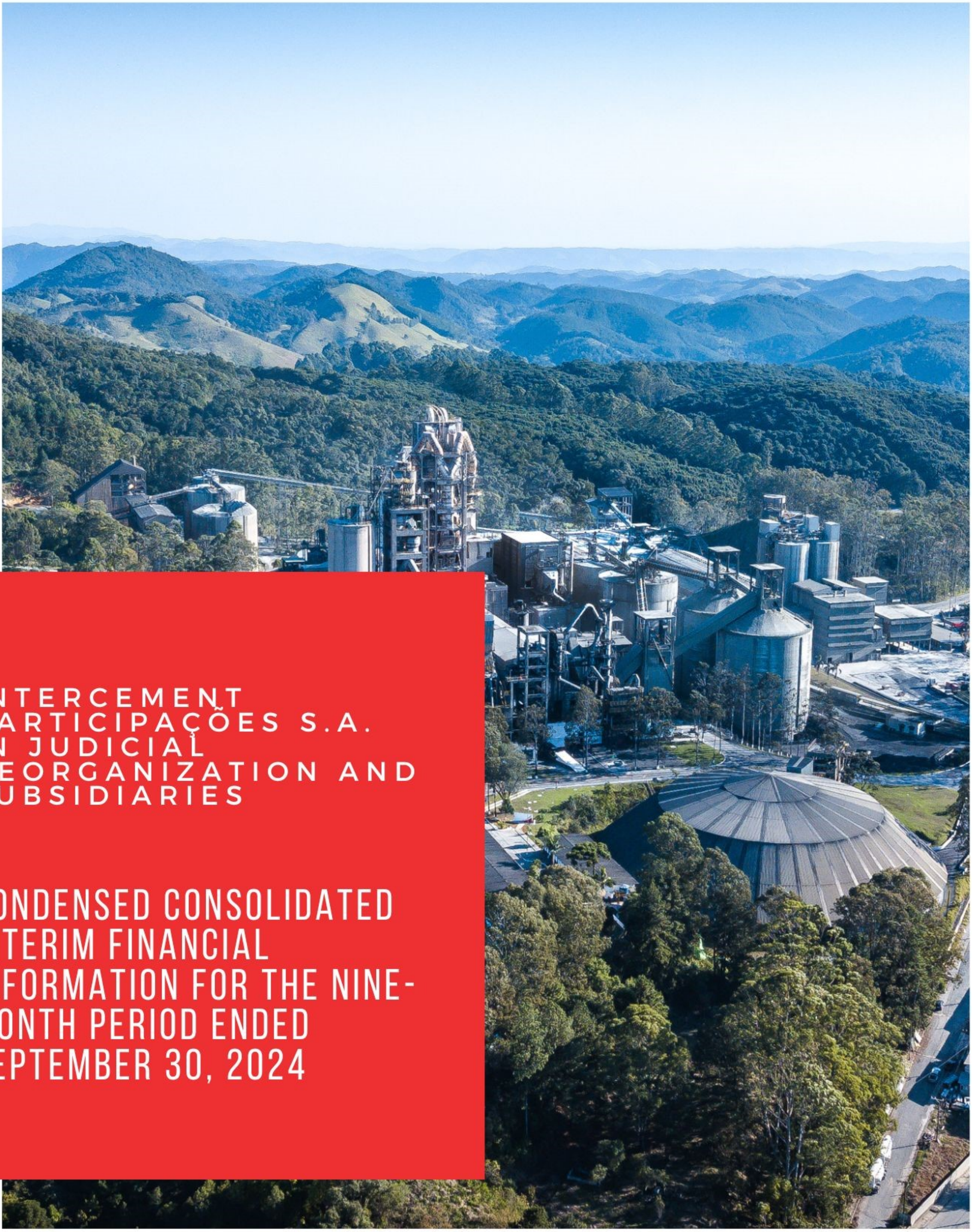

INTERCEMENT PARTICIPAÇÕES S.A. IN JUDICIAL REORGANIZATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 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

Shape the future
with confidence

Independent auditor’s review report on interim financial information

To
Shareholders, Board of Directors and Officers of
InterCement Participações S.A.
São Paulo - SP, Brazil

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of InterCement Participações S.A. and subsidiaries (the “Company”), which comprises the condensed consolidated statement of financial position as of September 30, 2024, and the related condensed consolidated statements of profit or loss, of comprehensive income (loss), of changes in shareholders’
equity and of cash flows for the nine-month period then ended, including the main accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review. We do not express a conclusion on the accompanying condensed consolidated interim financial information of the Company. Due to the significance of the matters described in the “Basis for disclaimer of conclusion” section of our report, we were unable to perform sufficient review procedures to provide a basis for a conclusion on this condensed consolidated interim financial information.

Basis for disclaimer of conclusion

Material uncertainty related to going concern

As described in notes 1 and 24 to the condensed consolidated interim financial information for the nine-month period ended September 30, 2024, on December 3, 2024, the Company filed a petition for judicial recovery jointly with its indirect Parent Company, Mover Participações S.A. and some of the group’s subsidiaries, which was accepted by the judge of the 1st Bankruptcy and Judicial Reorganization Court of the District of the Capital of the State of São Paulo on December 5, 2024, pursuant to article 52 of Law 11.101/2005. The judicial recovery 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. The presentation of the Company's judicial reorganization plan is due within sixty days of the publication of the court decision and will be subject to approval by the creditor’s assembly, to take place within a hundred and fifty days after the plan submission. Due to the complexity of these ongoing measures and the multiple uncertainties surrounding these matters, it was not possible to conclude on the use of the going concern basis of accounting as of September 30, 2024, nor to determine potential effects or adjustments to the condensed consolidated interim financial information as of that date.

Uncertainty related to realization of deferred tax assets

As described in note 16 to the condensed consolidated interim financial information for the nine-month period ended September 30, 2024, the Company's subsidiary InterCement Brasil S.A. has recorded deferred tax assets in the amount of R$706.816 thousand as of September 30, 2024, arising from tax losses generated in previous years, and temporary differences, substantially related to impairment loss provisions on non-financial operational assets, to be offset against future taxable profits. Due to the matter described above in the section "Basis for disclaimer of conclusion", which indicates material uncertainty related to going concern, it was not possible to conclude on the realization of the referred assets, as required by Technical Pronouncement CPC 32 (IAS 12) – Income Taxes. Consequently, the deferred income taxes and social contribution as of September 30, 2024, and the shareholder's equity on this date, are overstated in the amount of R$706,816 thousand.

Disclaimer of conclusion

Due to the significance of the matters described in the paragraphs included in "Basis for disclaimer of conclusion" section of our report, we were unable to perform sufficient review procedures to provide a basis for a conclusion on this condensed consolidated interim financial information. Consequently, we do not express a conclusion on this condensed consolidated interim financial information.

São Paulo, December 20, 2024

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

Condensed Consolidated Statements of Financial Position as of September 30, 2024 and December 31, 2023

(In thousands of Brazilian Reais - BRL)

ASSETS	Notes	09.30.2024	12.31.2023 Recasted
CURRENT ASSETS			
Cash and cash equivalents	4	1,745,453	1,749,677
Trade receivables	6	551,783	266,806
Inventories	7	1,222,193	801,450
Recoverable taxes		103,194	151,194
Other receivables		119,553	130,371
		3,742,176	3,099,498
Assets classified as held for sale	2.4	-	15,526
Total current assets		3,742,176	3,115,024
NONCURRENT ASSETS			
Securities	5	6,814	43,283
Trade receivables	6	2,201	2,549
Inventories	7	358,096	169,400
Recoverable taxes		75,330	41,894
Deferred income tax and social contribution		396,828	375,000
Judicial deposits		75,897	83,050
Derivatives	22.9	19,875	1,441
Other assets and receivables		125,261	59,675
Right-of-use assets	14	242,542	271,124
Property, plant and equipment	8	7,682,676	5,121,969
Intangible assets:			
Goodwill	9	3,717,822	3,716,131
Other intangible assets	9	456,188	445,141
Total noncurrent assets		13,159,530	10,330,657
TOTAL ASSETS		16,901,706	13,445,681

LIABILITIES AND EQUITY	Notes	09.30.2024	12.31.2023 Recasted
CURRENT LIABILITIES			
Trade payables		832,478	927,403
Obligations from confirming		-	12,490
Debentures	11	7,473,666	4,367,761
Borrowings and financing	10	311,595	104,036
Interest payable	10 and 11	1,639,121	775,533
Leases liabilities	14	73,125	66,200
Taxes payable		402,926	161,354
Payroll and related taxes		164,141	123,018
Advances from customers		43,100	39,477
Other payables		163,109	193,056
		11,103,261	6,770,328
Liabilities directly associated with assets classified as held for sale	2.4	-	-
Total current liabilities		11,103,261	6,770,328
NONCURRENT LIABILITIES			
Debentures	11	743,029	3,580,683
Borrowings and financing	10	15,583	31,653
Leases liabilities	14	200,969	237,392
Provision for tax, civil and labor risks	12	89,688	88,189
Provision for environmental recovery		72,774	66,629
Taxes payable		25,170	22,539
Deferred income tax and social contribution		1,444,645	754,151
Other payables		113,746	132,448
Total noncurrent liabilities		2,705,604	4,913,684
TOTAL LIABILITIES		13,808,865	11,684,012
SHAREHOLDER'S EQUITY			
Capital	15	2,562,966	2,562,966
Accumulated loss		(600,164)	(176,829)
Other comprehensive loss	15	(928,182)	(1,539,722)
Equity attributable to the Company’s owners		1,034,620	846,415
Non-controlling interests	15	2,058,221	915,254
Total equity		3,092,841	1,761,669
TOTAL LIABILITIES AND EQUITY		16,901,706	13,445,681

The accompanying notes are an integral part of this condensed consolidated interim financial information

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

Condensed Consolidated Statements of profit or loss for the nine-month period ended September 30, 2024 and 2023

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

	Notes	09.30.2024	09.30.2023 Recasted
CONTINUING OPERATIONS			
NET SALES	17	5,169,558	5,695,897
COST OF SALES AND SERVICES	18	(4,056,347)	(4,526,525)
GROSS PROFIT		1,113,211	1,169,372
OPERATING INCOME (EXPENSES)			
Selling expenses	18	(248,150)	(258,440)
Administrative expenses	18	(307,251)	(334,401)
Other income/ (expenses)	18	115,187	(8,165)
INCOME BEFORE FINANCIAL INCOME (EXPENSES), INCOME TAX AND SOCIAL CONTRIBUTION		672,997	568,366
FINANCIAL INCOME (EXPENSES)			
Foreign exchange gains/(losses), net	19	(208,791)	(522,904)
Financial income	19	1,344,958	874,521
Financial expenses	19	(1,445,723)	(1,356,464)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		363,441	(436,481)
INCOME TAX AND SOCIAL CONTRIBUTION			
Current	16	(309,944)	(38,781)
Deferred	16	(84,917)	(7,079)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(31,420)	(482,341)
DISCONTINUED OPERATIONS			
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS	2.4	27,709	(177,608)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING AND DISCONTINUED OPERATIONS		(3,711)	(659,949)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO			
Company's owners		(423,335)	(880,417)
Non-controlling interests		419,624	220,468
PROFIT (LOSS) PER SHARE FROM CONTINUING OPERATIONS			
Basic/diluted loss per share	21	(8,52)	(13,27)
PROFIT (LOSS) PER SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS			
Basic/diluted loss per share	21	(8,00)	(16,64)

The accompanying notes are an integral part of this condensed consolidated interim financial information

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

Condensed Consolidated Statements of Comprehensive Income (loss) for the nine-month period ended September 30, 2024 and 2023

(In thousands of Brazilian Reais - BRL)

	Notes	09.30.2024	09.30.2023 Recasted
CONTINUING OPERATIONS			
PROFIT (LOSS) FOR THE PERIOD FOR CONTINUED OPERATION		(31,420)	(482,341)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Employee benefits		(2,518)	(2,014)
Items that might be reclassified subsequently to profit or loss:			
Effects of hyperinflationary monetary adjustment and Exchange differences from translation of foreign operations		1,400,274	94,628
Derivative and hedging transactions		(35,825)	3,275
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD FROM CONTINUING OPERATIONS		1,330,511	(386,452)
DISCONTINUED OPERATIONS			
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	2.4	27,709	(177,608)
Other comprehensive income:			
Items that might be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		-	73,386
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD FROM DISCONTINUED OPERATIONS		27,709	(104,222)
COMPREHENSIVE INCOME (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO:			
Company's owners		160,496	(580,936)
Non-controlling interests		1,170,015	194,484
COMPREHENSIVE INCOME / (LOSS) FROM CONTINUING AND DISCONTINUED OPERATIONS ATTRIBUTABLE TO:			
Company's owners		188,205	(656,686)
Non-controlling interests		1,170,015	166,012

The accompanying notes are an integral part of this condensed consolidated interim financial information

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

Condensed Consolidated Statements of Changes in Shareholders' Equity for the nine-month period ended September 30, 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 period		-	-	-	-	-	-	(880,418)	(880,418)	220,470	(659,948)
Other comprehensive income	15	-	-	-	-	-	223,733	-	223,733	(54,458)	169,275
Dividends declared to noncontrolling interests	15	-	-	-	-	-	-	-	-	(387,365)	(387,365)
BALANCE AS OF SEPTEMBER 30, 2023 (Recasted)		2,562,966	1,363,133	-	-	(236,236)	(1,018,206)	(880,418)	1,791,239	1,620,878	3,412,117
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 period		-	-	-	-	-	-	(423,335)	(423,335)	419,624	(3,711)
Other comprehensive income	15	-	-	-	-	-	611,540	-	611,540	750,391	1,361,931
Dividends declared to noncontrolling interests	15	-	-	-	-	-	-	-	-	(27,048)	(27,048)
BALANCE AS OF SEPTEMBER 30, 2024		2,562,966	-	-	-	-	(928,182)	(600,164)	1,034,620	2,058,221	3,092,841

The accompanying notes are an integral part of this condensed consolidated interim financial information

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

Condensed Consolidated Statements of Cash Flows for the nine-month period ended September 30, 2024 and 2023

(In thousands of Brazilian Reais - BRL)

	Notes	09.30.2024	09.30.2023 Recasted
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (Loss) before income tax and social contribution		391,150	(588,472)
Adjustments to reconcile income before income tax and social contribution			
with net cash generated by (used in) operating activities:			
Depreciation, amortization and impairment losses	23	551,098	640,781
Recognition (reversal) of expected credit losses, net		1,597	(1,401)
Recognition of allowance for inventories, net		5,246	3,179
Interest, accrued charges, and exchange differences		309,556	1,029,298
Loss (gain) on sale of long-lived assets	18	(32,264)	807
Exchange difference from translation of disposed discontinued operations	2.4	-	224,183
Adjusment on the sale amount of Africa discontinued operations in 2023	2.4	(27,709)	-
Other noncash operating losses, net		29,707	35,416
Decrease (increase) in operating assets:			
Related parties		67	874
Trade receivables		(294,825)	(354,101)
Inventories		(652,365)	(221,715)
Recoverable taxes		(26,999)	129,152
Other receivables		(13,270)	(26,429)
Increase (decrease) in operating liabilities:			
Related parties		(6,482)	(42)
Trade payables		(73,803)	86,084
Obligations from confirming		(12,490)	(225,838)
Payroll and vacation payable		44,422	1,199
Other payables		487,711	93,374
Taxes payable		46,928	26,090
Cash generated (used) by operating activities before income tax and interest paid		727,275	852,439
Income tax and social contribution paid		(61,636)	(123,373)
Interest paid		(381,509)	(790,962)
Net cash used by operating activities		284,130	(61,896)
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in securities		36,469	(3,299)
Purchase of property, plant and equipment		(494,093)	(425,762)
Purchase of intangible assets		(38,080)	(32,150)
Sale of fixed and financial assets		30,057	30,415
Cash received from sale of property, plant and equipment and discontinued operations (Egypt)	2.4	-	174,552
Cash received from sale of property, plant and equipment and discontinued operations (Africa)	2.4	49,208	
Other		(3,573)	(4,258)
Net cash generated (used) in investing activities		(420,012)	(260,502)
CASH FLOW FROM FINANCING ACTIVITIES			
Borrowings, financing and debentures	10 and 11	1,378,754	1,772,607
Repayment of borrowings, financing and debentures	10 and 11	(1,160,723)	(1,075,820)
Dividends paid by Argentinian and Brazilian subsidiaries to non-controlling interests		(53,445)	(349,179)
Disbursements due to certains financial instruments liquidations		-	(119,429)
Payment of principal portion of lease liabilities	14	(86,117)	(116,077)
Other instruments		(2,188)	(10,639)
Net cash generated in financing activities		76,281	101,463
DECREASE IN CASH AND CASH EQUIVALENTS		(59,601)	(220,935)
EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS		55,377	(39,891)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	1,749,677	1,163,870
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	1,745,453	903,044

The accompanying notes are an integral part of this condensed consolidated interim financial information

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

Notes to the Condensed Consolidated Interim Financial Information for the nine-month period ended September 30, 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 29 million tons per year. Additionally, in Brazil it holds participation in hydroelectric power generation equity interests and assets.

As of September 30, 2024, the Company presented a loss from continuing operations of BRL31,420 (loss of BRL 482,341 as of September 30, 2023), significantly impacted by the recognition in the third quarter 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 BRL7,361,085 (negative in BRL3,655,304 as of December 31, 2023), as Company's 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 negotiate with creditors new terms for these debts.

The recent 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 the debenture instalments as current liabilities by InterCement Participações and InterCement Brasil. - see Note 11 for further information.

Considering the results achieved in the nine-month period ended on September 30, 2024, as well as the review of the most plausible assumptions utilized in the Company’s business plan and budget for 2024 and 2025, management expects the recovery of the gross margin and a slight increase in cash generation in the next months 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 nine 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 results that the economic plan has been showing in terms of inflation reduction, fiscal surplus and exchange rate stability, together with an incipient recovery of credit, make us cautiously optimistic and foresee a stable demand for the industry for the rest of the year.

<u>Restructuring Plan and Judicial Reorganization Filing</u>

On July 15, 2024, the Company obtained a protective injunction (the “Preliminary Injunction”) 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.

On September 16, 2024, the Company submitted an out-of-court reorganization plan (extrajudicial 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. As of that date, the referred plan had been approved by creditors representing more than 1/3 of the indebtedness subject to that legal proceeding in accordance with Brazilian law. Nonetheless, in order to become effective, (1) such plan had to be approved by a majority of the creditors and (2) an agreement for the sale of the Company by its shareholders had to be reached with the potential buyer the Group was negotiating with under an exclusivity agreement, which agreement was not entered into.

As a result, 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. 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 this processing pursuant to Article 52 of Brazilian Federal Law No. 11,101/2005 ("LFR"). InterCement believes that the judicial reorganization is a necessary step to enable the Company to rebalance its capital structure, while allowing the Company to uphold its focus and commitment to maintaining the exceptional quality of its products and services, as well as its relationships with its customers and business partners, ensuring that it remains operationally strong. Please, refer to note 24 for further details on the initial request.

The Company, as well as other companies in its economic group, have, for over a year, made efforts to restructure their respective financial indebtedness. Filing for judicial reorganization became the most appropriate option to ensure the continuity of efforts around the ongoing restructuring project, due to the impossibility of reaching a definitive agreement within the scope and timeframe of the out-of-court reorganization. The Company believes that this filing will provide necessary stability for the applicant companies, preserving their ability to continue to operate effectively, and continuing to generate value for their customers, suppliers, employees and business partners.

In addition, it will allow negotiations with the Company's creditors to be concluded in a timely manner. As a result of the judicial reorganization filing, 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.

In the context of the judicial reorganization, the Company will develop a plan ("Reorganization Plan") aiming to rebalance its capital structure and ensure the Group's solvency. This plan is required to be presented within 60 (sixty) days after the date on which the judicial reorganization proceeding was granted, and will be subject to approval by a creditors assembly in accordance with the procedures provided by Brazilian Federal Federal Law 11,101/2005.

The Company currently expects a positive outcome for the reorganization plan, and accordingly, it believes that it is appropriate to rely on the going concern assumption in the preparation of its interim consolidated financial information for the nine-month ended September 30, 2024. This position will be reassessed on a quarterly basis, based on the evolution of the process referred above.

Divestments of Egypt, Mozambique and South Africa business segments

Mozambique and South Africa segment

Furthermore, during the first quarter of 2023 the Group decided to divest from its operations in Mozambique and South Africa, and engaged external specialists to assist on 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 BRL1,121,071 (US$231,563) in the end of December 2023. In April, 2024 the Company and the Buyer reached an agreement on the Adjustment to be paid in the context of the divestment of the African assets, which amounts to BRL 49,208 (US $9,887), and includes the reimbursement of investments made by the Company in the expansion of Nacala plant in Mozambique. Subsequently, on May 13, 2024, this payment was received by the Company. 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 to close it for BRL 21,499 (US$4,000 thousand). Given the fact the investment was derecognized upon the sale, this obligation was accrued in "Other liabilities" as of September, being paid on October 24, 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. 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 in accordance with the trust deed agreements.

As required by International Financial Reporting Standards 5 (“IFRS 5”) "Non-Current Assets Held for Sale and Discontinued Operation", the results for the nine-months period ended September 30, 2023 arising from Egypt, Mozambique and South Africa were presented as “discontinued operations” in the Consolidated Statements of profit and loss as of September 30, 2023 (for further information, see Note 2.4 below).

Russia x Ukraine conflict

Geopolitical events in Eastern Europe (Russia x Ukraine conflict) brought new challenges for the resilience of world economies, mainly related to inflation pressures and rapidly interest rates increasing across the world.

The Group does not have assets nor any financial and commercial operations with such countries, therefore, the Group was not directly impacted by such conflict. The Cement industry, even under rising inflation and interests increasing, is being resilient and continues to generate cash as expected, while assets fair values were not significantly impacted.

Management continues to closely monitor the consequences and evolution of such events reassesses the net realizable values of financial and non-financial assets on an ongoing basis.

2. Basis of Preparation and Significant Accounting Policies

2.1. Basis of preparation

The condensed consolidated interim financial information as of and for the nine-month period ended September 30, 2024 has been prepared based on the International Standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), which allows the entities to present selected notes to the financial statements, in cases of redundant information already disclosed in the Annual Financial Statements. Accordingly, this Interim Financial Information should be read together with Company´s consolidated financial statements for the year ended December 31, 2023.

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

2.2. Significant accounting policies

The accounting policies adopted are consistent with those considered in the consolidated financial statements for the year ended as of December 31, 2023 and disclosed in the corresponding notes.

Reference also to the application of hyperinflation accounting for our Argentinean subsidiaries. As described in the consolidated financial statements as of for the year ended December 31, 2023, Note 2.1, applying IAS 29 rules requires that the financial statements recorded in a hyperinflationary currency are adjusted by applying a general price index and expressed in the measuring unit (the hyperinflationary currency) current at the end of the reporting period prior to conversion to the Company´s functional currency.

As a result of the above, our condensed consolidated interim financial information for the nine-month period ended September 30, 2024, reflects an equity increase of BRL 1,678,239 (BRL 12,292,528 for the nine-month period ended September 30, 2023), with reference to the opening balance, reported in other comprehensive income (loss), and also the positive monetary adjustment for the nine-month period ended September 30, 2024, presented in financial income, in the amount of BRL 1,247,706 (BRL 785,792 for the nine-month period ended September 30, 2023), see Note 19.

2.3. 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 interim financial information for the nine-month period ended September 30, 2023 and the annual financial for the year ended December 31, 2023, previously prepared in U.S. Dollars and released, respectively, on November 21, 2023 and 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.

For the translation into the presentation currency, changes in equity were translated from functional currency considering the historical exchange rates of each transaction. The financial position was translated from functional currency considering the closing exchange rates of the reporting periods, while the statements of profit or loss, comprehensive income and cash flows were translated considering the average exchange rates of the reporting periods.

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

		Closing exchange rate (R$)		Average exchange rate (R$)	
Currency		09.30.2024	12.31.2023	09.30.2024	09.30.2023
USD	US Dollar	5.44810	4.84130	5.23847	5.00430
EUR	Euro	6.07190	5.35160	5.69636	5.41964
MZN	Mozambique Metical (**)	-	0.07654	0.07744	0.07865
EGP	Egyptian Pound (*)	0.17779	0.21090	0.15864	0.17216
ZAR	South African Rand (**)	-	0.26270	0.26273	0.26831
ARS	Argentinian Peso (***)	0.00561	0.00599	0.00561	0.01431

(*) 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 2.4 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 2.4 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 statements 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 income statement of both inflation and currency conversion.

2.4. 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 nine-month period ended September 30, 2023 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 condensed consolidated interim 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 23 - "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:

	09.30.2024				09.30.2023 Recasted			
	Business sale value	Net assets carve-out	Gain on the sale	Reversal of CTA	Business sale value	Net assets	Impairment loss	Reversal of CTA
Egypt	-	-	-	-	208,684	(208,684)	-	(224,183)
Mozambique and South Africa	27,709	-	(27,709)	-	-	-	-	-

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:

.	09.30.2023 Recasted		
	Presented	Discontinued operation	Continued operation
Net cash used in (generated by) operating activities	(478)	71,994	(72,472)
Net cash used in (generated by) investing activities	(260,502)	(39,279)	(221,223)
Net cash used in (generated by) financing activities	116,595	(91,403)	207,998
Decrease in cash and cash equivalents	(144,385)	(58,688)	(85,697)
Exchange differences on cash and cash equivalents	(39,891)	(15,448)	(24,443)
Cash and cash equivalents at the beginning of the year	1,163,870	185,180	978,690
Cash and cash equivalents at the end of the year	979,594	111,044	868,550

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	09.30.2024	09.30.2023 Recasted
NET SALES	-	880,777
COST OF SALES AND SERVICES	-	(723,849)
GROSS PROFIT	-	156,928
OPERATING INCOME (EXPENSES)		
Selling expenses	-	(6,168)
Administrative expenses	-	(74,461)
Other income/(expenses), net	-	20,347
INCOME BEFORE FINANCIAL INCOME (EXPENSES), INCOME	-	96,646
FINANCIAL INCOME (EXPENSES)		
Foreign exchange gains/(losses), net	-	18,315
Financial income	-	5,382
Financial expenses	-	(48,149)
Adjustment on the sale amount	27,709	-
Reversal of accumulated exchange differences	-	(224,183)
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	27,709	(151,989)
INCOME TAX AND SOCIAL CONTRIBUTION		
Current	-	(21,847)
Deferred	-	(3,772)
LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS	27,709	(177,608)
LOSS FOR THE PERIOD ATTRIBUTABLE TO		
Company's owners	27,709	(178,136)
Non-controlling interests	-	528

The net result for the nine-month period ended September 30, 2023 for Egypt, Mozambique and South Africa are, respectively, loss of BRL 224,183 (due to the recycling at the disposal date of the cumulative translation adjustment previously recorded as "other comprehensive income"), gain of BRL19,891 and gain of BRL 26,684.

3. Critical Accounting Judgments and Key Sources of Estimation Uncertainties

Estimates and judgments are continually evaluated and are based on historical experience and on other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no changes in relation to what was presented in Note 2.3 to the Company's Consolidated Financial Statements as of December 31, 2023.

4. Cash and Cash Equivalents

	09.30.2024	12.31.2023
Cash and bank accounts	260,726	1,280,604
Short-term investments	1,484,727	469,073
Total cash and cash equivalents	1,745,453	1,749,677

Short-term investments were as follows:

	09.30.2024	12.31.2023
Short Term Investment in Brazilian Reais (a)	1,452,226	458,828
Short-term investments in foreign subsidiaries:		
Investment fund in Argentinean Pesos (b)	5,941	182
Short-term investments in U.S. Dollars (c)	26,560	423
Public Debit Securities in U.S Dollars (d)	-	9,640
	1,484,727	469,073

a) Short-term investments in Brazilian Reais have a yield between 65% 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 42.7% per year (89.2% per year as of December 31, 2023).

c) Short-term investments in U.S. Dollars with interest of 0.20% per year held by Argentinian segment (0.1% per year as of December 31, 2023).

d) Public Debit Securities in U.S Dollars are 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.

5. Securities

Securities are classified as financial assets, as follows:

	09.30.2024	12.31.2023
Market investments	6,814	43,283
Total	6,814	43,283

"Market investments" are held by the Brazilian subsidiaries, which are composed by (i) investments in Brazilian Reais amounting BRL894 (BRL37,328 as of December 31, 2023) yielding 101% of interbank interest rate "CDI" per annum with maturity in 2024, given as collateral to borrowings and financings (see Note 10); and (ii) remaining amount of BRL5,920 composed by escrow accounts that do not bear interests (BRL5,954 as of December 31, 2023).

6. Trade Receivables

	09.30.2024	12.31.2023
Current		
Domestic and foreign customers (a)	594,333	302,486
(-) Expected Credit Losses	(42,550)	(35,680)
Trade receivables	551,783	266,806
Noncurrent		
Domestic and foreign customers	2,201	2,549
Trade receivables	2,201	2,549

(a) In December 2023, our Brazilian subsidiary sold to financial institutions trade receivables in the amounts of BRL76,258 (with a discount of BRL692), recorded as "Financial Expenses". The sale is irrevocable and without co-obligation to the Brazilian subsidiary (true-sale), therefore, such amounts were derecognized on such months. As of September 30, 2024, there were no similar credit assignments.

7. Inventories

	09.30.2024	12.31.2023
Current:		
Finished products	83,965	66,053
Work in process	221,845	233,043
Supplies, raw material and consumable	836,921	450,325
Fuel	177,696	153,348
Advances to suppliers	3,386	2,692
Packaging and other	5,693	8,660
Allowance for impairment losses	(107,313)	(112,671)
Total	1,222,193	801,450
Noncurrent:		
Supplies and consumable materials	383,170	190,440
Allowance for impairment losses	(25,074)	(21,040)
Total	358,096	169,400

8. Property, Plant and Equipment

	09.30.2024			12.31.2023
	Cost	Depreciation & Impairment	Net book value	Net book value
Land	241,871	(65,937)	175,934	144,606
Buildings	4,160,918	(2,863,985)	1,296,933	907,124
Machinery and equipment	10,719,514	(5,903,399)	4,816,115	3,088,223
Vehicles	900,560	(819,063)	81,497	41,544
Furniture and fixtures	261,570	(255,386)	6,184	4,778
Mines and ore reserves	1,753,057	(1,348,746)	404,311	202,205
Reservoirs, dams and feeders	280,970	(142,686)	138,284	144,357
Spare parts	135,019	(21,615)	113,404	31,039
Other	70,793	(53,478)	17,315	15,076
Advances to suppliers	80,220	(17,373)	62,847	62,990
Construction in progress	1,096,564	(526,712)	569,852	480,027
Total	19,701,056	(12,018,380)	7,682,676	5,121,969

Construction in progress

As of September 30, 2024, construction in progress mainly relates to: (i) BRL221,360 (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) BRL348,492, net of impairment losses of BRL526,712 (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)	29,436	375,367	1,614,895	33,997	2,721	139,676	-	42,389	2,574	24,394	-	2,265,449
Additions	9	8,925	34,843	2	291	-	62	12,851	45	338,072	(1)	395,099
Disposals	(16,376)	(474)	(4,227)	(1,966)	(5)	-	-	(7,278)	(1)	-	(65)	(30,392)
Depreciation	(815)	(78,149)	(325,491)	(14,159)	(2,615)	(51,527)	(6,138)	(9,422)	(4,715)	-	-	(493,031)
Impairment reversal (provision)	15,067	-	72	-	-	-	-	-	-	(13,572)	-	1,567
Effect of changes in exchange rates	(35,090)	(392,387)	(1,698,651)	(35,114)	(3,210)	(143,261)	-	(54,168)	15,823	18,007	(31,283)	(2,359,334)
Assets classified as held for sale	(14,055)	(5,267)	(11,538)	(231)	(11)	-	-	(173)	-	(5,381)	-	(36,656)
Transfers	120	36,630	61,625	17,057	858	78,116	-	(23,484)	22,570	(200,244)	-	(6,752)
Discontinued operations	(34,392)	(104,109)	(467,717)	(1,326)	(3,430)	-	-	(8,432)	(1,290)	(62,995)	-	(683,691)
Balance as of September 30, 2023	170,184	1,157,224	4,099,514	69,506	5,951	301,508	146,381	48,698	48,724	592,877	17,373	6,657,940
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)	35,091	450,150.0	1,856,629	38,990	3,036	192,474	-	76,706	3,559	90,965	-	2,747,600
Additions	300	2,722	34,787	-	7	-	-	25,501	-	399,859	-	463,176
Disposals	(1,863)	-	-	(348)	(1)	-	-	(1,087)	-	-	(143)	(3,442)
Depreciation	(344)	(63,261)	(311,065)	(18,026)	(1,868)	(35,694)	(6,073)	(4,895)	(3,131)	-	-	(444,357)
Impairment reversal (provision)	-	-	-	-	-	-	-	(374)	-	(12,907)	-	(13,281)
Effect of changes in exchange rates	(1,866)	(29,984)	(112,012)	(2,600)	(201)	(12,930)	-	(16,427)	(220)	(6,101)	-	(182,341)
Assets classified as held for sale	10	13	442	-	-	-	-	-	-	-	-	465
Transfers	-	30,169	259,111	21,937	433	58,256	-	2,941	2,031	(381,991)	-	(7,113)
Balance as of September 30, 2024	175,934	1,296,933	4,816,115	81,497	6,184	404,311	138,284	113,404	17,315	569,852	62,847	7,682,676

Additions

Argentina business segment:
Investments in the total amount of BRL233,350 for the nine-month period ended September 30, 2024 (BRL176,999 for the nine-month period ended September 30, 2023), primarily due to the increase of the quarry recovery of BRL58,294 (BRL82,675 for the nine-month period ended September 30, 2023), an adaptation process for 25 kg bags of BRL92,474 (BRL 25,667 for the nine-month period ended September 30, 2023), improvements in railways and locomotives of BRL8,445 (BRL22,254 for the nine-month period ended September 30, 2023), improvements in cement plants (including L'amali, San Juan and Zapala) of BRL12,462 and spare parts replacements of BRL29,238.

Brazil business segment:
Investments in the total amount of BRL229,826 for the nine-month period ended September 30, 2024 (BRL221,195 for the nine-month period ended September 30, 2023), mainly refer to acquisitions of machinery and equipment, such as kilns, clinker coolers, cyclone towers and mills, of which, during the third quarter of 2024, highlight to additions amounting to BRL28,178 related to the planned program stoppage at the Apiaí, Campo Formoso, Ijací, and São Miguel dos Campos units.

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 September 30, 2024, there are no indicators of relevant additional impairments in property, plant and equipment, even considering the matters from Company's going concern analysis, further commented in Note 1 above, on top of the impairment losses already recognized in prior periods to specific assets, due to their market value depreciation, mainly in Brazil. See Note 18 for further information.

Transfers

As of September 30, 2024, there are transfers from property, plant and equipment to other intangible assets in the amount of BRL 7,113.

9. Other intangible assets and goodwill

	09.30.2024	12.31.2023
Other intangible assets:		
Software licenses	38,191	26,366
Mining rights and concession related assets	370,915	372,504
Project development costs	838	574
Trademarks, patents, other intangibles and intangible in progress	46,244	45,697
Total	456,188	445,141

	09.30.2024	12.31.2023
	Goodwill	Goodwill
Goodwill per operating segments:		
Brazil	2,748,643	2,748,643
Argentina	969,179	967,488
	3,717,822	3,716,131

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 of September 30, 2024, there are no relevant indicators that goodwill could be impaired, even considering the matters from Company's going concern analysis, further commented in Note 1 above.

Changes in intangible assets for the nine-month period ended September 30, 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)	6,936	-	-	-	1,507	8,443
Additions	6,558	12,866	-	22,933	-	42,357
Disposals	(125)	-	-	(13)	-	(138)
Amortization	(13,722)	(31,977)	(610)	(1,773)	-	(48,082)
Effect of changes in exchange rates	(7,129)	(6,735)	-	(45)	(72,470)	(86,379)
Assets classified as held for sale (Note 2.4)	(14)	-	(18)	(68)	-	(100)
Transfers	2,186	20,024	65	(15,522)	-	6,753
Discontinued operations (Note 2.4)	(5)	(49,474)	-	(1,088)	(582,335)	(632,902)
Balance as of September 30, 2023	35,986	382,087	619	38,354	3,717,195	4,174,241
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)	9,035	-	-	-	1,811	10,846
Additions	1,811	3,640	-	32,629	-	38,080
Disposals	(31)	-	-	(50)	-	(81)
Amortization	(13,259)	(26,412)	(322)	(2,504)	-	(42,497)
Effect of changes in exchange rates	(603)	-	-	-	(120)	(723)
Transfers	14,872	21,183	586	(29,528)	-	7,113
Balance as of September 30, 2024	38,191	370,915	838	46,244	3,717,822	4,174,010

As of September 30, 2024, transfers in Trademarks, patents and others in the amount of BRL 29,528 (BRL 15,522 as of September 30, 2023) refers to intangible in progress items.

For the nine-month period ended September 30, 2024, additions mainly refer to software acquisitions amounting to BRL4,663 and overburden removal of BRL18,471. For the nine-month period ended September 30, 2023, additions consisted of the repactuation of hydrological risk (GSF) and overburden removal.

10. Borrowings and Financing

						09.30.2024		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%	May-24	-	-	4,299	-
ARS	U.N. Argentina	Bilateral	ARS	38%	Oct-24	33,660	-	-	-
ARS	U.N. Argentina	Subsidised loan	USD	9%	Oct-24	1,945	-	712	-
ARS	U.N. Argentina	Subsidised loan	USD	Jan-00	Oct-24	3,481	-	-	-
ARS	U.N. Argentina	Working capital	ARS	93% - 103%	Oct-24/Nov-24	201,722	-	37,322	-
ARS	U.N. Argentina	Working capital	USD	93% - 103%	Oct-24/Dez-25	31,926	15,583	-	-
BRL	U.N. Brazil	Subsidised loan	BRL	2.50% - 5.00%	Dec-24	2,210	-	8,840	-
BRL	U.N. Brazil	Bilateral (*)	BRL	IPCA	Jul-26	36,651	-	52,863	31,653
						311,595	15,583	104,036	31,653

(*) Bilateral indexed to Extended National Consumer Price Index (“IPCA”) is partially guaranteed by a financial investment in the amount of BRL894 as of September 30, 2024 (BRL37,328 as of December 31, 2023) – see Note 5 above.

In January 2024, ICB anticipated the credit line obtained from Santander and the guarantee was redeemed, a security (CDB) in the amount of BRL30,000 (principal value), see Note 5.

As of September 30, 2024 and December 31, 2023, the incurred interest expenses related to those financing agreements classified in current liabilities and presented as 'Interest payable' amount to BRL1,100 and BRL1,135, respectively.

Changes in Borrowings and Financing for the nine-month period ended September 30, 2024 and 2023 were as follows (continued operations only):

	Borrowings and financing
Balance as of December 31, 2022	1,146,218
New borrowings and financing	795,062
Payments	(891,529)
Discontinuing operations	(234,346)
Effect of changes in exchange rates	(392,203)
Balance as of September 30, 2023	423,202
Balance as of December 31, 2023	135,689
New borrowings and financing	1,378,754
Payments	(1,160,723)
Effect of changes in exchange rates	(26,542)
Balance as of September 30, 2024	327,178

Maturity schedule

As of September 30, 2024, the non-current portion of the borrowings and financing related to the continuing operations mature as follows (continued operations only):

Period	09.30.2024
2024	311,595
2025	15,583
	327,178

11. Debentures

Functional Currency	Business unit	Instrument	Currency	Annual interest rate	Final maturity		09.30.2024 Current	09.30.2024 Noncurrent	12.31.2023 Current	12.31.2023 Noncurrent
EUR	Holdings and Financial Vehicles (*)	Senior Notes	USD	5.75%	July-24	a)	2,997,036	-	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)	1,697,631	-	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)	-	390,753	-	347,233
ARS	U.N. Argentina	Senior Notes	USD	7.49%	March-26	f)	-	299,646	-	266,272
ARS	U.N. Argentina	Senior Notes	USD	6.5%	May-26	g)	-	52,630	-	48,417
							7,473,666	743,029	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 were launched with coupon of 5.75% per annum and are listed at the Singapore Stock Exchange. As of September 30, 2024 and December 31,2023, the Group hold bonds at the face value of BRL998,300 (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 September 30, 2024 the company recognized late penalty and interest amount of BRL101,675 for ICB and BRL 98,689 for ICP (see note 19).

(c) On September 30, 2021, ICB issued new Debentures in the amount of BRL1,000,000. The commission fees were 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 September 30, 2024 the company recognized late penalty and interest amount of BRL59,802 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 BRL143.914), 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 BRL390,754 (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 BRL299,645 (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 BRL52,630 (US$10,000 thousand) with interest rate of 6.5%, and a 30-month maturity.

As of September 30, 2024 and December 31, 2023, the incurred interest expenses classified as current liabilities and presented as 'Interest payable' amount to BRL1,638,021 and BRL774,398, respectively.

Changes in debentures and senior notes (principal amounts) in the nine-month period ended September 30, 2024 and 2023 were as follows (continued operations only):

Debêntures

	Debentures
Balance as of December 31, 2022	7,530,742
New debentures	977,545
Payments	(184,291)
Effect of changes in Exchange rates, comissions and other	(99,932)
Balance as of September 30, 2023	8,224,064
Balance as of December 31, 2023	7,948,444
Effect of changes in exchange rates	268,251
Balance as of September 30, 2024	8,216,695

Maturity schedule

As of September 30, 2024, the non-current portion of debentures and senior notes mature as follows (continued operations only):

Period	09.30.2024
2025	390,753
2026	352,276
	743,029

Covenants

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

Debentures

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. Next measurement is on December 31, 2024, so the current covenants may be modified in the context of the ongoing judicial reorganization proceeding (Note 1).

Senior notes

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, 2023, the covenants conditions were met.

12. 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:

	09.30.2024	12.31.2023
Labor and social security	56,478	46,277
Tax (a)	41,259	40,070
Civil and other	9,993	9,720
	107,730	96,067
Judicial deposit (b)	(18,042)	(7,878)
Total	89,688	88,189

(a) Tax

Brazil: Refer to tax assessment notices and lawsuits amounting to BRL12,158 (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 BRL 20,014 (BRL18,992 as of December 31, 2023).

InterCement Portugal: Refers basically to the provisions for tax risks related to income tax, amounting to BRL 5,252 as of September 30, 2024 (BRL14,449 as of December 31, 2023), which are being challenged in courts. In the first quarter of 2023, InterCement Portugal obtained a favourable decision related to an income tax dispute, reverting a provision in the amount of BRL 11,142 against income tax expenses (see Note 16 below).

(b) Judicial deposits

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

	09.30.2024	12.31.2023
Labor and social security	5,757	4,497
Tax	11,288	2,405
Civil and other	442	443
Environmental	555	533
Total	18,042	7,878

Changes in the provision for risks for the nine-month period ended September 30, 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)	5,658	1,604	1,184	-	8,446
Recognition/deposit	23,618	2,372	2,828	(589)	28,229
Payment	(11,436)	(1,936)	(2,706)	6,301	(9,777)
Reversal	-	(17,696)	-	-	(17,696)
Discontinued operations (Note 2.4)	-	(83)	(1,712)	-	(1,795)
Exchange differences	(7,801)	(3,247)	(1,254)	-	(12,302)
Balance as of September 30, 2023	48,434	43,742	10,446	(8,086)	94,536
Balance as of December 31, 2023	46,277	40,070	9,720	(7,878)	88,189
Effects of hyperinflationary monetary adjustment (Note 2.1)	4,684	585	557	-	5,826
Recognition/deposit	13,897	14,166	2,414	(12,011)	18,466
Payment	(7,484)	(4,257)	(2,817)	1,847	(12,711)
Reversal	-	(10,453)	-	-	(10,453)
Effect of changes in exchange rates	(896)	1,148	119	-	371
Balance as of September 30, 2024	56,478	41,259	9,993	(18,042)	89,688

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 September 30, 2024, and December 31, 2023, the Group has the following exposure:

	09.30.2024	12.31.2023
Labor and social security	62,042	64,788
Tax and uncertain income tax position (a)	7,642,655	7,088,966
Civil, administrative and other (b)	1,295,486	1,205,282
	9,000,183	8,359,036

The most significant contingent liabilities are:

a) Tax and uncertain income tax position

Brazil – ICB

Risk exposure amounts to BRL5,772,807 as of September 30, 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 BRL933,000 as of September 30, 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 BRL127,007 as of September 30, 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 BRL1,609,054 as of September 30, 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 BRL546,471 as of September 30, 2024, and BRL454,886 as of December 31, 2023 (equivalent to of about €90,000 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 (subject to reassessment in up to one year), the guarantees provided in the form of a Guarantee ("Fiança") from the subsidiary ITI.

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 September 30, 2024, the fines imposed to the Group corresponds to BRL1,153,858 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 September 30, 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.

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.

14. Right-of-use assets and lease liabilities

The changes of rights-of-use assets in the nine-month period ended September 30, 2024 and 2023 are demonstrated as follows:

Changes in right-of-use assets:

	Buildings	Machinery and equipment	Vehicles	Furniture and fixtures	Other	Total
Cost						
As of December 31, 2022	82,529	472,847	25,480	-	5,161	586,017
Additions	1,656	229,828	30,331	-	2,462	264,277
Write-offs	(365)	-	(270)	-	-	(635)
Discontinued operations	(11,097)	(5,163)	(37,151)	-	-	(53,411)
Exchange difference / Effects of hyperinflationary monetary adjustment	(2,322)	(849)	(920)	-	-	(4,091)
As of September 30, 2023	70,401	696,663	17,470	-	7,623	792,157
As of December 31, 2023	54,867	696,027	20,661	-	7,624	779,179
Additions	288	19,517	4,549	-	-	24,354
Write-offs	(10,920)	(4,333)	-	-	-	(15,253)
Impairment	-	3,808	-	-	-	3,808
Exchange difference / Effects of hyperinflationary monetary adjustment	29,988	-	-	-	-	29,988
As of September 30, 2024	74,223	715,019	25,210	-	7,624	822,076
(-) Accummulated depreciation						
As of December 31, 2022	(36,927)	(381,975)	(13,502)	-	(3,135)	(435,539)
Additions	(8,702)	(62,484)	(13,487)	-	(1,086)	(85,759)
Write-offs	365	-	180	-	-	545
Discontinued operations	6,610	1,963	16,545	-	-	25,118
Exchange difference / Effects of	882	(376)	433	-	-	939
As of September 30, 2023	(37,772)	(442,872)	(9,831)	-	(4,221)	(494,696)
As of December 31, 2023	(30,524)	(461,945)	(10,912)	-	(4,674)	(508,055)
Additions	(7,177)	(47,689)	(3,368)	-	(1,258)	(59,492)
Write-offs	4,412	-	-	-	-	4,412
Exchange difference / Effects of hyperinflationary monetary adjustment	(16,399)	-	-	-	-	(16,399)
As of September 30, 2024	(49,688)	(509,634)	(14,280)	-	(5,932)	(579,534)
Balance as of September 30, 2024	24,535	205,385	10,930	-	1,692	242,542
Balance as of December 31, 2023	24,343	234,082	9,749	-	2,950	271,124

The changes in obligations under finance leases in the nine-month period ended September 30, 2024 and 2023 are demonstrated below:

Changes in lease liabilities:

	Lease Liabilities
As of December 31, 2022	165,794
Additions, net of write-offs	263,642
Payments	(116,075)
Present value adjust	37,968
Discontinued operations	(32,589)
Exchange difference / Effects of	1,171
As of September 30, 2023	319,911
As of December 31, 2023	303,592
Additions, net of write-offs	9,101
Payments	(86,117)
Present value adjust	35,209
Exchange difference / Effects of	12,309
As of September 30, 2024	274,094

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:

	09.30.2024	12.31.2023
Current	73,125	66,200
Non-current	200,969	237,392
Lease liabilities	274,094	303,592

Lease liabilities - Maturity analysis:

	Lease Liabilities
Less than one year	73,125
One to five years	199,319
More than five years	1,650
Lease liabilities	274,094

15. Shareholder's Equity

Share Capital

As of September 30, 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.

Earning Reserves – Transaction with non-controlling interests

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

During the nine months ended 30 September 2024, Loma Negra acquired 65,624 own shares for a total cash disbursement of BRL 2,518, of which a loss of BRL 1,313 were attributed to Company´s owners. On the nine month period ended September, 2023, there was no purchase of own shares.

In cumulative terms, as of September 30, 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 (As of December 31, 2023, had acquired 12,352,329 own shares for a total value of BRL 177,397, which is equivalent to 2.07% 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 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 BRL611,540 (BRL223,733 for the nine-month period ended September 30, 2023) corresponds to: i) equity recognition of actuarial losses on the employee benefits plan in the amount of BRL1,313 (negative of BRL1,056 for the nine-month period ended September 30,2023); ii) negative equity recognition of exchange differences from translation of foreign operations in the amount of BRL232,776 (negative BRL6,157,454 for the nine-month period ended September 30, 2023 of which a positive amount of BRL102,386 relates to discontinued operations) (see Note 2.4); (iii) negative equity recognition of derivative and hedging transactions amounting to BRL26,781, net of taxes (positive BRL 3,265 for the nine-month period ended September 30, 2023); and (iv) positive effect of hyperinflationary monetary adjustment in Argentinian business segment of BRL872,410 (BRL6,378,978 for the nine-month period ended September 30, 2023).

The exchange differences from translation of foreign operations from discontinued operation for the nine-month period ended September 30, 2023 aforementioned (BRL102,386) 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 BRL121,797, 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 BRL750,391 (BRL54,458 for the nine-month period ended September 30, 2023) corresponds to: i) equity recognition of actuarial loss on the liability to employees in the amount of BRL1,205 (loss of BRL958 for the nine-month period ended September 30, 2023); ii) negative exchange differences from translation of foreign operations in the amount of BRL45,189 (negative of BRL5,967,060 for the nine-month period ended September 30, 2023 of which a negative amount of BRL29,000 relates to discontinued operations) (see Note 2.4); iii) negative equity recognition of derivative, hedging and actuarial transactions amounting to BRL 9,044 (positive of BRL10 for the nine-month period ended September 30, 2023); and (iv) positive effect of hyperinflationary monetary adjustment in Argentinian business segment of BRL805,829 (positive of BRL5,913,550 for the nine-month period ended September 30, 2023).

b) Dividends declared to non-controlling interests:

i. For the nine-month period ended September 30, 2024, special purposes entities (SPEs) controlled by Brazilian subsidiaries declared dividends to non-controlling interests in the amount of BRL27,048 related to 2023 results (BRL37,869 for the nine-months period ended September 30, 2023 related to 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.

16. Income Tax and Social Contribution

	09.30.2024	09.30.2023
Profit (Loss) before income tax and social contribution	363,441	(436,481)
Group Tax rate	34%	34%
Income tax and social contribution at statutory rates	(123,570)	148,404
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)	-	14,106
Non-deductible financial expenses in Spanish subsidiary (a)	(59,532)	(93,071)
Effect of differences in foreigner tax rates to Group tax rate (34%)	(43,219)	(51,705)
Permanent additions / (deductions), net	26,466	(15,715)
Deferred income tax and social contribution not recognized (b)	(209,173)	(127,305)
Other (c)	14,167	79,426
Income tax and social contribution expense	(394,861)	(45,860)
Current Income tax and social contribution expense	(309,944)	(38,781)
Deferred Income tax and social contribution gain (expense)	(84,917)	(7,079)

For the nine-month period ended September 30, 2024 and 2023, the reconciliation between the nominal and the effective income tax was as follows:

(a) For the period ended September 30, 2024, it mainly refers to deduction of BRL59,532 (deduction of BRL93,071 for the period ended September 30, 2023) related to the effect of financial transactions recorded in the Spanish subsidiary that were excluded for tax purposes.

(b) For the period ended September 30, 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 of September 30, 2024, in Brazil business segment, a deferred tax asset of BRL706.816 is recognized.

(c) For the nine-month period ended September 30, 2024, it mainly refers to (i) negative amount of BRL36,114 related to the impact of monetary adjustment in Argentina due to hyperinflationary economy (positive amount of BRL23,601 for the nine-month period ended September 30,2023); (ii) positive amount of BRL 43,669 mainly generated by entities in Brazilian segment taxed under the presumed profit tax rules and other permanent differences in Brazil (positive amount of BRL 39,343 for the nine-month period ended September 30, 2023), and (iii) income tax gains of BRL14,555 in our Portuguese holding as a result of a favourable judicial decision for the nine-month period ended September 30, 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.

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.

The subsidiary ICB assesses the realization of deferred tax assets at the end of each reporting period. The review carried out on September 30, 2024 indicates that these deferred tax assets, which are recognized up to the realization limit in accordance with the Company's accounting policy, will still be realized within 10 years when the deferred taxes are recognized in 2021, with the Company no longer recognizing new deferred tax assets until it returns to generating taxable profit.

Furthermore, as of September 30, 2024, the Brazil segment has an accumulated balance of fiscal loss and negative base in the amount of BRL 2,201,825 (BRL1,871,529 for the period ended December 31, 2023). Therefore, there remains an amount of fiscal losses and negative base of BRL1,222,566 for which no deferred tax asset has yet been recognized, and in the event of an improvement in financial position and profitable income tax generation, the Company may recognize additional deferred tax asset in the amount of BRL417,204.

The projections for the realization of the remaining deferred tax asset depend, however, on the success of the ongoing process with the Company's creditors, as mentioned in Note 1, which will have a direct impact on the projections of future taxable profits.

17. Net Sales

The breakdown of the Company's net sales for the nine-month period ended September 30, 2024 and 2023 are as follows:

	09.30.2024	09.30.2023
Products sold	7,673,385	7,800,650
Services provided	117,995	245,616
(-) Taxes on sales	(845,170)	(867,944)
(-) Discounts	(1,776,652)	(1,482,425)
Total	5,169,558	5,695,897

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:

	09.30.2024	09.30.2023
Depreciation and amortization	(551,098)	(562,156)
Impairment losses, net (a)	68,207	(15,071)
Salaries and employee benefits	(736,663)	(795,630)
Raw materials and consumables	(750,817)	(922,583)
Tax expenses	(98,950)	(131,771)
Outside services	(327,974)	(264,246)
Rental	(9,975)	(9,992)
Freight expenses	(519,809)	(588,530)
Maintenance costs	(368,095)	(345,395)
Fuel	(692,774)	(934,652)
Electricity	(264,272)	(278,515)
Specialized work	(123,156)	(140,713)
Recognition of inventories and trade receivable impairments	(6,842)	(1,757)
Gain (Loss) on sale of property, plant and equipment	(35,943)	(807)
Other	(78,400)	(135,713)
Total	(4,496,561)	(5,127,531)
Cost of sales and services	(4,056,347)	(4,526,525)
Selling expenses	(248,150)	(258,440)
Administrative expenses	(307,251)	(334,401)
Other income/(expenses) (b)	115,187	(8,165)
Total	(4,496,561)	(5,127,531)

a) In the nine-month period ended September 30, 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 nine-month period ended September 30, 2023, refers to impairment losses recognized to certain fixed assets in Brazil due to market value depreciation.

b) The nine-month period ended September 30, 2024, includes i) the recovery of PIS/Cofins credits in the amount of BRL2,798 related to overdue credits referring to various expenses, including medical assistance, tolls, and logistics, ii) the recovery of ICMS on the transfer of cement to concrete amounting to BRL34,543 and iii) the net gain in the amount of BRL30,415 related to the sale of João Pessoa unit. The nine-month period ended September 30, 2023, includes (i) 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

	09.30.2024	09.30.2023
Foreign exchange gain (losses), net (a):		
Exchange gain	846,480	665,914
Exchange loss	(1,055,271)	(1,188,818)
Total	(208,791)	(522,904)
Financial income:		
Inflation adjustment	7,012	15,033
Effects of Hyperinflationary monetary adjustments (b)	1,247,706	785,792
Financial earnings	54,741	60,569
Interest income	5,840	1,479
Derivative financial instruments	21,720	1,127
Other income	7,939	10,521
Total	1,344,958	874,521
Financial expenses:		
Inflation adjustment (c)	(37,822)	(72,618)
Expenses on interest and charges (d)	(1,239,030)	(1,121,778)
Expenses on banking commissions	(13,636)	(17,726)
Fines	(1,235)	(5,840)
Derivative financial instruments	(3,286)	(22,056)
Lease liabilities present value	(35,209)	(37,975)
Other expenses (e)	(115,505)	(78,471)
Total	(1,445,723)	(1,356,464)

(a) For the nine-month period ended September 30, 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.

(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 nine-month period ended September 30, 2024 it was 101,58% against 103,15% in the comparable period.

(c) In the nine-month period ended September 30, 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 nine-month period ended September 30, 2024, includes interests on debentures in the amount of BRL568,991 (BRL532,090 for the nine-month period ended September 30, 2023) and interest on senior notes in the amount of BRL302,681 (BRL435,011 for the nine-month period ended September 30, 2023). Additionally includes the amount of BRL260,166 related to the late payment penalty and default interest due to the postponement of the payment of principal and interest instalments of the Brazilian debentures due in June 2023, December 2023, and June 2024.

(e) For the nine-month period ended September 30, 2024 it includes: i) BRL5,674 related to PIS and COFINS on financial income in Brazilian business segment (BRL4,784 for the nine-month period ended September 30, 2023), ii) BRL13,451 related to PIS and COFINS on financial income in ICP (BRL11,981 for the nine-month period ended September 30, 2023), iii) BRL220 related to financial transaction expenses (IOF) at ICP (BRL5,129 for the nine-month period ended September 30, 2023), (iv) BRL42,904 related to discounts allowed in Argentinean business segment (BRL26,150 for the nine-month period ended September 30,2023) and BRL34,384 related to monetary adjustments of liabilities in Argentinean business segment (BRL14,015 for the nine-month period ended September 30, 2023).

20. Commitments

Purchase agreements

The subsidiary ICB has a contractual agreement for the acquisition of hydroelectric power until 2024 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 plaster and ashes in accordance with the minimum stipulated in the contract until 2030, whose estimated cash disbursements, in nominal amounts are as follows:

	09.30.2024
2024	93,960
2025	281,102
2026	281,102
2027	254,126
After 2027	1,204,372
Total	2,114,662

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:

	09.30.2024
2024	88,696
2025	265,737
2026	173,005
2027	135,887
After 2027	346,539
Total	1,009,864

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

The Argentina segment contains certain contractual commitments for the purchase of slag with effect until 2028, with estimated future cash flows of approximately BRL10,098 (ARS1,798,852 thousands) during 2024, and BRL161,572 (ARS28,781,626 thousands) between 2025 and 2028.

The Argentina segment also signed contracts (i) for the supply of gas, assuming payment commitments in the total amount of approximately BRL59,328 (ARS10,568,460 thousands) to be paid during 2024 and BRL222,248 (ARS39,590,225 thousands) to be paid between 2025 and 2027; and (ii) for the supply of energy in the amount of BRL19,266 (ARS3,432,004 thousands) to be paid during 2024 and BRL537,341 (ARS95,719,590 thousands) to be paid between 2025 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:

	09.30.2024	09.30.2023 Recasted
Profit (Loss) for the period from continuing and discontinuing operations attributable to Company's owners	(423,335)	(880,417)
Profit (Loss) for the period attributable to common shares	(423,335)	(880,417)
Weighted average number of common shares	52,920,764	52,920,764
Basic/diluted loss per common share	(8,00)	(16,64)
Profit (Loss) for the period from continuing operations attributable to Company's owners	(451,044)	(702,281)
Profit (Loss) for the period attributable to common shares	(451,044)	(702,281)
Weighted average number of common shares	52,920,764	52,920,764
Basic/diluted loss per common share	(8,52)	(13,27)

22. 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.

22.1. 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 10 and 11, the Company is subject to certain covenants metrics, as the ratio Net Debt / Adjusted EBITDA. The breach of such covenants can lead to the anticipation due date of the borrowings and financing and debentures.

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).

22.2. 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).

22.3. 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 September 30, 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, Libor, Prime-rate, Jibar, 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	09.30.2024	12.31.2023 Recasted
Assets:							
CDI	-	-	1,452,226	894	-	1,453,120	496,161
Total	-	-	1,452,226	894	-	1,453,120	496,161
Liabilities:							
IGP-M	-	-	-	-	53,109	53,109	52,407
CDI	-	4,476,630	-	-	-	4,476,630	4,472,587
Badlar	-	-	-	-	-	-	153,518
IPCA	36,651	-	-	-	-	36,651	84,515
Total	36,651	4,476,630	-	-	53,109	4,566,390	4,763,027

As of September 30, 2024, the Group's liability by type of interest rate, considering derivative financial instruments, between floating and fixed rate, are as follows:

	09.30.2024	12.31.2023
Floating rates	53%	58%
Fixed rates	47%	42%

22.4. 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.

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 September 30, 2024, in case such instruments were used for the liquidation of the aforementioned operations, it would result in a negative impact of approximately 26% over the net position in dollars.

For the nine-month period ended September 30, 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.

<u>Exposure to foreign exchange risk</u>

The Group 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:

	09.30.2024	12.31.2023 Recasted
Assets:		
Cash, cash equivalents and securities	225,098	1,204,096
Related parties (a)	4,939,294	3,659,468
Other assets	70,922	65,545
Exposed assets	5,235,314	4,929,109
Liabilities:		
Borrowings, financing and debentures (Note 10 and 11)	3,793,000	3,323,049
Interest payable	120,911	69,387
Foreign trade payables	108,378	110,904
Related parties (a)	1,317,461	1,146,481
Other liabilities	15,814	22,687
Exposed liabilities	5,355,564	4,672,508
Exposed net position liabitity	(120,250)	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 September 30, 2024, the Related Parties payables and receivables of BRL5,827,597 and BRL1,088,596, respectively, were determined to be part of entity´s net investment and the exchange difference since inception of BRL383,592 were recorded within “other comprehensive income” (an increase of BRL264,675 for the nine-month period ended September 30, 2024).

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

		09.30.2024		12.31.2023 Recasted	
Functional currency	**Currency**	**Currency**	**BRL**	**Currency**	**BRL**
ARS	USD	6,290	34,267	4,900,375	29,348
BRL	USD	2,557	13,929	16,174	16,175
EUR	USD	32,403	176,534	216,402	1,158,094
ARS	EUR	10	61	9,559	58
EUR	EGP	2,721	307	79	421
Amount exposed to foreign exchange risks			225,098		1,204,096
BRL	BRL	1,457,449	1,457,449	507,063	507,063
EUR	EUR	3,319	20,155	5,223	27,954
ARS	ARS	7,615,471	42,751	1,764,038	10,564
Amount by functional currency			1,520,355		545,581
			1,745,453		1,749,677

The main debt instruments (essentially related with loans and debentures) as of September 30, 2024 and December 31, 2023, were denominated in the following currencies:

	09.30.2024	12.31.2023
USD	44%	41%
BRL	53%	57%
Other	3%	2%

22.5. 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:

	09.30.2024					
	Up to 1 year	1-2 years	3-5 years	More than 5 years	Total	12.31.2023 Recasted
Borrowings and financing and debentures	7,267,842	2,781,821	995,845	-	11,045,508	10,509,341
Trade payables	832,478	-	-	-	832,478	927,403
Obligations from confirming	-	-	-	-	-	12,490
Obligations under finance leases	107,059	101,939	161,123	3,072	373,193	405,125
	8,207,379	2,883,760	1,156,968	3,072	12,251,179	11,854,359

22.6. 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 10 and 11, as of December 31, 2023, the Company complied with restrictive covenants.

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.

22.7. 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 September 30, 2024 were as follow:

a) Sensitivity analysis - Interest rates with CDI index, IPCA and Badlar.

A parallel change of +/- in the interest rate curves applied on principal amounts as of September 30, 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	(3,023,510)	(30,235)	(60,470)	(90,705)
IPCA	BRL	(36,651)	(367)	(733)	(1,100)

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 September 30, 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%
17,633	US$	96,041	EUR	0.90	(1,763)	(882)	882	1,763
(148,320)	US$	(808,062)	ARS	970.50	14,832	7,416	(7,416)	(14,832)
(28,078)	US$	(152,972)	BRL	5.45	2,808	1,404	(1,404)	(2,808)
		(864,993)	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	(101,522)	BRL	6.07	1,500	750	(750)	(1,500)
(2,327)	EUR	(14,129)	ARS	1081.62	209	104	(104)	(209)
		(115,651)	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%
2,087	EGP	480	EUR	26.41	(8)	(4)	4	8
		480	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	6.07	(14,349)	(7,516)	7,516	14,349
(3)	BRL	(3)	ARS	178.14	0	0 -	(0)	0
		859,914	Total exposure BRL x local currency					

22.8. Categories of financial instruments

	09.30.2024	12.31.2023 Recasted
Current assets:		
Cash and bank accounts (Note 3)	260,726	1,280,603
Financial assets at amortized cost:		
Trade receivables (Note 5)	551,783	266,806
Other receivables	119,553	130,371
Financial assets at fair-value through profit & Loss:		
Short-term investments - financial asset (Note 3)	1,484,727	469,073
Non-current assets:		
Financial assets at amortized cost:		
Trade receivables (Note 5)	2,201	2,549
Other receivables	125,261	59,675
Long-term investments - financial asset (Note 4)	6,814	43,283
Financial assets at fair-value through profit & loss:		
Derivatives (Note 22.9)	19,875	1,441
Current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 11)	7,473,666	4,367,761
Borrowings and financing (Note 10)	311,595	104,036
Trade payables	832,478	927,403
Obligations from confirming	-	12,490
Interest payable (Notes 10 and 11)	1,639,121	775,533
Lease liabilities (Note 14)	73,125	66,200
Other payables	163,109	193,056
Non-current liabilites:		
Financial liabilities at amortized cost:		
Debentures (Note 11)	743,029	3,580,683
Borrowings and financing (Note 10)	15,583	31,653
Lease liabilities (Note 14)	200,969	237,392
Other payables	113,746	132,448

22.9. 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 September 30, 2024 and December 31, 2023 are demonstrated below:

	Assets	
	Non-current	
	09.30.2024	12.31.2023
Written-put options ("Baesa", "Machadinho" and “Estreito” operations)	19,875	1,441
	19,875	1,441

22.10. 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 September 30, 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	1,484,727	-
Financial assets at fair value	Financial derivative instruments	-	19,875

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:

		09.30.2024		12.31.2023 Recasted	
		Amortized cost (*)	Fair value	Amortized cost (*)	Fair value
Borrowing and financing (Note 10)		328,278	305,060	136,824	93,743
Debentures (Note 11)	(a)	9,854,716	8,252,392	8,722,842	7,944,194
Leases liabilities (Note 14)		274,094	271,374	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 September 30, 2024.

23. 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:

	09.30.24				09.30.23			
	Net Revenue				Net Revenue			
	Foreign sales	Intersegment sales	Total	Results	Foreign sales	Intersegment sales	Total	Results
Operating segments:								
Brazil	2,447,200	-	2,447,200	302,252	2,686,357	-	2,686,357	158,579
Argentina	2,726,411	-	2,726,411	386,329	3,013,097	-	3,013,097	453,557
Total	5,173,611	-	5,173,611	688,581	5,699,454	-	5,699,454	612,136
Unallocated (a)	(4,053)	(23,672)	(27,725)	(15,584)	(3,557)	(92)	(3,649)	(43,770)
Eliminations	-	23,672	23,672	-	-	92	92	-
Sub-total	5,169,558	-	5,169,558	672,997	5,695,897	-	5,695,897	568,366
Income before financial income (expenses)				672,997				568,366
Foreign exchange, net				(208,791)				(522,904)
Financial income				1,344,958				874,521
Financial expenses				(1,445,723)				(1,356,464)
Profit (Loss) before income tax and social contribution				363,441				(436,481)
Income tax and social contribution				(394,861)				(45,860)
Loss for the period from continuing operations				(31,420)				(482,341)
Profit (Loss) for the period from discontinued operations (2.4)				27,709				(177,608)
Loss for the period				(3,711)				(659,949)

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

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

	Noncontrolling interests	
	09.30.24	09.30.23
Operating segments:		
Brazil	92,297	88,706
Argentina	328,255	132,853
	420,552	221,559
Unallocated	(928)	(1,619)
	419,624	219,940
Discontinued operating segments (2.4)	-	528
Profit/(Loss) for the year attributable to non-controlling interests	419,624	220,468

Other information:

	09.30.24		09.30.23	
	Capital expenditure	Depreciation, amortisation and impairment losses	Capital expenditure	Depreciation, amortisation and impairment losses
Operating segments:				
Brazil	266,086	294,470	246,986	341,346
Argentina	235,161	255,418	171,352	234,679
	501,247	549,888	418,338	576,025
Unallocated	9	1,210	-	1,203
	501,256	551,098	418,338	577,228
Discontinued operating segments	-	-	19,118	63,553
Total	501,256	551,098	437,456	640,781

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 September 30, 2024 and December 31, 2023 are as follows:

	09.30.24			12.31.2023		
	Assets	Liabilities	Net assets	Assets	Liabilities	Net assets
Operating segments:						
Brazil	8,219,295	5,421,508	2,797,787	7,740,429	4,737,293	3,003,136
Argentina	8,212,995	3,238,093	4,974,902	4,792,224	2,064,253	2,727,971
Total	16,432,290	8,659,601	7,772,689	12,532,653	6,801,546	5,731,107
Unallocated	1,431,628	6,111,476	(4,679,848)	1,501,438	5,467,976	(3,966,538)
Eliminations	(962,212)	(962,212)	-	(588,937)	(588,937)	-
Total	16,901,706	13,808,865	3,092,841	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	16,901,706	13,808,865	3,092,841	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.

24. Events After the Reporting Period

On November 19, 2024, the Company and its controlling shareholder, Mover Participações S. A. (“Mover”), signed an addendum to the agreement granting exclusivity to Companhia Siderúrgica Nacional (CSN) on the potential acquisition of shares representing 100% (one hundred percent) of the Company's share capital, with expiration date on December 16, 2024.

On December 3, 2024, the Company filed a petition for judicial reorganization at the Bankruptcy and Judicial Reorganization Courts of the District of São Paulo, together with its indirect Parent company, Mover, and some of its subsidiaries, namely ICB, IC BV, ITI, and ITI Arg. As a result, the above referred exclusivity agreement for the potential sale of ICP is no longer in effect.

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 companies in 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.

25. Authorization for issuance of the Condensed consolidated financial information

At the meeting held on December 12, 2024, the Audit Committee recommended the issuance of this condensed consolidated interim financial information, which was endorsed by the Board of Directors.