors. Any contractual obligations are guaranteed and recorded at Company's Parent Company; consequently, the Company does not have any contractual obligation assumed with such holders of the preferred shares.

Capital Reserves

Per Brazilian statutory law, after earnings reserves were fully consumed to absorb the losses of the year, the remaining losses, if any, should be absorbed by Capital Reserves. As of December 31, 2023, the reserves were utilized in the amount of BRL1,363,133 to absorb the loss of the year, after fully utilizing the Earnings Reserves.

Earning reserves – Capital Budget

The Board of Director recommended the constitution of a retention reserve based on the capital budget of the Company. For the year ended December 31, 2024, no reserve was established because the Company did not generate profit during the year.

Earning reserves – Legal

Based on Brazilian Corporate Law, the e Company established a Legal Reserve equivalent to 5% of the net income for the year. For the year ended December 31, 2024 and 2023, no reserve was established because the Company did not generate profit during these years.

Earning Reserves – Transaction with non-controlling interests

Argentinian subsidiary – acquisition of non-controlling interests of Loma Negra own shares

During the year ended on December 31, 2024, Loma Negra acquired 65,624 own shares for a total cash disbursement of BRL8,778, of which a loss of BRL4,577 were attributed to Company´s owners. During the year ended on December 31, 2023, there was no purchase of own shares.

In cumulative terms, as of December 31, 2024, Loma Negra had acquired 12,417,953 own shares for a total value of BRL 179,234, which is equivalent to 2.13% of total shares.

Dividends

The shareholders are entitled to annual minimum mandatory dividends equivalent to 25% of adjusted profit for the year, as provided by the bylaws and the Brazilian Corporate Law. In 2024 and 2023, due to losses for the year attributable to Company´s owners, the Company did not constitute any minimum mandatory dividends.

Other comprehensive income (loss) attributable to the Company´s owners

Other comprehensive income attributable to Company´s owners of BRL508,787 (BRL297,783 for the ended December 31, 2023) corresponds to: i) equity recognition of actuarial losses on the employee benefits plan in the amount of BRL4,577 (negative of BRL753 for the year ended December 31,2023); ii) negative equity recognition of exchange differences from translation of foreign operations in the amount of BRL541,380 (negative BRL13,375,098 for the year ended December 31, 2023 of which a positive amount of BRL169,970 relates to discontinued operations) (see Note 2.24); (iii) negative equity recognition of derivative and hedging transactions amounting to BRL26,781, net of taxes (positive BRL 4,354 for the year ended December 31, 2023); and (iv) positive effect of hyperinflationary monetary adjustment in Argentinian business segment of BRL1,081,525 (BRL13,073,714 for the year ended December 31, 2023).

The exchange differences from translation of foreign operations from discontinued operation for the year ended December 31, 2023 aforementioned (BRL169,970) refers to the reversal of an accumulated loss of BRL224,183 to the statement of profit or loss as a result of the Egypt segment disposal (see Note 2.4). Such reversal is partially offset by the negative exchange variation from translation of Mozambique and Africa of BRL59,793, which was recycled to the statement of profit or loss only at the disposal, occurred in December 31, 2023.

Non-controlling interests

Changes in non-controlling interests

a) Other comprehensive income:

The amount of BRL994,357 (BRL513,108 for the year ended December 31, 2023) corresponds to: i) equity recognition of actuarial loss on the liability to employees in the amount of BRL4,201 (loss of BRL728 for the year ended December 31, 2023); ii) negative exchange differences from translation of foreign operations in the amount of BRL8,617 (negative of BRL12,632,210 for the year ended December 31, 2023; iii) negative equity recognition of derivative, hedging and actuarial transactions amounting to BRL 9,044 (positive of BRL14 for the year ended December 31, 2023); and (iv) positive effect of hyperinflationary monetary adjustment in Argentinian business segment of BRL998,985 (positive of BRL12,119,816 for the year ended December 31, 2023).

b) Dividends declared to non-controlling interests:

i. For the year ended December 31, 2024, special purposes entities (SPEs) controlled by Brazilian subsidiaries declared dividends to non-controlling interests in the amount of BRL103,854 related to 2024 results and BRL27,048 related to 2023 results (BRL92,622 and BRL37.869, for the year ended December, 2023, respectively related to 2023 and 2022 results).

ii. On May and June, 2023, Argentinean subsidiary (Loma Negra) announced payment of dividends for a total amount of BRL729,554. The payments occurred on May 5, 2023 and July 4, 2023, of which BRL226,896 and BRL122,284 respectively was paid to non-controlling shareholders.

iii. African entities declared dividends to non-controlling interests in the amount of BRL316.

Preferred shares of special purposes entities (Brazilian segment)

Preferred shares for its special purpose entities (“SPE”) of Barra Grande Participações, Machadinho Participações and Estreito Participações are held by non-controlling entities. These preferred shares have certain specific characteristics, in particular, in terms of:

• Right to priority dividends of the profit and/or reserves distributed in each year;

• Absence of voting rights (except for specific matters established in the corresponding statutes);

• Priority relating to the common shares in case of liquidation;

• Be converted into common shares (conversion rights);

• Non-participation in future capital increases.

There is also contracts clauses establishing a set of assumptions which regulate terms of an eventual divestment by the holders, including rights to receive minimum dividends, as well as rights to convert preferred shares into common shares. The Company is not required or obligated to repurchase these preferred shares any time.

Considering all contract characteristics, attending to the disposals of IAS 32, the referred instruments (either Barra Grande, Machadinho and Estreito) acquire characteristics of equity and financial instruments components, taking into account that those instruments simultaneously incorporate components that can be classified as an equity instrument and a financial instrument (financial asset or liability). Consequently, these components were measured and recognized separately in the financial statements, as follows:

c) The initial contribution received as a consideration of such preferred shared by InterCement Brasil was classified as an equity instrument, taking into consideration that, under the terms established, there is no obligation to repurchase those shares (obligation to deliver cash or other financial assets), as well as convertibility clauses in common shares (by option of the shareholders) and their respective dividends;

d) There are also contractual clauses regarding to options of minimum return and possible coverage of significant devaluation of these investments, for a period up to seven years or by the holders during that period, respectively. Such options generated gain or loss for the Company and such instruments were classified as derivative financial instruments and measured at fair value at the date of the financial statements.

As aforementioned, in the years ended December 31, 2024 and 2023, the SPEs declared and paid dividends to non-controlling interests.

16. Income Tax and Social Contribution

	12.31.2024	12.31.2023
Profit (Loss) before income tax and social contribution	259,270	(923,616)
Group Tax rate	34%	34%
Income tax and social contribution at statutory rates	(88,152)	314,029
Adjustments to calculate income tax and social contribution at effective rate:		
Non-deductible losses due to liquidation of certain financial instruments in Argentina (note 19)	-	6,369
Non-deductible financial expenses in Spanish subsidiary (a)	(168,428)	(88,495)
Effect of differences in foreigner tax rates to Group tax rate (34%)	(69,571)	(61,376)
Permanent additions / (deductions), net	89,852	(6,124)
Deferred income tax and social contribution not recognized (b)	(290,089)	(160,971)
Write off of Deferred Tax Asset (c)	-	(167,603)
Other (d)	(7,375)	14,609
Income tax and social contribution expense	(533,763)	(149,562)
Current Income tax and social contribution expense	(420,704)	(27,931)
Deferred Income tax and social contribution expense	(113,059)	(121,631)

The significant increase in the current income tax and social contribution expense is mainly due to the taxable results in Argentina reflecting the December 31, 2024 year-end profits, impact that can also be identified in the increase of the year-end taxes payable liability.

For the year ended December 31, 2024 and 2023, the reconciliation between the nominal and the effective income tax was as follows:

(a) For the year ended December 31, 2024, it mainly refers to deduction of BRL168,428 (deduction of BRL88,495 for the period ended December 31, 2023) related to the effect of financial transactions recorded in the Spanish subsidiary that were excluded for tax purposes.

(b) For the year ended December 31, 2024, it includes the effect from tax losses and/or tax temporary differences mainly in Brazil business segment, where deferred tax assets were not recognized, as a consequence of the deterioration of the projected taxable results mainly explained by the increase of financial expenses due to rising interest rates. Considering the going concern basis, additional deferred tax assets in such subsidiary will only be recognized when utilization of existing deferred taxes are observed and future projections demonstrate the full utilization of such additional, not exceeding the ten years period established at the initial recognition, ending in December 31, 2031. As December 31, 2024, in Brazil business segment, a deferred tax asset of BRL706.816 is recognized.

(c) The Company assesses the recoverability of deferred tax assets based on estimates of future earnings. As of December 31, 2023, the assessment indicated that a portion of these taxes would not be realized by the estimated date. Therefore, a reversal of deferred taxes on tax loss and negative basis in the amount of BRL167,603 recorded in previous years was recognized.

(d) For the year ended December 31, 2024, it mainly refers to (i) negative amount of BRL53,437 related to the impact of monetary adjustment in Argentina due to hyperinflationary economy (negative amount of BRL11,603 for the year ended December 31,2023); (ii) positive amount of BRL 51,895 mainly generated by entities in Brazilian segment taxed under the presumed profit tax rules and other permanent differences in Brazil (positive amount of BRL 53,508 for the year December 31, 2023), and (iii) income tax gains of BRL14,555 in our Portuguese holding, mainly from the reduction in provision for tax contingencies, due to tax risks reassessments as a result of favourable judicial decision, for the year ended December 31, 2023.

Deferred income tax and social contribution

As indicated above, deferred income tax and social contribution were recognized on tax losses carryforwards and temporary differences in the recognition of revenues and expenses between tax books and corporate records, to the extent considered realizable by the subsidiaries.

Deferred income tax and social contribution are demonstrated as follows:

	12.31.2024	12.31.2023
Assets:		
Tax loss carryforwards (a)	338,881	363,523
Tax, labor and civil contingencies	47,993	55,151
Valuation of the useful lives of property, plant and equipment	224,545	237,134
Expected credit losses (accounts receivable)	4,240	5,579
Allowance for impairment losses (inventories)	44,426	42,964
International double taxation	44,761	37,218
Other temporary provisions	89,165	92,826
Total assets	794,011	834,395
Liabilities:		
Goodwill amortization (future earnings)	199,561	183,194
Exchange rate changes taxed on a cash basis	75,280	101,945
Useful life estimate of property, plant and equipment	1,308,923	664,183
Measurement of assets acquired at fair value (b)	142,797	152,052
Inventories	318,356	88,952
Other temporary provisions	17,426	23,220
Total liabilities	2,062,343	1,213,546
Noncurrent assets	407,256	375,000
Noncurrent liabilities	1,675,588	754,151

(a) Recognition of deferred income tax assets over tax losses and temporary differences in Brazil

Deferred income taxes assets over tax losses and temporary differences are recognized when it is probable that future taxable profits will be available to compensate such credits.

The future taxable profits projections are derived from the business plan properly approved by the Board of Directors, carried out at nominal bases, observing the period of 10 year (which coincides with the business cycle), using as assumptions historical information, market sources and Management´s best estimate to realize the temporary differences at current tax rates. The projections are not discounted to present value.

Based on the respective assessment, on December 31, 2021, the Brazilian subsidiary InterCement Brasil S.A. ("ICB") concluded that it was probable to generate sufficient future taxable income to record unrecognized deferred tax assets from prior periods, including temporary differences (whose realization was considered in the projections), having recognized in that year BRL878,990 of deferred taxes not yet recognized.

InterCement Brasil S.A. assesses the realization of deferred tax assets at the end of each reporting period. The review carried out on December 31, 2024, indicated that part of the deferred tax assets recognized would be realized until the previously estimated date (a 10 years-period from the initial recognition, up to 2031). Additionally, ICB did not recognize new deferred tax assets in 2024 due to the recurring losses from continuing operations observed in Brazil. The projections for the realization of the remaining deferred tax assets recorded, in the amount of BRL706,815, depends on the terms and conditions presented in the Recovery Judicial Plan, subject to approval and ratification at a Creditors' Meeting to be scheduled throughout 2025 and, consequently, are subject to change as mentioned in note 1.

Furthermore, as of December 31, 2024, the Brazil segment (ICB) has an accumulated base of tax losses carryforwards in the amount of BRL2,327,156. Therefore, there remains an amount of tax losses carryforwards base of BRL1,353,732 for which no deferred tax asset has yet been recognized, and in the event of an improvement in financial expectations, could enable the recognition of an additional deferred tax asset in the amount of BRL460,269. Moreover, the Company (ICP) also presents an accumulated base of tax losses carryforwards in the amount of BRL478,285, which could enable the future recognition of an additional deferred tax asset in the amount of BRL157,697 (net of deferred tax asset over tax losses carryforwards recognized in 2024 in the amount of BRL4,920 - base amount of BRL14.471).

(b) Refers mainly to the revaluation of assets at fair value on the purchase price allocation resulted from the acquisition of former CIMPOR occurred in 2012.

As of December 31, 2024, the deferred income tax assets over tax losses totals BRL338,881 (BRL363,523 as of December 31, 2023), which corresponds to a tax losses bases of approximately BRL997,400 (BRL1,970,620 as of December 31, 2023). The expected recovery of such assets is as follows and they are substantially concentrated in Brazilian business segment:

	12.31.2024
2025	2%
2026	5%
2027	9%
2028	13%
2029	15%
After 2029	56%

The Company has additional BRL7,310,784 (BRL4,559,795 as of December 31, 2023) consolidated tax losses basis among the segments and other jurisdictions (primarily in holding entities), for which corresponding deferred tax assets where not recognized due to the lack of availability of probable future taxable income.

17. Net Sales

The breakdown of the Company's net sales for the year ended December 31, 2024 and 2023 are as follows:

	12.31.2024	12.31.2023
Products sold	11,249,245	8,188,195
Services provided	186,736	262,482
(-) Taxes on sales	(1,126,405)	(1,134,947)
(-) Discounts	(2,840,582)	(1,284,143)
Total	7,468,994	6,031,587

Taxes on sales comprise federal, state and municipal taxes such as Federal VAT, State VAT, Taxes on Revenues, and Service Tax.

18. Information on the Nature of the Costs and Expenses Recognized in the statement of profit or loss

The consolidated statements of profit or loss are presented based on a classification of expenses according to their function. Information on the nature of such expenses is as follows:

	12.31.2024	12.31.2023
Depreciation and amortization	(800,452)	(619,206)
Impairment losses, net (a)	68,728	(1,552)
Salaries and employee benefits	(1,112,312)	(836,866)
Raw materials and consumables	(916,818)	(1,016,984)
Tax expenses	(159,220)	(115,679)
Outside services	(589,836)	(331,703)
Rental	(15,095)	(10,884)
Freight expenses	(736,416)	(653,488)
Maintenance costs	(508,693)	(325,782)
Fuel	(987,615)	(1,029,677)
Electricity	(398,929)	(300,328)
Specialized work	(168,374)	(151,540)
Recognition of inventories and trade receivable impairments	(15,383)	(4,466)
Gain (Loss) on sale of property, plant and equipment	(66,689)	50,152
Other	(99,252)	(96,864)
Total	(6,506,356)	(5,444,867)
Cost of sales and services	(5,739,530)	(4,848,027)
Selling expenses	(372,785)	(270,018)
Administrative expenses	(534,374)	(432,659)
Other income/(expenses) (b)	140,333	105,837
Total	(6,506,356)	(5,444,867)

a) In the year ended December 31, 2024, it substantially refers to the reversal of the provision related to the sale of non-operational equipment from the João Pessoa unit, which had been classified by management as available for sale in 2023, and which sale was concluded in the current period. In the year ended December 31, 2023, refers to impairment losses recognized to certain fixed assets in Brazil due to market value depreciation.

b) The year ended December 31, 2024, includes (i) the recognition of PIS/Cofins extemporaneous credits in the amount of BRL4,221 related to various expenses, including medical assistance, tolls, and logistics, ii) the recovery of ICMS on transfers between establishments amounting BRL35,393 and iii) the net gain in the amount of BRL30,415 related to the sale of João Pessoa unit. The year ended December 31, 2023, includes (i) the gain from the sale of reinsuran ce business assets in the amount of BRL56,599; ii) the recognition of extemporaneous tax credit in Brazil in the amount of BRL16,496, resulting from a favourable court decision from a dispute regarding the possibility to reduce from tax basis interests and fines and ii) the recognition of discount associated with the operation of sale of PIS/Cofins credits in the amount of BRL33,313.

19. Financial Income (Expenses) and Foreign Exchanges Gain (Losses), net

	12.31.2024	12.31.2023
Foreign exchange gain (losses), net (a):		
Exchange gain	690,588	821,501
Exchange loss	(1,044,836)	(1,625,793)
Total	(354,248)	(804,292)
Financial income:		
Inflation adjustment	9,298	24,688
Effects of Hyperinflationary monetary adjustments (b)	1,577,277	830,948
Financial earnings	95,263	53,943
Interest income	6,823	2,093
Derivative financial instruments	21,720	1,534
Other income	23,865	9,464
Total	1,734,246	922,670
Financial expenses:		
Inflation adjustment (c)	(56,352)	(100,137)
Expenses on interest and charges (d)	(1,769,966)	(1,335,601)
Expenses on banking commissions	(20,694)	(19,292)
Fines	(1,383)	(6,321)
Derivative financial instruments	(15,590)	(22,056)
Lease liabilities present value	(44,237)	(48,869)
Other expenses (e)	(175,144)	(96,438)
Total	(2,083,366)	(1,628,714)

(a) For the year ended December 31, 2024 and 2023, the exchange differences are mainly influenced by the depreciation of Argentinian peso against US$ and by the appreciation and depreciation of other functional currencies against US$ and Euro; which are ultimately translated to Brazilian Reais (Group presentation currency).

(b) It relates to the application of hyperinflationary monetary adjustments in Argentinean business due to the application of IAS29 – Hyperinflationary economy (see Note 2.2). The variation is mainly explained by the increase in the monetary adjustments rates, which for the year ended December 31, 2024 it was 117.76% against 211.41% in the comparable period.

(c) In the year ended December 31, 2023, it substantially refers to the SELIC monetary accretion on the discount value resulting from the operation of sale of recoverable PIS/COFINS credit in the amount of BRL44,836, since originally it was allocated to the financial result.

(d) For the year ended December 31, 2024, includes interests on debentures in the amount of BRL776,267 (BRL774,605 for the year ended December 31, 2023) and interest on senior notes in the amount of BRL400,155 (BRL457,317 for the year ended December 31, 2023). Additionally includes the amount of BRL460,341 related to the late payment penalty fee due to the postponement of the payment of principal and interest instalments of the Brazilian debentures which were due in June 2023, December 2023, June 2024 and December 2024, and are still unpaid.

(e) For the year ended December 31, 2024 it includes: i) BRL9,815 related to PIS and COFINS on financial income in Brazilian business segment (BRL6,615 for the year ended December 31, 2023), ii) BRL23,590 related to PIS and COFINS on financial income in ICP (BRL15,591 for the year ended December 31, 2023), iii) BRL399 related to financial transaction expenses (IOF) at ICP (BRL5,633 for the year ended December 31, 2023), (iv) BRL56,736 related to discounts allowed in Argentinean business segment (BRL29,481 for the year ended December 31, 2023) and BRL51,730 related to monetary adjustments of liabilities in Argentinean business segment (BRL14,173 for the year ended December 31, 2023).

20. Commitments

Purchase agreements

The subsidiary ICB has a contractual agreement for the acquisition of hydroelectric power until 2025 and contracts "take or pay" for rail transport services, logistics services for storage, transport and handling until 2029, sale of clinker in accordance with the minimum stipulated in the contract until 2027, purchase of limestone in accordance with the minimum stipulated in the contract until 2033, purchase of ashes in accordance with the minimum stipulated in the contract until 2030, whose estimated cash disbursements, in nominal amounts are as follows:

	12.31.2024
2025	328,836
2026	293,879
2027	266,045
2028	207,435
After 2028	996,936
Total	2,093,131

Other subsidiaries are parties to contractual agreements for the purchase of inventories and property, plant and equipment, and the operation of facilities located in third-party properties, as follows:

	12.31.2024
2025	315,242
2026	232,243
2027	161,781
2028	129,063
After 2028	255,775
Total	1,094,104

The above balances refer mainly to the contracts signed by Loma Negra as detailed below:

The Argentina segment contains certain contractual commitments (i) for the purchase of slag with effect until 2028, with estimated future cash flows of approximately BRL43,680 (ARS7,479,441 thousands) during 2025, and BRL131,039 (ARS22,438,322 thousands) between 2026 and 2028, and (ii) for the purchase of stone during the year 2025, in the amount BRL406 (ARS69,639 thousands).

The Argentina segment also signed contracts (i) for the supply of gas, assuming payment commitments in the total amount of approximately BRL185,772 (ARS31,810,418 thousands) to be paid during 2025 and BRL135,898 (ARS23,270,366 thousands) to be paid between 2026 and 2027; and (ii) for the supply of energy in the amount of BRL85,384 (ARS14,620,550 thousands) to be paid during 2025 and BRL511,925 (ARS87,658,955 thousands) to be paid between 2026 and 2038.

21. Profit (loss) per share

The table below shows the reconciliation of loss for each period with the amounts used to calculate basic and diluted loss per share:

	12.31.2024	12.31.2023 Recasted
Profit (Loss) for the period from continuing and discontinuing operations attributable to Company's owners	(803,953)	(1,303,726)
Profit (Loss) for the period attributable to common shares	(803,953)	(1,303,726)
Weighted average number of common shares	52,920,764	52,920,764
Basic/diluted loss per common share	(15.19)	(24.64)
Profit (Loss) for the period from continuing operations attributable to Company's owners	(831,662)	(1,215,109)
Profit (Loss) for the period attributable to common shares	(831,662)	(1,215,109)
Weighted average number of common shares	52,920,764	52,920,764
Basic/diluted loss per common share	(15.72)	(22.96)

22. Insurance

The business of InterCement Group are covered through a Master Policy with international insurance company for property damage and business interruption with indemnity limits up to BRL965,250 (€150,000 thousands) per insured event and liability risks with indemnity limits up to BRL96,525 (€15,000 thousands) per insured event.

Argentinian and Brazilian business´s liability and damage risk is not covered by this Master Policy and insurances is contracted directly by Loma Negra and its subsidiaries and by InterCement Brasil S.A. and its subsidiaries.

The scope of the work of our auditors does not include the issuance of an opinion on the sufficiency of the insurance coverage, which was determined by Management and which considers it sufficient to cover any claims.

23. Guarantees

The comfort letters and guarantees given within the Group, in the amount of BRL8,331,022 (BRL 7,939,167 as of December 31, 2023), relates to financial liabilities already reflected in the consolidated financial position. In addition, as of December 31, 2023, several Group companies has given guarantees with third parties, mainly related with tax legal disputes in the business segment of Brazil and Portugal, in the amount of BRL1,208,264 (BRL1,188,715 as of December 31, 2023).

24. Financial Instruments

The Group conduct transactions involving financial instruments, including derivatives, all of which recorded in balance sheet accounts, which are intended to meet their operating and financial needs. The Company contracts short-term investments, borrowings and financing, debentures as well as derivatives.

24.1. Capital risk management

The Group capital structure consists on net debt and equity. The net debt comprises borrowings and financing and debentures less the cash and cash equivalents, current securities and derivatives. Interest payable and obligations under finance leases are not included within the net debt.

As mentioned in Note 9 and 10, the Company is subject to certain covenants metrics, as the ratio Net Debt / Adjusted EBITDA. As of December 31, 2024, the compliance of it is directly related to the presentation of the Judicial Recovery Plan and its progress up to date of these financial statements as mentioned in note 1.

For the purpose to determine the metrics aforementioned, the Adjusted EBITDA is calculated as profit or loss from continuing and discontinuing operations adjusted by (i) financial income (expenses), (ii) income taxes and depreciation and amortization costs and expenses; (iii) plus or minus impairment loss and reversal, plus taxes on financial transactions in Argentinian businesses segment, plus or minus non-recurring items.

Gross Debt is calculated as the sum of current and non-current borrowings and financings and debentures (excluding interest payable, current and non-current obligations under finance leases and other financing liabilities, such as confirming).

24.2. Financial risk management

General principles

During its normal business activities, ICP Group is exposed to a variety of financial risks likely to change its net worth, which can be grouped, according to their nature, in the following categories:

- Interest rate risk;
- Exchange rate risk;
- Liquidity risk;
- Credit risk;
- Counterparty risk.

Financial risk means the probability of obtaining a positive or negative outcome different to that expected, and which materially and unexpectedly alters the Group's net worth.

All risk management, focused on that objective, is conducted according to two core concerns:

- Reducing, whenever possible, fluctuations in profit/loss and cash flows that are exposed to risk situations;

- Curbing deviation from forecast financials by means of strict financial planning based on multi-year budgets.

Furthermore, another concern of the Group is that the processes for managing these risks meet internal information requirements and external requirements (regulators, auditors, financial markets and all other stakeholders).

The Group, as a rule, does not take speculative positions and so the sole aim of all operations carried out with the purpose of managing financial risks is to control existing risks to which the Group is unavoidably exposed.

Hedging the interest-rate risk and exchange-rate risk normally means contracting financial derivatives on the over-the-counter market (for reasons of flexibility), involving a limited number of counterparties with high ratings. These operations are undertaken with financial entities with which International Swaps and Derivatives Association (ISDA) contracts were completed in advance, in accordance with international standards.

The treasury department is responsible for managing financial risks, including identifying, assessing and hedging such risks. This risk management is conducted under the guidance of the Executive Committee, in particular of the director responsible for the financial risk area (whose approval is required prior to any operation).

24.3. Interest rate risk

The Group's exposure to interest-rate risk arises from the fact that its balance sheet includes financial assets and liabilities that may have been contracted at fixed interest rates or at variable interest rates. In the former case, the Group runs the risk of variation in the fair value of those assets and liabilities, whereby any change in market rates involves a (positive or negative) opportunity cost. In the latter case, such change has a direct impact on the amount of interest paid/received, resulting in cash account changes.

Interest-rate swaps can be contracted to hedge this type of risk, in accordance with the Group's expectations concerning the development of market rates.

As of December 31,2024, there were no hedge instruments contracted to protect such risks.

Exposure to interest rate risks and to floating and fixed rates

The Group is exposed to floating interest rates and inflation rates mainly related to changes in the IGP-M, CDI, IPCA and Badlar on borrowings and debentures. Interest rates on short-term investments are mostly linked to the CDI fluctuation. These positions are as follows:

	Borrowings and financing	Debentures	Cash and cash equivalents	Securities	Other payables	12.31.2024	12.31.2023 Recasted
Assets:							
CDI	-	-	1,585,915	913	-	1,586,828	634,618
Total	-	-	1,585,915	913	-	1,586,828	634,618
Liabilities:							
IGP-M	-	-	-	-	53,011	53,011	67,032
CDI	-	4,477,054	-	-	-	4,477,054	5,720,694
Badlar	-	-	-	-	-	-	196,358
IPCA	31,653	-	-	-	-	31,653	108,099
Total	31,653	4,477,054	-	-	53,011	4,561,718	6,092,183

As of December 31, 2024, the Group's liability by type of interest rate, considering derivative financial instruments, between floating and fixed rate, are as follows:

	12.31.2024	12.31.2023
Floating rates	50%	58%
Fixed rates	50%	42%

24.4. Exchange rate risk

The Group is exposed to the exchange-rate risk for the currencies of different countries due to the amounts of capital invested in those countries where functional currency is different from Group functional currency. Additionally the Group is also exposed due to financial assets and liabilities in currencies different from the functional currencies of the related companies.

The exchange effects of the translation of local financial statements in the Group's consolidated financial statements can be mitigated by hedging the net investments in such countries, when applicable.

When hedging the exchange-rate risk, swaps and forward contracts and with maturities equivalent to the instrument that serves as a hedging basis, are contracted.

The Group does not carry out exchange-rate operations that do not adequately cover existing or contracted positions.

The fact that the Group operates in countries with significant interest rate differentials in relation to the consolidation currency, results in the search for natural hedge strategies. In this respect there was a seeking to increase the debt of the Business Units in order to obtain better correspondence between assets and liabilities in the same currency, thus decreasing the Group's overall exposure.

Additionally, considering the current exchange regulations existing in Argentina, the official exchange rates, which are considered by the Argentinian subsidiary to record any unrealized gain or loss resulting from changes in exchange rates as per IAS 21 — The Effects of Changes in Foreign Exchange Rates, might be considerable different from the exchange rates actually used when collecting financial assets or liquidating financial liabilities in a foreign currency (mainly U.S. dollars). This is mainly due to the U.S. dollars and other foreign currencies constrains in Argentina market, causing the effect "dollar blue" where the U.S. dollar can be worth twice as much in peso terms when exchanged.

Therefore, the Group is constantly monitoring the alternatives to collect financial assets and liquidate financial liabilities in foreign currency (other currencies than Argentinian Pesos) and their corresponding impacts. The realized profit or loss derived from the use of alternative financial instruments to liquidate operations in foreign currency is recognized at the time the Argentinian subsidiaries unconditionally commits or executes such financial asset or liability in kind ("cash"). As of December 31, 2024, in case such instruments were used for the liquidation of the aforementioned operations, it would result in a negative impact of approximately 15% over the net position in dollars.

For the year ended December 31, 2024, there was no collection or liquidation of financial assets or liabilities in foreign currency in Argentina, therefore, no impact in the Statement of profit or loss for the periods.

Exposure to foreign exchange risk

The Group companies has assets and liabilities in currencies other than their own functional currencies, mainly the US Dollars and Brazilian Reais, and their individual financial results may be materially impacted by exchange rate fluctuations.

The main account groups exposed to foreign exchange risk are as follows:

	12.31.2024	12.31.2023 Recasted
Assets:		
Cash, cash equivalents and securities	173,300	1,204,096
Related parties (a)	5,443,844	3,659,468
Other assets	50,773	65,545
Exposed assets	5,667,917	4,929,109
Liabilities:		
Borrowings, financing and debentures (Note 9 and 10)	4,341,163	3,323,049
Interest payable	182,840	69,387
Foreign trade payables	115,886	110,904
Related parties (a)	1,497,927	1,146,481
Other liabilities	16,407	22,687
Exposed liabilities	6,154,223	4,672,508
Exposed net position liabity	(486,306)	256,601

(a) Include balances between related parties with currency exposure for creditor, debtor or both. Risk arises when the currency determined in the transaction is different from entities functional currencies and even though balances (assets and liabilities) are eliminated during the consolidation process; exchange variation results are not eliminated and are recognized directly into profit or loss, except when the monetary asset or liability is accounted as net investment in a foreign operation in light with IAS 21 – The Effect of changes in Foreign Exchange Rates.

Starting in July 01, 2022, certain Related Parties loans that are payable to or receivable from a foreign operation within the Group were accounted as part of entity´s net investment in light with IAS 21 – The Effect of changes in Foreign Exchange Rates. Accordingly, exchange differences arising from such related parties loans were recognized as “Exchange differences from translation of foreign operations” within “other comprehensive income”. Such results will be reclassified from equity to profit or loss on disposal of the corresponding net investment. As of December 31, 2024, the Related Parties payables and receivables of BRL6,380,404 and BRL1,237,236, respectively, were determined to be part of entity´s net investment and the exchange difference since inception of BRL276,942 were recorded within “other comprehensive income” (an increase of BRL158,026 for the year ended December 31, 2024).

The presentation of cash and cash equivalents and related foreign exchange exposures are as follows:

		12.31.2024		12.31.2023 Recasted	
Functional currency	**Currency**	**Currency**	**BRL**	**Currency**	**BRL**
ARS	USD	1,148	7,106	4,900,375	29,348
BRL	USD	8	52	16,174	16,175
EUR	USD	26,577	165,771	216,402	1,158,094
ARS	EUR	10	64	9,559	58
EUR	EGP	2,721	307	79	421
Amount exposed to foreign exchange risks			173,300		1,204,096
BRL	BRL	1,603,377	1,603,377	507,063	507,063
EUR	EUR	3,565	22,942	5,223	27,954
ARS	ARS	7,360,403	44,165	1,764,038	10,564
Amount by functional currency			1,670,484		545,581
			1,843,784		1,749,677

The main debt instruments (essentially related with loans and debentures) as of December 31 2024 and December 31, 2023, were denominated in the following currencies:

	12.31.2024	**12.31.2023**
USD	49%	41%
BRL	50%	57%
Other	1%	2%

24.5. Liquidity risk

Liquidity risk management means maintaining an appropriate level of cash resources and contracting credit limits that not only ensure the normal pursuit of the Group’s activities but also meet the needs of any extraordinary operations.

As detailed in Note 1, Management is working in several tasks for cash flow improvements, creditors negotiation and other strategic alternatives to improve the capital structure, and as such, Management believes in the adequacy of these measures to pursuit of the Group's activities.

The table below summarizes the maturity profile of the Company's financial liabilities undiscounted payments:

	12.31.2024					
	Up to 1 year	1-2 years	3-5 years	More than 5 years	Total	12.31.2023 Recasted
Borrowings and financing and debentures	13,990,582	450,386	-	-	14,440,968	10,509,341
Trade payables	1,107,218	-	-	-	1,107,218	927,403
Obligations from confirming	-	-	-	-	-	12,490
Obligations under finance leases	112,898	101,819	141,243	7,287	363,247	405,125
	15,210,698	552,205	141,243	7,287	15,911,433	11,854,359

24.6. Credit risk

The market view of Group's credit risk in regards to financing operations is naturally reflected in the financial costs associated to such operations. The Group's influence in such matters is merely ancillary, embodying the prudent and balanced management of the business in order to lessen the probability of defaulting on its obligations.

The Group's level of solvency is also reflected in its Leverage ratio (Net Debt / EBITDA). As described in Notes 9 and 10, as of December 31, 2024, compliance with covenant clauses is directly related to the presentation of the Judicial Recovery Plan and its progress up to date of completion of these financial statements as mentioned in note 1.

Financial instruments that potentially subject the Company and its subsidiaries to concentrations of credit risk consist primarily of short-term investments. The Company and its subsidiaries maintain bank accounts and short-term investments with financial institutions approved by Management, and only carry out sale transactions according to credit approval criteria for minimizing default risks.

24.7. Counterparty risk

When the Group establishes different contractual relations with third parties, it takes on the risk of the probability of non-fulfilment or even, in an extreme scenario, default by a counterparty.

The Group endeavours to limit its exposure to this risk, when making bank deposits and other cash investments and also, when contracting derivative instruments, by carefully selecting the counterparties, based on their rating and taking into account the nature, maturity and scope of the operations.

Sensitivity analysis of financial instruments

Exposure to interest-rate risk results in the variability of the Group's net financial expenses. The results of a sensitivity analysis of exposure as of December 31, 2024 were as follow:

a) Sensitivity analysis - Interest rates with CDI index and IPCA:

A parallel change of +/- in the interest rate curves applied on principal amounts as of December 31, 2024, with all the other assumptions remaining constant would result in an increase in annual financial costs (before taxes) as shown in table below:

Indexing	Currency	Asset (Liability)	1%	2%	3%
CDI	BRL	(2,890,226)	(28,902)	(57,805)	(86,707)
IPCA	BRL	(31,653)	(317)	(633)	(950)

b) Exchange rates

In the debt balances, considering the currency distribution aforementioned, the exchange rate risks from exchange rate volatility may result in significant impacts on consolidated financial results.

Considering the Group's companies financial asset and liability profile (including intercompany balances, with the exception of balances considered as net investment in a foreign operation) as of December 31, 2024, the significant impacts on net financial results would be as follows:

Amount in USD	Transaction Currency	Amount in BRL Asset (liability)	Local Currency	FX rate Local / Transaction	USD depreciation -10%	USD depreciation -5%	USD appreciation 5%	USD appreciation 10%
(12,164)	US$	(75,141)	EUR	0.96	7,533	3,766	(3,766)	(7,533)
(156,115)	US$	(966,714)	ARS	1032.00	96,671	48,336	(48,336)	(96,671)
(30,702)	US$	(190,117)	BRL	6.19	19,012	9,506	(9,506)	(19,012)
		(1,231,972)	Total exposure US$ dollars x local currency					

Amount in EUR	Transaction Currency	Amount in BRL Asset (liability)	Local Currency	FX rate Local / Transaction	EUR depreciation -10%	EUR depreciation -5.0%	EUR appreciation 5.0%	EUR appreciation 10.0%
(16,720)	EUR	(107,615)	BRL	6.44	9,961	4,981	(4,981)	(9,961)
(1,173)	EUR	(7,550)	ARS	1072.66	699	349	(349)	(699)
		(115,165)	Total exposure EURO x local currency					

Amount in EGP	Transaction Currency	Amount in BRL Asset (liability)	Local Currency	FX rate Local / Transaction	EGP depreciation -10%	EGP depreciation -5.0%	EGP appreciation 5.0%	EGP appreciation 10.0%
3,752	EGP	914	EUR	26.41	(83)	(44)	44	55.03
		914	Total exposure EGP x local currency					

Amount in BRL	Transaction Currency	Amount in BRL Asset (liability)	Local Currency	FX rate Local / Transaction	BRL depreciation -10%	BRL depreciation -5.0%	BRL appreciation 5.0%	BRL appreciation 10.0%
859,917	BRL	859,917	EUR	6.44	(78,174)	(40,948)	40,948	78,174
		859,917	Total exposure BRL x local currency					

24.8. Categories of financial instruments

	12.31.2024	12.31.2023 Recasted
Current assets:		
Cash and bank accounts (Note 3)	107,792	1,280,603
Financial assets at amortized cost:		
Trade receivables (Note 5)	460,885	266,806
Other receivables	79,368	130,371
Financial assets at fair-value through profit & Loss:		
Short-term investments - financial asset (Note 3)	1,735,992	469,073
Non-current assets:		
Financial assets at amortized cost:		
Trade receivables (Note 5)	2,091	2,549
Other receivables	124,379	59,675
Long-term investments - financial asset (Note 4)	6,834	43,283
Financial assets at fair-value through profit & loss:		
Derivatives (Note 24.9)	7,571	1,441
Current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 10)	8,328,633	4,367,761
Borrowings and financing (Note 9)	183,332	104,036
Trade payables	1,107,218	927,403
Obligations from confirming	-	12,490
Interest payable (Notes 9 and 10)	2,109,608	775,533
Lease liabilities (Note 14)	76,011	66,200
Other payables	83,290	193,056
Non-current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 10)	402,598	3,580,683
Borrowings and financing (Note 9)	18,914	31,653
Lease liabilities (Note 14)	201,314	237,392
Other payables	127,870	132,448

24.9. Derivative transactions

It is represented by trading derivatives options in connection with “Baes”, “Machadinho” and “Estreito” operations, whose assets and liabilities fair value as of December 31, 2024 and December 31, 2023 are demonstrated below:

	Assets	
	Non-current	
	12.31.2024	12.31.2023 Recasted
Written-put options ("Baesa", "Machadinho" and “Estreito” operations)	7,571	1,441
	7,571	1,441

24.10. Market values

Estimated fair value – assets measured at fair value

The following table presents the Group’s assets and liabilities measured at fair value as of December 31, 2024 in accordance with the following fair value seniority levels:

- Level 1: the fair value of financial instruments is based on listings on net active markets as of the date of the financial information;
- Level 2: the fair value of financial instruments is not based on listings on net active markets but rather based valuation models;
- Level 3: the fair value of financial instruments is not based on listings on net active markets but rather on valuation models, the principal inputs of which are not observable in the market.

Category	Item	Level 2	Level 3
Assets:			
Financial assets at fair value	Short-term investments	1,735,992	-
Financial assets at fair value	Financial derivative instruments	-	7,571

The valuation technique to determine the fair value measurement of the financial instruments categorized within Level 3 of the fair value hierarchy, which comprises the derivative options of “Baesa", "Machadinho" and “Estreito” operations, was Black-Scholes. The significant unobservable inputs to the measurement include: expected future dividends payments based upon on discounted cash flows projections; benchmarking information of comparative listed entities volatility, among others. We have also used the Monte Carlo valuation technique to create a probability distribution (or risk assessment) in the determination of the exercise of the put options, which assumption was also used in the determination of the fair value.

Estimated fair value – assets and liabilities not measured at fair value

Measurement of fair value of derivatives financial instruments is based on criteria extracted from external database agencies, and the results obtained faced with the corresponding evaluations made by counterparties.

Except as regards lease liabilities, borrowings financing and debentures, financial assets and liabilities mature in the short term and so their fair value is considered to be the same as their book values.

The valuation to fair value in relation to their book value (amortized cost) being as follows:

		12.31.2024		12.31.2023 Recasted	
		Amortized cost (*)	Fair value	Amortized cost (*)	Fair value
Borrowing and financing (Note 9)		202,199	166,111	136,824	93,743
Debentures (Note 10)	(a)	10,840,886	9,130,014	8,722,842	7,944,194
Leases liabilities (Note 14)		277,325	268,510	303,592	342,146

(*) includes the accrued interests

(a) Includes the fair value of the Senior Notes which was based on the price quoted on the Singapore stock exchange as of December 31, 2024.

25. Operating Segment

The operating segments are identified based on the internal reports on the Company's components, periodically reviewed by the Chief Executive Officer (CEO), the chief operating decision-maker, so that funds can be allocated to the segments and their performances assessed.

To manage its business taking into consideration its financial and operating activities, the Company classified its business into each geographical area where the Company operates.

The Statement of profit or loss information (continuing operations) are as follows:

	12.31.2024				12.31.2023			
	Net Revenue				Net Revenue			
	Foreign sales	Intersegment sales	Total	Results	Foreign sales	Intersegment sales	Total	Results
Operating segments:								
Brazil	3,277,374	-	3,277,374	397,216	3,507,397	-	3,507,397	259,328
Argentina	4,195,072	-	4,195,072	665,643	2,528,743	-	2,528,743	370,988
Total	7,472,446	-	7,472,446	1,062,859	6,036,140	-	6,036,140	630,316
Unallocated (a)	(3,452)	(31,786)	(35,238)	(100,221)	(4,553)	(18,678)	(23,231)	(43,596)
Eliminations	-	31,786	31,786	-	-	18,678	18,678	-
Sub-total	7,468,994	-	7,468,994	962,638	6,031,587	-	6,031,587	586,720
Income before financial income (expenses)				962,638				586,720
Foreign exchange, net				(354,248)				(804,292)
Financial income				1,734,246				922,670
Financial expenses				(2,083,366)				(1,628,714)
Profit (Loss) before income tax and social contribution				259,270				(923,616)
Income tax and social contribution				(533,763)				(149,562)
Loss for the period from continuing operations				(274,493)				(1,073,178)
Profit (Loss) for the period from discontinued operations (Note 2.24)				27,709				(164,390)
Loss for the year				(246,784)				(1,237,568)

(a) This caption includes holding companies and trading companies not attributable to specific segments.

The profit or loss for each year above includes the full amount of the Company's segments disregarding the following amounts attributable to non-controlling interests:

	Noncontrolling interests	
	12.31.2024	12.31.2023
Operating segments:		
Brazil	116,722	118,254
Argentina	442,053	25,909
	558,775	144,163
Unallocated	(1,606)	(2,232)
	557,169	141,931
Discontinued operating segments (Note 2.24)	-	(75,773)
Profit/(Loss) for the year attributable to non-controlling interests	557,169	66,158

Other information:

	12.31.2024		12.31.2023	
	Capital expenditure	Depreciation, amortisation and impairment losses	Capital expenditure	Depreciation, amortisation and impairment losses
Operating segments:				
Brazil	355,732	393,401	324,249	416,241
Argentina	426,632	406,285	226,385	202,914
	782,364	799,686	550,634	619,155
Unallocated	12	617	-	1,603
	782,376	800,303	550,634	620,758
Discontinued operating segments	-	-	66,670	91,840
Total	782,376	800,303	617,304	712,598

The impairment losses, when it occurs, respects to impairment losses on goodwill, tangible and intangible assets.

In addition, segment assets and liabilities reconciled with the consolidated balances as of December 31, 2024 and December 31, 2023 are as follows:

	12.31.2024			12.31.2023 Recasted		
	Assets	Liabilities	Net assets	Assets	Liabilities	Net assets
Operating segments:						
Brazil	8,354,163	5,789,866	2,564,297	7,740,429	4,737,293	3,003,136
Argentina	9,415,536	3,691,221	5,724,315	4,792,224	2,064,253	2,727,971
Total	17,769,699	9,481,087	8,288,612	12,532,653	6,801,546	5,731,107
Unallocated	1,365,804	6,769,939	(5,404,135)	1,501,438	5,467,976	(3,966,538)
Eliminations	(1,032,032)	(1,032,033)	1	(588,937)	(588,937)	-
Total	18,103,471	15,218,993	2,884,478	13,445,154	11,680,585	1,764,569
Discontinued operating segments	-	-	-	206,996	209,896	(2,900)
Eliminations	-	-	-	(210,193)	(210,193)	-
Total discontinued segments	-	-	-	(3,197)	(297)	(2,900)
Inter-segment eliminations	-	-	-	3,724	3,724	-
Total	18,103,471	15,218,993	2,884,478	13,445,681	11,684,012	1,761,669

The unallocated assets and liabilities include assets and liabilities not attributable to specific segments basically allocated to holding and trading companies.

26. Events After the Reporting Period

Judicial Reorganization Plan

On February 10, 2025, the Company, in furtherance of the Material Facts disclosed on December 3 and 5, 2024, submitted the Judicial Recovery Plan ("Plan") within the scope of its Judicial Recovery process, filed under No. 1192002-34.2024.8.26.0100, in progress at the 1st Bankruptcy and Judicial Reorganization Court of the District of the Capital of the State of São Paulo, pursuant to Article 53 of Brazilian Law No. 11-101/2005 ("LFR"). The Plan establishes the terms and conditions proposed to enable the overcoming of the current economic and financial situation, ensuring the continuity of its activities and the preservation of value (see note 1).

Additionally, in the context of negotiations with its creditors regarding the Plan, the Company entered into confidentiality agreements ("Confidentiality Agreements") with certain holders of the 5.750% Senior Notes due 2024 issued by InterCement Financial Operations B.V. ("Noteholders") and their respective representatives to share certain material non-public information related to the Company's restructuring ("Restructuring").

Following the execution of the Confidentiality Agreements, the Company and its advisors met with the Noteholders and their advisors to discuss the Restructuring. As part of these negotiations, the Company has made available materials containing financial and operational information ("Materials") to the Noteholders.

The Company has not reached any definitive agreement with the Noteholders regarding the Plan and the Restructuring at this time. All information included in the Materials is accurate as of the date the Materials were shared with the Noteholders. The Materials have not been and will not be subsequently updated, and should not be used for any purpose. The information contained in the Materials is being made available to the public in compliance with the disclosure obligations set forth in the Confidentiality Agreements.

27. Authorization for issuance of the consolidated financial statements

The Board of Directors authorized the issuance of the consolidated financial statements on April 2, 2025.