# Financial Statements

**Votorantim Cimentos International S.A.**

Consolidated financial statements and audit report as of December 31, 2024

# Votorantim Cimentos International S.A.

## 2024 Consolidated Management Report

This consolidated management report should be read in conjunction with the audited consolidated financial statements of Votorantim Cimentos International S.A. and the notes thereto for the year ended December 31, 2024.

## 1 General

(a) Votorantim Cimentos International S.A. (the “Company” or “VCI”) was incorporated on 9 April 2018 and is organized under the laws of Luxembourg as a “Société anonyme” for an unlimited period (R.C.S. Luxembourg: B.224031).
(b) The registered office of the Company is established at 35 Avenue J-F Kennedy, 1st floor, A2, L-1855 Luxembourg.
(c) The financial year of the Company runs from the 1st January until the 31st December of each year.
(d) VCI is 100% owned by Votorantim Cimentos S.A. (“VCSA”).
(e) As at December 31, 2024 the Company’s fully subscribed and paid-up capital is USD 99,915), consisting of 99,915,432 common shares.
(f) As at December 31, 2024, the amount of share premium is USD 1,314,892 (December 31, 2023 – USD 1,621,892).
(g) The Company, its subsidiaries, and its equity accounted investees (together referred as the "Group" or “VCI Group”) have investments in three clusters, which are the operating segments of the Group:
   i. North America (VCNA) that includes Canada and Unites States (“US”),
   ii. Europe and Asia (VCEA) that comprises Spain and Turkey. The countries Morocco and Tunisia previously part of this segment were excluded due to the divestment decision of VCSA, as explained in section 4(a) of this report.
   iii. Latin America (VCLatam) that includes Uruguay, Bolivia and Argentina (the later an associate).
(h) The Group is principally engaged in the following activities: the production and sale of a wide portfolio of heavy building materials, including cement, aggregates, mortar, agricultural solutions and others, as well as services for raw materials and byproducts, but we also look beyond and continue to invest to offer new high-value services and innovative products in these segments.
(i) The information for the segment Europe and Asia (previously named as Europe, Asia and Africa) excludes the operating results for Tunisia and Morocco, as a consequence of its classification as discontinued operations

## 2 Financial performance

(a) The operating results of Tunisia and Morocco were excluded from the balances presented, both for the current and prior year, as a consequence of its classification as discontinued operations. Refer to section 4(a) of this report to further details.
(b) For the year ended December 31, 2024, the Group’s net revenue amounts to USD 2,559,631 compared to USD 2,645,523 for the previous year.
(c) The Group’s total assets on December 31, 2024 is USD 5,322,140 versus USD 5,398,926 as of December 31, 2023.
(d) On December 31, 2024, the Group’s cash at bank and cash equivalents amounts to USD 371,612 compared to USD 571,312 as of December 31, 2023.
(e) Total net equity amounts to USD 2,872,973 as of December 31, 2024 compared to USD 2,968,003 as of December 31, 2023.
(f) Key indicators of financial performance: the Group defined its key indicators of financial performance as net revenue and EBITDA. Below the analysis of those key indicators for each operating segment.
(g) The Group’s cost of goods sold and services rendered reached USD 2,006,183 compared to USD 2,134,622 in the prior year, a decrease of 6%.

VCNA's net revenue decreased by 4.2% reaching USD 1,503,697 in 2024, mainly due to a decrease in market demand, partially offset by price increases.

VCNA's adjusted EBITDA increased by 7.3% reaching USD 422,635 in 2024, mainly due to better margins, operational efficiency and a non-strategic asset sale.

VCEAA's net revenue decreased by 1.3% reaching USD 888,819, despite better volumes and prices, both in Spain and Turkey, the result was impacted by low pet-coke price which influenced negatively Votorantim Trading results.

VCEAA's adjusted EBITDA increased by 21.5% reaching USD 236,273 driven by better market dynamic and decrease in variable costs.

VCLatam's net revenue decreased by 4.1% reaching USD 167,115, due to a challenging market in Uruguay and price pressure in Bolivia.

VCLatam's adjusted EBITDA increased by 5.5% reaching USD 41,179, due to market dynamic already commented, mitigated by a sale asset in Uruguay and dividends received.

## 3 Non-financial performance

Sustainable practice is one of the pillars of our business and one of the key elements of our Group's vision on which our plans and choices are founded. We are committed to sustainability in our activities and operations, to condense our environmental footprint, while also optimizing manufacturing costs, improving our product offerings according to the needs of our customers and maintaining our high-quality standards, in accordance with applicable laws and regulations.

Safety and Health are non-negotiable values for VCI Group, which constantly seeks to promote healthy and safe working conditions for employees and contractors.

Ethics and integrity are values that we do not compromise. To further strengthen this aspect of our culture, we have a solid corporate governance structure that matches the standards and best practices adopted by publicly traded companies, ensuring compliance, transparency and integrity in all our operations.

## 4 Other important events of the year

The below main events are also described in Note 3 of the consolidated financial statements, as well as supported by quantified and detailed information presented in the accompanying notes.

### (a) Sale agreement for the business in Tunisia and Morocco

In July and September 2024, VCSA’s Board of Directors approved the conditions for the disposal of the businesses carried in Tunisia and Morocco, respectively. A Share Purchase Agreement was subsequently signed for the Tunisian and Moroccan business. The completion of the sale is subject to customary closing requirements, including the approval by regulatory authorities, which is expected to occur within 12 months.

The associated assets and liabilities were consequently presented as held for sale in these consolidated financial statements, as detailed in Note 32.

### (b) Bond issuance (Voto 34), Tender Offer and Make-Whole (Voto 27)

On April 2, 2024, the subsidiary St Marys Cement Inc. concluded the issuance of a bond in the international capital markets amounting to USD 500 million, with maturity in 2034 and containing sustainability performance indicators (sustainability-linked bonds) (Voto 34). This new issuance has a coupon of 5.75% per year to be paid bi-annually and is fully and irrevocably guaranteed by Votorantim Cimentos S.A. The sustainability performance indicators are related to $CO_2$ net emissions (scope 1) and thermal substitution, to be measured as of December 31, 2028.

With the net proceeds from the new bond issuance, on April 4, 2024, the same subsidiary SMCI concluded a Tender Offer over its 5.75% Senior Notes due in 2027 (Voto 27). After this Tender Offer transaction, the outstanding principal of Voto 27 decreased to USD 238,447.

Subsequently, on June 11, 2024, SMCI exercised its right to redeem ("Make-Whole") all of the outstanding principal amount of Voto 27, pursuant to the terms and conditions of the 2027 Notes Indenture. Its settlement occurred on July 11, 2024, resulting in a total disbursement of USD 238,571, that included the principal, premium and interests accrued to date.

### (c) Share premium reimbursement to VCSA

In the year of 2024, the Company reimbursed a total amount of USD 307 million in cash to its shareholder VCSA, out of its share premium account.

## 5 Expected evolution of Group's business

The Portland Cement Association (PCA), the cement association in the US, revised its estimate of a 1.4 per cent slowdown to a 3.2 per cent drop in cement consumption in 2024, due to rising interest rates and tight credit conditions, which are negatively impacting residential and commercial construction. The PCA highlights the positive impacts of onshoring industrial activity and the US government's infrastructure investments for 2025. The association predicts a cooling in the short term, followed by a resumption of consumption growth in the coming years, in line with macroeconomic improvement. The PCA's outlook for 2025 is 1.8 per cent growth compared to 2024.
The Spanish market ended 2024 with growth of 2.9 per cent in the cement sector compared to 2023, according to the local association. Despite a troubled start to the year, with external impacts such as the high volume of rainfall, cement demand recovered in the second half of the year with a positive trend. According to the association, based on data from public works, construction and tenders, cement consumption is expected to grow by around 5 per cent in 2025 compared to 2024.

Turkish market saw a 10.9 per cent increase in cement consumption from January to November 2024 compared to the same period in 2023, according to the local cement association. The country is undergoing post-earthquake reconstruction and has experienced a milder winter, favoring domestic cement sales with a resilient economy despite hyperinflation.

The cement markets in Uruguay is facing a challenging scenario, with a cooling down in demand, driven to constructions delays and the local economy negatively impacting the cement demand. In Bolivia, the scenario is more positive in the cement sector, with a stable macro-economy and a controlled inflation, but with a highly competitive market.

## 6 Risk factors

Additional details regarding each of the financial risks identified below are disclosed in Notes 8 and 9 of these consolidated financial statements.

### 6.1 Social and environmental risk management

The Group operates in various countries and its activities are subject to local, state, national and international environmental laws and regulations, treaties and conventions regulating the activities, establishing measures for mitigation, compensation, management and risk monitoring, including those that regulate the obligations of the owner of the venture and/or activity relating to environmental protection. Violations of the environmental regulations can lead to fines and penalties and may require the implementation of technical measures to ensure compliance with the mandatory environmental standards.

The Group reviews periodically its environmental risk assessment and addresses the risks identified either through mitigation actions or provision of future costs.

## 6.2 Financial risk management

The Group's activities expose it to several financial risks: (a) market risk (including currency and interest rate risk); (b) credit risk; and (c) liquidity risk.

The products and services offered by the Group are denominated in several currencies due to its global positioning, and potential risks of currency mismatches between income and costs can arise.

The Group has loans linked to different indices and denominated in foreign currencies, which may have an impact on its cash flow.

To mitigate the adverse effects of each of these risk factors, the Group prepared a financial policy approved by VCSA's Board of Directors, that establishes governance and macro guidelines in the financial risk management process, as well as metrics for measurement and monitoring. The purpose of this process is to protect the cash flows against adverse financial market events, such as fluctuations in exchange rates and interest rates, and against adverse credit events of financial counterparties. In addition, this process aims to manage leverage and other financial or operating exposure in line with the criteria of ratings agencies for investment grade companies. The financial policy of the Group aims to preserve its liquidity, diversifying the financing sources, providing unrestricted access to capital markets at competitive costs, and generating value for stockholders.

The following derivative instruments may be used to hedge and manage risks: swaps, call options, put options, collars, futures contracts (currencies, interest rates or commodities) and forward contracts known as Non-Deliverable Forwards (currencies, interest rates or commodities). The main guideline for the Group's hedging strategy follows transactions that do not involve financial instruments for speculative purposes or transactions that can be characterized as leverage (that is, that the exposure to the risk factor via derivative is greater than the hedged item), and any other instrument requires the approval of VCSA's Board of Directors.

# 7 Research and development (R&D)

The R&D activities are not directly managed by VCI. To address the main challenges of the cement industry we count on the support of our global Research & Development and Quality area at VCSA on two important levels: 1) clinker factor reduction, through the use of other materials with hydraulic properties (called cementitious), such as blast-furnace slag, fly ash, natural pozzolans and calcined clay, among others; and 2) replacement of fossil fuels with alternative lower-$CO_2$ emissions fuels, which reduces the use of non-renewable resources and contributes to mitigating the burden of industrial and urban waste.

# 8 Branches

As at December 31, 2024 the Company does not have any branch in its organization.

# 9 Acquisition of own shares

The Group did not carry out any acquisition of its own shares during the year ended on December 31, 2024. Moreover, the Group does not hold any amount related to its own shares.

## 10 Management Board

The Management Board is composed by Carlos Eduardo Boggio and Nuno Alexandre Fernandes Alves.

Luxembourg, March 4, 2025.
**The Management Board**

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Nuno Alexandre Fernandes Alves
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Nuno Alves

Management Board Member

DocuSigned by:
Carlos Eduardo Boggio
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Carlos Boggio

Management Board Member

**Audit report**

To the Shareholder of
**Votorantim Cimentos International S.A.**

## Report on the audit of the consolidated financial statements

### Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Votorantim Cimentos International S.A. (the "Company") and its subsidiaries (the "Group") as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

*What we have audited*

The Group's consolidated financial statements comprise:

- the consolidated balance sheet as at 31 December 2024;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

### Other information

The Management Board is responsible for the other information. The other information comprises the information stated in the consolidated management report but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Management Board and those charged with governance for the consolidated financial statements

The Management Board is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board;

- conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities and business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

## Report on other legal and regulatory requirements

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 4 March 2025

Electronically signed by:
Fabrice Goffin

Fabrice Goffin

# **Votorantim Cimentos International S.A.**
2024 Consolidated Financial Statements

# Votorantim Cimentos International S.A.

## Consolidated balance sheet

**All amounts in thousands of US Dollars, unless otherwise stated**

| Assets | Note | 2024 | 2023 | Liabilities and stockholders' equity | Note | 2024 | 2023 |
|---|---|---|---|---|---|---|---|
| Current assets | | | | Current liabilities | | | |
| Cash and cash equivalents | 11 (b) | 371,612 | 571,312 | Borrowing | 20 (b) | 34,663 | 36,095 |
| Financial investments | 12 (b) | | 6,312 | Lease liabilities | 19 (c) | 34,465 | 23,324 |
| Trade receivables | 13 (b) | 150,221 | 173,191 | Confirming payables | 21 (b) | 199,966 | 261,473 |
| Inventory | 14 (b) | 389,430 | 400,592 | Trade payables | | 427,658 | 433,837 |
| Taxes recoverable | | 12,152 | 22,932 | Salaries and payroll charges | | 65,703 | 77,213 |
| Securitization of receivables | 13 (e) | 52,514 | 51,716 | Taxes payable | | 24,427 | 35,179 |
| Other assets | | 34,134 | 36,855 | Advances from customers | | 2,620 | 11,650 |
| | | 1,010,063 | 1,262,910 | Securitization of receivables | 13 (e) | 25,430 | 19,693 |
| | | | | Other liabilities | | 24,615 | 23,510 |
| | | | | | | 839,547 | 921,974 |
| Assets classified as held for sale | 32 (a) | 318,555 | 1,754 | Liabilities classified as held for sale | 32 (a) | 77,404 | |
| | | 1,328,618 | 1,264,664 | | | 916,951 | 921,974 |
| Non-current assets | | | | Non-current liabilities | | | |
| Taxes recoverable | | 1 | 744 | Borrowing | 20 (b) | 1,117,246 | 1,066,019 |
| Deferred tax assets | 22 (c) | 133,673 | 161,949 | Lease liabilities | 19 (c) | 161,745 | 160,583 |
| Pension plan | 24 (b) | 15,085 | 16,655 | Deferred tax liabilities | 22 (c) | 149,986 | 153,670 |
| Other assets | | 23,807 | 21,763 | Provision | 23 (b) | 41,023 | 47,632 |
| | | 172,566 | 201,111 | Pension plan | 24 (b) | 40,738 | 54,884 |
| | | | | Other liabilities | | 21,478 | 26,161 |
| | | | | | | 1,532,216 | 1,508,949 |
| | | | | Total liabilities | | 2,449,167 | 2,430,923 |
| Investments in associates and joint ventures | 16 (b) | 283,774 | 190,721 | Shareholders' equity | 25 | | |
| Investment property | | 13,574 | 14,436 | Share capital | | 99,915 | 99,915 |
| Property, plant and equipment | 17 (b) | 2,045,133 | 2,143,477 | Share premium | | 1,314,892 | 1,621,892 |
| Intangible assets | 18 (b) | 1,284,235 | 1,407,988 | Consolidated reserves | | 1,984,003 | 1,740,262 |
| Right-of-use assets | 19 (b) | 194,240 | 176,529 | Other comprehensive income | | (896,175) | (883,040) |
| | | | | Total equity attributable to the Company owners | | 2,502,635 | 2,579,029 |
| | | 3,820,956 | 3,933,151 | Non-controlling interests | | 370,338 | 388,974 |
| | | | | Total equity | | 2,872,973 | 2,968,003 |
| Total assets | | 5,322,140 | 5,398,926 | Total liabilities and shareholders' equity | | 5,322,140 | 5,398,926 |

The accompanying notes are an integral part of these audited consolidated financial statements.

## Votorantim Cimentos International S.A.

### Consolidated statement of income
### Year ended December 31
**All amounts in thousands of US Dollars, unless otherwise stated**

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | | Re-presented (Note 32) |
| **Continuing operations** | | | |
| Revenue from contracts with customers | 26(b) | 2,559,631 | 2,645,523 |
| Cost of goods sold and services rendered | 27(b) | (2,006,184) | (2,134,622) |
| **Gross profit** | | 553,447 | 510,901 |
| | | | |
| **Operating income (expenses)** | | | |
| Selling expenses | 27(b) | (61,004) | (57,186) |
| General and administrative expenses | 27(b) | (142,798) | (127,485) |
| Other operating income, net | 29(b) | 34,593 | 33,587 |
| | | (169,209) | (151,084) |
| | | | |
| **Operating profit before equity interest and financial results** | | 384,238 | 359,817 |
| | | | |
| **Results of investees** | | | |
| Share of net profit of associates and joint ventures | 16(b) | 24,101 | 9,994 |
| | | | |
| **Financial income (expenses)** | 30(b) | | |
| Financial income | | 31,571 | 33,822 |
| Financial expenses | | (160,028) | (123,987) |
| Exchange variations and hyperinflation effects, net | | 2,789 | (13,638) |
| | | (125,668) | (103,803) |
| | | | |
| **Profit before income tax** | | 282,671 | 266,008 |
| | | | |
| **Income tax** | 22(b) | (51,427) | 16,578 |
| | | | |
| **Profit for the year from continuing operations** | | 231,244 | 282,586 |
| | | | |
| **Discontinued operations** | | | |
| Profit from discontinued operations | 32(b) | 39,129 | 37,592 |
| | | | |
| **Profit for the year** | | 270,373 | 320,178 |
| | | | |
| **Attributable to the** | | | |
| **Company owners** | | | |
| Profit from continuing operations | | 212,114 | 256,906 |
| Profit from discontinued operations | | 31,627 | 29,842 |
| **Non-controlling interests** | | | |
| Profit from continuing operations | | 19,129 | 25,680 |
| Profit from discontinued operations | | 7,503 | 7,750 |
| | | | |
| **Profit for the year** | | 270,373 | 320,178 |

The accompanying notes are an integral part of these audited consolidated financial statements.

## Votorantim Cimentos International S.A.

### Consolidated statement of comprehensive income
### Year ended December 31
**All amounts in thousands of US Dollars, unless otherwise stated**

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Profit for the year** | | 270,373 | 320,178 |
| | | | |
| **Components of other comprehensive income (expenses) for subsequent reclassification to the statement of income** | | | |
| | | | |
| **Attributable to the owners of the Company** | | | |
| Currency exchange differences on translation of foreign operations | 25 | 17,995 | (8,773) |
| Currency translation in hedge accounting for net investments in foreign operations | 25 | (32,673) | 9,694 |
| Share of other comprehensive income of associates and joint ventures | 25 | | (52) |
| Other components of comprehensive income (loss) | 25 | 490 | (1,423) |
| | | | |
| **Attributable to non-controlling interests** | | | |
| Currency exchange differences on translation of foreign operations | | (12,994) | 5,448 |
| Currency translation in hedge accounting for net investments in foreign operations | | (6,693) | 1,986 |
| Other components of other comprehensive loss | | 137 | 697 |
| | | (33,738) | 7,577 |
| **Components of other comprehensive income not for subsequent reclassification to the statement of income** | | | |
| | | | |
| **Attributable to the owners of the Company** | | | |
| Remeasurement of retirement benefits | 25 | 1,053 | (3,773) |
| | | | |
| **Attributable to non-controlling shareholders** | | | |
| Remeasurement of retirement benefits | | 119 | (773) |
| | | 1,172 | (4,546) |
| | | | |
| **Total comprehensive income for the year** | | 237,807 | 323,209 |
| | | | |
| **Comprehensive income attributable to:** | | | |
| **Company owners** | | | |
| Continuing operations | | 195,175 | 252,669 |
| Discontinued operations | | 35,431 | 29,752 |
| | | | |
| **Non-controlling interests** | | | |
| Continuing operations | | 341 | 32,922 |
| Discontinued operations | | 6,860 | 7,866 |
| | | 237,807 | 323,209 |

In this consolidated statement of comprehensive income, the items are presented net of tax effects. The tax effects are presented in Note 22 (d).

## Consolidated statement of changes in equity
## Year ended December 31
**All amounts in thousands of US dollars, unless otherwise stated**

| | Attributable to the Company owners | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Consolidated reserves | Other comprehensive income (loss) | Total | Non-controlling interests | Total stockholder's equity |
| **At January 1, 2023, before opening balance adjustments** | 99,915 | 1,621,892 | 1,454,082 | (878,713) | 2,297,176 | 382,831 | 2,680,007 |
| Adoption of Amendments to IAS 12 - Income taxes | | | (568) | | (568) | | (568) |
| **At January 1, 2023, after opening balance adjustments** | 99,915 | 1,621,892 | 1,453,514 | (878,713) | 2,296,608 | 382,831 | 2,679,439 |
| Comprehensive income (loss) for the year | | | | | | | |
| Profit for the year | | | 286,748 | | 286,748 | 33,430 | 320,178 |
| Other comprehensive income (loss) | | | | (4,327) | (4,327) | 7,358 | 3,031 |
| | | | 286,748 | (4,327) | 282,421 | 40,788 | 323,209 |
| Contributions from/ (distribution to) stockholders | | | | | | | |
| Capital reduction - subsidiary (i) | | | | | | (19,491) | (19,491) |
| Allocation of profit for the year | | | | | | | |
| Dividends approved | | | | | | (15,154) | (15,154) |
| | | | | | | (34,645) | (34,645) |
| **At December 31, 2023** | 99,915 | 1,621,892 | 1,740,262 | (883,040) | 2,579,029 | 388,974 | 2,968,003 |
| **At January 1, 2024** | 99,915 | 1,621,892 | 1,740,262 | (883,040) | 2,579,029 | 388,974 | 2,968,003 |
| Comprehensive income (loss) for the year | | | | | | | |
| Profit for the year | | | 243,741 | | 243,741 | 26,632 | 270,373 |
| Other comprehensive loss | | | | (13,135) | (13,135) | (19,431) | (32,566) |
| | | | 243,741 | (13,135) | 230,606 | 7,201 | 237,807 |
| Contributions from/ (distribution to) stockholders | | | | | | | |
| Dividend distribution | | | | | | (12,657) | (12,657) |
| Share premium reimbursement (Note 3(c)) | | (307,000) | | | (307,000) | | (307,000) |
| Capital reduction - subsidiary (ii) | | | | | | (13,180) | (13,180) |
| | | (307,000) | | | (307,000) | (25,837) | (332,837) |
| **At December 31, 2024** | 99,915 | 1,314,892 | 1,984,003 | (896,175) | 2,502,635 | 370,338 | 2,872,973 |

(i) In June 2023 the subsidiary St Marys Cement Inc. (hereinafter “SMCI”) reduced its capital by USD 114,643, carried as a capital return to the shareholders and settled in cash. The amount paid to the minority shareholder amounted to USD 19,491.

(ii) In June and December 2024, the subsidiary subsidiaries SMCI and Yacuces reduced their capital by USD 75,030 and USD 868, respectively, carried as a capital return to the shareholders and settled in cash. The amount paid to the minority shareholders was USD 13,180.

## Consolidated statement of cash flows
## Year ended December 31
**All amounts in thousands of US dollars, unless otherwise stated**

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Profit before income tax** | | | |
| from continuing operations | | 282,671 | 266,008 |
| from discontinued operations | | 58,322 | 53,442 |
| | | 340,993 | 319,450 |
| Adjustments of items that do not represent changes in cash and cash equivalents | | | |
| Depreciation, amortization and depletion | 27 (b) | 269,975 | 247,626 |
| Share in the net profit of associates and joint ventures | 16 (d) | (24,101) | (9,931) |
| Impairment provision for intangible assets | 29 (b) | (603) | (10,693) |
| Gain on the sale of PP&E and intangible assets | 29 (b) | (15,215) | (1,531) |
| Allowance for doubtful accounts, net of reversals | | 37 | 294 |
| Provision for obsolete inventories, net of reversals | 14 (c) | 2,666 | 3,369 |
| Provision (reversals) for legal claims and ARO, net of reversals | 23 (b) | (37) | 2,595 |
| Accrued interest | 30 (b) | 78,722 | 69,289 |
| Premium on repurchase of bonds | 30 (b) | 6,475 | |
| Provision for CO2 emission rights, net of reversals | 29 (b) | (1,739) | (3,473) |
| Other components of net financial results | | (2,527) | (13,337) |
| Other | | (3,208) | (542) |
| | | 651,438 | 603,116 |
| **Cash flow from operating activities** | | | |
| **Decrease (increase) in assets** | | | |
| Trade and other receivables | | 20,602 | (41,169) |
| Inventory | | (23,981) | (47,625) |
| Taxes recoverable | | 8,064 | 6,693 |
| Other assets | | (6,769) | (2,045) |
| **Increase (decrease) in liabilities** | | | |
| Trade payables | | 4,699 | 45,486 |
| Confirming payables | | (58,294) | (21,640) |
| Salaries and social charges | | (6,234) | 22,277 |
| Taxes payable | | (674) | 5,963 |
| Other accounts payable and other liabilities | | (30,317) | (12,901) |
| | | 558,534 | 558,155 |
| Interest paid | 20 (d) | (83,722) | (70,115) |
| Premium paid on repurchase of bonds | 30 (b) | (6,475) | |
| Interest received (i) | | 21,944 | 18,970 |
| Income tax paid | | (46,022) | (54,336) |
| **Net cash provided by operating activities** | | 444,259 | 452,674 |
| | | | |
| **Cash flow from investing activities** | | | |
| Financial investments | | 6,312 | 11,015 |
| Proceeds from disposals of PP&E and intangible assets | | 19,488 | 2,581 |
| Dividends received from associates and joint ventures | | 24,773 | 16,649 |
| Acquisitions of PP&E and intangible assets | 17 and 18 | (258,299) | (240,548) |
| Payment for acquisition of subsidiary, net of cash received | | (2,371) | (2,967) |
| Payment for acquisition of joint venture | 16 (d) | | (5,411) |
| Capital increase - equity accounted investees | 16 (d) | | (500) |
| **Net cash used in investing activities** | | (210,097) | (219,181) |
| | | | |
| **Cash flow from financing activities** | | | |
| Proceeds from borrowing | 20 (d) | 858,055 | 131,551 |
| Payments of borrowing | 20 (d) | (797,718) | (121,449) |
| Derivative financial instruments | | 647 | 6,115 |
| Dividends paid to non-controlling interests | | (3,853) | (15,154) |
| Share premium reimbursement | 3.3 | (307,000) | |
| Lease liability payments | 19 (c) | (68,459) | (53,953) |
| Capital reduction - subsidiary | | (13,180) | (19,491) |
| **Net cash used in financing activities** | | (331,508) | (72,381) |
| Decrease increase in cash and cash equivalents | | (97,346) | 161,112 |
| | | | |
| Effect of exchange rate changes on cash and cash equivalents | | (4,526) | 8,633 |
| Cash and cash equivalents at the beginning of the year | | 571,312 | 401,567 |
| Cash and cash equivalents at the end of the year | | 469,440 | 571,312 |
| Included in cash and cash equivalents | 11 (b) | 371,612 | 571,312 |
| Included in assets classified as held for sale | 32 (a) | 48,518 | |
| | | | |
| **Main non-cash transaction** | | | |
| Acquisitions of PP&E and intangible assets | | (49,581) | (11,626) |
| Right-of-use assets in lease agreements | 19 (b) | 79,514 | 12,611 |
| Use of intangible asset for liability settlement | | | 4,010 |

(i) Interest received was reclassified from Investing to Operating Activities, as it reflects more appropriately the nature of these cash inflows. Comparatives were also restated.

The accompanying notes are an integral part of these audited consolidated financial statements.

## 1 General information

Votorantim Cimentos International S.A. (the "Company" or "VCI") was incorporated on April 9, 2018, and is organized under the laws of Luxembourg as a "Société anonyme" for an unlimited period (R.C.S. Luxembourg: B.224031). The registered office of the Company is established at 35 Avenue J-F Kennedy, 1st floor, A2, L-1855 Luxembourg.

The Company, its subsidiaries and equity accounted investees (together referred as "VCI Group" or the "Group") are mainly engaged in the following activities: production and sale of a portfolio of heavy building materials, which includes cement, aggregates, mortar, and others, as well ready-mix concrete services, transportation, and holding investments in other companies. VCI Group operates in North America, South America (excluding Brazil), Europe, Asia and Africa.

The Company is directly and fully controlled by Votorantim Cimentos S.A. ("VCSA"), a privately held company headquartered in the city and State of São Paulo, Brazil, that is the holding company of Votorantim Cimentos Group ("VC Group"). The ultimate parent entity and controlling party is Hejoassu Administração S.A..

## 2 Approval of the consolidated financial statements

The issue of these consolidated financial statements (hereinafter referred to as "financial statements") was authorized by the Management Board on March 4, 2025.

## 3 Main events of the reporting period

### 3.1 Sale agreement for the business in Tunisia and Morocco

In July and September 2024, VCSA's Board of Directors approved the conditions for the disposal of the businesses carried in Tunisia and Morocco, respectively. A Share Purchase Agreement was subsequently signed for the Tunisian and Moroccan business. The completion of the sale is subject to customary closing requirements, including the approval by regulatory authorities, which is expected to occur within 12 months.

The associated assets and liabilities were consequently presented as held for sale in these financial statements, as detailed in Note 32.

### 3.2 Bond issuance (Voto 34), Tender Offer and Make-Whole (Voto 27)

On April 2, 2024, the subsidiary SMCI concluded the issuance of a bond in the international capital markets amounting to USD 500 million, with maturity in 2034 and containing sustainability performance indicators (sustainability-linked bonds) (Voto 34). This new issuance has a coupon of 5.75% per year to be paid bi-annually and is fully and irrevocably guaranteed by Votorantim Cimentos S.A. The sustainability performance indicators are related to $CO_2$ net emissions (scope 1) and thermal substitution, to be measured as of December 31, 2028.

With the net proceeds from the new bond issuance, on April 4, 2024, the same subsidiary SMCI concluded a Tender Offer over its 5.75% Senior Notes due in 2027 (Voto 27). After this Tender Offer transaction, the outstanding principal of Voto 27 decreased to USD 238,447.

Subsequently, on June 11, 2024, SMCI exercised its right to redeem ("Make-Whole") all of the outstanding principal amount of Voto 27, pursuant to the terms and conditions of the 2027 Notes Indenture. Its settlement occurred on July 11, 2024, resulting in a total disbursement of USD 238,571, that included the principal, premium and interests accrued to date.

### 3.3 Share premium reimbursement to VCSA

During the year 2024, the Company reimbursed a total amount of USD 307 million in cash to its shareholder VCSA, out of its share premium account.

## 4 Supplementary information

### 4.1 Information by operating segments

IFRS 8 - “Operating Segments” requires reportable segments to be identified based on internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM) to allocate resources to the segments and to assess their performance. The Group defined the Management Board as CODM.

For management purposes, VCI Group is organized by geographical areas, with three reportable segments based on the assets’ locations, as follows: (1) North America (operations in Canada and United States); (2) Europe and Asia (operations in Spain and Turkey, and including Votorantim Cement Trading S.L. operations); (3) Latin America (operations in Bolivia and Uruguay).
The information for the segment Europe and Asia (previously named as Europe, Asia and Africa) excludes the operating results for Tunisia and Morocco, as a consequence of its classification as discontinued operations, and instead dividends received from these discontinued businesses were added. The comparative information was also re-presented. Refer to Note 32 for details regarding discontinued operations.

The key financial performance metric for management is the Adjusted EBITDA, which is reported monthly for each of the geographical reportable segments. Adjusted EBITDA is defined as profit for the year less financial results, income tax and social contribution, equity in results of investees and plus depreciation, amortization and depletion, plus dividends received from investees and less certain items considered by the CODM as unusual.

All amounts in thousands of US dollars, unless otherwise stated

| | | | | | 2024 |
|---|---|---|---|---|---|
| | North America | Europe and Asia | Latin America | Holding and eliminations | Total |
| Revenue from contracts with customers | 1,503,697 | 888,819 | 167,115 | | 2,559,631 |
| Cost of goods sold and services rendered | (1,179,441) | (676,334) | (150,408) | | (2,006,183) |
| **Gross profit** | 324,256 | 212,485 | 16,707 | | 553,448 |
| **Operating expenses** | (88,799) | (60,305) | (16,891) | (3,214) | (169,209) |
| **Operating profit (loss) income before equity interest and financial results** | 235,457 | 152,180 | (184) | (3,214) | 384,239 |
| **Results of investees** | | | | | |
| Share of net profit (loss) of associates and joint ventures | 6,719 | 5,032 | 12,350 | | 24,101 |
| **Financial results, net** | | | | | |
| Interest payable on borrowing | (41,370) | (6,360) | (5,053) | (25,939) | (78,722) |
| Financial results, net, except interest payable on borrowing and other | (46,129) | (9,038) | (1,718) | 9,939 | (46,946) |
| | (87,499) | (15,398) | (6,771) | (16,000) | (125,668) |
| **Profit (loss) before income tax** | 154,677 | 141,814 | 5,395 | (19,214) | 282,672 |
| **Income tax** | (42,539) | (12,056) | 3,168 | | (51,427) |
| **Profit (loss) for the year** | 112,138 | 129,758 | 8,563 | (19,214) | 231,245 |
| **Depreciation, amortization and depletion** | 180,687 | 48,854 | 27,626 | 29 | 257,196 |
| Dividends received | 5,888 | 35,239 | 13,737 | | 54,864 |
| Impairment of long-term assets, net of reversals | 603 | | | | 603 |
| **Adjusted EBITDA** | 422,635 | 236,273 | 41,179 | (3,185) | 696,902 |
| **PP&E and intangible assets additions** | 216,607 | 75,384 | 15,879 | 10 | 307,880 |
| **Total assets** | 2,785,527 | 1,323,067 | 565,588 | 647,958 | 5,322,140 |
| **Total liabilities** | 1,325,423 | 624,379 | 162,916 | 336,449 | 2,449,167 |
| **Net debts** | 665,713 | 16,431 | 73,838 | 220,525 | 976,507 |

All amounts in thousands of US dollars, unless otherwise stated

| | North America | Europe and Asia | Latin America | Holding and eliminations | 2023 Total |
|---|---|---|---|---|---|
| Revenue from contracts with customers | 1,570,305 | 900,878 | 174,340 | | 2,645,523 |
| Cost of goods sold and services rendered | (1,256,080) | (734,996) | (143,546) | | (2,134,622) |
| **Gross profit** | 314,225 | 165,882 | 30,794 | | 510,901 |
| **Operating expenses** | (100,622) | (32,392) | (16,421) | (1,649) | (151,084) |
| **Operating profit (loss) income before equity interest and financial results** | 213,603 | 133,490 | 14,373 | (1,649) | 359,817 |
| **Results of investees** | | | | | |
| Share of net profit (loss) of associates and joint ventures | 5,256 | 5,143 | (405) | | 9,994 |
| **Financial results, net** | | | | | |
| Interest payable on borrowing and other | (33,692) | (3,854) | (7,604) | (24,139) | (69,289) |
| Financial results, net, except interest payable on borrowing and other | (22,098) | (16,483) | (2,170) | 6,237 | (34,514) |
| | (55,790) | (20,337) | (9,774) | (17,902) | (103,803) |
| **Profit (loss) before income tax** | 163,069 | 118,296 | 4,194 | (19,551) | 266,008 |
| **Income tax** | (61,118) | 76,203 | 1,493 | | 16,578 |
| **Profit (loss) for the year** | 101,951 | 194,499 | 5,687 | (19,551) | 282,586 |
| **Depreciation, amortization and depletion** | 166,593 | 46,702 | 15,905 | | 229,200 |
| Dividends received | 4,170 | 33,860 | 7,977 | | 46,007 |
| Impairment of long-term assets, net of reversals | 9,505 | (20,976) | 778 | | (10,693) |
| Unusual items | | 1,345 | | | 1,345 |
| **Adjusted EBITDA** | 393,871 | 194,422 | 39,033 | (1,649) | 625,677 |
| **Acquisition of PP&E and intangible assets** | 174,130 | 56,388 | 10,029 | | 240,548 |
| **Total assets** | 2,722,445 | 1,471,683 | 508,085 | 696,713 | 5,398,926 |
| **Total liabilities** | 1,223,682 | 708,718 | 179,068 | 319,455 | 2,430,923 |
| **Net debts** | 619,162 | (158,149) | 74,083 | 173,523 | 708,619 |

All amounts in thousands of US dollars, unless otherwise stated

## 4.2 Capital management

The Group's main objectives when managing its capital are to safeguard the ability to continue as a going concern in order to provide returns, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure the Group can make adjustments to the amount of dividends or capital return paid to stockholders, issue new shares, or sell assets to reduce debt, for example.

Consistent with others in the industry, the Group monitors capital based on the financial leverage ratio, which corresponds to the net debt divided by Adjusted EBITDA. Net debt is calculated as total borrowings and lease liabilities less cash and cash equivalents, financial investments and derivative financial instruments.

The financial leverage ratios as of December 31, 2024 and 2023, are summarized as follows:

| | Note | 2024 | 2023 |
|---|---|---|---|
| Borrowing | 20(b) | 1,151,909 | 1,102,114 |
| Lease liabilities | 19(c) | 196,210 | 183,907 |
| Cash and cash equivalents | 11(b) | (371,612) | (571,312) |
| Financial investments | | | (6,312) |
| Derivative financial instruments | | | 222 |
| Net debt - (A) | | 976,507 | 708,619 |
| Adjusted EBITDA for the last 12 months - (B) (i) | | 696,902 | 666,807 |
| Financial leverage ratio - (A/B) | | 1.40 | 1.06 |

(i) The net debt balance in the comparative information includes the balances from Tunisia and Morocco, which have been classified as held for sale in the current year. Therefore, the operating results of those operations are also included in the comparative adjusted EBITDA.

In the information presented for the current year, such discontinued operations are excluded in both net debt balance and adjusted EBITDA.

# 5 New sustainability reporting standards

In January 2023 the European Union issued the Corporate Sustainability Reporting Directive, and in July 2023 its first set of European Sustainability Reporting Standards ("ESRS"). These are mandatorily applicable to the Group's subsidiaries located in European Union countries (Luxembourg and Spain), and indirectly to all subsidiaries forming part of VCI's Group perimeter. Subsequently, on 26 February 2025, the European Commission issued its Omnibus proposal, covering CSRD simplification.

The Group is currently assessing the potential impacts of this Omnibus proposal on its operations & more specifically on the processes already in place for the current Integrated Report prepared for VCSA Group.

# 6 Basis of preparation

## 6.1 Financial statements

These financial statements were prepared and are being presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") that are adopted by the European Union ("EU").

The financial statements were prepared and are being presented under the historical cost convention, except for some financial assets and financial liabilities (including derivative instruments and investment properties) which are measured at fair value at the end of each reporting period.

The main accounting policies applied in the preparation of these financial statements have been consistently applied in all years presented, unless otherwise stated. The accounting policies of subsidiaries, associates and joint ventures are adjusted, if necessary, to ensure consistency with the policies adopted by the Group.

The material accounting policy information and other explanatory information included in the respective notes, with a summary of the basis of recognition and measurement used by the Group.

The preparation of financial statements requires the use of certain accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. Those areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 7.

## 6.2 Changes in accounting policies and disclosures

### 6.2.1 New and amended accounting standards adopted by the Group

A number of amended standards became applicable for the current reporting year. Except for the amendments to IAS 7 – "Statement of Cash Flows" and IFRS 7 – "Financial Instruments: Disclosures" detailed below, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

**(a) Amendments to IAS 7 – "Statement of Cash Flows" and IFRS 7 – "Financial Instruments: Disclosures" – Supplier Finance**

These amendments introduce new disclosures requirements to enhance the transparency of supplier finance arrangements, aiming to help the financial statements' readers in assessing the impacts of these agreements on the Group's liabilities, cash flow and exposure to liquidity risk.
The changes are applicable for annual periods starting on or after January 1, 2024, and the required disclosures are included in these financial statements in Note 21.

### 6.2.2 New and amended accounting standards not yet adopted by the Group

Certain new accounting standards and amendments to accounting standards have been published by the IASB that are not mandatory for December 31, 2024 reporting periods, some of which have not yet been endorsed by the EU. The Group did not identify material impacts to its operations and accounting policies, except for the new IFRS 18 – "Presentation and Disclosure in Financial Statements", detailed below. Noting that the EU has not yet endorsed IFRS 18

### (b) IFRS 18 – "Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 – "Presentation of Financial Statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance, where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.

This standard has not yet been endorsed by the EU; nevertheless, it should be effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requiring retrospective application. The Group is carrying out a preliminary assessment of the impact of this new standard in its financial statements.

### (c) Other amendments

Other standards, interpretations, and amendments to accounting standards have been published; however, they are not mandatory for the period ended December 31, 2024, and have not been adopted early. The Company believes that the adoption of these standards, interpretations, and amendments will not have a significant impact on the preparation of the financial statements in the current and future periods.

## 6.3 Principles of consolidation and equity accounting

The Company consolidates all the entities which it controls. The companies included in this consolidation are listed in Note 6.3 (g).

### (a) Subsidiaries

The Group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated in these financial statements from the date on which the Group obtains control, until the date that control ceases. The acquisition method of accounting is used by the Group to account for business combinations, as explained in Note 6.3 (e).

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of income, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

### (b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to the Company owners.

### (c) Associates and joint arrangements

#### (i) Associates

Associates are all entities over which the Group, directly or indirectly, has significant influence on financial and operating activities, but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

#### (ii) Joint arrangements

Investments in joint arrangements are classified as either joint ventures or joint operations. In a joint venture the Group shares the control of the entity and has the right to the net assets of the joint venture, and not to its specific assets and liabilities. Interests in joint ventures are accounted for using the equity accounting method, after initially being recognized at cost in the balance sheet.

In a joint operation the Group recognizes individually its direct right to the assets, liabilities, revenues and expenses, and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

#### (iii) Equity method

Under the equity method of accounting, the investments are initially recognized at cost, which includes transaction costs, and adjusted thereafter to recognize the Group’s share of the post-acquisition profits or losses of the investee in the statement of income, and the Group’s share of movements in other comprehensive income of the investee in the statement of comprehensive income, until the date when significant influence or joint control ceases to exist. Dividends received or receivable from associates and joint ventures are recognized as a reduction of the carrying amount of the investment.
The Group's investments in associates and joint ventures include goodwill identified upon acquisition, net of any accumulated impairment losses.

When the Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains arising from transactions with investees recognized under the equity method are eliminated against the investment in the proportion of the Group’s interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Dilution gains and losses arising from investments in associates and joint ventures are recognized in the statement of income. The Group classifies dividends received from associates and joint ventures as cash flows from investing activities.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 7.2.

### (d) Loss of control of subsidiaries, associates or joint ventures

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are dealt with in accordance with the step-by-step consolidation method (sub-consolidations). This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss, where appropriate.

### (e) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in the statement of income as a bargain purchase. If non-controlling interests are born as part of the business combination, the gain resulting from the bargain purchase is fully allocated to the Group as controlling shareholder.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or as financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognized in the statement of income.

If the business combination is achieved in stages, the acquisition date carrying value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in the statement of income.

### (f) Discontinued operation

A discontinued operation is a component of a business of the Group which comprises operations and cash flows that can be clearly separated from the Group, that either has been disposed of or is classified as held for sale, and:

(i) represents either a separate major line of business or a geographical area of operations.
(ii) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
(iii) is a subsidiary acquired exclusively with a view to resale.

The classification as a discontinued operation occurs at its disposal, or when the operation meets the criteria to be classified as held for sale, if this occurs earlier.

When an operation is classified as a discontinued operation, the comparative statements of income and other comprehensive income are restated as if the operation had been discontinued since the beginning of the comparative period.

All amounts in thousands of US dollars, unless otherwise stated

## (g) Companies included in the financial statements

| | Percentage of total and voting capital 2024 | 2023 | Place of operation | Functional currency | Main activity |
|---|---|---|---|---|---|
| **Votorantim Cement International S.A. and subsidiaries** | | | | | |
| **St. Marys and subsiaries** | | | | | |
| St. Marys Cement Inc. (Canada) | 83.00 | 83.00 | Canada | CAD | Cement, ready mix, aggregates |
| 7918 Québec Inc. (aka GP Co) | 83.00 | 83.00 | Canada | CAD | Holding |
| St. Marys Cement U.S. LLC | 83.00 | 83.00 | USA | USD | Cement |
| McInnis Marine USA, LLC | 83.00 | 83.00 | USA | USD | Cement |
| 2377962 Ontario Inc. | 83.00 | 83.00 | Canada | CAD | Holding |
| 2377482 Ontario Inc. | 83.00 | 83.00 | Canada | CAD | Holding |
| 2339097 Ontario Limited | 83.00 | 83.00 | Canada | CAD | Holding |
| Rosedale Securities Limited | 83.00 | 83.00 | Canada | CAD | Holding |
| VCNA Prairie Aggregate Holdings Illinois Inc. | 83.00 | 83.00 | USA | USD | Aggregates |
| VCNA US Inc. | 83.00 | 83.00 | USA | USD | Holding |
| Votorantim Cimentos North America, Inc. | 83.00 | 83.00 | USA | USD | Holding |
| McInnis USA LLC | 83.00 | 83.00 | USA | USD | Cement |
| VCNA Praire LLC | 83.00 | 83.00 | USA | USD | Ready mix, aggregates |
| VCNA United Materials LLC | 83.00 | 83.00 | USA | USD | Concrete |
| 313 Ready Mix LLC | 83.00 | 83.00 | USA | USD | Ready mix, aggregates |
| Superior Materials LLC. | 83.00 | 83.00 | USA | USD | Ready mix |
| McInnis Cement Limited Partnership Aka | 82.99 | 82.99 | Canada | CAD | Cement |
| **Votorantim Cimentos EAA Inversiones S.L and subsidiaries** | | | | | |
| Votorantim Cement EAA Inversiones S.L. "VCEAA" | 100.00 | 100.00 | Spain | EUR | Holding |
| Societe Les Ciments de Jbel Oust - CJO (i) | 99.99 | 99.99 | Tunisia | TND | Cement |
| Societe Granulats Jbel Oust (i) | 99.99 | 99.99 | Tunisia | TND | Aggregates |
| Votorantim Cimento Sanayive Ticaret A.S | 99.95 | 99.95 | Turkey | TRY | Cement |
| Ybitas Yozgat Isci Birligi Insaat Malzemeleri Ticaret ve Sanayi A.S. | 82.91 | 82.91 | Turkey | TRY | Cement |
| Votorantim Cement Trading S.L. | 100.00 | 100.00 | Spain | USD | Trading |
| Cementos Asment EAA | 100.00 | 100.00 | Spain | EUR | Holding |
| Grabemaro S.A.R.L. (i) | 99.99 | 99.99 | Morocco | MAD | Aggregates |
| Asment de Temara S.A. (i) | 62.62 | 62.62 | Morocco | MAD | Cement |
| Asment Du Centre S.A. (i) | 62.62 | 62.62 | Morocco | MAD | Dormant |
| Compañía General de Canteras, S.A. | 99.18 | 99.18 | Spain | EUR | Aggregates |
| Prebetong Hormigones S.A. | 99.75 | 99.75 | Spain | EUR | Ready mix |
| Prebetong Lugo S.A. | 82.69 | 82.69 | Spain | EUR | Aggregates |
| Prebetong Lugo Hormigones S.A | 82.69 | 82.69 | Spain | EUR | Ready mix |
| Prebetong Áridos S.L. | 99.77 | 99.77 | Spain | EUR | Aggregates |
| Comercial Cosmos SUR S.L. | 99.77 | 99.77 | Spain | EUR | Cement |
| Morteros de Galicia S.L. | 99.77 | 99.77 | Spain | EUR | Mortars |
| Votorantim Cementos España, S.A. | 99.77 | 99.77 | Spain | EUR | Cement |
| Société Marocainee SMBRM (i) | 30.68 | 30.68 | Morocco | MAD | Grinding |
| Comercializadora de Calizas S.L. | 49.88 | 49.88 | Spain | EUR | Limestone trader |
| Comercializadora de Cenizas S.L. | 49.88 | 49.88 | Spain | EUR | Slag production |
| **Votorantim Cimentos Latam and subsidiaries** | | | | | |
| Votorantim Cimentos LATAM S.A. | 100.00 | 100.00 | Luxembourg | USD | Holding |
| Cementos Artigas S.A. | 51.00 | 51.00 | Uruguay | UYU | Cement |
| Eromar S.A. | 51.00 | 51.00 | Uruguay | UYU | Aggregates |
| Mondello S.A. | 51.00 | 51.00 | Uruguay | UYU | Cement |
| Cementos Artigas Zona Franca S.A. | 51.00 | 51.00 | Uruguay | UYU | Concrete |
| Colina Justa S.A | 51.00 | 51.00 | Uruguay | UYU | Aggregates |
| Yacuces S.L | 51.00 | 51.00 | Spain | EUR | Holding |
| GB Minerales Y Agregados S.A. | 51.00 | 51.00 | Bolivia | EUR | Cement |
| Itacamba Cementos S.A. | 34.00 | 34.00 | Bolivia | BOB | Cement |

All amounts in thousands of US dollars, unless otherwise stated

| | Percentage of total and voting capital | | | | |
|---|---|---|---|---|---|
| | 2024 | 2023 | Place of operation | Functional currency | Main activity |
| **Associates and jointly-controlled entities** | | | | | |
| Cementos Granadilla S.L. | 54.87 | 54.87 | Spain | EUR | Cement |
| RCD La Gañanía, SI. | 39.91 | 39.91 | Spain | EUR | Aggregates |
| Grundy-River Holdings LLC | 41.50 | 41.50 | USA | USD | Concrete |
| Grundy County Redi-Mix LLC | 41.50 | 41.50 | USA | USD | Concrete |
| River Red-Mix LLC | 41.50 | 41.50 | USA | USD | Concrete |
| Hutton Transport Ltda. | 20.75 | 20.75 | Canada | CAD | Transportation |
| Canteira do Penedo S.A. | 41.33 | 41.33 | Spain | EUR | Aggregates |
| Cementos Avellaneda S.A. | 49.00 | 49.00 | Argentina | ARS | Cement |
| Midway Group LLC | 41.50 | 41.50 | USA | USD | Ready mix |
| RMC Leasing | 41.50 | 41.50 | USA | USD | Holding |
| Hormigones y Aridos La Barca S.A. | 49.89 | 49.89 | Spain | EUR | Ready mix |
| Aridos de la Coruña S.A. | 49.89 | 49.89 | Spain | EUR | Aggregates |
| Cementos Especiales de las Islas S.A. | 49.89 | 49.89 | Spain | EUR | Cement |
| Compañia Canaria de Mat. Primas S.A. | 46.21 | 46.21 | Spain | EUR | Services/Logistics |
| Horinsa Graneles S.L. | 49.89 | 49.89 | Spain | EUR | Logistics |
| Hormisol Canarias S.A. | 49.89 | 49.89 | Spain | EUR | Concrete |
| Morteros Especiales de Canarias S.L. | 24.94 | 24.94 | Spain | EUR | Ready mix |
| Morteros Insulares Canarios S.A. | 39.91 | 39.91 | Spain | EUR | Ready mix |
| Áridos Classificados de Fuerteventura S.A. | 37.41 | 37.41 | Spain | EUR | Quarry |
| Ceisa Comercial de Cemento S.L.U. | 49.89 | 49.89 | Spain | EUR | Cement |
| Aplicaciones Minerales S.A. | 11.97 | 11.97 | Spain | EUR | Aggregates |
| Ecogestíon de Residuos Europa Sur. S.L. (iii) | 49.89 | | Spain | EUR | Waste management |
| **Joint operations** | | | | | |
| Great Lakes Slag Inc. | 41.50 | 41.50 | Canada | CAD | Slag production |
| Great Lakes Slag US LLC (ii) | 41.50 | | USA | USD | Slag production |

(i) Entities reclassified as held for sale. Refer to Note 32.
(ii) Great Lakes Slag US LLC was created in July 2024 and qualifies as a joint operation. Its business purpose is slag production.
(iii) Acquisition of share capital stake of 49.89% of Ecogestión de Residuos Europa Sur, S.L in November 2024.

## 6.4 Foreign currency translation

### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These financial statements are presented in US Dollars ("USD"), which is the Company's functional and presentation currency.

Management has applied the guidance in IAS 21 – "The Effects of Changes in Foreign Exchange Rates" in assessing the functional currency of the Company and has determined USD as being the most appropriate functional currency, considering the economic substance and activities of the Company.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency USD using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the end of each reporting period are generally recognized in the income statement. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

All other foreign exchange gains and losses are presented in the statement of income on a net basis within Exchange variations and hyperinflation effects, net (Note 30).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### (c) Subsidiaries with a different functional currency

The results and financial position of all subsidiaries that have a functional currency different from the Company's presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(ii) Income and expenses for each statement of income and statement of comprehensive income are translated at average foreign exchange rates, which is a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates; and
(iii) All resulting exchange differences are recognized in other comprehensive income and accumulated in a separate component of shareholder's equity.

The amounts presented in the statement of cash flow are extracted from the translated movements of the assets, liabilities, income and expenses, as detailed above.

Upon consolidation, foreign exchange differences arising from the translation of the net investment in foreign operations, and of borrowing and other financial instruments designated as hedge instruments of such investments, are recognized in other comprehensive income. When a foreign operation is partially disposed of or sold, the cumulated foreign exchange differences equivalent to the disposed investment and the designated hedging instrument that were recorded in other comprehensive income are reclassified to the statement of income as part of the gain or loss on the disposal. The quantification of such cumulated foreign exchange differences to reclassify is based on the consolidation method used by the Group – the step-by-step method, under which the consolidation is built up using sub-group consolidations.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The effect of such a translation is recorded in other comprehensive income.
The functional currencies for the foreign subsidiaries are presented in Note 6.3 (g).

### (d) Financial reporting in hyperinflationary economies

IAS 29 requires that the financial statements of entities whose functional currency is that of a hyperinflationary economy to be adjusted for the effects of changes in a suitable general price index and to be expressed in terms of the current unit of measurement at the closing date of the reporting period.

To conclude on whether an economy is categorized as hyperinflationary under the terms of IAS 29, the standard details a series of factors to be considered, including the existence of a cumulative inflation rate in three years that approximates or exceeds 100%.

IAS 29 should be applied as if the economy always had been hyperinflationary. The financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current on the date of the financial statements. All balance sheet amounts that are not stated in terms of the measuring unit current on the date of the financial statements must be restated by applying a general price index. Accordingly, the inflation produced from the date of acquisition or from the revaluation date, as applicable, must be computed in the non-monetary items. All income statement components must be stated in terms of the measuring unit current on the date of the financial statements, applying the change in the general price index that occurred since the date when revenues and expenses were originally recognized in the financial statements.

The main procedures for the above-mentioned adjustment are as follows:

- Monetary assets and liabilities which are carried at amounts current at the balance sheet date are not restated because they are already expressed in terms of the monetary unit current at the balance sheet date;
- Non-monetary assets and liabilities which are not carried at amounts current at the balance sheet date, and components of shareholders' equity are adjusted by applying the relevant conversion factors;
- All items in the statement of income are restated by applying the relevant conversion factors;
- The effect of inflation on the net monetary position is included in the statement of income in the caption "Exchange variations and hyperinflation effects, net"; and
- All amounts (assets, liabilities, equity items, income, and expenses) are translated at the closing rate at the date of the most recent statement of financial position.

The comparative figures in these financial statements presented in a stable currency are not adjusted for subsequent changes in the price level or exchange rates. This resulted in an initial difference arising from the adoption of hyperinflation accounting, between the closing equity of the previous year and the opening equity of the current year. The Group recognized this initial difference in equity.

The ongoing application of the re-translation of comparative amounts to closing exchanges rates under IAS 21 and the hyperinflation adjustments required by IAS 29 will lead to a difference in addition to the difference arising on the adoption of hyperinflation accounting. These additional differences are recognized in the statement of comprehensive income, under the caption "Currency exchange differences on translation of foreign operations".

The balance of monetarily adjusted non-monetary assets is reduced whenever they exceed their recoverable amount, with the difference being recognized in the statement of income.

When the economy is no longer considered hyperinflationary and the investee discontinues the preparation and presentation of its financial information in accordance with IAS 29, the monetarily adjusted amounts become the base carrying amount for subsequent periods.

#### (i) Turkey

The inflation levels in Turkey have suffered a significant increase, particularly since late 2021, exceeding the 100% three-year cumulative inflation rate. Following the guidance issued by the International Monetary Fund ("IMF"), the Group has considered that there was sufficient evidence to conclude that Turkey became a hyperinflationary economy under the terms of IAS 29 as from April 2022. Accordingly, the Group applied IAS 29 as from that date to the financial reporting of its subsidiaries with the Turkish Lira as functional currency.

#### (ii) Argentina

In July 2018, the Argentine peso underwent a severe devaluation resulting in the three-year cumulative inflation of Argentina exceeding 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by IAS 29. It became applicable to our investment in Avellaneda, an associate whose functional currency is the Argentine peso.

### 6.5 Statement of cash flows

The cash flows present the changes in cash and cash equivalents during the year in the operating, investing and financing activities. Cash and cash equivalents include highly liquid short-term investments, that are investments with maturity in the short term as from the acquisition date. The cash flows from operating activities are presented based on the indirect method. The profit before taxes is adjusted for the effects of non-cash transactions, for the effects of any deferrals or for the recording on an accrual basis of past or future operating cash receipts or payments, and for the effects of income or

expenses items associated with the cash flows from investing or financing activities. All income and expenses resulting from non-cash transactions, attributable to investing and financing activities, are excluded from the statement of cash flows. Interests received or paid are classified as operating cash flows.

## 7 Critical accounting estimates and judgments

Based on assumptions, the Group makes estimates concerning the future. Accounting estimates and judgments are periodically reviewed, based on historical experience and other factors, including expectations of future developments that are believed to be reasonable under the circumstances. Revisions to estimates are recognized prospectively.

The estimates and assumptions that carry a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are addressed below:

### 7.1 Fair value estimates

The Group discloses fair value measurements based on the following hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs, for which fair value is determined based on specific valuation techniques).

Specific valuation techniques used to measure assets and liabilities at fair value include:

(i) Quoted market prices or quotations from financial institutions or brokers for similar instruments;
(ii) The fair value of interest rate swaps calculated at the present value of the estimated future cash flows, based on the yield curves adopted by the market;
(iii) The fair value of future foreign exchange contracts determined based on future exchange rates at the balance sheet date, with the resulting amount discounted to present value; and
(iv) Analysis of discounted cash flows.

The Group uses its judgment to select from a variety of methods, and to make assumptions that are mainly based on the market conditions existing at the balance sheet date.

### 7.2 Impairment of goodwill and other long-term non-financial assets

#### (a) Accounting policy

Non-financial assets with indefinite useful lives, such as goodwill, are not subject to amortization and are tested for impairment at least annually. Assets that are subject to depreciation/amortization are reviewed for impairment annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less any selling costs and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units – "CGU"). Non-financial assets other than goodwill that suffered impairment are subsequently reviewed for possible reversal of the impairment at each reporting date.

All amounts in thousands of US dollars, unless otherwise stated

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not

exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized as income immediately.

Goodwill arising from acquisitions is allocated to a CGU or group of CGUs, with each CGU or group of CGUs being the lowest level at which goodwill is monitored for internal management purposes and not being larger than an operating segment. Goodwill related to our operations in North America and in Europe and Asia was allocated to each corresponding operating segment, being that Europe and Asia comprises a group of four CGUs to which goodwill was allocated. For the Latin America operating segment, goodwill was allocated per country of business. Refer to Note 18 (c) for the goodwill allocation details.

### (b) Impairment testing for goodwill and non-current assets

An impairment test is carried at least annually for all CGUs to which goodwill has been allocated, as well as for other CGUs that do not contain goodwill but present impairment indicators. The recoverable amount as of December 31, 2024, has been determined from the value in use of each CGU, computed by applying the discounted cash flow model. The process of estimating these values involves the use of assumptions, judgments and estimates of future cash flows and represents the Company's best estimate.

These calculations use post-tax cash flow projections based on financial budgets approved by the Company's Management covering a five-year period. A ten-year period can be considered in specific circumstances, such as economic crisis, to better reflect the business and the economic cycle of the CGU. Cash flows beyond the five or ten-year period calculated under the value in use model are extrapolated using last year's projections. The use of post-tax cash flows and rates does not result in any significant difference with respect to the use of pre-tax cash flows and rates.

Management considered as key assumptions to calculate the recoverable amount of the CGUs to be sales price and volume, and discount rate. Management determined budgeted sales price and volume based on past performance and its expectations of future market developments. The discount rates used are post-tax and reflect specific risks relating to the operating segment or the CGU being tested.
The following table sets out the key assumptions for those CGUs or group of CGUs that have significant goodwill allocated to them, as well as other CGUs not having goodwill allocated but important for its significancy to the Group's operations:

| Segment | Country | Currency | Discount rate 2024 post-tax | Discount rate 2023 post-tax |
|---|---|---|---|---|
| Latam | Bolivia | BOB | 13.86% | 13.80% |
| | Uruguay | UYU | 7.42% | 7.90% |
| | Argentina | ARS | 17.03% | 17.70% |
| North America | Canada/United States | CAD/USD | 6.60% | 6.80% |
| Europe and Asia | Turkey | TRY | 10.03% | 12.00% |
| | Spain | EUR | 7.06% | 7.30% |

The impairment testing carried out at CGU level for the year ended December 31, 2024, did not result in impairments to be recorded.

### (c) Sensitivity analysis

The Group performed a sensitivity analysis for the key assumptions used in determining the value in use of the CGUs. Management concluded that there are no reasonably possible changes in key assumptions that would result in the carrying amount of the asset or CGU significantly exceeding their estimated recovery.

## 7.3 Asset retirement obligations (Note 23)

Expenditures related to decommissioning mines are recorded as asset retirement obligations. Obligations consist mainly of costs associated with termination of activities. The asset decommissioning cost equivalent to the present value of the obligation (liability) is capitalized as part of the book value of the underlying asset and depreciated over its useful life. The Group considers the use of accounting estimates related to the costs necessary to close the mining activities and recover the deteriorated areas as being a critical accounting estimate, since it involves various assumptions such as discount rates, inflation and the useful life of the asset. These estimates are annually reviewed. The discount rate applied in 2024 was in the range of 3,4% - 14,7% per year (December 31, 2023 – in the range of 3,2% - 16,3% per year). Further details in Note 23.

## 7.4 Recoverability of current and deferred income tax assets (Note 22)

The Group is subject to the payment of income taxes in all countries in which it operates. The provision for deferred taxes is calculated on a stand-alone basis for each entity based on the tax rates and tax laws enacted in each territory at the balance sheet date. The Group also recognizes provisions based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Deferred tax assets are periodically assessed to determine their recoverability, based on estimated future taxable profits deriving from Management's best estimate of projected future results, which are prepared based on internal judgments and assumptions, and future economic scenarios which may change. The key assumptions considered in such projections are sales price and volume.

## 7.5 Post-employment obligations (Note 24)

The present value of the post-employment obligations or rights depends on several factors that are determined through an actuarial calculation using various assumptions. Among the assumptions used in determining the net cost of actuarial obligations or rights is the discount rate, computed based on interest rates of high-quality corporate or government bonds. The pension obligations are denominated in the currency in which the benefits will be paid and have maturities approximating those of the respective healthcare and defined benefit plan obligations.

# 8 Environmental risk management

The Group operates in various countries and its activities are subject to local, state, national and international environmental laws and regulations, treaties and conventions regulating the activities, establishing measures for mitigation, compensation, management and risk monitoring, including those that regulate the obligations of the owner of the venture and/or activity relating to environmental protection. Violations of the environmental regulations can lead to fines and penalties and may require the implementation of technical measures to ensure compliance with the mandatory environmental standards.

The Group reviews periodically its environmental risk assessment and addresses the risks identified either through mitigating actions or provision of future costs. The cost estimations are usually recorded as asset retirement obligations, as disclosed in Note 23.

## 9 Financial risk management

The Group's activities expose it to several financial risks: (a) market risk (including currency and interest rate risk); (b) credit risk; and (c) liquidity risk.

The products and services offered by the Group are denominated in several currencies due to its global positioning, and potential risks of currency mismatches between income and costs can arise.

The Group has loans linked to different indices and denominated in foreign currencies, which may have an impact on its cash flow.

To mitigate the adverse effects of each of these risk factors, the Group prepared a financial policy approved by VCSA's Board of Directors, that establishes governance and macro guidelines in the financial risk management process, as well as metrics for measurement and monitoring. The purpose of this process is to protect the cash flows against adverse financial market events, such as fluctuations in exchange rates and interest rates, and against adverse credit events of financial counterparties. In addition, this process aims to manage leverage and other financial or operating exposure in line with the criteria of ratings agencies for investment grade companies. The financial policy of the Group aims to preserve its liquidity, diversifying the financing sources, providing unrestricted access to capital markets at competitive costs, and generating value for stockholders.

The following derivative instruments may be used to hedge and manage risks: swaps, call options, put options, collars, futures contracts (currencies, interest rates or commodities) and forward contracts known as Non-Deliverable Forwards (currencies, interest rates or commodities). The main guideline for the Group's hedging strategy follows transactions that do not involve financial instruments for speculative purposes or transactions that can be characterized as leverage (that is, that the exposure to the risk factor via derivative is greater than the hedged item), and any other instrument requires the approval of VCSA's Board of Directors.

### 9.1 Market risk

The purpose of the market risk management process is to protect the Group's cash flow against adverse events, such as fluctuations in exchange rates, commodity prices and interest rates.

#### 9.1.1 Foreign exchange risk

Foreign exchange risk is the exposure of the Group to significant fluctuations in currencies' exchange rates, that comprise commercial, operational, and financial relationships and, consequently, have an impact on its cash flows or results. The Group has assets and liabilities denominated in foreign currencies that differ from its corresponding functional currencies. The exposure to foreign currency risk at the end of the reporting period, expressed in USD, was as follows:

All amounts in thousands of US dollars, unless otherwise stated

### (a) Analysis

| | 2024(i) | 2023 |
|---|---|---|
| Assets denominated in foreign currency | | |
| Cash and cash equivalents | 65,035 | 76,339 |
| Financial investments | | 6,312 |
| Trade receivables | 33,538 | 71,879 |
| Related parties / intercompany | 9,830 | 9,732 |
| | 108,403 | 164,262 |
| Liabilities denominated in foreign currency | | |
| Borrowing | (588,711) | (632,686) |
| Lease liabilities | (9,402) | (20,844) |
| Trade payables | (105,208) | (92,956) |
| Related parties / intercompany | (90,314) | (72,309) |
| | (793,635) | (818,795) |
| Net exposure | (685,232) | (654,533) |

(i) The assets and liabilities related to the operations carried in Morocco and Tunisia were excluded, as these businesses were discontinued. Refer to Note 32.

Moreover, the Company has investments in foreign operations, of which net assets results in exposure to foreign exchange risk. This exposure is partially hedged by loans in the same currency as the functional currency of the investees which are designated in some cases as hedge of net investment for accounting purposes. Refer to Note 9.1.3 below for additional details.

### 9.1.2 Cash flow and fair value associated with interest rate risk

The Group's interest rate risk arises mainly from long-term loans. Loans issued at variable rates expose the Group to cash flow interest rate risk. Loans issued at fixed rates expose the Group to fair value risk associated with interest rate. See Note 20 for the details of borrowings by interest rate.

### 9.1.3 Hedging of net investments in foreign operations

#### (a) Accounting policies

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in equity in the account "Other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. Gains and losses accumulated in equity are included in the statement of income when the foreign investment is realized or sold, as described in the accounting policy in Note 6.3(c).

The Group designates transactions as hedges on an annual basis. Net investment hedge transactions are designated when the Group identifies an economic relationship between the hedged item and the hedging instrument, by determining a hedge ratio that represents the hedge relationship existing at the time of designation.

As required by IFRS 9 – "Financial Instruments", the Group prospectively evaluates the effectiveness of net investment hedge transactions on a quarterly basis. This is done using the US Dollar offsetting

method - comparing the numerical effects of a change in the spot rate on the value of the hedging instrument, net of deferred income tax, with the value of the hedged item. The critical terms of the hedging instrument are identical to the terms of the hedged items, and therefore only one scenario is evaluated through projections of future rates available in the market.

All amounts in thousands of US dollars, unless otherwise stated

## (b) Analysis

The subsidiary SMCI has designated its debt denominated in US Dollars as a hedging instrument for the investment in its subsidiary VCNA US, Inc.

| Investor | | Hedged item | | | | | Instrument | | | 2024 Loss |
|---|---|---|---|---|---|---|---|---|---|---|
| Entity | Currency | Investment | Currency | Percentage designated | Underlying investment USD | Net designated amount | Currency | Original amount | Amount in USD | Other comprehensive loss |
| SMCI | CAD | VCNA US, Inc. | USD | 78.39% | 637,866 | 500,000 | USD | 500,000 | 589,258 | (39,365) |

| Investor | | Hedged item | | | | | Instrument | | | 2023 Gain |
|---|---|---|---|---|---|---|---|---|---|---|
| Entity | Currency | Investment | Currency | Percentage designated | Underlying investment USD | Net designated amount | Currency | Original amount | Amount in USD | Other comprehensive loss |
| SMCI | CAD | VCNA US, Inc. | USD | 75.23% | 664.634 | 500,000 | USD | 500,000 | 507.229 | 11,680 |

During the second quarter of 2024 SMCI rebalanced its net investment hedge to consider the transactions mentioned in Note 3.2, which resulted in an impact of USD 1.8 million in the statement of income, as the total debt balance exceeded the investment balance at that time.

The balance reclassified to OCI as a result of the hedge effectiveness for the current year amounted to a loss of USD39,365 (December 31, 2023 loss of USD11,680).

The gain or loss shown above is net of tax effects, which are presented in Note 25 (c).

All amounts in thousands of US dollars, unless otherwise stated

## 9.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has a policy to select issuers that have, at least, a rating from one of the following rating agencies: Fitch Ratings, Moody's or Standard & Poor's, being a national rating equal to or better than AA- (or Aa3), or a global scale rating equal to or better than BBB- (or Baa3). For countries where issuers do not meet these minimum ratings, alternative criteria approved by VCSA Board of Directors are applied.

The limits on the exposure of the Group to each financial counterparty are determined by the financial policy of the Group and are linked to the ratings and the balance sheet of each institution.

The pre-settlement risk methodology is used to assess counterparty risks on derivative transactions. This methodology consists of determining, through Monte Carlo simulations, the value at risk associated with non-compliance with the financial commitments defined in the contract for each counterparty.

### 9.2.1 Credit quality of trade receivables

The following table reflects the credit quality of counterparties for transactions involving trade receivables that are non-overdue and not impaired, and excluding balances due by related parties:

| | 2024 | 2023 |
|---|---|---|
| High risk | 16,946 | 20,488 |
| Medium risk | 20,280 | 21,143 |
| Low risk | 59,841 | 70,797 |
| AAA | 39,272 | 44,085 |
| | 136,339 | 156,513 |

High risk – Customers with high risk of default, and/or recurring delays in payments, and/or new customers without historical financial information.
Medium risk - Customers with a medium risk of default, and/or with some record of payments delays.
Low risk - Customers with solid commercial and payment records.
Customers AAA – Strategic or relevant customers, presenting a strong credit analysis.

The quality of the credit risk is defined according to internal statistical models of risk scoring, according to the risk standards accepted by the Group.

All amounts in thousands of US dollars, unless otherwise stated

## 9.3 Liquidity risk

Liquidity risk is managed based on the financial policy of the Group, which aims to ensure the availability of sufficient funds to honor the Group's short-term commitments. One of the main tools for measuring and monitoring liquidity is cash flows projections considering a period of 12 months.

The table below analyzes the Group's main financial liabilities by maturity, corresponding to the period remaining from the balance sheet date to the contractual maturity date. Derivative financial liabilities are considered in the analysis when their contractual maturities are essential to understanding the Group's cash flow in the short and medium term.

The amounts included in the table represent the undiscounted contractual future cash flows; these amounts may not reconcile directly with the amounts in the balance sheet.

| | Note | Less than one year | Between one and two years | Between two and five years | Between five and ten years | Over ten years | Total |
|---|---|---|---|---|---|---|---|
| **At December 31, 2024** | | | | | | | |
| Borrowing | | 88,733 | 132,649 | 377,875 | 764,948 | 484,525 | 1,848,730 |
| Lease liabilities | | 40,467 | 32,632 | 70,365 | 18,421 | 87,022 | 248,907 |
| Confirming payables | | 199,966 | | | | | 199,966 |
| Trade payables | | 427,658 | | | | | 427,658 |
| Dividends payable | 15(b) | 241 | | | | | 241 |
| Pension plan | | 10,753 | 10,062 | 29,221 | 46,816 | 132,453 | 229,306 |
| | | 767,819 | 175,343 | 477,461 | 830,185 | 704,000 | 2,954,808 |
| **At December 31, 2023** | | | | | | | |
| Borrowing | | 82,687 | 86,302 | 839,893 | 148,332 | 517,276 | 1,674,490 |
| Lease liabilities | | 26,436 | 21,783 | 48,734 | 28,529 | 102,263 | 227,745 |
| Confirming payables | | 261,473 | | | | | 261,473 |
| Trade payables | | 433,837 | | | | | 433,837 |
| Dividends payable | 15(b) | 347 | | | | | 347 |
| Pension plan | | 12,194 | 12,186 | 33,893 | 53,341 | 154,203 | 265,817 |
| | | 816,974 | 120,271 | 922,520 | 230,202 | 773,742 | 2,863,709 |

The table above shows the outstanding principal and interest if applicable at the maturity dates. In the case of fixed rate liabilities, interest expense was calculated based on the rate established in each debt contract. Interest expense on floating rate liabilities was calculated based on a market forecast for each period.

**All amounts in thousands of US dollars, unless otherwise stated**

## 9.4 Sensitivity analysis

The main risk factors that impact the pricing of financial instruments, cash and cash equivalents, financial investments, loans, financing, related parties and derivative financial instruments are exposure to fluctuations in the US dollar, Euro, Boliviano, Turkish lira, Canadian dollar and Uruguayan peso, as well as fluctuations in the SOFR and dollar coupon interest rates. The scenarios for these factors are prepared using market and specialized sources, in accordance with the Company's governance framework. The scenarios as of December 31, 2024 are described below:

Scenario I - Based on future market curves and quotations that correspond to the most likely scenario based on Management's view.
Scenario II - considers a variation of + or - 25% in the market curves on December 31, 2024.
Scenario III - considers a variation of + or - 50% in the market curves on December 31, 2024.

| | | | | | Impacts on P&L | | | | | Impacts on comprehensive income | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Scenario I | Scenarios II and III | | | | Scenario I | Scenarios II and III | | | |
| Risk factor | Cash and cash equivalents | Borrowing | Currency | 2024 | Results of scenario I | -25% | -50% | +25% | +50% | Results of scenario I | -25% | -50% | +25% | +50% |
| Foreing exchange rate | | | | | | | | | | | | | | |
| USD | 85,799 | 597,324 | USD | -3.99% | (3,420) | (21,450) | (42,899) | 21,450 | 42,899 | 23,811 | 149,331 | 298,662 | (149,331) | (298,662) |
| EUR | 13,547 | | EUR | 1.98% | (282) | (3,387) | (6,773) | 3,387 | 6,773 | | | | | |
| Interest rate | | | | | | | | | | | | | | |
| USD - SOFR | | 90,296 | USD | -13bps | 116 | 970 | 1,939 | (970) | (1,939) | | | | | |

## 10 Financial instruments by category

### (a) Financial assets - Classification, recognition and measurement

The Group classifies their financial assets upon initial recognition according to the business model under which the financial assets was acquired, as follows:

#### (i) Financial assets at amortized cost

These are financial instruments that are held for the purpose of receiving contractual cash flows, with payments related exclusively to principal and interest. The instruments thus classified are measured at amortized cost.

#### (ii) Financial assets at fair value through other comprehensive income

Financial instruments where the contractual cash flow solely derives from payments of principal and interest, and the objective of the Group's business model is both the collection of contractual cash flow and the sale of financial assets. These instruments are measured at fair value through other comprehensive income.

#### (iii) Financial assets at fair value through profit or loss

All financial instruments that do not fall under the above definitions are classified in this category. The instruments under this classification are measured at fair value through profit or loss.

### (b) Impairment of financial assets measured at amortized cost

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Except for the impairment of trade receivables (Note 13), the amount of any impairment is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, and the amount of the loss is recognized in the statement of income.

If, in a subsequent period, the amount of the impairment loss decreases and this decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recorded loss is recognized in the statement of income.

### (c) Financial liabilities – Classification, recognition and measurement

The Group classifies its financial liabilities in the following categories: (i) measured at amortized cost and (ii) fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Fair value changes, including interest, are recognized in the statement of income. Changes in financial liabilities measured at amortized cost, including interest and exchange variation, are recognized in the statement of income under "Financial income (expenses)".
Financial liabilities are derecognized when contractual obligations are withdrawn, canceled or expired. The difference between the extinguished book value and the consideration paid (including transferred assets or assumed liabilities) is recognized in the statement of income.

All amounts in thousands of US dollars, unless otherwise stated

## (d) Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount is presented in the balance sheet, when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business as well as in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## (e) Analysis

| | Note | | | 2024 |
|---|---|---|---|---|
| | | Amortized cost | Fair value through profit and loss | Total |
| Assets | | | | |
| Trade receivables | 13(b) | 150,221 | | 150,221 |
| Securitization of receivables | 13(e) | 52,514 | | 52,514 |
| | | 202,735 | | 202,735 |
| Cash and cash equivalents | 11(b) | | 371,612 | 371,612 |
| | | | 371,612 | 371,612 |
| Liabilities | | | | |
| Borrowing | 20(b) | 1,151,909 | | 1,151,909 |
| Lease liabilities | 19(c) | 196,210 | | 196,210 |
| Confirming payables | 21(b) | 199,966 | | 199,966 |
| Trade payables | | 427,658 | | 427,658 |
| Salaries and payroll charges | | 65,703 | | 65,703 |
| Securitization of receivables | 13(e) | 25,430 | | 25,430 |
| | | 2,066,876 | | 2,066,876 |

| | Note | | | 2023 |
|---|---|---|---|---|
| | | Amortized cost | Fair value through profit and loss | Total |
| Assets | | | | |
| Trade receivables | 13 (b) | 173,191 | | 173,191 |
| Securitization of receivables | 13(e) | 51,716 | | 51,716 |
| | | 224,907 | | 224,907 |
| Cash and cash equivalents | 11(b) | | 571,312 | 571,312 |
| Financial investments | | | 6,312 | 6,312 |
| | | | 577,624 | 577,624 |
| Liabilities | | | | |
| Borrowing | 20(b) | 1,102,114 | | 1,102,114 |
| Lease liabilities | 19(c) | 183,907 | | 183,907 |
| Confirming payables | 21(b) | 261,473 | | 261,473 |
| Trade payables | | 433,837 | | 433,837 |
| Salaries and payroll charges | | 77,213 | | 77,213 |
| Securitization of receivables | 13(e) | 19,693 | | 19,693 |
| Derivative financial instruments | | | 222 | 222 |
| | | 2,078,237 | 222 | 2,078,459 |

All amounts in thousands of US dollars, unless otherwise stated

### (f) Fair value of financial instruments

The Group discloses fair value measurements based on the hierarchy level of the main assets and liabilities, as shown below:

| | Note | Fair value measured based on | | 2024 |
|---|---|---|---|---|
| | | Price quoted in an active market | Valuation technique supported by observable prices | |
| | | Level 1 | Level 2 | Fair value |
| Assets | | | | |
| Cash and cash equivalents | 11 (b) | 259,254 | 112,358 | 371,612 |
| Liabilities | | | | |
| Borrowing | 20(b) | 841,812 | 294,643 | 1,136,455 |

| | Note | Fair value measured based on | | 2023 |
|---|---|---|---|---|
| | | Price quoted in an active market | Valuation technique supported by observable prices | |
| | | Level 1 | Level 2 | Fair value |
| Assets | | | | |
| Cash and cash equivalents | 11 (b) | 352,142 | 219,170 | 571,312 |
| Financial investments | | | 6,312 | 6,312 |
| | | 352,142 | 225,482 | 577,624 |
| Liabilities | | | | |
| Borrowing | 20(b) | 869,648 | 270,008 | 1,139,656 |
| Derivative financial instruments | | | 222 | 222 |
| | | 869,648 | 270,230 | 1,139,878 |

All the financial instruments not included in the table above are measured at amortized cost and the Group believes their carrying amount and their fair value are materially the same. The fair value of these financial instruments is determined by the observable price (Level 2) in arms-length transactions or equivalent, in the case of intercompany transactions. There was no transfer between the levels during the periods.

All amounts in thousands of US dollars, unless otherwise stated

## 11 Cash and cash equivalents

### (a) Accounting policies

Cash and cash equivalents include cash, deposits with banks and other highly liquid short-term investments, generally with an original maturity of three months or less, but in all cases being readily convertible into a known amount of cash and with an immaterial risk of changes in value.

### (b) Analysis

| | 2024 | 2023 |
|---|---|---|
| Cash at bank | 259,254 | 352,142 |
| Time deposits (i) | 112,358 | 219,170 |
| | 371,612 | 571,312 |

(i) Time deposits classified as cash and cash equivalents are highly liquid financial assets used to maintain the Group's operating activities.

## 12 Financial investments

### (a) Accounting policies

Financial investments are mainly short-term investments that do not meet the definition of cash and cash equivalents. The financial investments are used as part of the cash-management strategy of the Group and are measured at fair value through profit or loss.

### (b) Analysis

| | 2024 | 2023 |
|---|---|---|
| Time deposits | | 6,312 |

## 13 Trade receivables

### (a) Accounting policies

### (i) Trade receivables

Trade receivables are amounts receivable from customers for goods sold or services rendered in the ordinary course of the Group’s business. It is initially recognized as fair value and subsequently measured at amortized cost using the effective interest rate method, less allowance for doubtful accounts.

The allowance for doubtful accounts is recognized at an amount considered sufficient to cover expected losses on the realization of trade receivables. The Group applied the simplified approach of IFRS 9 to calculate the estimated credit losses. Based on the customers’ profile of payment, the Group classifies them based on their risk. For each class of risk, a provision matrix was developed considering the history of uncollectable accounts and any relevant prospective data.
The matrix developed has different loss rates for different time buckets of receivables and is applied to all receivables, including the ones that are not overdue.
Further details on the calculation of the allowance for doubtful accounts are disclosed in Note 13 (c).

All amounts in thousands of US dollars, unless otherwise stated

The risk matrix based on the average provision performed by each country as at December 31, 2024 is as follows:

| Segment | Not due | Overdue up to 30 days | Overdue from 31 to 60 days | Overdue from 61 to 90 days | Overdue from 91 to 120 days | Overdue above 120 days |
|---|---|---|---|---|---|---|
| Guaranteed / Credit insurance | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| AAA | 0.0% | 0.0% | 0.2% | 6.0% | 11.0% | 80.0% |
| Low risk | 0.0% | 0.3% | 2.0% | 8.2% | 16.1% | 64.5% |
| Medium risk | 0.1% | 1.3% | 4.5% | 14.1% | 26.5% | 68.3% |
| High risk | 0.2% | 2.9% | 9.5% | 27.1% | 47.7% | 87.6% |
| Under judicial measures (i) | 33.3% | 43.3% | 55.0% | 46.7% | 54.4% | 66.7% |

(i) Some regions do not have specific provisions for trade receivable under judicial measures. They are impaired based on the general risk criteria described above and may be further impaired, according to the evaluation of legal and credit departments, in case additional uncertainty on their recoverability arises.

### (ii) Securitization of receivables

In March 2016, the Group entered into a revolving receivables securitization transaction with financial institutions for the sale of trade receivables to a Special Purpose Entity – SPE. The SPE was established for this purpose and is not controlled by the Group. The SPE finances the initial acquisition of the receivables and classifies it by the grade of the receivable based on its transaction history, by means of: (i) senior notes; (ii) senior subordinated note; (iii) intermediate subordinated certificates; and (iv) junior subordinated certificates. This securitization operation has been renewed, with the current maturity date being March 2027, and the amount of the credit facility USD 250 million.

The Group holds the senior subordinated note, as well as junior subordinated certificates. Therefore, the maximum exposure to loss from its continuing involvement in the derecognized financial assets corresponds to its share in senior and junior subordinated notes and certificates, respectively.

The Group sells receivables to the SPE on a daily and revolving basis. When the receivables are transferred to the SPE, it derecognizes all the receivables, in exchange for cash and notes receivable from the SPE. No variable conditions apply to the cash outflow (such as option agreements or other instruments).

The SPE deducts from the amount transferred the acquisition cost of receivables, which is recorded as a financial expense. In addition, the Group manages the collection of receivables included in this transaction through the provision of services to the SPE, and the fees received are recorded as financial income. In 2024 and 2023, the Group's gains and losses considered the lines of securitization commissions, reversal of guarantee on securitization, net of provisions, and securitization charges, as presented in Note 30.

In accordance with IFRS 10 "Consolidated financial statements", the SPE is not controlled by the Group and therefore is not included in these financial statements; the balances transacted with the SPE are presented as balances with related parties (Note 15).

The Group has neither transferred nor retained substantially all the risks and rewards of the transferred assets; however, has retained control of the transferred assets as the SPE does not have the practical ability to sell the transferred assets. Receivables are recognized to the extent of the continuing involvement thereof, as well as associated liabilities. The extent of the continuing involvement in the transferred assets is the extent to which it is exposed to changes in the value of the transferred assets.

All amounts in thousands of US dollars, unless otherwise stated

The net carrying amount of the partially transferred assets and associated liabilities reflects the rights and obligations that the Group has retained, which is not materially different from its fair value, given the nature of the receivables.

The Group recognizes part of the transferred assets to the extent of its continuing involvement, considering:

(a) Its continuing involvement related to the junior and senior subordinated tranche; and
(b) Its continuing involvement regarding a guarantee that represents the subordination - as the Group detains the first loss exposure within the subordination of tranches.

The receivables continue to be recognized and due within three months, and both the assets and liabilities related to the securitization are presented as current in the balance sheet.

### (b) Analysis

| | 2024 | 2023 |
|---|---|---|
| Trade accounts receivables | 143,876 | 176,055 |
| Related parties | 9,327 | 4,622 |
| Allowance for doubtful accounts | (2,982) | (7,486) |
| | 150,221 | 173,191 |

The fair value of trade receivable approximates their carrying amount, due to their short-term nature.

### (c) Changes in the allowance for doubtful accounts

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | (7,486) | (9,539) |
| Additions | (570) | (1,392) |
| Reversals | 533 | 1,098 |
| Receivables written off as uncollectible | 3,208 | 1,487 |
| Exchange rate variations | 263 | 201 |
| Receivables transferred to securitization | | 659 |
| Held for sale reclassification | 1,070 | |
| Balance at the end of the year | (2,982) | (7,486) |

### (d) Aging of trade receivables

The aging of the balances below does not consider the allowance for doubtful accounts.

| | 2024 | 2023 |
|---|---|---|
| Current | 145,666 | 161,135 |
| Up to 3 months past due | 5,664 | 9,467 |
| From 3 to 6 months past due | 50 | 1,278 |
| Over 6 months past due | 1,823 | 8,797 |
| | 153,203 | 180,677 |
| Allowance for doubtful accounts | (2,982) | (7,486) |
| | 150,221 | 173,191 |

All amounts in thousands of US dollars, unless otherwise stated

### (e) Securitization of receivables

The amounts of trade accounts receivable involved in the securitization transaction are presented below:

| | 2024 | 2023 |
|---|---|---|
| Notes recognized | 46,621 | 43,091 |
| Capital contribution in the SPE | 5,893 | 8,625 |
| Notes and capital related to the SPE | 52,514 | 51,716 |
| | | |
| Security guarantee | (18,854) | (19,094) |
| Junior note guarantee losses | (6,576) | (599) |
| Junior subordinated note | (25,430) | (19,693) |
| | | |
| Net carrying amount of the continuing involvement | 27,084 | 32,023 |

The fair value of the assets and liabilities that represent the Group's continuing involvement in the derecognized financial assets is not significantly different from its carrying amount.

## 14 Inventory

### (a) Accounting policies

Inventories are stated at the lower of cost and net realizable value. Inventories' cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct and indirect costs and related production overheads, the latter based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of conclusion and the estimated selling expenses. Imports in transit are stated at the accumulated cost of each import.

At least once a year, each of the Group's operating subsidiaries carries out a physical inventory. Inventory adjustments are recorded under "Cost of goods sold and services rendered".

### (b) Analysis

| | 2024 | 2023 |
|---|---|---|
| Finished products | 28,898 | 31,290 |
| Semi-finished products | 145,535 | 140,495 |
| Raw materials | 60,737 | 67,377 |
| Fuels | 73,671 | 86,423 |
| Auxiliary materials and consumables | 110,438 | 108,305 |
| Other | 3,504 | 3,308 |
| Provision for losses | (33,353) | (36,606) |
| | 389,430 | 400,592 |

All amounts in thousands of US dollars, unless otherwise stated

### (c) Changes in the provision for inventory losses

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | (36,606) | (32,464) |
| Addition | (5,178) | (6,649) |
| Reversals and write off | 2,512 | 3,280 |
| Reclassification to held for sale | 4,085 | |
| Exchange rate variations | 1,834 | (773) |
| Balance at the end of the year | (33,353) | (36,606) |

The provision for inventory losses is recognized based on a slow-moving methodology. The additions and reversals of provision for slow moving materials are included in “Other operating income, net” in the statement of income. Subsequent recoveries of amounts previously written off are credited against the same line item.

All amounts in thousands of US dollars, unless otherwise stated

## 15 Related parties

### (a) Accounting policies

Related party transactions are carried out by the Group under similar conditions to other transactions, considering the usual market prices and conditions; therefore, they do not generate any undue benefit to its counterparties or losses to the Group. In the normal course of operations, the Group enters into agreements with related parties related to the purchase and sale of products, loans, lease of assets, sale of raw materials and services.

### (b) Analysis

| | Parent company | | Associated companies | | Other related parties | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Assets** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade receivables | 311 | 262 | 3,317 | 1,874 | 5,699 | 2,486 | 9,327 | 4,622 |
| Dividends receivable | | | | 254 | | | | 254 |
| Securitization of receivables | | | | | 52,514 | 51,716 | 52,514 | 51,716 |
| | 311 | 262 | 3,317 | 2,128 | 58,213 | 54,202 | 61,841 | 56,592 |
| **Non-current** | | | | | | | | |
| Other assets | | | 3,534 | | | | 3,534 | |
| | 311 | 262 | 6,851 | 2,128 | 58,213 | 54,202 | 65,375 | 56,592 |
| **Liabilities** | | | | | | | | |
| **Current** | | | | | | | | |
| Trade payables | 5,554 | 2,322 | 1,798 | 4,479 | | | 7,352 | 6,801 |
| Dividends payable | | | | | 241 | 347 | 241 | 347 |
| Securitization of receivables | | | | | 25,430 | 19,693 | 25,430 | 19,693 |
| | 5,554 | 2,322 | 1,798 | 4,479 | 25,671 | 20,040 | 33,023 | 26,841 |

All amounts in thousands of US dollars, unless otherwise stated

| | | Associated companies | | Other related parties | | Total |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Income statement** | | | | | | |
| Sales | 32,845 | 41,230 | 32,670 | 65,627 | 65,515 | 106,857 |
| Purchases | 1,917 | 2,620 | | | 1,917 | 2,620 |
| Other incomes (expenses) | | (32) | (20,530) | (11,234) | (20,530) | (11,266) |
| | 34,762 | 43,818 | 12,140 | 54,393 | 46,902 | 98,211 |

All amounts in thousands of US dollars, unless otherwise stated

### (c) Group's debts guaranteed by related parties

| Instrument | Guarantor and % of debt guaranteed | 2024 | 2023 |
|---|---|---|---|
| Committed Credit Facility | VCSA (100%) / SMCI (100%) | 90,296 | 34,027 |
| Eurobonds - USD (Voto 41) | VSA (100%) / VCSA (100%) | 334,966 | 339,950 |
| Eurobonds - USD (Voto 27) | VCSA (100%) / SMCI (100%) | | 512,139 |
| Eurobonds - USD (Voto 34) | VCSA (100%) | 498,711 | |
| Bilateral loan - VCEAA | VCSA (100%) / VCEAA (100%) | 94,535 | 117,332 |
| | | 1,018,508 | 1,003,448 |

Funding costs are not considered in these amounts.

### (d) Debts issued by related parties guaranteed by the Group

The Group is no longer a guarantor of debts issued by related parties. The two debts previously disclosed were in the meanwhile settled by the corresponding related party creditor.

### (e) Key management compensation

The Company's Management includes the Management Board. The expenses for key management compensation, including all benefits, are summarized as follows:

| | 2024 | 2023 |
|---|---|---|
| Short-term benefits for administrators | 14,034 | 11,481 |
| Post-employment benefits | 871 | 507 |
| Other long-term benefits for managers | 2,565 | 578 |
| | 17,470 | 12,566 |

Short-term benefits to key management above include fixed compensation (salaries and fees, paid vacations and others), social charges and the short-term variable compensation program. Postemployment benefits refer to pension plans and post-retirement healthcare benefits. "Other long-term benefits" relate to the variable compensation program.

All amounts in thousands of US dollars, unless otherwise stated

## 16 Investments in associates and joint ventures

### (a) Accounting policies

The accounting policies for investments are disclosed in Note 6.3.

### (b) Analysis

| | | | | 2024 | Share of net profit of associates and joint ventures | | Balance | |
|---|---|---|---|---|---|---|---|---|
| | Country | Net equity | Net income for the period | Percentage of voting and total capital (%) | 2024 | 2023 | 2024 | 2023 |
| Investments accounted for using the equity method | | | | | | | | |
| Associates | | | | | | | | |
| Cementos Especiales de las Islas S.A. | Spain | 43,564 | 9,788 | 50.00 | 4,894 | 4,878 | 21,782 | 22,582 |
| Cementos Avellaneda S.A. | Argentina | 335,369 | 25,204 | 49.00 | 12,350 | (243) | 164,331 | 94,389 |
| Joint ventures | | | | | | | | |
| Grundy-River Holdings LLC | United States | 17,383 | 5,230 | 50.00 | 2,615 | 242 | 8,692 | 5,894 |
| Hutton Transport Limited | Canada | 16,347 | 7,360 | 25.00 | 1,840 | 1,712 | 4,087 | 3,652 |
| Midway Group, LLC | United States | 13,756 | 3,546 | 50.00 | 1,773 | 3,070 | 6,878 | 7,605 |
| RMC Leasing LLC | United States | 4,884 | 980 | 50.00 | 490 | 232 | 2,442 | 3,952 |
| Other investments | | | | | 139 | 40 | 12,931 | 14,640 |
| | | | | | 24,101 | 9,931 | 221,143 | 152,714 |
| Goodwill | | | | | | | | |
| Cementos Avellaneda S.A. | Argentina | | | | | | 60,061 | 35,336 |
| Hutton Transport Limited | Canada | | | | | | 2,179 | 2,247 |
| Grundy-River Holdings LLC | United States | | | | | | 391 | 424 |
| | | | | | 24,101 | 9,931 | 283,774 | 190,721 |

All amounts in thousands of US dollars, unless otherwise stated

## (c) Information on equity accounted investees

Below is a summary of the selected financial information of the Group's main associates and joint ventures:

### (i) Balance sheet accounts

| | | | | | | 2024 |
|---|---|---|---|---|---|---|
| | Grundy-River Holdings, LLC | Cementos Especiales de las Islas S.A. | Cementos Avellaneda S.A. | Hutton Transport Limited | Midway Group, LLC | RMC Leasing |
| Percentage of voting and total capital (%) | 50.00 | 50.00 | 49.00 | 25.00 | 50.00 | 50.00 |
| Current assets | 9,112 | 31,504 | 123,811 | 7,142 | 7,028 | 1,564 |
| Non-current assets | 10,047 | 22,264 | 439,136 | 12,665 | 8,444 | 3,323 |
| Current liabilities | 1,600 | 8,418 | 114,381 | 1,351 | 1,715 | |
| Non-current liabilities | 175 | 1,786 | 113,197 | 2,109 | | |
| Equity | 17,383 | 43,564 | 335,369 | 16,347 | 13,756 | 4,887 |

| | | | | | | 2023 |
|---|---|---|---|---|---|---|
| | Grundy-River Holdings, LLC | Cementos Especiales de las Islas S.A. | Cementos Avellaneda S.A. | Hutton Transport Limited | Midway Group, LLC | RMC Leasing |
| Percentage of voting and total capital (%) | 50.00 | 50.00 | 49.00 | 25.00 | 50.00 | 50.00 |
| Current assets | 6,306 | 33,723 | 79,851 | 14,870 | 11,442 | 2,576 |
| Non-current assets | 7,248 | 19,901 | 262,363 | 6,874 | 6,296 | 5,328 |
| Current liabilities | 1,766 | 6,710 | 81,778 | 3,306 | 2,528 | |
| Non-current liabilities | | 1,750 | 67,805 | 3,557 | | |
| Equity | 11,788 | 45,164 | 192,631 | 14,880 | 15,210 | 7,904 |
| Other comprehensive income | | | (123) | | | |

All amounts in thousands of US dollars, unless otherwise stated

## (ii) Profit or loss accounts

| 2024 | Grundy-River Holdings, LLC | Cementos Especiales de las Islas S.A. | Cementos Avellaneda S.A. | Hutton Transport Limited | Midway Group, LLC | RMC Leasing |
|---|---|---|---|---|---|---|
| **Net revenue** | 36,658 | 78,621 | 429,527 | 25,845 | 35,534 | |
| **Cost** | (30,191) | (72,129) | (334,824) | (17,934) | (31,815) | (710) |
| **Gross profit (loss)** | 6,467 | 6,492 | 94,703 | 7,911 | 3,719 | (710) |
| **Operating income (expenses)** | (1,226) | 4,480 | (36,821) | (551) | (152) | 1,690 |
| **Result of equity interests** | | 184 | | | | |
| **Financial result** | (11) | 344 | (10,943) | | (21) | |
| **Income tax** | | (1,712) | (21,735) | | | |
| **Net income for the year** | 5,230 | 9,788 | 25,204 | 7,360 | 3,546 | 980 |

| 2023 | Grundy-River Holdings, LLC | Cementos Especiales de las Islas S.A. | Cementos Avellaneda S.A. | Hutton Transport Limited | Midway Group, LLC | RMC Leasing |
|---|---|---|---|---|---|---|
| **Net revenue** | 2,393 | 76,907 | 321,214 | 21,663 | 41,578 | |
| **Cost** | (1,878) | (66,470) | (248,117) | (15,047) | (36,448) | (1,110) |
| **Gross profit (loss)** | 515 | 10,437 | 73,096 | 6,616 | 5,130 | (1,110) |
| **Operating income (expenses)** | (31) | 140 | (17,070) | 206 | 982 | 1,574 |
| **Result of equity interests** | | 232 | | | | |
| **Financial result** | | 77 | (21,082) | 27 | 28 | |
| Interest income | | | | 27 | 28 | |
| **Income tax** | | (1,130) | (20,348) | | | |
| **Net income for the year** | 484 | 9,756 | 14,597 | 6,849 | 6,140 | 464 |

All amounts in thousands of US dollars, unless otherwise stated

### (d) changes

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | 190,721 | 240,088 |
| Share of net profit of associates and joint ventures | 24,101 | 9,931 |
| Currency exchange differences on translation of foreign operations | 92,407 | (48,629) |
| Approved dividends | (23,945) | (23,924) |
| Issue costs with dividends Avellaneda | | 7,396 |
| Effect of acquisition of additional interest - Grundy | | 5,411 |
| Capital increase | | 500 |
| Other comprehensive results of the investees | 490 | (52) |
| Balance at the end of the year | 283,774 | 190,721 |

## 17 Property, plant, and equipment

### (a) Accounting policies

### (i) Measurement and recognition

Property, plant and equipment, including land and buildings, are stated at historical cost of acquisition or construction less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition or construction of qualifying assets, including borrowing costs.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced items or parts is derecognized.

All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred. The cost of major refurbishments is included in the carrying value of the asset when the future economic benefits exceed the performance initially expected for the existing asset. Refurbishment expenses are depreciated over the remaining useful life of the related asset.

Except for land that is not depreciated, the depreciation of assets is calculated using the straight-line method to reduce their cost to their residual values over their estimated useful lives. The assets' residual values and useful lives are reviewed annually and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount when it is greater than its estimated recoverable amount, in accordance with the accounting policy described in Note 7.2. Gains or losses on disposals are determined by comparing the proceeds with the carrying amount of the assets disposed and are recognized within "Other operating income (expenses), net" in the statement of income (Note 29).

All amounts in thousands of US dollars, unless otherwise stated

## (b) Analysis and changes

| | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|
| | Land | Buildings | Machinery, equipment and facilities | Leasehold improvements | Vehicles | Furniture and fixtures | Construction in progress | Total |
| Balance at the beginning of the year | | | | | | | | |
| Cost | 186,045 | 1,067,988 | 3,394,629 | 145,757 | 307,519 | 30,278 | 267,835 | 5,400,051 |
| Accumulated depreciation | | (583,394) | (2,336,378) | (103,479) | (207,684) | (25,639) | | (3,256,574) |
| Net balance | 186,045 | 484,594 | 1,058,251 | 42,278 | 99,835 | 4,639 | 267,835 | 2,143,477 |
| | | | | | | | | |
| Acquisitions | 81 | 1,341 | 2,928 | | 498 | 467 | 281,790 | 287,105 |
| Reclassification to assets held for sale | (9,373) | (14,139) | (93,540) | | (275) | | (17,546) | (134,873) |
| Companies included in the consolidation (i) | 330 | 658 | 215 | | 402 | | | 1,605 |
| Disposals | (3,741) | (115) | (237) | | (105) | (4) | (71) | (4,273) |
| Depreciation | | (19,613) | (119,668) | (5,987) | (23,099) | (1,273) | | (169,640) |
| Exchange variations | (7,785) | (12,491) | (18,755) | (2,960) | (3,596) | (48) | (32,633) | (78,268) |
| Transfers | 20 | 8,117 | 144,786 | 1,983 | 33,021 | 1,366 | (189,293) | |
| Balance at the end of the year | 165,577 | 448,352 | 973,980 | 35,314 | 106,681 | 5,147 | 310,082 | 2,045,133 |
| | | | | | | | | |
| Cost | 165,577 | 1,034,352 | 3,036,681 | 133,926 | 335,066 | 29,808 | 310,082 | 5,045,492 |
| Accumulated depreciation | | (586,000) | (2,062,701) | (98,612) | (228,385) | (24,661) | | (3,000,359) |
| Balance at the end of the year | 165,577 | 448,352 | 973,980 | 35,314 | 106,681 | 5,147 | 310,082 | 2,045,133 |
| | | | | | | | | |
| Average annual depreciation rates - % | | 4 | 7 | 10 | 14 | 13 | | |

(i) Refers to the acquisition of a ready-mix business by SMCI’s subsidiary, VCNA United Materials LL

All amounts in thousands of US dollars, unless otherwise stated

| | | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|
| | Land | Buildings | Machinery, equipment and facilities | Leasehold improvements | Vehicles | Furniture and fixtures | Construction in progress | Total |
| Balance at the beginning of the year | | | | | | | | |
| Cost | 180,216 | 1,026,889 | 3,194,272 | 135,250 | 279,031 | 29,063 | 232,123 | 5,076,844 |
| Accumulated depreciation | | (555,261) | (2,188,478) | (97,501) | (184,250) | (24,024) | | (3,049,514) |
| Net balance | 180,216 | 471,628 | 1,005,794 | 37,749 | 94,781 | 5,039 | 232,123 | 2,027,330 |
| | | | | | | | | |
| Acquisitions | 3 | 2,504 | 6,397 | | 245 | 186 | 223,534 | 232,869 |
| Reclassification to assets held for sale | (98) | (12) | (2) | | | | | (112) |
| Companies included in the consolidation | 249 | 561 | 417 | | 635 | | | 1,862 |
| Disposals | (134) | (1) | (717) | | (24) | (122) | (4) | (1,002) |
| Depreciation | | (20,814) | (125,606) | (5,978) | (22,840) | (1,251) | | (176,489) |
| Exchange variations | 6,303 | 7,064 | 24,516 | 1,261 | 3,556 | 147 | 3,921 | 46,768 |
| Reversal (provision) of impairment | (554) | 9,517 | 10,782 | | 81 | 94 | (7,089) | 12,831 |
| Transfer to the intangible | | | | | | | (580) | (580) |
| Transfers | 60 | 14,147 | 136,670 | 9,246 | 23,401 | 546 | (184,070) | |
| | 186,045 | 484,594 | 1,058,251 | 42,278 | 99,835 | 4,639 | 267,835 | 2,143,477 |
| | | | | | | | | |
| Cost | 186,045 | 1,067,988 | 3,394,629 | 145,757 | 307,519 | 30,278 | 267,835 | 5,400,051 |
| Accumulated depreciation | | (583,394) | (2,336,378) | (103,479) | (207,684) | (25,639) | | (3,256,574) |
| Balance at the end of the year | 186,045 | 484,594 | 1,058,251 | 42,278 | 99,835 | 4,639 | 267,835 | 2,143,477 |
| | | | | | | | | |
| Average annual depreciation rates - % | | 3 | 6 | 10 | 14 | 13 | | |

All amounts in thousands of US dollars, unless otherwise stated

### (c) Construction in progress

| | 2024 | 2023 |
|---|---|---|
| Sustaining (i) | 144,680 | 93,293 |
| Industrial modernization (ii) | 104,835 | 115,342 |
| Environment and security | 27,242 | 21,726 |
| Expansion of cement production capacity (iii) | 32,329 | 28,378 |
| Other | 996 | 9,096 |
| | 310,082 | 267,835 |

(i) Investments in sustaining made for the acquisition or replacement of industrial machinery and equipment linked to the operation of factories and mines, with the purpose of guaranteeing the continuity of the plants with the application of the same or new technologies.

(ii) Investments in industrial modernization, mainly to obtain financial benefits using new technologies or the optimization of equipment and processes leading to reductions in costs and/or the leveraging of revenue.

(iii) Investments in expansion are mainly related to the construction, growth, or improvement of the Group's assets, aiming to increase the installed capacity, launch new products and enter new markets.

## 18 Intangible assets

### (a) Accounting policies

#### (i) Goodwill

The goodwill is based on expected future profitability arising from business acquisitions. Its initial recognition and subsequent measurement are described in Note 6.3.

Goodwill on business acquisitions is recorded as "Intangible assets" on the balance sheet. The goodwill of associates and joint ventures is recorded as part of "Investments in associates and joint ventures". Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses, in accordance with the accounting policy described in Note 7.2.

Gains or losses on the disposal of a subsidiary or business include the carrying amount of goodwill relating to it.

#### (ii) Rights over natural resources

When the economic feasibility of the mineral reserves is proven, the consideration paid to acquire the mining exploration rights is capitalized.

In the mining operations related to our cement business it is necessary to remove the overburden and other waste materials to access ore. The process of mining overburden and waste materials is referred to as stripping. During the development phase of mine, before production commences, stripping costs are capitalized as intangible assets. During the production phase, and to access new deposits, stripping costs are also capitalized as intangible assets; in all other situations these costs are recognized as part of the inventory.

When the mine becomes operational the cumulative costs capitalized in relation to exploration rights are amortized over the useful life of the mine using units of production or the straight-line method. The capitalized construction costs relating to the plant are recognized in “Machinery, equipment and facilities” under the Property, plant and equipment line item.

#### (iii) Software

The costs of acquiring software are capitalized and amortized using the straight-line method over their useful lives. Costs associated with maintenance are recognized as expenses as incurred. Currently, the Group does not have internal software development projects.

### (iv) Contractual customer relationships and non-compete agreements

Contractual customer relationships and non-compete agreements acquired in a business combination are recognized at fair value at their acquisition date. They have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful life, being 15 years for "customer relationships" and 5 years for "non-compete agreements".

### (v) Asset retirement obligation (ARO)

The Group has decommissioning obligations because of its natural resources' extraction activities. The accounting policies related to the liability side of the asset retirement obligation are disclosed in Note 23.

The decommissioning costs, equivalent to the present value of the obligation (liability), are capitalized as part of the carrying amount of the mining asset. The asset is amortized on a straight-line basis over the remaining useful life of the mine. The Group periodically reviews the useful lives of its mines and the estimated future value necessary for the recovery of the area explored.

### (vi) CO2 emission rights

Some companies of the Group located in Spain and Canada are subject to cap-and-trade schemes regarding greenhouse gas emissions. The emission rights granted free of charge are initially measured at a nominal value of zero.
Emission rights acquired for consideration are accounted for at cost as intangible assets, if they are intended to settle a liability resulting from the cap-and-trade obligations; otherwise, they are classified as inventory. They are not amortized, but subject to consumption and to any write-down in the event of impairment.

Provisions for the obligation to return emission rights are recognized if the actual CO2 emissions up to the reporting date are not covered by emission rights granted free of charge. The provision of such shortfall is measured at the end of each reporting period at the carrying amount of the emission rights already held, and at market value for the additional ones required to cover actual emissions. Such provision, if any, is presented as “Other liabilities” in the balance sheet.

The Group is also subject to carbon tax mechanism in Canada. The above described accounting policy applies equally, with the annual CO2 emissions threshold being assimilated to the annual free given emission rights.

All amounts in thousands of US dollars, unless otherwise stated

## (b) Analysis and changes

| | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|
| | Rights over natural resources | Goodwill | Asset retirement obligation | Customer contracts and agreements | Software | Intangible in progress | Other | Total |
| Balance at the beginning of the year | | | | | | | | |
| Cost | 545,385 | 923,078 | 75,731 | 124,428 | 56,908 | 9,992 | 9,192 | 1,744,714 |
| Accumulated depreciation and depletion | (149,996) | | (44,976) | (86,426) | (47,668) | | (7,660) | (336,726) |
| Net balance | 395,389 | 923,078 | 30,755 | 38,002 | 9,240 | 9,992 | 1,532 | 1,407,988 |
| | | | | | | | | |
| Acquisitions | 2,243 | | | | 4,502 | 14,007 | 23 | 20,775 |
| Companies included in the consolidation (i) | | 162 | | 604 | | | | 766 |
| Amortization and depletion | (19,617) | | (5,373) | (3,510) | (6,634) | | (133) | (35,267) |
| Exchange variations | (14,139) | (24,514) | (2,162) | (72) | (987) | 4,001 | 157 | (37,716) |
| Reclassification to assets held for sale | (4,806) | (74,761) | (51) | | (606) | | | (80,224) |
| Remeasurement of estimates | | | 8,912 | | | | | 8,912 |
| Provision of impairment | 603 | | | | | | | 603 |
| Interest rate update | | | (1,602) | | | | | (1,602) |
| Transfers | 2,073 | | | | 14,001 | (16,383) | 309 | |
| Balance at the end of the year | 361,746 | 823,965 | 30,479 | 35,024 | 19,516 | 11,617 | 1,888 | 1,284,235 |
| | | | | | | | | |
| Cost | 525,905 | 823,965 | 77,935 | 123,435 | 72,182 | 11,617 | 10,653 | 1,645,692 |
| Accumulated amortization and depletion | (164,159) | | (47,456) | (88,411) | (52,666) | | (8,765) | (361,457) |
| Balance at the end of the year | 361,746 | 823,965 | 30,479 | 35,024 | 19,516 | 11,617 | 1,888 | 1,284,235 |
| | | | | | | | | |
| Average annual amortization and depletion rates - % | 3 | | 7 | 7 | 24 | | 19 | |

(i) Refers to the acquisition of a ready-mix business by SMCI's subsidiary, VCNA United Materials LLC.

**All amounts in thousands of US dollars, unless otherwise stated**

| | | | | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|
| | **Rights over natural resources** | **Goodwill** | **Asset retirement obligation** | **Customer contracts and agreements** | **Software** | **Intangible in progress** | **Other** | **Total** |
| Balance at the beginning of the quarter | | | | | | | | |
| Cost | 643,450 | 909,709 | 83,685 | 123,803 | 52,222 | 10,822 | 12,429 | 1,836,120 |
| Accumulated depreciation and depletion | (236,401) | | (34,097) | (81,003) | (42,621) | | (7,138) | (401,260) |
| Net balance | 407,049 | 909,709 | 49,588 | 42,800 | 9,601 | 10,822 | 5,291 | 1,434,860 |
| | | | | | | | | |
| Effect of initial hyperinflation accounting adjustment | | | | | | | | |
| Acquisitions | 8 | | | | 40 | 7,608 | 23 | 7,679 |
| Companies included in the consolidation | | 525 | | 518 | | | | 1,043 |
| Disposals and write offs | (48) | | | | | | (4,010) | (4,058) |
| Amortization and depletion | (8,707) | | (10,386) | (5,363) | (4,564) | | (136) | (29,156) |
| Exchange variations | 7,676 | 12,844 | (3,489) | 47 | 398 | (1,799) | 224 | 15,901 |
| Remeasurement of estimates | | | (1,005) | | | | | (1,005) |
| Reversal (provision) of impairment | (13,856) | | (4,052) | | 47 | | 5 | (17,856) |
| Transfers from property, plant and equipment | | | | | | 580 | | 580 |
| Transfers | 3,267 | | 99 | | 3,718 | (7,219) | 135 | |
| Balance at the end of the quarter | 395,389 | 923,078 | 30,755 | 38,002 | 9,240 | 9,992 | 1,532 | 1,407,988 |
| | | | | | | | | |
| Cost | 545,385 | 923,078 | 75,731 | 124,428 | 56,908 | 9,992 | 9,192 | 1,744,714 |
| Accumulated amortization and depletion | (149,996) | | (44,976) | (86,426) | (47,668) | | (7,660) | (336,726) |
| Balance at the end of the quarter | 395,389 | 923,078 | 30,755 | 38,002 | 9,240 | 9,992 | 1,532 | 1,407,988 |
| | | | | | | | | |
| Average annual amortization and depletion rates - % | 6 | | 7 | 7 | 22 | | 20 | |

All amounts in thousands of US dollars, unless otherwise stated

### (c) Goodwill arising on acquisitions

| | 2024 | 2023 |
|---|---|---|
| North America | 575,211 | 578,888 |
| Europe and Asia | 246,396 | 341,550 |
| Latin America | 2,358 | 2,640 |
| | 823,965 | 923,078 |

## 19 Right-of-use assets and lease agreements

### (a) Accounting policies

The Group maintains controls for the identification of lease agreements that allow the assessment of the applicability of the leasing accounting standard for each contract signed. As permitted by the standard, the following are disregarded from the scope: (i) short-term leases (less than 12 months); and (ii) contracts with values lower than USD 5 thousand. When identifying right-of-use assets within the scope of identified contracts, the following are also disregarded: (i) the variable portion of payments; (ii) contracts in which the lease asset was considered to be non-identifiable; (iii) contracts in which the Group is not entitled to obtain substantially all the economic benefits arising from the use of the asset; and (iv) contracts in which the Group does not have substantial control over the definition of the use of the asset. For leases considered to be out of scope, accounting takes place monthly according to the lease term and directly expensed in the income statement. These expenses are disclosed in Note 27 “Expenses by Nature” under the line item “Rents and leases”.

For contracts considered within the scope of the leasing accounting standard, at the starting date of the contract the Group recognizes a lease liability that reflects the future agreed payments, against a right-of-use asset. The asset is amortized monthly according to the lease term, which is defined based on the combination of the non-cancellable term, term covered by the extension option, term covered by the termination option and, mainly, Management's intention regarding the term permanence in each contract. The liability is adjusted to the present value of the obligation based on the internal rate of the contract or the incremental rate, which should reflect the cost of acquisition by the Group of debt with characteristics like those determined by the lease contract, with regard to term, value, guarantee and economic environment. The liability is settled according to the flow of payments made to the lessor.

The amortization expense for the right-of-use is recorded as part of the cost of the product sold or as an operating expense, depending on the characteristics of use of the leased asset, and the interest expense for updating the present value of the lease liability is recorded in the financial results.

All amounts in thousands of US dollars, unless otherwise stated

### (b) Analysis and changes of right-of-use assets

| | Land and improvements | Machinery and equipment | Buildings | Vehicles | IT equipment | Barges | Total |
|---|---|---|---|---|---|---|---|
| | | | | | | | 2024 |
| Balance at the beginning of the year | | | | | | | |
| Cost | 110,029 | 39,979 | 6,615 | 43,183 | 231 | 164,091 | 364,128 |
| Accumulated depreciation and depletion | (21,835) | (33,507) | (4,041) | (34,029) | (120) | (94,067) | (187,599) |
| Net balance | 88,194 | 6,472 | 2,574 | 9,154 | 111 | 70,024 | 176,529 |
| Additions | 7,901 | 11,840 | 2,390 | 4,871 | | 52,512 | 79,514 |
| Amortization | (6,534) | (9,521) | (1,704) | (4,802) | (49) | (29,679) | (52,289) |
| Disposals | (348) | (498) | | (1,246) | | | (2,092) |
| Reclassification to held for sale | (749) | (755) | (38) | (822) | | | (2,364) |
| Exchange variations | (1,585) | 561 | (46) | (298) | (13) | (3,677) | (5,058) |
| Balance at the end of the year | 86,879 | 8,099 | 3,176 | 6,857 | 49 | 89,180 | 194,240 |
| Cost | 115,505 | 47,340 | 8,888 | 44,146 | 280 | 212,927 | 429,086 |
| Accumulated amortization | (28,626) | (39,241) | (5,712) | (37,289) | (231) | (123,747) | (234,846) |
| Balance at the end of the year | 86,879 | 8,099 | 3,176 | 6,857 | 49 | 89,180 | 194,240 |
| Average annual depreciation rates - % | 16 | 29 | 18 | 23 | 33 | 9 | |

| | Land and improvements | Machinery and equipment | Buildings | Vehicles | IT equipment | Barges | Total |
|---|---|---|---|---|---|---|---|
| | | | | | | | 2023 |
| Balance at the beginning of the year | | | | | | | |
| Cost | 108,347 | 35,899 | 5,573 | 41,467 | 223 | 160,647 | 352,156 |
| Accumulated depreciation and depletion | (17,181) | (24,618) | (3,034) | (30,239) | (55) | (72,585) | (147,712) |
| Net balance | 91,166 | 11,281 | 2,539 | 11,228 | 168 | 88,062 | 204,444 |
| Additions | 1,802 | 4,897 | 833 | 2,556 | | 2,523 | 12,611 |
| Amortization | (5,845) | (9,112) | (860) | (4,627) | (55) | (21,482) | (41,981) |
| Disposals | (263) | (191) | | (26) | | | (480) |
| Exchange variations | 1,334 | (403) | 62 | 23 | (2) | 921 | 1,935 |
| Balance at the end of the year | 88,194 | 6,472 | 2,574 | 9,154 | 111 | 70,024 | 176,529 |
| Cost | 110,029 | 39,979 | 6,615 | 43,183 | 231 | 164,091 | 364,128 |
| Accumulated amortization | (21,835) | (33,507) | (4,041) | (34,029) | (120) | (94,067) | (187,599) |
| Balance at the end of the year | 88,194 | 6,472 | 2,574 | 9,154 | 111 | 70,024 | 176,529 |
| Average annual depreciation rates - % | 16 | 28 | 18 | 22 | 33 | 9 | |

All amounts in thousands of US dollars, unless otherwise stated

## (c) Analysis and changes of lease liabilities

| | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | 183,907 | 218,511 |
| Additions | 79,514 | 12,611 |
| Payments | (68,459) | (53,953) |
| Present value adjustment | 9,537 | 7,768 |
| Disposals | (2,092) | (480) |
| Reclassification to held for sale | (1,505) | |
| Exchange variations | (4,692) | (550) |
| Balance at the end of the year | 196,210 | 183,907 |
| | | |
| Current | 34,465 | 23,324 |
| Non-current | 161,745 | 160,583 |
| | 196,210 | 183,907 |

## 20 Borrowing

### (a) Accounting policies

Borrowings are recognized initially at fair value, net of transaction costs incurred, and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the total amount payable is recognized in the statement of income over the period of the borrowing using the effective interest rate method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognized in statement of income as a financial income or expense.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs directly related to the acquisition, construction or production of a qualifying asset that requires a substantial period to get ready for its intended use or sale are capitalized as part of the cost of that asset when it is probable that future economic benefits associated with the item will flow to the Group and costs can be measured reliably. The other borrowing costs are recognized as finance expenses in the period in which they are incurred.

All amounts in thousands of US dollars, unless otherwise stated

## (b) Analysis and fair value

| | | Current | | Non-current | | Total | | Fair value | |
|---|---|---|---|---|---|---|---|---|---|
| **Type** | **Average annual cost** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
| Eurobonds - USD | 6.35% Fixed USD | 11,743 | 16,329 | 821,639 | 808,844 | 833,382 | 825,173 | 841,812 | 869,648 |
| Syndicated loans / Bilateral agreements | 3.95% Fixed BOB/10.45% Fixed UYU/ 1.64% Fixed EUR/ EURIBOR+1.61% PRÉ TRY 54%/ SOFR TERM + 0,95% | 11,395 | 12,300 | 237,606 | 188,071 | 249,001 | 200,371 | 238,785 | 201,666 |
| Local issuance in Bolivia | 5.46% Fixed BOB | 10,979 | 6,915 | 58,001 | 68,624 | 68,980 | 75,539 | 55,311 | 67,311 |
| Other | | 546 | 551 | | 480 | 546 | 1,031 | 547 | 1,031 |
| | | 34,663 | 36,095 | 1,117,246 | 1,066,019 | 1,151,909 | 1,102,114 | 1,136,455 | 1,139,656 |

| | 2024 | 2023 |
|---|---|---|
| Accrued interest | 14,868 | 19,890 |
| Current portion of long-term borrowing (principal) | 19,795 | 16,205 |
| | 34,663 | 36,095 |

CDOR – Canadian Dollar Offered Rate
BOB – Bolivianos
EUR – Euro
UYU – Uruguayan pesos
USD – United States Dollar
EURIBOR – Euro InterBank Offered Rate
SOFR – Secured Overnight Financing Rate

The fair value of non-current borrowings is based on discounted cash flows using a current market borrowing rate.

## (c) Maturity profile

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031+ | Total |
|---|---|---|---|---|---|---|---|---|
| Eurobonds - USD | 12,665 | | | | | | 829,329 | 841,994 |
| Syndicated loans/Bilateral agreements | 11,913 | 55,535 | 152,980 | 5,400 | 6,220 | 6,302 | 12,757 | 251,107 |
| Local issuance in Bolivia | 10,979 | 12,211 | 21,368 | 12,211 | 12,211 | | | 68,980 |
| Other | 547 | | | | | | | 547 |
| | 36,104 | 67,746 | 174,348 | 17,611 | 18,431 | 6,302 | 842,086 | 1,162,628 |
| % amortized per year | 3.11% | 5.83% | 15.00% | 1.51% | 1.59% | 0.54% | 72.44% | 100.00% |

The balances presented in this note do not reconcile with Note 20 (b) since it excludes the upfront fees.

All amounts in thousands of US dollars, unless otherwise stated

### (d) Changes

| | Note | 2024 | 2023 |
|---|---|---|---|
| Balance at the beginning of the year | | 1,102,114 | 1,086,018 |
| New borrowing | | 858,055 | 131,551 |
| Accrued interest | 30(b) | 78,722 | 69,289 |
| Amortization of borrowing fees, net of additions | | 5,813 | 1,616 |
| Interest paid | | (83,722) | (70,115) |
| Debt renegotiation gain or loss | | 368 | 366 |
| Payments | | (797,718) | (121,449) |
| Exchange variation | | (11,723) | 4,838 |
| Balance at the end of the year | | 1,151,909 | 1,102,114 |

The main movements occurred in borrowings during the period ended on December 31, 2024, are described below:

#### (i) Bond issuance (Voto 34)

In April 2024 the subsidiary SMCI concluded the issuance of a bond amounting to USD 500 million, as described in Note 3.2

#### (ii) Withdraws from the Committed Credit Facility ("CCF")

During the year of 2024 a total amount of USD 342 million was withdrawn from the credit facility CCF. On the other hand, payments were also made for a total of USD 285 million.
The use of the CCF is recurring due to operations seasonality, and as of December 31, 2024, the total amount of USD 210 million was available to the Group for new withdrawals, as detailed in Note 20 (g) below.

#### (iii) Tender Offer (Voto 27)

In April 2024 the subsidiary SMCI carried out a Tender Offer over its bond 2027, resulting in the settlement of USD 220 million of principal due. Refer to Note 3 (b) for more details.

Previously to the Tender Offer, VCI and SMCI had made repurchases of principal amounting to USD 21.5 million and USD 9.5 million, respectively.

#### (iv) Bonds repurchase

During the current period VCI repurchased a total amount of USD 4.9 million of principal of its bond Voto 41, that matures in 2041. The total outstanding balance after this repurchase amounts to USD 329.3 million.

#### (v) Make-Whole Voto 27

On July 2024 SMCI settled the Make-Whole transaction for the bond Voto 27, resulting in a total disbursement of USD 229 million of principal.

### (e) Analysis by currency

| | Current | | Non-current | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| US Dollar | 12,038 | 16,329 | 911,639 | 808,844 | 923,677 | 825,172 |
| Euro | 1,012 | 1,158 | 109,583 | 116,456 | 110,595 | 117,614 |
| Boliviano | 13,807 | 9,755 | 79,994 | 93,328 | 93,801 | 103,083 |
| Canadian dollar | 547 | 669 | | 34,388 | 547 | 35,057 |
| Uruguayan peso | | 8,184 | 16,030 | 13,003 | 16,030 | 21,188 |
| Turkish Lira | 7,259 | | | | 7,259 | |
| | 34,663 | 36,095 | 1,117,246 | 1,066,019 | 1,151,909 | 1,102,114 |

All amounts in thousands of US dollars, unless otherwise stated

### (f) Guarantees

As of December 31, 2024, USD 1,026,825 (December 31, 2023 – USD 1,003,448) of the borrowings balance of the Group was guaranteed by sureties from related parties, as shown in Note 15 (c), while USD 25,759 (December 31, 2023 – USD 27,543) was collateralized by liens on property, plant and equipment items and mortgage, and there are no bank guarantees.

### (g) Credit line

| Credit line | Company | Date | Maturity | Credit limit | Withdrawn amount | Remainder amount |
|---|---|---|---|---|---|---|
| Global Revolving Credit Facility | VCSA/VCI/VCEAA/SMCI | Sept.21 | Sept.26 | 250,000 | | 250,000 |
| Committed Credit Facility | VCI/VCEAA/SMCI | June.22 | June.27 | 300,000 | (90,000) | 210,000 |
| | | | | 550,000 | (90,000) | 460,000 |

The amounts withdrawn in Canadian dollar consider the exchange rate as at the withdrawal dates.

Up to the authorization date of these financial statements, the Group withdrew an additional CAD 86 million (USD 59.8 million) and USD 76 million of the available credit balance presented above.

## 21 Confirming payables

### (a) Accounting policies

The Group has entered into agreements with financial institutions to allow suppliers in domestic and international markets to advance their receivables (“reverse factoring programs”). In these transactions, suppliers transfer the right to receive payments from the sales of goods to the financial institutions and, in return, receive the funds in advance from the financial institution, discounted by a fee charged directly by the bank at the time of transfer, which in turn becomes the creditor of the operation. Regardless of these agreements with financial institutions, commercial terms are always agreed between the Company, its subsidiaries, and the supplier. These programs allow suppliers to manage the liquidity of their receivables more efficiently and also contribute to the Company's operational cash flow cycle.

As part of the normal course of its business, the Company also receives notifications from its suppliers requesting the assignment of credit to various financial institutions for the purpose of advancing their receivables (discounting receivables). When notified, the Company makes payment of the invoices directly to the financial institutions under the exact terms and conditions agreed with the supplier. These cases, not covered by the contractual framework defined by the confirming payables programs, are not highlighted in this accounting classification and are presented under the suppliers' line item.
The confirming payables programs do not result in a substantial modification of the original liabilities to suppliers, and therefore, payments of these invoices are presented as cash outflows within the operational activities group in the statement of cash flows, equivalent to accounts payable to suppliers.

The reverse factoring programs are entered into without guarantees provided by the Company.

### (b) Analysis

| Deadline | 2024 | 2023 |
|---|---|---|
| Up to 180 days | 53,325 | 56,044 |
| Up to 360 days | 146,641 | 205,429 |
| | 199,966 | 261,473 |

(i) The amount of USD 141,794 as of December 31, 2023, related to risk programs contracted in the external market, has been reclassified from the "up to 180 days" maturity category to the "up to 360 days" category. This reclassification follows a review conducted by the Group to ensure consistency with the current fiscal year's classification of this program.

All amounts in thousands of US dollars, unless otherwise stated

Of the amounts presented above, referring to liabilities for risk programs withdrawn, on December 31, 2024, financial institutions had advanced the amount of USD 171,608 (December 31, 2023 - USD 235,992) to suppliers. The entire balance of the Parent Company was advanced to suppliers by financial institutions.

In the variation in accounting balances during the year 2024 presented above, there were no material events involving non-cash transactions, except for the exchange variation of liabilities in a currency other than the functional currency of the respective entity, which represented USD 18,346 (December 31, 2023 – (USD 6,205)).

A substantial part of the programs is maintained with a few financial institutions with which the Group maintains relationships.

### (c) Range of payment terms

The table below presents the range of payment terms (in number of days) for suppliers with reverse factoring programs and for comparable suppliers. The values in the range show the shortest and longest terms for each category of suppliers.

| | | December,31 2024 |
|---|---|---|
| | Trade payables | Confirming payables |
| Payables | 15-120 | 30-360 |

All amounts in thousands of US dollars, unless otherwise stated

## 22 Current and deferred income taxes

### (a) Accounting policies

The current and deferred taxes on income are calculated based on the tax laws enacted or substantively enacted up to balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulations are subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

The current income tax is presented net, separated by taxpaying entity, in liabilities when there are amounts payable, or in assets when the amounts prepaid exceed the total amount due at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right and an intention to offset them in the calculation of current taxes, generally when they are related to the same legal entity and the same taxation authority. Accordingly, deferred tax assets and liabilities in different entities or in different countries are generally presented separately, and not on a net basis.
Deferred tax liabilities are recognized as temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred taxes are determined based on the rates in effect at the reporting date and that should be applied when they are realized or settled.

The Group also recognizes deferred income tax assets on recoverable balances of tax losses. Deferred tax assets are periodically analyzed to check their recoverability, as described in Note 7.4.

### (b) Reconciliation of income taxes expenses

The income tax amounts presented in the statement of income for the periods ended December 31, 2024 and 2023 are reconciled as follows:

| | 2024 | 2023 Re-presented (Note32) |
|---|---|---|
| Profit (loss) before taxes | 282,671 | 266,008 |
| Standard rate | 24.94% | 24.94% |
| Income tax at standard rates | (70,498) | (66,342) |
| | | |
| Adjustments for the calculation of income tax at effective rate | | |
| Tax losses without recognition of deferred tax assets | 4 | (5,832) |
| Hyperinflation tax adjustment | 14,421 | 59,092 |
| Share of net profit of associates and joint ventures | 6,011 | 2,493 |
| Deductible temporary differences without recognition of deferred tax assets | 1,896 | 1,896 |
| Recognition of deferred tax asset on unused tax losses (i) | 14,539 | 70,843 |
| State income tax expense | (12,652) | (19,008) |
| Withholding tax | 799 | (6,788) |
| Rate differences of foreign companies | (2,474) | (18,715) |
| Other non taxable / (deductible) items | (3,473) | (1,061) |
| Income tax | (51,427) | 16,578 |
| Current | (31,014) | (40,005) |
| Deferred | (20,413) | 56,583 |
| Income tax in the income statement | (51,427) | 16,578 |

The Group falls within the scope of Pillar Two model rules as published by the OECD (Organization for Economic Co-operation and Development) which aims to implement a global minimum tax of 15%. In the jurisdictions where the Group operates, Pillar Two legislation was adopted and enacted in Luxembourg, Turkey and Canada, effective from 1 January 2024. Additionally, draft legislation has been introduced in Spain and Brazil, with final approval expected by the end of 2024.

All amounts in thousands of US dollars, unless otherwise stated

The Group has assessed the potential exposure arising from Pillar Two legislation. Based on the assessment made with the financial data ended 31 December 2024, it is expected that most jurisdictions will not be subject to top-up tax, due to qualifying for one of the three transitional safe harbors rules prescribed in the guidelines

### (c) Analysis of deferred tax balances

| | 2024 | 2023 |
|---|---|---|
| Tax credits on tax losses | 118,912 | 169,008 |
| Market value adjustment and hyperinflation | 38,793 | 40,506 |
| Investment tax credit (ITC) | 39,378 | 36,544 |
| Ontario (CA) minimum tax | 8,091 | 7,900 |
| Provision for social security obligations | 4,086 | 7,123 |
| Pension plan | 6,638 | 6,501 |
| Provision for inventory losses | 6,839 | 5,995 |
| Deductions - Moroccan and Spain law (Government benefit) | 2,399 | 2,641 |
| Allowance for doubtful accounts | 1,157 | 1,008 |
| Asset retirement obligation | 5,288 | 793 |
| Provision for indemnities | 326 | 370 |
| Provision for legal claims | 169 | 324 |
| Provision for taxes under litigation | 2,450 | 13 |
| Other credits | 16,491 | 13,690 |
| Tax debts on temporary differences | | |
| Adjustment to useful life of property, plant and equipment (depreciation) | (229,907) | (228,298) |
| Fair value uplift on property, plant and equipment | (37,050) | (55,146) |
| Other debts | (373) | (693) |
| Net | (16,313) | 8,279 |
| Net deferred tax assets of the same legal entity | 133,673 | 161,949 |
| Net deferred tax liabilities of the same legal entity | (149,986) | (153,670) |

### (d) Effects of deferred income taxes on the statement of income and other comprehensive income

| | 2024 | 2023 |
|---|---|---|
| | | Re-presented (Note 32) |
| **Balance at the beginning of the year** | 8,279 | (53,149) |
| Effect on income - continuing operations | (20,413) | 56,583 |
| Effect on income - discontinued operations | | 871 |
| Effect of exchange variations on other components of comprehensive income | (12,866) | 3,769 |
| Actuarial losses/gains and measurements with retirement benefits | 272 | 1,770 |
| Held for sale | 6,764 | |
| Other | 1,651 | (1,565) |
| **Balance at the end of the year** | (16,313) | 8,279 |

All amounts in thousands of US dollars, unless otherwise stated

## (e) Income tax losses

As at December 31, 2024, the Group has income tax losses in various countries where it has activities some of which have deferred tax assets recognized. The table below presents the existing income tax losses per country.

| | | | | 2024 | 2023 |
|---|---|---|---|---|---|
| Country | | Tax losses with deferred tax asset recognized | Tax losses without deferred tax asset | Total tax losses | Total tax losses |
| Europe and Asia | | | | | |
| | Spain | 187,233 | 315,975 | 503,208 | 515,227 |
| | Turkey | 28,892 | | 28,892 | 35,350 |
| North America | | | | | |
| | Canada | 157,716 | 32,163 | 189,879 | 252,330 |
| | US | 89,403 | | 89,403 | 206,054 |
| Holding | | | | | |
| | Luxembourg | | 305,461 | 305,461 | 288,200 |
| | | 463,244 | 653,599 | 1,116,843 | 1,297,161 |

The recoverability of the deferred tax assets recognized is evaluated annually, based on the expectation of future taxable profits. Assets are recognized only for the portion of the tax losses for which there are projections of utilization within a term consistent with Management's operational projections. The utilization of the currently recorded deferred tax assets on tax losses is expected to occur as follows:

| | 2024 |
|---|---|
| Next 12 months | 36,569 |
| After 12 months | 82,343 |
| | 118,912 |

For the income tax losses for which no deferred tax assets has been recognized, they represent a potential tax benefit for the Group, as follows:

| | 2024 | 2023 |
|---|---|---|
| Unused tax losses for which no deferred tax asset has been recognized | 615,515 | 620,415 |
| Potential tax benefit 24,94% | 153,509 | 154,731 |

From the total amount of unused tax losses above, USD 305 million have an expiration limit up to 17 years (December 31, 2023 – USD 288 million). The remainder balance of USD 348 million can be carried forward indefinitely.

## (f) Other tax credits

| | | | | 2024 | 2023 |
|---|---|---|---|---|---|
| Country | | Other tax credits with deferred tax asset recognized | Other tax credits without deferred tax asset | Total other tax credits | Total other tax credits |
| Offsetting tax due | | | | | |
| Europe and Asia | | | | | |
| | Spain | 432 | 2,900 | 3,332 | 4,721 |
| | Turkey | 1,901 | 4,065 | 5,966 | 2,276 |
| North America | | | | | |
| | Canada | 47,380 | 37,973 | 85,353 | 98,715 |
| Offsetting taxable income | | | | | |
| North America | | | | | |
| | Canada | 4,101 | | 4,101 | 4,410 |
| | | 53,814 | 44,938 | 98,753 | 110,122 |

## 23 Provision

### (a) Accounting policies

#### (i) Provision for legal claims relating to tax, civil, labor and environmental claims

Provision for legal claims is recognized when: (i) the Group or any of its subsidiaries has a present legal or constructive obligation because of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount can be reliably estimated.

The losses classified as possible are not recorded on the balance sheet but are disclosed in the explanatory notes. The contingencies for which losses are classified as remote are not provisioned nor disclosed, except when the Group considers its disclosure justified, due to the visibility of the process. The classification of losses as possible, probable or remote is supported by the advice of the Group's legal advisors.

Provision is measured at the present value of the expenditures expected to be required to settle the obligation that reflects current market assessments of the time value of money and the risks specific to the obligation, and these variations are recognized in the statement of income. Provision does not include future operating losses.

#### (ii) Asset retirement obligations (ARO)

The measurement of asset retirement obligations involves the use of judgment to make various assumptions. From an environmental point of view, this relates to future obligations to restore/recover the environment to conditions ecologically like those existing at the moment when the project was initiated, or to take compensatory measures in agreement with government agencies due to the impossibility of return to these pre-existing conditions. These obligations arise from the environmental deterioration of the occupied area, subject to the operations, or from formal commitments assumed with the environmental agencies, under which the deterioration must be compensated. The retirement of an asset occurs when it is permanently retired, through stoppage, sale or disposal.

Obligations consist mainly of costs associated with the termination of activities. As asset retirement obligations are long-term obligations, they are adjusted to their present value by using a discount rate. The asset retirement cost, equivalent to the present value of the obligation (liability), is capitalized as part of the carrying amount of the asset, which is depreciated over its useful life. The accounting policies related to the asset counterpart of the asset retirement obligation are disclosed in Note 18.

The interest rate used to discount the asset retirement obligation to its present value is estimated through the American market free risk rate (Treasury USA 30y Yield) adding the country risk and inflation differential. The liability recorded is periodically updated based on these discount rates, which are annually reviewed by the Group.

All amounts in thousands of US dollars, unless otherwise stated

### (b) Analysis and changes

| | | | | | 2024 |
|---|---|---|---|---|---|
| | | | Legal claims | | |
| | ARO (i) | Tax | Civil | Labor | Total |
| Balance at the beginning of the year | 42,072 | 4,790 | 706 | 64 | 47,632 |
| Additions | | (97) | 33 | | (64) |
| Reversals | | 27 | | | 27 |
| Settlements | (8,327) | (2,416) | (39) | | (10,782) |
| Exchange variation | (3,430) | (162) | (52) | | (3,644) |
| Reclassification to held for sale | (560) | | | | (560) |
| Estimate remeasurement charged to intangible assets | 8,912 | | | | 8,912 |
| Estimate remeasurement charged/(credited) to income statement | (3,242) | | | | (3,242) |
| Present value adjustment | 2,744 | | | | 2,744 |
| Balance at the end of the year | 38,169 | 2,142 | 648 | 64 | 41,023 |

(i) Asset Retirement Obligation.

| | | | | | 2023 |
|---|---|---|---|---|---|
| | | | Legal claims | | |
| | ARO (i) | Tax | Civil | Labor | Total |
| Balance at the beginning of the year | 60,440 | 4,765 | 725 | 64 | 65,994 |
| Additions | 2,712 | | 79 | | 2,791 |
| Reversals | | (98) | (98) | | (196) |
| Settlements | (7,789) | | | | (7,789) |
| Exchange variation | 579 | 123 | | | 702 |
| Estimate remeasurement charged to intangible assets | (1,005) | | | | (1,005) |
| Estimate remeasurement charged/(credited) to income statement | (16,429) | | | | (16,429) |
| Present value adjustment | 3,564 | | | | 3,564 |
| Balance at the end of the year | 42,072 | 4,790 | 706 | 64 | 47,632 |

### (c) Lawsuits with likelihood of loss considered possible

| | 2024 | 2023 |
|---|---|---|
| Civil | 181 | 190 |
| Tax | 4,031 | 4,445 |
| Other | 846 | 838 |
| | 5,058 | 5,473 |

The Group is party to lawsuits with expectation of loss classified as less than 51% likelihood, and for which the recognition of a provision is not considered necessary by the Management Board, based on legal advice.

## 24 Post-employment obligations

The Group operates various post-employment schemes, including both defined benefit and defined contribution and post-employment medical plans.

### (a) Accounting policies

#### (i) Pension obligations

The liability or asset recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate or government bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of income.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of income as past service costs.

Past service costs are recognized immediately in the statement of income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, past service costs are amortized on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

All amounts in thousands of US dollars, unless otherwise stated

### (ii) Other post-employment obligations

Some Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

### (b) Analysis – defined benefit pension plans and other obligations

The table below shows how the balances and activities related to post-employment defined benefits are allocated in the Group's financial statements. The obligation of each plan is offset with its respective plan assets, so that the balances are presented as a net asset for the plans presenting a surplus, and as a net liability for those in deficit.

| | 2024 | 2023 |
|---|---|---|
| Rights recorded in the balance sheet | | |
| Defined pension benefits | 15,085 | 16,655 |
| Assets recorded in the balance sheet | 15,085 | 16,655 |
| | | |
| Obligations recorded in the balance sheet | | |
| Defined pension liabilities | 10,948 | 14,672 |
| Post-employment healthcare benefits | 29,790 | 40,212 |
| Liabilities recorded in the balance sheet | 40,738 | 54,884 |
| | | |
| Income statement charge included in operating profit | | |
| Defined pension liabilities | 320 | 1,817 |
| Post-employment healthcare benefits | 2,348 | 2,896 |
| | 2,668 | 4,713 |
| | | |
| Remeasurement | | |
| Defined benefits - gross balance | (524) | (3,742) |
| Deferred income tax and social contribution | 388 | 1,327 |
| Post-employment healthcare benefits | 1308 | (2,131) |
| Defined pension liabilities - net balance | 1,172 | (4,546) |

The Group operates a defined benefit pension plan in the operating segments of North America, Latin America and Europe and Asia, based on employee pensionable remuneration and length of service. Most of the plans are externally funded, with the plan assets being held in trusts, foundations or similar entities, governed by local regulations and practice in each country.

The Group also operates post-employment medical benefits. The method of accounting, assumptions and frequency of valuations are like those used for the defined benefit pension plans. Most of these plans are not funded.

All amounts in thousands of US dollars, unless otherwise stated

The following table presents the funded and unfunded obligations at balance sheet date:

| | 2024 | 2023 |
|---|---|---|
| Present value of funded obligations | 101,631 | 111,434 |
| Fair value of plan assets | (116,715) | (128,062) |
| Funded plans surplus | (15,084) | (16,628) |
| Present value of non-funded obligations | 40,738 | 54,857 |
| Total deficit of defined benefit pension plans | 25,654 | 38,229 |
| Net liabilities in the balance sheet | 25,654 | 38,229 |

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

| | Present value of obligation | Fair value of plan assets | Total |
|---|---|---|---|
| As at January 1, 2024 | 166,291 | (128,062) | 38,229 |
| Current service cost | 1,381 | | 1,381 |
| Financial expense (income) | 6,955 | (5,197) | 1,758 |
| Past service cost and curtailments | (470) | | (470) |
| Loss on settlements | | | |
| | 7,866 | (5,197) | 2,669 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest income | | (3,934) | (3,934) |
| Gains arising from changes in financial assumptions | 818 | | 818 |
| Experience gains | (953) | | (953) |
| | (135) | (3,934) | (4,069) |
| Exchange differences | (11,311) | 9,334 | (1,977) |
| Contributions | | | |
| Employers | | 959 | 959 |
| Plan payments | | | |
| Benefit payments | (12,088) | 10,184 | (1,904) |
| Held for trading reclassification | (10,937) | | (10,937) |
| As at December 31, 2024 | 139,686 | (116,716) | 22,970 |

All amounts in thousands of US dollars, unless otherwise stated

| | Present value of obligation | Fair value of plan assets | Total | Impact of minimum funding requirement/ asset ceiling | Total |
|---|---|---|---|---|---|
| As at January 1, 2023 | 155,551 | (126,752) | 28,799 | 104 | 28,903 |
| Current service cost | 2,371 | | 2,371 | | 2,371 |
| Financial expense (income) | 8,156 | (5,982) | 2,174 | | 2,174 |
| Past service cost and curtailments | 49 | | 49 | | 49 |
| Loss on settlements | 119 | | 119 | | 119 |
| | 10,695 | (5,982) | 4,713 | | 4,713 |
| Remeasurements | | | | | |
| Return on plan assets, excluding amounts included in interest income | | (4,835) | (4,835) | | (4,835) |
| Gains arising from changes in financial assumptions | 6,435 | | 6,435 | | 6,435 |
| Experience gains | 4,377 | | 4,377 | | 4,377 |
| Change in asset ceiling, excluding amounts included in interest expenses | 533 | (533) | | (104) | (104) |
| | 11,345 | (5,368) | 5,977 | (104) | 5,873 |
| Exchange differences | 3,065 | (2,815) | 250 | | 250 |
| Contributions | | | | | |
| Employers | | 2,623 | 2,623 | | 2,623 |
| Plan payments | | | | | |
| Benefit payments | (14,366) | 10,233 | (4,133) | | (4,133) |
| As at December 31, 2023 | 166,291 | (128,062) | 38,229 | | 38,229 |

All amounts in thousands of US dollars, unless otherwise stated

The categories of plan assets are as follows:

| | 2024 | 2023 |
|---|---|---|
| Stock | | |
| Global market | 23,876 | 23,876 |
| Emerging markets | 12,002 | 12,002 |
| Public securities | | |
| Bonds | 81,351 | 91,161 |
| Cash | 584 | 638 |
| | 117,813 | 127,677 |

The following table shows a breakdown of the defined benefit obligation and plan assets by operating segment:

| | | | | 2024 |
|---|---|---|---|---|
| | Europe | North America | Latin America | Total |
| Present value of obligations | | 101,631 | | 101,631 |
| Fair value of plan assets | | (116,716) | | (116,716) |
| Funded plans surplus | | (15,085) | | (15,085) |
| Present value of non-funded obligations | 2,365 | 37,759 | 614 | 40,738 |
| Total deficit of defined benefit pension plans | 2,365 | 22,674 | 614 | 25,653 |
| Liabilities in the balance sheet | 2,365 | 22,674 | 614 | 25,653 |

| | | | | 2023 |
|---|---|---|---|---|
| | Europe and Asia | North America | Latin America | Total |
| Present value of obligations | 412 | 111,022 | | 111,434 |
| Fair value of plan assets | (385) | (127,677) | | (128,062) |
| Funded plans obligation | 27 | (16,655) | | (16,628) |
| Present value of non-funded obligations | 14,016 | 40,063 | 778 | 54,857 |
| Total deficit of defined benefit pension plans | 14,043 | 23,408 | 778 | 38,229 |
| Liabilities in the balance sheet | 14,043 | 23,408 | 778 | 38,229 |

The main actuarial assumptions used were as follows:

| | | | | 2024 |
|---|---|---|---|---|
| | Europe and Asia | North America | Latin America | Total |
| Discount rate | 27.70% | 4.84% | 7.41% | 13.32% |
| Inflation rate | 24.90% | 2.00% | 5.49% | 10.80% |
| Expected return on plan assets | | | | |
| Salary growth rate | 24.90% | 2.50% | 3.41% | 10.27% |

| | | | | 2023 |
|---|---|---|---|---|
| | Europe and Asia | North America | Latin America | Total |
| Discount rate | 10.20% | 4.93% | 7.71% | 7.61% |
| Inflation rate | 6.89% | 2.00% | 5.11% | 4.67% |
| Expected return on plan assets | | | | |
| Salary growth rate | 9.64% | 2.50% | 3.71% | 5.28% |

The assumptions relating to mortality experience are set based on the advice of actuaries in accordance with published statistics and experience in each territory. The mortality assumptions are based on the following tables of post-retirement mortality:

• Uruguay: GAM 1983;
• Turkey: TUIK 2015; and
• North America: CPM-B.

**All amounts in thousands of US dollars, unless otherwise stated**

Considering that the post-employment benefits (pension and medical) of the North American segment is the most relevant, a sensitivity analysis was performed for this operating segment only. The results are as follows:

| | | | Impact on defined benefits |
|---|---|---|---|
| | Change in assumptions | Increase in assumptions | Decrease in assumptions |
| Discount rate | 0.50% | Decrease of 4,91% | Increase of 5,39% |
| Salary growth rate | 0.50% | Increase of 0,30% | Decrease of 0,29% |
| | | Increase in assumption by one year | Decrease in assumption by one year |
| Life expectancy | | Increase of 3,10% | Increase of 3,05% |

The above sensitivity analysis is based on changes in individual assumptions while keeping all other assumptions unchanged. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated using the projected unit credit method at the end of the reporting period) has been applied similarly to the calculation of the pension liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

### (c) Analysis – defined contribution plans

During the year 2024 the Group incurred a total expense of USD 25,512 with defined contribution plans (December 31, 2023 USD 25,454), recognized as employee benefit expense (Note 28).

## 25 Shareholders' equity

### (a) Accounting policies

#### (i) Share capital and share premium

Common shares are classified as shareholder's equity. Each time a share premium is paid to the Company for an issued share, the respective share premium is allocated to the share premium reserve account. Each time the repayment of a share premium is decided, such repayment shall be done pro-rata to the existing shareholders. Shareholders' contributions can also be made without the issuance of shares.

#### (ii) Distribution of dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

#### (iii) Other comprehensive income

Other comprehensive income includes:

(i) The effective portion of the cumulative net change in the fair value of the hedging instruments used in the cash flow hedge until the recognition of the hedged cash flows;

(ii) Cumulative translation adjustments on exchange differences arising from the translation of financial statements of foreign operations, which includes the adjustments resulting from hyperinflation accounting;

(iii) The effective portion of exchange differences on the Group's net investment hedge in a foreign operation;

(iv) Actuarial losses (gains) and measurement of retirement benefits according to Note 24.

(v) The share of the Group in the other comprehensive income (loss) of the associates and joint ventures entities.

#### (iv) Consolidated reserves

Consolidated reserves include an equity reserve that resulted from the application of the predecessor accounting principles, as described in the notes A3.2 and C2.1 to the consolidated financial statements for the year ended December 31, 2019.

### (b) Share capital and share premium

As of December 31, 2024, the Company's fully subscribed and paid-up capital is USD 99,915, consisting of 99,915,432 common shares.

As of December 31, 2024, the amount of share premium is USD 1,314,892 (December 31, 2023, USD 1,621,892) decreasing by USD 307 million during the period. Refer to Note 3.3 for additional details.

All amounts in thousands of US dollars, unless otherwise stated

## (c) Other comprehensive income attributable to the owners of the Company

| | Currency exchange differences on translation of foreign operations | Hedge of net investments | Remeasurement of retirement benefits | Other comprehensive income | Total |
|---|---|---|---|---|---|
| At January 1, 2023 | (840,929) | (47,660) | 9,955 | (79) | (878,713) |
| Ongoing inflation adjustment for hyperinflationary economies - subsidiary | 1,112 | | | | 1,112 |
| Ongoing inflation adjustment for hyperinflationary economies - associates | 116,760 | | | | 116,760 |
| Currency translation adjustment - continuing operations | (126,556) | | | | (126,556) |
| Currency translation adjustment - discontinued operations | (89) | | | | (89) |
| Hedge accounting of net investment in foreign operations | | 9,694 | | | 9,694 |
| Interest in other comprehensive income of investees | | | | (1,423) | (1,423) |
| Remeasurement of retirement benefits | | | (3,773) | | (3,773) |
| Other comprehensive income | | | | (52) | (52) |
| At December 31, 2023 | (849,702) | (37,966) | 6,182 | (1,554) | (883,040) |
| | | | | | |
| At January 1, 2024 | (849,702) | (37,966) | 6,182 | (1,554) | (883,040) |
| Ongoing inflation adjustment for hyperinflationary economies - subsidiary | 32,986 | | | | 32,986 |
| Ongoing inflation adjustment for hyperinflationary economies - associates | 122,517 | | | | 122,517 |
| Currency translation adjustment - continuing operations | (141,312) | | | | (141,312) |
| Currency translation adjustment - discontinued operations | 3,804 | | | | 3,804 |
| Hedge accounting of net investment in foreign operations | | (32,673) | | | (32,673) |
| Remeasurement of retirement benefits | | | 1,053 | | 1,053 |
| Other comprehensive income | | | | 490 | 490 |
| At December 31, 2024 | (831,707) | (70,639) | 7,235 | (1,064) | (896,175) |

All amounts in thousands of US dollars, unless otherwise stated

## 26 Net revenue from products sold and services rendered

### (a) Accounting policies

Revenue is determined based on the amount that the Group expects to receive from the sale of products and services rendered in the normal course of the business, less expected losses, and less any events that may impact the measurement of the transaction amount. Revenue is shown net of value added tax, returns, rebates and discounts and after eliminating sales among consolidated companies.

The Group recognize revenue when: (i) there is a contract and/or any agreement for the Group to satisfy a performance obligation; (ii) the contract performance obligation is identifiable; (iii) the amount of revenue can be reliably measured and it can be allocated to each performance obligation; (iv) it is probable that future economic benefits will result from the transaction; (v) the performance obligations agreed with the counterparty are fulfilled and control over the goods or services is transferred to the counterparty; and (vi) specific criteria have been met for each of the activities of the Group. The general practice of the Group is to recognize the revenue, and the associated costs, upon delivery of the products or rendering of services to its customers, or when the control is transferred to the customer:

(i) Contracts with customers related to the sale of cement, aggregates, mortar and other include the performance obligation to deliver products to the customer. Thus, revenue is recognized when the performance obligation is fulfilled, i.e., at a point of time when the product is delivered to the customer.

(ii) Concrete pouring services include the performance obligation to deliver ready-mix concrete according to specifications in relation to concrete resistance levels specified in the contract. Revenue is recognized when the performance obligation is fulfilled over time upon actual delivery of ready-mix concrete to the customer.

A contract liability is recognized when the Group has an obligation to transfer products or services to a customer from whom the consideration has already been received. The recognition of the contractual liability occurs at the time when the consideration is received and settled when the entity complies with the performance obligation, against Revenue. Such contract liabilities are presented as advances from customers.

For some contracts with customers, the Group provides retrospective volume rebates, which are settled in the form of cash or products to be delivered free of charge to said customers when certain established purchase volumes are reached. The Group applies the expected value method to estimate the variable consideration in the contract. The Group then applies the requirements on constraining estimates of variable consideration to determine the amount of variable consideration that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the expected future rebates (i.e., the amount not included in the transaction price), according to the amount that the entity estimates to deliver to the customer. The Group bases its estimates on past history, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

### (b) Net revenue by product line

| | 2024 | 2023 |
|---|---|---|
| | | Re-presented (Note 32) |
| Revenue from product sales | 2,531,732 | 2,639,463 |
| Revenue from services | 31,176 | 9,250 |
| | 2,562,908 | 2,648,713 |
| Taxes on sales and services | (3,277) | (3,190) |
| Net revenue | 2,559,631 | 2,645,523 |

All amounts in thousands of US dollars, unless otherwise stated

### (c) Analysis

| | 2024 | 2023 |
|---|---|---|
| | | Re-presented (Note 32) |
| Cement | 1,433,445 | 1,390,692 |
| Ready-mix | 777,524 | 853,063 |
| Aggregates | 139,549 | 133,085 |
| Other | 209,113 | 268,683 |
| | 2,559,631 | 2,645,523 |

## 27 Expenses by nature

### (a) Accounting policies

The Company classifies all expenses related to the cost of goods sold and services rendered, as well as operating expenses (selling, general, and administrative), according to their nature. These expenses are recognized based on the nature of the transactions or events that originate them, in accordance with accounting criteria.

### (b) Analysis

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | | Re-presented (Note 32) |
| Raw materials and consumables used | | 319,958 | 352,083 |
| Employee benefit expenses | 28(b) | 452,912 | 440,814 |
| Fuel costs | | 218,388 | 316,234 |
| Freight costs | | 322,582 | 360,339 |
| Depreciation, amortization and depletion | 18,19 and 20 | 257,196 | 229,200 |
| Maintenance and upkeep | | 160,057 | 158,585 |
| Electric power | | 121,163 | 107,383 |
| Services, miscellaneous | | 148,376 | 149,448 |
| Taxes, fees and contributions | | 33,665 | 32,452 |
| Packaging materials | | 13,757 | 13,890 |
| Rents and leases | | 16,209 | 17,823 |
| Insurance | | 13,886 | 14,057 |
| Technology and communication | | 25,704 | 14,368 |
| Other expenses | | 106,133 | 112,617 |
| | | 2,209,986 | 2,319,293 |
| | | | |
| **Reconciliation** | | | |
| Cost of goods sold and services rendered | | 2,006,184 | 2,134,622 |
| Selling expenses | | 61,004 | 57,186 |
| General and administrative expenses | | 142,798 | 127,485 |
| | | 2,209,986 | 2,319,293 |

All amounts in thousands of US dollars, unless otherwise stated

## 28 Employee benefit expenses

### (a) Accounting policies

Provision is recognized for the expenses related to employee profit sharing. This provision is calculated based on qualitative and quantitative targets established by Management and is recorded as "Employee benefits", in the statement of income.

### (b) Analysis

| | 2024 | 2023<br>Re-presented<br>(Note 32) |
|---|---|---|
| Direct remuneration | 326,577 | 319,427 |
| Social changes | 97,585 | 88,415 |
| Benefits | 570 | 3,345 |
| Pension plans, defined contribution | 25,512 | 25,454 |
| Pension plans, defined benefit | 2,668 | 4,173 |
| | 452,912 | 440,814 |

### (c) Staff number by category:

| | 2024 | 2023 |
|---|---|---|
| Management | 218 | 209 |
| Technical personnel and middle management | 830 | 805 |
| Administrative personnel | 574 | 578 |
| Factory workers | 3,421 | 3,426 |
| | 5,043 | 5,018 |

## 29 Other operating income (expenses), net

### (a) Accounting policies

The Company classifies other operating income and expenses as items with natures that do not fall under the traditional classifications of sales revenue, cost of goods sold and services rendered, or operating expenses (selling, general, and administrative). These income and expenses are recognized based on the nature of the transactions or events that originate them, and accounting criteria.

### (b) Analysis

| | 2024 | 2023<br>Re-presented<br>(Note 32) |
|---|---|---|
| Impairment provision for PP&E, intangible and RoU assets, net of reversals | 603 | 10,693 |
| Gain on sales of PP&E and intangible assets, net | 15,215 | 1,536 |
| Income from rents and leases | 6,552 | 2,803 |
| Inventory obsolescence | (3,757) | (1,340) |
| GRIR write off | 2,721 | 2,372 |
| Insurance refund | 2,431 | 1,523 |
| Exploration costs | (2,454) | (2,673) |
| Sales tax | 644 | 1,381 |
| Provision for Co2 emission rights, net of reversals | 1,739 | 3,473 |
| ARO estimate remeasurement | 813 | 119 |
| Other operating income (expenses) | 10,086 | 13,700 |
| | 34,593 | 33,587 |

All amounts in thousands of US dollars, unless otherwise stated

## 30 Financial income (expense)

### (a) Accounting policies

The Group's finance income and expense comprise:

(i) Interest income;
(ii) Interest expenses;
(iii) Net gains/losses on the disposal of available for sale financial assets;
(iv) Net gains/losses on financial assets at fair value through profit or loss;
(v) Net gains/losses on foreign exchange variations on financial assets and liabilities;
(vi) Fair value losses on contingent consideration classified as financial liability;
(vii) Impairment of financial assets (other than trade receivables);
(viii) Net gains/losses on hedge instruments which are recognized in profit or loss;
(ix) Certain reclassifications of net gains/losses previously recognized in other comprehensive income; and
(x) Costs to repurchase/prepay borrowings;

Interest income and expense are recognized in the statement of income using the effective interest rate.

### (b) Analysis

| | Note | 2024 | 2023 |
|---|---|---|---|
| | | | Re-presented (Note 32) |
| Financial income | | | |
| A/R securitization fees income | | 7,807 | 11,156 |
| Derivative financial instruments | | 647 | 7,113 |
| Income from financial investments | | 10,343 | 5,541 |
| Interest on financial assets | | 3,647 | 849 |
| Cross guarantee income | | 147 | 262 |
| Other financial income | | 8,980 | 8,901 |
| | | 31,571 | 33,822 |
| Financial expenses | | | |
| Interest payable on borrowing | 20(d) | (78,722) | (69,248) |
| A/R Securitizations fees expenses | | (28,337) | (19,933) |
| Interest expense, leasing | | (8,823) | (10,330) |
| Commissions on financial transactions | | (16,945) | (9,187) |
| Cross guarantee expense | | (2,791) | (2,718) |
| Inflation adjustment charges on provision and other liabilities | | (2,343) | (1,699) |
| Amortization of prepaid financial results | | (6,776) | (1,559) |
| Derivative financial instruments | | | (776) |
| Present value adjustment | | (749) | (606) |
| Premium paid on repurchase of bonds | | (6,475) | |
| Other financial expenses | | (8,067) | (7,931) |
| | | (160,028) | (123,987) |
| Exchange rate variations | | (18,012) | (41,413) |
| Net monetary gain on hyperinflationary subsidiary | | 20,801 | 27,775 |
| | | (125,668) | (103,803) |

All amounts in thousands of US dollars, unless otherwise stated

## 31 Auditors remuneration

The total fees expensed by the Group for services rendered by the auditor are presented as follows:

| | 2024 | 2023 |
|---|---|---|
| Audit | 2,754 | 2,982 |
| Other assurance services | 866 | 629 |
| Tax advisory services | 15 | 26 |
| Other non-audit services | 14 | 14 |
| | 3,649 | 3,650 |

## 32 Assets and Liabilities held for sale and discontinued operations

Following the approval of the full divestment plan by the Board of Directors during the year, as described in Note 3.1, the operations in Tunisia and Morocco have been classified in these consolidated financial statements as assets held for sale, with the results recognized as discontinued operations.

The divestment plan is in line with the Company's portfolio management strategy, which aims to maximize shareholder value and balance the geographic positioning between mature and emerging markets, while optimizing risk management across the Company's consolidated portfolio.

The respective operations, including the integrated cement plant and aggregate facilities in Tunisia, as well as concrete facilities in Morocco, were previously reported by management under the Europe and Asia operational segment (formerly referred to as Europe, Asia, and Africa) (Note 4).

The Company has not identified any losses in the remeasurement of assets classified as held for sale.

### (a) Assets and liabilities of disposal group classified as held for sale

Following the approval of the full divestment plan by the Board of Directors during the period, as described in Note 3.2, the operations in Tunisia and Morocco have been classified in these individual and consolidated financial statements as assets held for sale, with the results recognized as discontinued operations.

The respective operations, including the integrated cement plant and aggregate facilities in Tunisia, as well as concrete facilities in Morocco, were previously reported by management under the Europe and Asia operational segment (formerly referred to as Europe, Asia, and Africa) (Note 4).

**All amounts in thousands of US dollars, unless otherwise stated**

The Company has not identified any losses in the remeasurement of assets classified as held for sale.

| | 2024 |
|---|---|
| **Assets** | |
| Cash and cash equivalents | 48,518 |
| Trade receivables | **10,215** |
| Inventory | **34,311** |
| Other assets | 23,949 |
| Property, plant and equipment | **121,766** |
| Intangible assets | **79,796** |
| Assets classified as held for sale | 318,555 |
| | |
| **Liabilities** | |
| Borrowing | 5,933 |
| Trade payables | 19,366 |
| Deferred tax liabilities | 14,445 |
| Taxes payable | **10,263** |
| Other liabilities | 27,397 |
| Liabilities classified as held for sale | 77,404 |

## (b) Profit from discontinued operations

| | 2024 | 2023 |
|---|---|---|
| **Discontinued operations** | | |
| Revenue from contracts with customers | 209,508 | 200,863 |
| Cost of goods sold and services rendered | (130,478) | (136,557) |
| **Gross profit** | 79,030 | 64,306 |
| | | |
| **Operating income (expenses)** | (21,609) | (11,081) |
| Selling expenses | (2,720) | (2,312) |
| General and administrative expenses | (9,636) | (8,412) |
| Other operating income, net | (9,253) | (357) |
| | | |
| **Operating profit before equity interest and financial results** | 57,421 | 53,225 |
| | | |
| **Results of investees** | | |
| Share of net profit (loss) of associates and joint ventures | | (63) |
| | | |
| **Financial income (expenses)** | | |
| Financial income | 1,445 | 1,273 |
| Financial expenses | (1,250) | (920) |
| Exchange variations and hyperinflation effects, net | 706 | (73) |
| | 901 | 280 |
| | | |
| **Profit before income tax** | 58,322 | 53,442 |
| | | |
| **Income tax** | (19,193) | (15,850) |
| | | |
| **Net income for the year from discontinued operations** | 39,129 | 37,592 |
| | | |
| **Attributable to the** | | |
| Company owners | 31,627 | 29,842 |
| Non-controlling interests | 7,503 | 7,750 |

## (c) Cash flows from discontinued operations

| | 2024 | 2023 |
|---|---|---|
| Cash flows from operating activities | 29,209 | 42,553 |
| Cash flows from investing activities | (12,972) | (19,688) |
| Cash flows from financing activities | (24,917) | (38,083) |
| Effect of exchange rate fluctuations | 2,036 | (1,326) |
| Total cash flows | (6,644) | (16,544) |

All amounts in thousands of US dollars, unless otherwise stated

## 33 Events after the reporting period

### (a) Share premium reimbursement to VCSA

In February 2025, the Company made an additional reimbursement of USD 50 million in cash to its shareholder VCSA, out of its share premium account.

### (b) Tariffs

On February 1, 2025, US President Trump signed an executive order whereby the US will impose a 25% tariff on goods from Canada (excluding energy imports which attract a 10% tariff), effective February 4, 2025. The Government of Canada has announced certain retaliatory tariffs on goods imported from the US. The Canadian tariffs were originally settled to be effective starting February 4, 2025, and had a phased implementation. Both governments announced a pause on tariffs for one month, If the tariffs are imposed, the full economic impact the tariffs will have on the Group remains uncertain and is dependent on the severity and duration of the tariffs imposed by the US, Canada and Mexico. The Group is monitoring the situation and will evaluate possible impacts when and if the tariffs are in fact implemented.

These financial statements were approved for issue by the Management Board on March 4, 2025, and were signed on behalf by:

| | |
|---|---|
| DocuSigned by: Nuno Alexandre Fernandes Alves 9D82DEB72A2E423... | DocuSigned by: Carlos Eduardo Boggio B5B66A0B5EB3436... |
| Nuno Alves | Carlos Boggio |
| Management Board Member | Management Board Member |

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