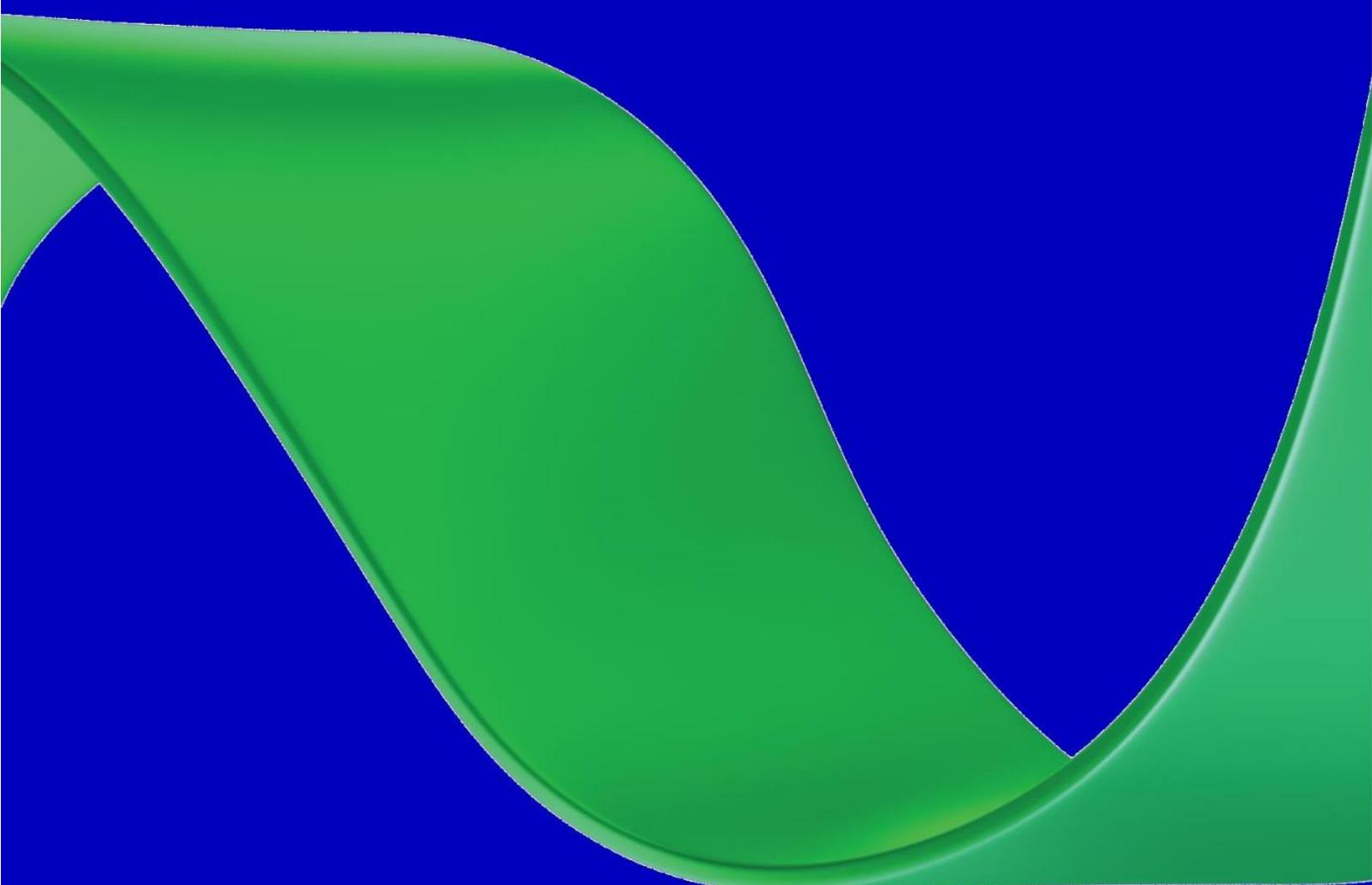


St. Marys Cement Inc. (Canada)

**Condensed Consolidated Interim Financial
Statements at March 31, 2025**
(in thousands of U.S. dollars)



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St. Marys Cement Inc. (Canada)



Condensed consolidated interim balance sheets

In thousands of U.S. dollars, unaudited

Assets	Note	31-Mar-2025	31-Dec-2024	Liabilities and shareholders' equity	Note	31-Mar-2025	31-Dec-2024
Current assets				Current liabilities			
Cash and cash equivalents	10	47,763	104,962	Borrowing	18(a)	99,942	6,948
Trade and other receivables		19,389	4,336	Lease liabilities	17(b)	55,057	27,122
Inventories	11	280,680	288,804	Accounts payable and accrued liabilities		193,826	309,786
Prepaid expenses		23,331	17,241	Securitization	12	15,237	25,432
Notes and capital related to SPE	12	55,575	52,515	Salaries and benefits		26,624	34,514
Other assets		6,879	5,084	Indirect taxes payable		-	6,292
		433,617	472,942	Income taxes payable		7,545	7,857
						398,231	417,950
Non-current assets				Non-current liabilities			
Prepaid expenses		8,155	8,656	Borrowing	18(a)	664,153	582,310
Pension assets		14,850	15,085	Lease liabilities	17(b)	168,038	154,295
Deferred income tax asset	19	19,826	8,219	Post-employment benefit obligations		38,431	37,759
Other assets		3,254	3,235	Deferred income tax liability	19	99,402	109,528
Investments accounted for using the equity method	14	22,665	24,095	Provisions	20	15,716	16,184
Property, plant and equipment	15	1,386,306	1,388,923	Other liabilities		8,122	6,992
Intangible assets and goodwill	16	615,897	616,669			993,862	907,067
Right-of-use assets	17(a)	220,237	179,013				
		2,291,190	2,243,895				
				Total liabilities		1,392,093	1,325,018
				Shareholders' equity			
				Share capital	21	254,413	254,430
				Retained earnings		785,548	845,275
				Accumulated other comprehensive income	21(b)	292,753	292,114
				Total shareholders' equity		1,332,714	1,391,819
Total assets		2,724,807	2,716,837	Total liabilities and shareholders' equity		2,724,807	2,716,837

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

St. Marys Cement Inc. (Canada)
Condensed consolidated interim statements of income and comprehensive income
Period ended March 31

In thousands of U.S. dollars, unaudited

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Revenue from goods sold	23	206,958	226,556
Cost of goods sold	24	(255,615)	(252,088)
Gross loss		<u>(48,657)</u>	<u>(25,532)</u>
Operating expense			
Selling	24	(7,754)	(9,452)
General and administrative	24	(20,513)	(17,565)
Other operating income (expense), net		9,503	7,064
		<u>(18,764)</u>	<u>(19,953)</u>
Operating income before equity results and net financing expense		<u>(67,420)</u>	<u>(45,485)</u>
Investment results from equity share in joint ventures	14	(859)	(106)
Financing expense, net	25	(12,646)	(18,606)
Income before income tax expense		<u>(80,925)</u>	<u>(64,197)</u>
Provision for income tax expense		21,740	15,030
Net income for the period		<u>(59,185)</u>	<u>(49,167)</u>
Other comprehensive (loss) income:			
Items that may be subsequent reclassified to profit or loss			
Accumulated foreign currency translation adjustment	21(b)	695	12,398
Changes in fair value of financial assets at fair value through other comprehensive income	21(b)	(21)	(22)
Unrealized gain (loss) on net investment hedge, net of tax	8.3	(35)	(9,970)
Other comprehensive (loss) income for the period		<u>639</u>	<u>2,406</u>
Total comprehensive income for the period		<u>(58,546)</u>	<u>(46,762)</u>

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

St. Marys Cement Inc. (Canada)



Condensed consolidated interim statements of changes in shareholder equity

Period ended March 31

In thousands of U.S. dollars, unaudited

	Share capital	Retained earnings	Accumulated other comprehensive income (Note 21(b))	Total equity
Balance - December 31, 2023	353,331	800,000	270,346	1,423,677
Net income for the period	-	(49,167)	-	(49,167)
Other comprehensive income	-	-	2,406	2,406
Comprehensive income for the period	-	(49,167)	2,406	(46,762)
Foreign currency translation	(7,045)	(13,731)	-	(20,776)
Balance - March 31, 2024	346,286	737,102	272,752	1,356,140
Balance - December 31, 2024	254,430	845,275	292,114	1,391,819
Net income for the period	-	(59,185)	-	(59,185)
Other comprehensive income	-	-	639	639
Comprehensive income for the period	-	(59,185)	639	(58,546)
Foreign currency translation	(17)	(542)	-	(559)
Balance - March 31, 2025	254,413	785,548	292,753	1,332,714

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

St. Marys Cement Inc. (Canada)
Condensed consolidated interim statements of cash flows
For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Cash flows from operating activities			
Income before tax expense		(80,925)	(64,197)
Adjustments of items that do not represent changes in cash and cash equivalents:			
Depreciation and amortization	24	43,609	42,051
Investment results from equity share in joint ventures	14	859	106
Loss (gain) on sale of property, plant and equipment		(874)	(45)
Financing results, net	25	12,646	18,606
		(24,685)	(3,478)
Decrease (increase) in current assets			
Trade and other receivables		(29,712)	(27,272)
Inventories		8,114	(8,724)
Related parties		224	313
Other current assets		(7,884)	(9,101)
Increase (decrease) in current liabilities			
Accounts payable and accrued liabilities		(54,107)	(61,965)
Salaries and social charges		(5,748)	(12,196)
Related parties		(10,576)	(13,711)
Taxes payable		(9,825)	(4,771)
Change in non-current assets and liabilities			
Post-employment benefit obligations		908	704
Other		1,019	5,412
Cash used by operating activities before interest and income tax			
		(132,272)	(134,790)
Interest paid debt	18(b)	(1,447)	(14,585)
Interest paid on lease liabilities	17(b)	(2,156)	(1,618)
Income tax paid		(1,340)	(7,823)
Total cash provided by operating activities		(137,215)	(158,815)
Cash flows from investing activities			
Proceeds from disposals of property, plant and equipment and intangible assets		-	83
Dividends received		570	142
Acquisition of property, plant and equipment	15	(70,632)	(41,898)
Acquisition of intangible assets	16	(2,511)	-
Total cash used by investing activities		(72,573)	(41,673)
Cash flows from financing activities			
Proceeds from borrowings	18(b)	251,032	192,553
Repayment of borrowings	18(b)	(85,107)	(105)
Payment of lease liabilities	17(b)	(10,006)	(10,344)
Financial costs, except interest		(3,413)	(2,526)
Total cash (used in) provided by financing activities		152,506	179,578
(Decrease) increase in cash and cash equivalents		(57,281)	(20,910)
Effect of foreign exchange on cash		82	(1,054)
Cash and cash equivalents at the beginning of the period		104,962	94,534
Cash and cash equivalents at the end of the period		47,763	72,570
Accounts payable and accrued liabilities		43,118	3,517
Acquisition of property, plant and equipment		(43,118)	(3,517)

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

St. Marys Cement Inc. (Canada)

Notes to condensed consolidated interim financial statements For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

1 General information

St. Marys Cement Inc. (Canada) (“the Company” or “SMCI”) is a subsidiary controlled by Votorantim Cimentos Internacional S.A. (“VCI”) which holds 83% of the capital of SMCI and is in turn directly controlled by Votorantim Cimentos S.A. (“VCSA”), which holds 100% of VCI’s capital. McInnis Holding Limited Partnership (“McInnis Holding”) owns 17% of the Company’s capital. McInnis Holding is indirectly controlled by Caisse Dépôt et Placement du Québec (“CDPQ”).

St. Marys Cement Inc. (Canada) and its subsidiaries (together “the Group”) manufactures and distributes heavy building materials, which includes cement, aggregates, ready-mix concrete and construction related materials. The Group has facilities in Canada and the United States. The address of its registered office is 55 Industrial St, Toronto, Ontario, Canada.

2 Approval of the condensed consolidated interim financial statements

These condensed consolidated interim financial statements for the nine-month period ended March 31, 2025, were approved by the Management on May 5, 2025.

3 Main events which occurred in the interim period

3.1 New Loan

On March 7, 2025, the Company entered into a bilateral loan in the total amount of USD 85.0M due in March 2026. The funds from this issuance were intended for cash replenishment.

3.2 Trade tariffs between the United States and Canada

Starting March 4, 2025, the United States imposed 25% tariffs on all goods from Canada and 10% tariffs on Canadian energy imports through an executive order signed by President Trump. In response, Canada and other nations announced or threatened counter tariffs. On March 6, 2025, President Trump amended the executive order to exempt goods originating from Canada and Mexico covered under the USMCA trade pact, which encompasses most of the goods traded by the Company.

On March 12, 2025, the United States began applying a 25% tariff on imports of steel and aluminum products from all countries, including Canada. These tariffs could lead to increased costs and reduced availability of materials. Efforts to mitigate these impacts include sourcing from alternative suppliers and passing costs to clients. The volatility caused by the imposition of tariffs could impact the construction industry leading to a slowdown in projects or higher costs, which could impact the company’s future earnings and financial position.

4 Supplementary information

4.1 Adjusted EBITDA

The following table reconciles the quarterly, and last twelve months adjusted EBITDA calculated from the income (loss) for the period:

	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024	Last twelve months ended 31-Mar-2025	Last twelve months ended 31-Dec-2024
Revenue from goods sold	206,958	226,556	1,484,099	1,503,697
Net income for the period	(59,185)	(49,167)	100,272	110,290
Income before income tax expense	(80,925)	(64,197)	136,440	153,168
Depreciation and amortization	43,609	42,051	180,964	179,407
Financing expense, net	12,646	18,606	84,329	90,289
Investment results from equity share in joint ventures	859	106	(5,966)	(6,719)
Dividends received	570	142	6,316	5,888
Adjusted EBITDA items				
Impairment (reversal) on property, plant and equipment and intangible assets	-	-	(603)	(603)
Adjusted EBITDA	(23,241)	(3,292)	401,480	421,429

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

**Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025**

In thousands of U.S. dollars, unless otherwise stated, unaudited

4.2 Capital management

The ratios at March 31, 2025 and December 31, 2024 were as follows:

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 12/31/2024
Borrowing	18(a)	764,095	589,258
Lease liabilities	17(b)	223,095	181,417
Cash and cash equivalents	10	(47,763)	(104,962)
Net debt - (A)		939,427	665,713
Adjusted EBITDA last 12 months - (B)		401,480	421,429
Financial leverage ratio - (A/B)		<u>2.34</u>	<u>1.58</u>

5 Changes in accounting policies and disclosures

5.1 New standards and amendments issued and not yet adopted by the Company and its subsidiaries

New standards and amendments to existing standards and interpretations have been issued but are not yet in force. The Company intends to adopt these new standards, amendments, and interpretations, if applicable, when they come into force. The Company has not identified any material impacts to its operations and accounting policies as a result of new standards and amendments to be adopted.

6 Basis of presentation

6.1 Condensed consolidated interim financial statement

These condensed consolidated interim financial statements were prepared and are being presented in accordance with the IFRS Accounting Standards applicable to the preparation of condensed consolidated interim financial statements, under International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (IFRS Accounting Standards), applicable to the preparation of interim financial statements.

These condensed consolidated interim financial statements do not contain all the explanatory notes and disclosures required by the accounting standards applicable to the annual consolidated financial statements, since its purpose is to provide an update on the significant activities, events and circumstances compared to the annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2024, approved by the Board of Directors of the Company on February 20, 2025.

These condensed consolidated interim financial statements have been prepared in a manner consistent with the accounting policies disclosed in the annual audited consolidated financial statements for the year ended December 31, 2024.

These condensed consolidated interim financial statements disclose all the applicable significant information related to the interim financial statements and are unaudited.

7 Critical accounting estimates and assumptions

In the period ended March 31, 2025, there have been no changes in estimates and assumptions that present a significant risk and probability of causing material adjustments to the carrying amounts of assets and liabilities for the current fiscal year, compared to those detailed in Note 7 to the annual audited consolidated financial statements as at December 31, 2024.

8 Financial risk management

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

St. Marys Cement Inc. (Canada)

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
In thousands of U.S. dollars, unless otherwise stated, unaudited

8.1 Seasonality of cement operations

Cement, ready-mix concrete and aggregate product shipments are highly seasonal in Ontario, Quebec, Atlantic Canada and the US Great Lakes Region as construction activity in the winter months slows in the first and fourth quarters. The Company's primary selling season is during the second and third quarters.

The Company also have access to a Credit Line (Note 18(d)) which the main objective is to provide additional liquidity to the Company during the seasonal months.

8.2 Environment risk management

The Company periodically reviews its environmental risk assessment and addresses the risks, either through risk mitigation actions or cost estimation actions to clear the risks identified. These risks are usually recorded as asset retirement obligations.

St. Marys Cement Inc. (Canada)



Notes to condensed consolidated interim financial statements

For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

8.3 Hedging of net investments in foreign operations

01/01/2025 to 03/31/2025										
Investor		Hedged item				Instrument				
Entity	Currency	Investment	Currency	Percentage designated	Underlying investment USD	Currency	Original amount	Carrying amount (Note 18(a))	'Change in carrying amount of USD borrowing as a result of foreign currency movements since 1 January used to determine hedge ineffectiveness, recognised in OCI (Note 21(b))*	
St. Marys Cement Inc. (Canada)	CAD	VCNA US, Inc.	USD	77.16%	648,001	USD	500,000	505,834	(35)	
									(35)	

01/01/2024 to 03/31/2024										
Investor		Hedged item				Instrument				
Entity	Currency	Investment	Currency	Percentage designated	Underlying investment USD	Currency	Original amount	Carrying amount (Note 18(a))	'Change in carrying amount of USD borrowing as a result of foreign currency movements since 1 January used to determine hedge ineffectiveness, recognised in OCI (Note 21(b))*	
St. Marys Cement Inc. (Canada)	CAD	VCNA US, Inc.	USD	74.52%	670,919	USD	500,000	502,632	(9,970)	
									(9,970)	

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

 In thousands of U.S. dollars, unless otherwise stated, unaudited

8.4 Liquidity risk

The amounts below represent the contractual undiscounted and future estimated cash flows, which include interest to be incurred and, accordingly, do not reconcile directly with the amounts presented in the balance sheet.

	Less than one year	Between one and three years	Between three and five years	Over 5 years	Total
At March 31, 2025					
Borrowing	123,794	220,836	71,773	625,607	1,042,010
Lease liabilities	37,481	71,801	50,146	140,518	299,945
Accounts payable and accrued liabilities	193,826	-	-	-	193,826
Salaries and benefits	26,624	-	-	-	26,624
	<u>381,725</u>	<u>292,637</u>	<u>121,919</u>	<u>766,125</u>	<u>1,562,406</u>

	Less than one year	Between one and three years	Between three and five years	Over 5 years	Total
At December 31, 2024					
Borrowing	32,576	153,185	55,655	625,376	866,792
Related parties	1,702	-	-	-	1,702
Lease liabilities	33,106	58,938	36,381	104,906	233,332
Accounts payable and accrued liabilities	309,786	-	-	-	309,786
Salaries and benefits	34,514	-	-	-	34,514
	<u>411,685</u>	<u>212,123</u>	<u>92,036</u>	<u>730,283</u>	<u>1,446,126</u>

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

St. Marys Cement Inc. (Canada)
Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

9 Financial instruments by category
(a) Analysis

The financial instruments of the Group are classified as follows:

				31-Mar-2025
	Note	Amortized cost	Fair value through other comprehensive income	Total
Current assets				
Cash and cash equivalents	10	47,763	-	47,763
Trade and other receivables		19,389	-	19,389
		<u>67,152</u>	<u>-</u>	<u>67,152</u>
Non-current assets				
Notes and capital related to SPE	12	55,575	-	55,575
Financial investments		-	21	21
		<u>55,575</u>	<u>21</u>	<u>55,596</u>
Current liabilities				
Borrowing	18(a)	99,942	-	99,942
Lease liabilities	17(b)	55,057	-	55,057
Accounts payable and accrued liabilities		193,826	-	193,826
Securitization	12	15,237	-	15,237
Salaries and benefits		26,624	-	26,624
		<u>390,686</u>	<u>-</u>	<u>375,449</u>
Non-current liabilities				
Borrowing	18(a)	664,153	-	664,153
Lease liabilities	17(b)	168,038	-	168,038
		<u>832,191</u>	<u>-</u>	<u>832,191</u>

				31-Dec-2024
	Note	Amortized cost	Fair value through other comprehensive income	Total
Current assets				
Cash and cash equivalents	10	104,962	-	104,962
Trade receivables		4,336	-	4,336
		<u>109,298</u>	<u>-</u>	<u>109,298</u>
Non-current assets				
Notes and capital related to SPE	12	52,515	-	52,515
Financial investments		-	42	42
		<u>52,515</u>	<u>42</u>	<u>52,557</u>
Current liabilities				
Borrowing	18(a)	6,948	-	6,948
Lease liabilities	17(b)	27,122	-	27,122
Accounts payable and accrued liabilities		309,786	-	309,786
Securitization		25,432	-	25,432
Salaries and benefits		34,514	-	34,514
		<u>403,801</u>	<u>-</u>	<u>378,369</u>
Non-current liabilities				
Borrowing	18(a)	582,310	-	582,310
Lease liabilities	17(b)	154,295	-	154,295
		<u>736,605</u>	<u>-</u>	<u>736,605</u>

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

St. Marys Cement Inc. (Canada)
Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

(b) Fair value of financial instruments

	Note	Fair value measured based on		31-Mar-2025	
		Price quoted in an active market	Valuation technique supported by observable prices		Fair value
			Level 1	Level 2	
Assets					
Financial investments		21		21	
		21	-	21	
Liabilities					
Borrowing	18(a)	503,334	257,054	760,388	
		503,334	257,054	760,388	

	Note	Fair value measured based on		31-Dec-2024	
		Price quoted in an active market	Valuation technique supported by observable prices		Fair value
			Level 1	Level 2	
Assets					
Financial investments		42	-	42	
		42	-	42	
Liabilities					
Borrowing	18(a)	482,600	92,086	574,687	
		482,600	92,086	574,687	

10 Cash and cash equivalents

	31-Mar-2025	31-Dec-2024
\$CDN Cash at bank and on hand	29,088	51,474
\$US Equivalent	20,214	35,773
\$US Cash at bank and on hand	27,549	69,189
	47,763	104,962

11 Inventory

	31-Mar-2025	31-Dec-2024
Raw materials	54,408	54,662
Fuels	53,084	57,318
Semi-finished product	114,485	118,111
Finished product	20,989	20,103
Spare parts / maintenance materials	53,861	54,917
Less: Provision for obsolescence	(16,146)	(16,307)
	280,680	288,804

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
 In thousands of U.S. dollars, unless otherwise stated, unaudited

12 Securitization

On March 22, 2024, the Group entered into an agreement with a financial institution for its revolving receivables securitization transaction, maturing in March 2027 and with a credit facility amounting to \$250 million to include all the Group's subsidiaries.

	31-Mar-2025	31-Dec-2024
Notes continuing to be recognized	52,837	48,313
Capital contribution in the SPE	2,738	4,202
Notes and capital related to the SPE	<u>55,575</u>	<u>52,515</u>
Security guarantee	(11,394)	(16,852)
Junior note guarantee losses	(3,844)	(8,580)
Junior subordinated note	<u>(15,237)</u>	<u>(25,432)</u>
Net carrying amount of the continuing involvement	<u>40,338</u>	<u>27,083</u>

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
In thousands of U.S. dollars, unless otherwise stated, unaudited

13 Related party transactions

13.1 Analysis

	Parent Company		Associates		Joint ventures		Other		Total	
	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024
Assets										
Current										
Trade receivables (i)	-	-	-	-	111	269	-	-	111	269
Other receivables (i)	-	-	36	35	-	-	55,575	52,515	55,611	52,550
	<u>-</u>	<u>-</u>	<u>36</u>	<u>35</u>	<u>111</u>	<u>269</u>	<u>55,575</u>	<u>52,515</u>	<u>55,722</u>	<u>52,819</u>
Liabilities										
Current										
Trade payables (iii)	-	-	-	-	566	285	-	-	566	285
Other liabilities (iii)	-	-	74	15,018	-	-	15,237	25,432	15,312	40,450
Non-current										
Other liabilities (ii)	1,164	1,702	-	-	-	-	-	-	1,164	1,702
	<u>1,164</u>	<u>1,702</u>	<u>74</u>	<u>15,018</u>	<u>566</u>	<u>285</u>	<u>15,237</u>	<u>25,432</u>	<u>17,042</u>	<u>42,438</u>

	Parent Company		Associates		Joint ventures		Other		Total	
	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024								
Income Statement										
Sales (i)	-	-	-	-	495	732	-	-	495	732
Purchases (iii)	-	(531)	(17)	(4,857)	(4,926)	(5,752)	-	-	(4,943)	(11,140)
Financial income (ii)	-	-	-	-	-	-	6,257	1,489	6,257	1,489
Financial expenses (ii)	-	-	-	-	-	-	(3,208)	(6,030)	(3,208)	(6,030)
	<u>-</u>	<u>(531)</u>	<u>(17)</u>	<u>(4,857)</u>	<u>(4,926)</u>	<u>(5,752)</u>	<u>3,049</u>	<u>(4,541)</u>	<u>(1,894)</u>	<u>(15,681)</u>

(i) Sales operations of cement to joint venture, mainly Midway Group LLC.

(ii) Mainly refers to the receivables securitization operation with the company VCNA SPE, LLC.

(iii) Supplier and purchase balances mainly, Hutton Transport Limited, RMC Leasing LLC, Midway Group LLC, Votorantim Cimentos Trading.

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

Notes to condensed consolidated interim financial statements
 For the period ended March 31, 2025
 In thousands of U.S. dollars, unless otherwise stated, unaudited

14 Investments accounted for using the equity method

(a) Analysis

The amounts recognized in the balance sheet and the statement of income are as follows:

	Net equity	Net income for the period	Percentage of voting and total capital (%)	Income from investments		Investment balance	
				01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024	31-Mar-2025	31-Dec-2024
Joint ventures							
Hutton Transport Limited	25,099	573	25.00	143	177	6,275	6,266
Grundy River Holdings, LLC	15,139	(1,004)	50.00	(502)	-	7,569	8,508
Midway Group, LLC	12,657	(1,099)	50.00	(549)	(361)	6,329	6,878
RMC Leasing, LLC	4,984	99	50.00	50	78	2,492	2,443
				<u>(859)</u>	<u>(106)</u>	<u>22,665</u>	<u>24,095</u>

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
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(b) Changes

	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period	24,095	23,774
Investment results from equity share in joint ventures	(859)	(106)
Approved dividends	(570)	(142)
Currency translation	(1)	(118)
Balance at the end of the period	22,665	23,408

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
In thousands of U.S. dollars, unless otherwise stated, unaudited

15 Property, plant and equipment

(a) Analysis and changes

	Land	Land improvements & buildings	Equipment	Vehicles	Construction in progress	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period							
Cost	99,338	865,180	1,864,989	311,326	242,591	3,383,423	3,233,610
Accumulated depreciation	-	(510,377)	(1,277,181)	(206,943)	-	(1,994,502)	(1,873,161)
Net balance	99,338	354,803	587,808	104,383	242,591	1,388,922	1,360,449
Acquisitions	-	-	-	-	30,024	30,024	38,381
Disposals	(24)	(5)	(183)	-	-	(213)	-
Depreciation	-	(4,699)	(19,585)	(5,583)	-	(29,867)	(28,683)
Transfers	1,236	2,586	37,674	5,510	(49,518)	(2,511)	(408)
Translation differences	(6)	(8)	(71)	(8)	44	(50)	(15,179)
Balance at the end of the period	100,544	352,677	605,642	104,302	223,142	1,386,306	1,354,560
Cost	100,544	867,752	1,902,406	316,828	223,142	3,410,671	3,256,404
Accumulated depreciation	-	(515,075)	(1,296,764)	(212,526)	-	(2,024,365)	(1,901,844)
Net balance	100,544	352,677	605,642	104,302	223,142	1,386,306	1,354,560
Average annual depreciation rates %		18	15	7			

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

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(b) Construction in progress

The construction in progress reflects investments and projects under construction by the Company and its subsidiaries that have not yet started operating at the end of the period, mainly represented by the acquisition or replacement of industrial machinery and equipment for plants and mines (sustainability), investments in industrial modernization projects and expansion of production capacity, as well as new technologies related to decarbonization goals (environment and safety).

	31-Mar-2025	31-Dec-2024
Sustaining	134,555	138,664
Modernization	40,086	50,372
Health & Safety	22,906	22,579
Expansion	25,595	30,976
	<u>223,142</u>	<u>242,592</u>

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
In thousands of U.S. dollars, unless otherwise stated, unaudited

16 Intangible assets and goodwill

	Goodwill	Computer software	Exploration rights	ARO	Customer relationships and non-compete	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period							
Cost	295,239	35,658	365,839	43,973	121,981	862,690	864,569
Accumulated depreciation	-	(33,466)	(94,147)	(30,375)	(88,033)	(246,021)	(229,975)
Net balance	295,239	2,192	271,692	13,598	33,948	616,669	634,594
Transfers	-	2,284	227	-	-	2,511	408
Amortization	-	(352)	(1,055)	(1,034)	(826)	(3,267)	(3,937)
Translation differences	-	(8)	(8)	(0)	-	(16)	(2,058)
Balance at the end of the period	295,239	4,116	270,856	12,564	33,122	615,897	629,007
Cost	295,239	37,934	366,059	43,972	121,981	865,184	862,919
Accumulated depreciation	-	(33,818)	(95,203)	(31,408)	(88,859)	(249,288)	(233,912)
Net balance	295,239	4,116	270,856	12,564	33,122	615,897	629,007
Average annual amortization rates %		5	2	12	10		

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

17 Right-of-use assets and Lease liabilities

(a) Analysis and changes of right of use assets

	Land & Buildings	Machinery & Equipment	Vehicles	Barges	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period						
Cost	106,619	31,065	34,727	212,929	385,339	327,575
Accumulated depreciation	(24,264)	(27,471)	(30,845)	(123,747)	(206,327)	(164,306)
Net balance	82,355	3,593	3,882	89,182	179,012	163,268
Acquisitions	-	205	-	51,806	52,011	5,386
Disposals	(213)	-	-	-	(213)	(110)
Amortization	(1,127)	(1,266)	(461)	(7,621)	(10,475)	(9,431)
Currency translation adjustment	1	2	2	(102)	(98)	(1,077)
Balance at the end of the period	81,015	2,534	3,422	133,265	220,237	158,036
Cost	106,406	31,271	34,728	264,633	437,037	331,771
Accumulated depreciation	(25,391)	(28,736)	(31,306)	(131,368)	(216,800)	(173,736)
Net balance	81,015	2,534	3,422	133,265	220,237	158,036
Average annual amortization rates %	10	5	5	9		

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025
 In thousands of U.S. dollars, unless otherwise stated, unaudited

(b) Analysis and changes of lease agreements

	<u>Note</u>	<u>01/01/2025 to 03/31/2025</u>	<u>01/01/2024 to 03/31/2024</u>
Balance at the beginning of the period		181,417	171,528
Additions		52,011	5,386
Disposal		(213)	(110)
Payments		(10,006)	(10,344)
Interest expense	25	2,309	1,619
Interest paid		(2,156)	(1,618)
Exchange variations		(267)	(708)
Balance at the end of the period		<u>223,095</u>	<u>165,753</u>
Current		55,057	19,397
Non-current		168,038	146,357
		<u>223,095</u>	<u>165,753</u>

Short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss for the period, as presented in Note 24.

Notes to condensed consolidated interim financial statements

For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

18 Borrowings

(a) Analysis

Type	Average annual cost	Current		Non-current		Total	
		31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024
CAD Revolver *	CORRA + 0.95%	604	-	130,390	-	130,994	-
USD Equivalent		419	-	90,612	-	91,031	-
USD Revolver*	SOFR + 0.95%	583	298	81,000	90,000	81,583	90,298
Total Revolver		1,003	298	171,612	90,000	172,614	90,298
Bond Payable*	5.8%	13,293	6,103	492,541	492,310	505,834	498,413
Bilateral loan	SOFR + 0.87%	85,208	-	-	-	85,208	-
Mortgages Payable	3.6%	439	547	-	-	439	547
		<u>99,942</u>	<u>6,948</u>	<u>664,153</u>	<u>582,310</u>	<u>764,095</u>	<u>589,258</u>

*These borrowings are guaranteed by the Company's parent Company VCSA.

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

(b) Changes

The changes for the period are as follows:

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period		583,208	542,168
New borrowings		251,032	192,553
Exchange rate variations		6,686	(18)
Interest expense	25	9,462	9,595
Interest paid		(1,447)	(14,585)
Amortization (additions) of financing costs		261	(374)
Principal paid		(85,107)	(105)
Balance at the end of the period		764,095	729,234

(c) Credit Line

Credit line	Company	Start date	Maturity	Credit limit	Amount outstanding	Amount available
Committed Credit Facility	VCI / VCEAA / St Marys	Jun/22	Jun/27	300,000	(172,614)	127,386
Global Revolving Credit Facility	VCSA / VCI / VCEAA / St Marys	Sep/21	Sep/26	250,000	-	250,000
					(172,614)	377,386

These amounts consider the foreign exchange rate on the date of each withdrawal for Canadian dollar amounts.

Up to the authorization of these individual and consolidated condensed interim financial statements, the Company made repayments amounting to CAD 10,000 (USD 6,954) and withdraws amounting to USD 55,000.

19 Income Tax
(a) Current income tax for the period

Income tax expense is recognized based on a full-blown quarterly provision method.

(b) Deferred income tax

	31-Mar-2025	31-Dec-2024
Deferred tax assets:		
Net operating losses	82,902	64,881
Investment Tax Credit (ITC)	39,287	39,289
Provisions	21,935	21,073
Ontario Minimum tax	8,090	8,091
Other	4,184	2,737
Total deferred tax assets	156,398	136,070
Deferred tax liabilities:		
Accelerated tax depreciation	(235,974)	(237,380)
Total deferred tax liabilities	(235,974)	(237,380)
Net deferred tax assets (liabilities)	(79,576)	(101,309)
Deferred tax assets *	19,826	8,219
Deferred tax liabilities *	(99,402)	(109,528)

*These balances are presented net by legal entity.

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

(c) Pillar Two

On 20 June 2024, Bill C-69, which contains the Global Minimum Tax Act (“GMTA”) reflecting application of global minimum tax to in-scope companies for fiscal years commencing on or after December 31, 2023, received Royal Assent and became enacted. The Canadian rules include the introduction of a Qualified Domestic Minimum Top-Up Tax (“QDMTT”) to reach the required taxation level of 15% on Pillar Two qualifying profits earned by companies domiciled in Canada. Based on the financial data of the three months ended March 31, 2025, no top-up tax nor any QDMTT impact in Canada is expected for 2025 and thus the Company has no related current tax expense associated with global minimum tax.

20 Asset Retirement Obligation (“ARO”)

	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Balance at the beginning of the period	16,184	19,413
Charged to the income statement	327	345
Settlements	(795)	(878)
Exchange differences	-	(128)
Balance at the end of the period	15,717	18,752

21 Shareholders’ equity

a) Share capital

As at March 31, 2025 the Company’s fully subscribed and paid-up capital was \$254,413 (December 31, 2024– \$254,430), consisting of 1,000,000 Class A Common Shares (December 31, 2024 – 1,000,000 Class A Common Shares).

Notes to condensed consolidated interim financial statements

For the period ended March 31, 2025

In thousands of U.S. dollars, unless otherwise stated, unaudited

b) Other comprehensive income

	Accumulated foreign currency translation adjustment	Hedge accounting of net investments	Other comprehensive income	Total accumulated other comprehensive income
Balance - December 31, 2023	285,452	(12,599)	(2,507)	270,346
Unrealized gain on net investment hedge, net of tax income	-	(9,970)	-	(9,970)
Foreign currency translation	-	-	(22)	(22)
Foreign currency translation	12,398	-	-	12,398
Balance - March 31, 2024	297,850	(22,569)	(2,529)	272,751
Balance - December 31, 2024	346,617	(51,964)	(2,539)	292,114
Unrealized gain on net investment hedge, net of tax income	-	(35)	-	(35)
Foreign currency translation	-	-	(21)	(21)
Foreign currency translation	695	-	-	695
Balance - March 31, 2025	347,312	(51,999)	(2,560)	292,753

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

Notes to condensed consolidated interim financial statements
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 In thousands of U.S. dollars, unless otherwise stated, unaudited

22 Contingencies

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities other than those already provided for.

23 Revenue

(a) Net revenue by product line

	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Cement	115,552	120,079
Ready-mix	76,263	88,295
Aggregates	14,665	17,180
Other	479	1,003
	<u>206,958</u>	<u>226,556</u>

(b) Breakdown

	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Gross sales		
Customers in Canada	70,760	87,432
Customers in USA	136,198	139,124
Revenue from contracts with customers	<u>206,958</u>	<u>226,556</u>

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

Notes to condensed consolidated interim financial statements
For the period ended March 31, 2025

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24 Expense by nature

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Employee benefit expense		76,812	74,194
Freight cost		20,404	24,279
Depreciation and amortization	15, 16 and 17(a)	43,609	42,051
Maintenance		60,058	47,612
Raw materials and consumables		21,064	29,513
Fuel costs		12,545	15,338
Electric power consumption		10,744	9,922
Services, miscellaneous		11,783	13,958
Taxes, fees and contributions		5,235	5,750
Insurance		2,744	2,552
Rents and leases	17(b)	2,077	1,819
Utilities		2,146	2,018
Other expenses		14,662	10,098
		<u>283,881</u>	<u>279,105</u>
Reconciliation			
Cost of sales		255,615	252,088
Selling		7,754	9,452
General and administrative		20,513	17,565
		<u>283,881</u>	<u>279,105</u>

25 Financing results, net

	Note	01/01/2025 to 03/31/2025	01/01/2024 to 03/31/2024
Financial income			
A/R securitization fees income		6,257	1,489
Cross guarantee revenue		-	147
Interest income		624	302
		<u>6,881</u>	<u>1,938</u>
Financial expense			
Interest expense, third party loans	18(a)	(9,462)	(9,595)
A/R securitization fees expenses		(3,208)	(6,030)
Cross guarantee expenses		(3,232)	(2,377)
Interest expense, leasing	17(b)	(2,309)	(1,619)
Bank charges and other financial results		(987)	(888)
Amortization of prepaid financing costs		(261)	(405)
		<u>(19,460)</u>	<u>(20,914)</u>
Net foreign exchange		<u>(67)</u>	<u>370</u>
		<u>(12,646)</u>	<u>(18,606)</u>

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

26 Events after the reporting period

(a) Ready-mix and Aggregate businesses acquisition

On April 2025, VCNA Prairie LLC, a wholly owned subsidiary of VCNA based in Chicago, Illinois, USA entered into an agreement to acquire Illinois based Rogers Ready Mix & Materials, Inc. and Rogers Transportation Services, Inc.. Management accounted for the transaction as a business combination in accordance with IFRS 3 – Business Combinations. This transaction is aligned with our growth and positioning strategy and will allow the increase of our capacity to supply aggregates and ready-mix to clients from the construction and agriculture sectors in the state of Illinois.

Rogers Ready Mix & Materials, Inc. and Rogers Transportation Services, Inc. operates its business through seven operating units among aggregates and ready-mix, all located in the state of Illinois.



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