EARNINGS RELEASE

CONSOLIDATED FINANCIAL REPORT

2Q24

InterCement

Building sustainable partnerships

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Adj. EBITDA growth of 4% YoY amidst some headwinds

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 1Q24 management considers the presentation currency for the purposes of the filing in Singapore to be the same as the functional currency (BRL).

1. 2Q24 Performance

- The **overall volume** of 3 million tons (Mt) was down by 16.5% YoY, impacted mainly by the challenging economic environment in Argentina, where volumes contracted 32,5% YoY. Volume sold in Brazil showed a decrease (-4.6%) compared with the same period in 2Q23, hit by the temporary suspension of sales from a plant in Rio Grande do Sul State – where volume dropped 37% vs 2Q23 – due to massive floods.
- **Total sales** of BRL 1,773 million decreased 1.6% YoY, primarily attributed to a lower demand for cement sales in Brazil. On the other hand, Argentina presented an increase of 8.8% due to the context of high inflation (reaching an annual rate of 271% as of Jun'24) leading to price increases that offset the drop of volumes.
- **Adjusted EBITDA**[1] reached BRL 417 million, reflecting a 3.9% increase compared to BRL 402 million recorded in 2Q23, mostly as a result of higher prices in Argentina, while the Brazilian segment reached BRL 156 million, 14.7% down YoY.
- Positive **Free Cash Flow to the Firm**[2] (FCFF) of BRL 52 million, 73% worse than that in 2Q23, impacted by working capital needs and higher CAPEX[2] disbursement.
- **Net Debt**[3] at BRL 7,256 million (not including interests payable), posted an increase of 15% when compared to Dec'23, mainly due to the Brazilian real devaluation (13% in the first half of the year) and the working capital increase (especially in Argentina), besides the cash disbursement for the bonds coupon payment (Jan'24) and dividends distributed to minority shareholders of the power generation SPVs.
- The **cash position** at 2Q24 was at BRL 1,520 million, of which BRL 852 million at the holdcos, BRL 19 million in Argentina and BRL 649 million in Brazil. As a result of the aforementioned factors, leverage stood at 4.8x LTM Adj Ebitda[1] as of Jun'24.

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

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

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

KEY FIGURES						
(BRL million)	2Q24	2Q23	Var. %	1H24	1H23	Var. %
Cement and Clinker Sales ('000 ton)	**3,166**	3,789	(16%)	**6,203**	7,367	(16%)
Sales	**1,773**	1,803	(2%)	**3,198**	3,641	(12%)
EBITDA	**414**	319	30%	**733**	710	3%
Adjusted EBITDA[1]	**417**	402	4%	**740**	814	(9%)
CAPEX[2]	**(212)**	**(183)**	16%	**(332)**	**(277)**	20%
FCF to the firm[2]	**52**	**190**	(73%)	**(321)**	**(90)**	(255%)

Debt			
(BRL million)	2Q24	4Q23[4]	Var. %
Net Debt[3]	**7,265**	6,289	16%
Net Debt/ Adjusted EBITDA LTM	**4.8**	3.9	21%

2. Working Capital considerations and going concern considerations

Management continues to execute the “Liability Management Plan” announced in prior years, which includes divestments of assets. In 2023, the Company concluded the sale of its Egypt, South Africa and Mozambique segments.

On July 15, the Company, together with its subsidiary, InterCement Brasil S.A., its subsidiaries in the Netherlands and Spain, and its controlling shareholder, Mover Participações S.A, announced to the market that it had filed for a protective injunction (the “Preliminary Injunction”) in Brazil in support of a court-supervised interim collective mediation process with its principal financial creditors. The Company and its affiliates referred to above requested the Preliminary Injunction to permit a stable negotiating environment in the mediation process among the Company, these affiliates and their principal financial creditors. The Preliminary Injunction does not affect the Company’s or these

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4 – Given the hyperinflationary economic conditions and substantial devaluation of the Argentine peso, management provided alternative figures for the Statement of Profit and Loss for the Argentinean Segment, not adjusting the first three quarters results for the effects of the last quarter inflation and the year-end exchange rate, given the extraordinary, non-recurring aspect of the mismatch between the currency devaluation and the inflation rate observed in the last quarter. In sum, results for the first three quarters were kept as previously reported (considering FX rate at the end of 3Q23), whereas closing FX rate (ARS 808,48/USD) was applied only for the conversion of the last quarter results.

affiliates' obligations to their suppliers, employees, customers, service providers and business partners, as they continue to operate normally.
Working together with BTG Pactual Bank, management keeps evaluating alternatives with the aim of balancing the capital structure, which may include a private placement, a merger or a partnership with a strategic player, as much as a potential divestment. Consequently, offers were received for these strategic alternatives and cash flows scenarios were built reflecting the different outcomes of the debt restructuring and the potential divestment options.

In connection with the referred liability management plan, on May 1st, 2024, the Company signed an exclusivity agreement with Companhia Siderúrgica Nacional (CSN) on the potential acquisition of shares representing 100% of the Company's capital stock. This agreement ended on August 12, 2024, and on the date hereof, there is no signed document that generates any binding obligation or commitment on the part of the Company or its subsidiaries in relation to any potential transaction.

The working capital is negative in BRL 7,111 million, driven by "Borrowing and Financing and Debentures" in the Current Liabilities amounting to BRL 8,031. Furthermore, the Company is seeking additional opportunities to generate cash from the sales of other non-core and non-operating assets.

Considering the likelihood of success of the potential scenarios the Group has considered (ranging in their stages of development), and taking into account management's capability to influence the resulting outcomes in addressing current liquidity challenges, the interim financial statements for the six-month period ended June 30, 2024, have been prepared on the basis of a going concern. This position is subject to quarterly reassessment, based on the evolution of the strategic alternatives referred to above, including the ongoing negotiations with the Company's creditors and prospective investors.

3. Profit and Loss

Total of Volumes Sold reached 3.2Mt in 2Q24, a contraction of 16.5% YoY. In Argentina, volumes decreased 32.5%, mostly explained by an overall market contraction, that followed the macroeconomic adjustments promoted by the new government, but as the program begins to show positive results in reducing inflation and consolidating a fiscal surplus, construction activity is beginning to show signs of recovery. Brazil volumes were down 4.6% YoY, largely attributed to recent floods in the southern region, which resulted in a 37% reduction in local volumes.

Moneywise, **sales** amounted to BRL 1,773 million during 2Q24, marking a decrease of 2% YoY. In Brazil, the decline (-13.4% YoY) was due to the lower demand combined to a retraction in prices as a consequence of the competitive market dynamics and the reduction of sales in the South region (hit by the floods), where prices are higher than the average elsewhere. Meanwhile, in Argentina, despite the lower volumes, revenues increased 8.8% YoY, reflecting healthier pricing.

STATEMENT OF PROFIT AND LOSS

(BRL million)	2Q24	2Q23	Var. %	1H24	1H23	Var. %
Net Sales	**1,773**	**1,803**	**(2%)**	**3,198**	**3,641**	**(12%)**
Net Operational Cash Costs	**(1,359)**	(1,484)	8%	**(2,465)**	**(2,931)**	16%
Operational Cash Flow (EBITDA)	**414**	**319**	**30%**	**733**	**710**	**3%**
Deprec. Amort. and Impairments	**(193)**	(191)	(1%)	**(368)**	(382)	4%
Operating Income (EBIT)	**221**	**129**	**72%**	**366**	**328**	**11%**
Financial Results	**(51)**	**(435)**	**88%**	**116**	**(701)**	**117%**
Foreign exchange gains/(losses), net	**(109)**	**(213)**	49%	**(136)**	(289)	53%
Financial income	**479**	**215**	123%	**1,073**	438	145%
Financial expenses	**(420)**	**(436)**	4%	**(820)**	(850)	4%
Pre-tax Income (Loss)	**171**	**(306)**	**156%**	**482**	**(373)**	**229%**
Income Tax	**(131)**	(23)	(484%)	**(315)**	(41)	(675%)
Net Inc. (Loss)	**39**	**(328)**	**112%**	**167**	**(414)**	**140%**
Net Inc. (Loss) from discontinued Op.	**(25)**	21	(219%)	**24**	(202)	112%
Net Income (Loss) from continuing & discontinued operations	**14**	**(308)**	**104%**	**191**	**(617)**	**131%**
Attributable to:						
Shareholders	**(134)**	(359)	63%	**(123.78)**	(753)	84%
Minority Interests	**148**	51	191%	**314.92**	135	133%

Depreciation, Amortization and Impairment, totaled BRL 193 million in 2Q24 in line with the same period of last year.

Cash costs (including expenses) decreased 8% in the period, following the lower sale volumes (-4.6%) and also partially reflecting the ARS depreciation. Additionally, part of this decrease is explained by the softening of energy input prices, such as natural gas and electrical power in Argentina, and petcoke in Brazil.

Financial Results amounted to a negative BRL 51 million, BRL 384 million better than the loss in 2Q23, mostly as a consequence of (i) positive hyperinflationary monetary adjustment in Argentina (which was only partly offset by the ARS devaluation in the quarter), and ii) appreciation and depreciation of functional currencies against other currencies (mainly US$ and Euro).

Income taxes is BRL 108 million higher than that in 2Q23 (yet majorly deferred) due to the relevant, positive impact from financial income in the first half of the year.

All in all, **Net Income from continuing operations** totaled an income of BRL 14 million, in contrast to BRL 308 million loss recorded in the same period of the previous year. Additionally, the Group recognized a BRL 25 million loss related to Africa´s divestment (discontinued operations), reflecting a provision for the potential payment of a claim (US$ 4.9 million) under an arbitration proceeding in Mozambique, concerning a revoked contract with a local supplier.

The combination of the aforementioned factors, led the Adj. EBITDA[1] to increase 3.9%, to BRL 417 million, with margins increasing to 23.5% vs 22.3% in 2Q23, driven by the resilient operational performance in Argentina, partly offset by Brazil.

Non-recurring items related to InterCement's operations totaled BRL 3 million during 2Q24, basically explained by one-off restructuring expenses and related layoffs, with an Adj. EBITDA[1] reconciliation as follows:

ADJ. EBITDA - RECONCILIATION ITEMS (BRL million)	2Q24	2Q23	Var. %	1H24	1H23	Var. %
EBITDA	**414**	**319**	**30%**	**733**	**710**	**3%**
Reconciliation Items to Adjusted EBITDA	**3**	**83**	**(96%)**	**7**	**104**	**(93%)**
Taxes on bank debits and credits - Argentina	-	13	s.s	-	22	s.s
Tax Credit Recognition (PIS/COFINS)	-	33	s.s	-	33	s.s
Restructuring projects	2	24	(90%)	1	30	(96%)
Layoff related to restructuring	-1	10	s.s.	1	17	(94%)
Others non-recurring	2	2	(51%)	5	2	88%
ADJ. EBITDA	**417**	**402**	**4%**	**740**	**814**	**(9%)**

4. Free Cash Flow

FREE CASH FLOW GENERATION MAP (BRL million)	2Q24	2Q23	1H24	1H23
Adjusted EBITDA	**417**	401	**740**	814
Fluctuation in Operational Assets/Liabilities	**(68)**	76	**(689)**	(462)
Others	**(61)**	(82)	**2**	(104)
Operating Activities	**287**	**395**	**53**	**248**
CAPEX	**(212)**	(183)	**(332)**	(277)
Income taxes Paid	**(24)**	(22)	**(42)**	(62)
Free Cash Flow to the firm	**52**	**190**	**(321)**	**(90)**
Interests Paid	**(105)**	(269)	**(293)**	(428)
Other Investing activities	**49**	7	**74**	208
Free Cash Flow	**(4)**	**(73)**	**(540)**	**(310)**
Borrowings and financing	**540**	652	**1,007**	1,368
Repayment of borrowings, financ. and debent.	**(501)**	(313)	**(801)**	(832)
Dividends	**-**	(177)	**(53)**	(227)
Other financing activities	**(30)**	(115)	**(25)**	(137)
Changes in cash & equivalents	**4**	**(25)**	**412**	**(137)**
Exchange differences	**153**	(58)	**182**	**(100)**
Cash, cash equivalents and securities, End of the Period	**1,520**	**741**	**1,520**	**741**

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

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

InterCement registered a positive BRL 52 million of **Cash Flow from operating activities (FCFF)** in 2Q24, showing a decrease of BRL 138 million vs 2Q23, due to higher stock levels in Argentina, as planned in preparation for the scheduled maintenance program typically carried out during the winter (3Q24) and on the back of the challenging economic environment, leading to lower sales volume.

CAPEX disbursement in 2Q24 was BRL 212 million, 15.8% higher than in 2Q23, mainly due to higher levels of maintenance Capex planned and executed in both Brazil and Argentina operations for this quarter.

Interests paid in 2Q24 amounted to BRL 105 million, majorly in Argentina. Besides the lower interest disbursement in Argentina in comparison to the previous year, the total interest payment was lower than 2Q23 as a result of the negotiations with the debenture holders to postpone the principal and interest payments due in May and June to July 15th (subsequently unpaid in the context of the Preliminary Injunction granted on that date).

As a result, the **Free Cash Flow** is negative in BRL 4 million, which corresponds to a BRL 69 million increase compared with 2Q23, mainly due to the lower interest payment offsetting the weaker operational cash generation in the period.

At the financing side, the debt position fluctuation in the quarter is mostly derived from amortizations and new debt issuances (for working capital financing) in Argentina.

All in all, InterCement had a positive BRL 4 million change in its cash position in the quarter. **Cash and Cash Equivalents** balance, including financial instruments such as securities, totaled BRL 1,520 million at the end of June 2024.

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

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

5. Balance Sheet

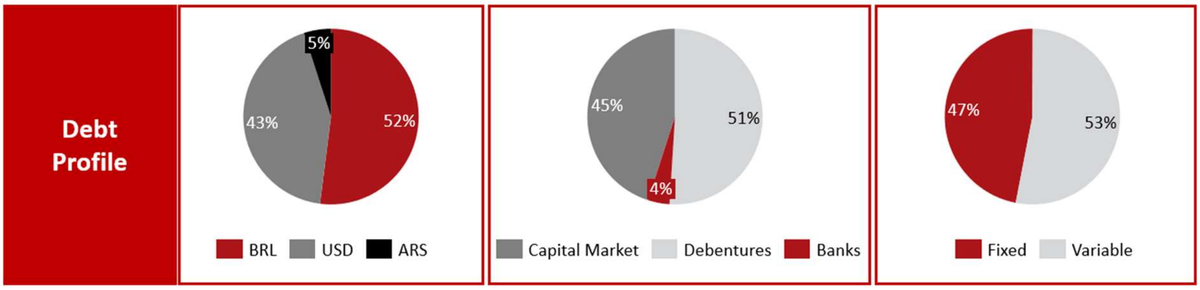
Total Assets amounted to BRL16,599 million on June 30, 2024, showing an increase of 23%, mainly due to (i) the high inflation in Argentina (only partly offset by the ARS devaluation), and (ii) an increase in inventories, as previously explained.

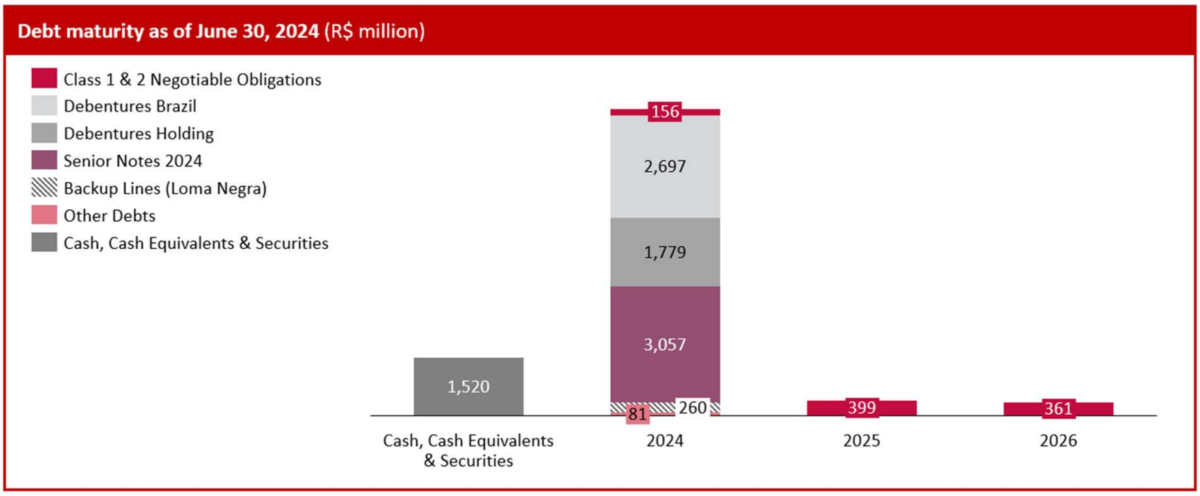
Gross Debt, at BRL 8,792 million (outstanding principal amount), is 9% higher than that in the end of Dec'23, when gross debt was at BRL 8,034 million mainly due to the FX impact (15% BRL depreciation in the period). At the OpCos level, in Brazil, the outstanding balance was maintained basically the same in BRL, while in Argentina the gross debt balance increased by new debt issuances, aimed to fund working capital requirements, partly offset by amortizations and the local currency (ARS) devaluation.

Given the net income recorded in the period, the BRL devaluation and, most importantly, the effect of the hyperinflation in Argentina running at a higher rate than the local FX depreciation, InterCement's **total shareholders' equity** increased to BRL 3,106 million (+78% in the quarter vs Dec'23).

CONSOLIDATED BALANCE SHEET SUMMARY	30 jun 2024	31 dec 2023	
(BRL million)	Total	Total	Var. %
Assets			
Current Assets			
Cash, cash equivalents and securities	**1,520**	1,750	(13%)
Other Current Assets	**2,162**	1,350	60%
Assets classified as held for sale	**-**	16	(100%)
Non-current Assets			
Property, plant and Equipment	**7,528**	5,122	47%
Goodwill	**3,718**	3,716	0%
Other Non-current Assets	**1,671**	1,493	12%
Total Assets	**16,599**	**13,446**	**23%**
Current Liabilities			
Borrowing and Financing and Debentures	**8,031**	4,472	80%
Interest payable	**1,140**	776	7%
Other Current Liabilities	**1,621**	1,523	19%
Non-Current Liabilities			
Borrowing and Financing and Debentures	**760**	3,612	(79%)
Leases Liabilities	**220**	237	(7%)
Provision for tax, civil and labor risks and environmental recovery	**180**	155	16%
Other Liabilities	**1,541**	908	70%
Total Liabilities	**13,493**	**11,684**	**15%**
Shareholders' Equity attributable to:			
Equity Holders	**1,201**	846	45%
Minority Interests	**1,905**	915	108%
Total Shareholders' Equity	**3,106**	**1,762**	**78%**
Total Liabilities and Shareholders' Equity	**16,599**	**13,446**	**23%**

The Debt Profile on June 30, 2024 was as follows:





(*) Not included interests payable

Among the debt maturities above, there are (i) loans for working capital purposes that include BRL 260 million of backup lines (in Argentina), which are regularly renewed, (ii) debentures amounting to BRL 4,476 million (Holding + Brazil), classified as short-term (as their maturities were renegotiated to July 15th), (iii) senior notes (due on July 17th), representing BRL 3,057 million, (iv) BRL 81 million of bilateral loans in Brazil and Argentina and (v) BRL 916 million of negotiable obligations issued by Loma Negra (maturing between 2024 and 2006). On a currency perspective, the debt is mainly balanced between BRL and US Dollar, which correspond to 52% and 43% of the total gross debt, respectively.

6. Operational In-depth - 2Q24

Brazil

Cement volume sold recorded a 4.6% decrease in the quarter YoY, impacted by the temporary suspension of sales in certain areas of the South region during May'24, due to the historic floods that hit Rio Grande do Sul state, where the Company operates two plants.

The topline reduced 13.4% compared to 2Q23, driven by softer prices, besides lower volumes, and a higher comparison base in 2Q23 (due to the revenue contributed by the concrete business, sold in 3Q23). On the other hand, production costs decreased 9% vs 2Q23 driven by the reduction in petcoke price, enhanced strategy for acquiring raw materials and logistical optimization.

As a result, Adj. EBITDA[1] amounted to BRL 156 million in the quarter, showing a decrease of 14.7% vs 2Q23.

Looking ahead, considering the market data of cement sales in the country in July, posting a slight increase (+0.5%) of volume sold per working day, the Cement Industry National Association's forecast of the cement market growth around 1.4% in 2024 continues to seem realistic.

Argentina

Argentinean operations showed a volume retraction of 32.5% YoY in the quarter, primarily driven by a general demand contraction from private and public sectors, reflecting the economic scenario, that resulted from the new government measures implemented to fight hyperinflation and stabilize the economy.

Although lower demand affected both modes of dispatch, bulk cement was more affected due to the economic context, the suspension of public construction works and the lower level of activity in the segment of large construction works. Nevertheless, pricing showed resilience and recovered the levels of the previous year in USD, whereas some input prices, such as the tariff of natural gas (one of the main production cost items), contracted in USD terms, given the reduced demand, leading the Ebitda margin to increase.

In turn, Adj. EBITDA[1] increased 20.3% YoY to BRL 255 million, while margins were 2.5p.p. higher than that in the same period of last year, despite the challenging environment.

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

See below the summary tables for our operational performance in 2Q24:

CEMENT AND CLINKER VOLUMES SOLD (thousand tons)	2Q24	2Q23	Var. %	1H24	1H23	Var. %
BRA	**2,076**	2,176	(4.6%)	**4,056**	4,214	(3.7%)
ARG	**1,090**	1,614	(32.5%)	**2,147**	3,153	(31.9%)
Consolidated Total	**3,166**	**3,789**	**(16.5%)**	**6,203**	**7,367**	**(15.8%)**

NET REVENUES (BRL million)	2Q24	2Q23	YoY	1H24	1H23	Var. %
BRA	**772**	892	(13.4%)	**1,528**	1,744	(12.4%)
ARG	**992**	912	8.8%	**1,661**	1,899	(12.5%)
Others	**16**	18	(10.4%)	**24**	34	(29.4%)
Sub-Total	**1,781**	**1,822**	**(2.3%)**	**3,213**	**3,677**	**(12.6%)**
Intra-Group Eliminations	**(8)**	(19)	61%	**(15)**	(36)	59%
Consolidated Total	**1,773**	**1,803**	**(1.6%)**	**3,198**	**3,641**	**(12.2%)**

ADJ. EBITDA (BRL million)	2Q24	2Q23	Var. %	1H24	1H23	Var. %
BRA	**156**	183	(14.7%)	**319**	333	(4.1%)
ARG	**255**	212	20.3%	**414**	473	(12.6%)
Others	**6**	6	(8%)	**7**	8	(16%)
Consolidated Total	**417**	**402**	**3.9%**	**740**	**814**	**(9.1%)**
EBITDA Margin	**23.5%**	**22.3%**	**1.3 p.p.**	**23.1%**	**22.4%**	**0.8 p.p.**

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

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

7. Subsequent events

Preliminary Injunction

On July 15, 2024, the Company secured a preliminary injunction that halts, for a period of 60 days, the execution of enforcement actions related to the credits encompassed by this injunction, as well as the application of the statute of limitations against the Company. It is important to note that this injunction does not impact the obligations the Company has undertaken towards its suppliers, employees, customers, service providers, and other business partners. This development is aligned with the ongoing debt restructuring efforts of the Company.

Exclusivity agreement with CSN

On July 23, 2024, the Company and its controlling shareholder (Mover) signed a new agreement granting exclusivity to Companhia Siderúrgica Nacional (CSN) on the potential acquisition of shares representing 100% of the Company's share capital, which expired on August 12, 2024.