

# *Financial Statements*

**Votorantim Cimentos International S.A.**

Condensed consolidated interim financial statements

March 31, 2024



## **Report on Review of Condensed Consolidated Interim Financial Statements**

To the Management Board  
**Votorantim Cimentos International S.A.**

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We have reviewed the accompanying condensed consolidated interim financial statements of Votorantim Cimentos International S.A. and its subsidiaries (together referred as the “Group”), which comprise the condensed consolidated interim balance sheet as at 31 March 2024, and the condensed consolidated interim statement of income, the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flow for the three-month period then ended, and a summary of significant accounting policies and other explanatory information.

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### **Management Board’s responsibility for the condensed consolidated interim financial statements**

The Management Board is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

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### **Responsibility of the “Réviseur d’entreprises agréé”**

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE 2410 “Review of interim financial information performed by the independent auditor of the entity”) as adopted for Luxembourg by the “Institut des Réviseurs d’Entreprises”. This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of condensed consolidated interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. The “Réviseur d’entreprises agréé” performs procedures, primarily consisting of making inquiries of management and others within the Group, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated interim financial statements.



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**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union.

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**Restriction on distribution and use**

This report, including the conclusion, has been prepared for and only for the Management Board and the Shareholder in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 14 May 2024

Fabrice Goffin

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## Votorantim Cimentos International S.A.



### Condensed consolidated interim balance sheet

All amounts in thousands of US Dollars, unless otherwise stated

Assets	Note	3/31/2024	12/31/2023	Liabilities and stockholders' equity	Note	3/31/2024	12/31/2023
Current assets				Current liabilities			
Cash and cash equivalents	12	427,942	571,312	Borrowing	21 (a)	46,807	36,095
Financial investments	13	3,199	6,312	Lease liabilities	20 (b)	26,833	23,324
Trade receivables	14 (a)	198,892	173,191	Confirming payables		203,450	261,473
Inventory	15	424,030	400,592	Trade payables		333,336	433,837
Taxes recoverable		25,512	22,932	Salaries and payroll charges		59,846	77,213
Securitization of receivables	14 (d)		51,716	Taxes payable		19,540	35,179
Other assets		48,314	36,855	Advances from customers		2,032	11,650
		<u>1,127,889</u>	<u>1,262,910</u>	Securitization of receivables	14 (d)		19,693
				Other liabilities		14,148	23,510
						<u>705,992</u>	<u>921,974</u>
Assets classified as held for sale		1,822	1,754				
		<u>1,129,711</u>	<u>1,264,664</u>				
Non-current assets				Non-current liabilities			
Taxes recoverable		156	744	Borrowing	21 (a)	1,226,886	1,066,019
Deferred tax assets	22 (b)	167,446	161,949	Lease liabilities	20 (b)	156,802	160,583
Securitization of receivables	14 (d)	54,737		Deferred tax liabilities	22 (b)	148,498	153,670
Pension plan		15,730	16,655	Provision	23 (a)	45,642	47,632
Other assets		23,720	21,763	Pension plan		54,315	54,884
		<u>261,789</u>	<u>201,111</u>	Securitization of receivables	14 (d)	17,965	
				Other liabilities		29,850	26,161
						<u>1,679,958</u>	<u>1,508,949</u>
				Total liabilities		<u>2,385,950</u>	<u>2,430,923</u>
Investments in associates and joint ventures	17 (a)	252,327	190,721	Shareholders' equity	24		
Investment property		14,110	14,436	Share capital		99,915	99,915
Property, plant and equipment	18 (a)	2,128,297	2,143,477	Share premium		1,621,892	1,621,892
Intangible assets	19 (a)	1,398,797	1,407,988	Consolidated reserves		1,735,053	1,740,262
Right-of-use assets	20 (a)	176,909	176,529	Other comprehensive income		(861,560)	(883,040)
		<u>3,970,440</u>	<u>3,933,151</u>	Total equity attributable to the Company owners		2,595,300	2,579,029
				Non-controlling interests		380,690	388,974
				Total equity		<u>2,975,990</u>	<u>2,968,003</u>
Total assets		<u>5,361,940</u>	<u>5,398,926</u>	Total liabilities and shareholders' equity		<u>5,361,940</u>	<u>5,398,926</u>

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

## Votorantim Cimentos International S.A.


**Condensed consolidated interim statement of income**  
**For the three-month periods ended March 31**

All amounts in thousands of US Dollars, unless otherwise stated

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
<b>Continuing operations</b>			
Revenue from contracts with customers		500,464	564,875
Cost of goods sold and services rendered	25	(465,332)	(531,769)
<b>Gross profit</b>		<u>35,132</u>	<u>33,106</u>
<b>Operating income (expenses)</b>			
Selling expenses	25	(16,146)	(18,561)
General and administrative expenses	25	(37,675)	(32,088)
Other operating income, net		7,633	3,516
		<u>(46,188)</u>	<u>(47,133)</u>
<b>Operating expense before equity interest and financial results</b>		<u>(11,056)</u>	<u>(14,027)</u>
<b>Results of investees</b>			
Share of net profit of associates and joint ventures	17(a)	4,928	6,790
<b>Financial income (expenses)</b>			
Financial income	26	7,413	6,265
Financial expenses		(35,052)	(27,451)
Exchange variations and hyperinflation effects, net		2,920	1,068
		<u>(24,719)</u>	<u>(20,118)</u>
<b>Loss before income tax</b>		<u>(30,847)</u>	<u>(27,355)</u>
<b>Income tax</b>	22(a)	19,490	(205)
<b>Loss for the quarter</b>		<u>(11,357)</u>	<u>(27,560)</u>
Attributable to the			
Company owners		(5,209)	(21,029)
Non-controlling interests		<u>(6,148)</u>	<u>(6,531)</u>
<b>Loss for the quarter</b>		<u>(11,357)</u>	<u>(27,560)</u>

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

## Votorantim Cimentos International S.A.


**Condensed consolidated interim statement of comprehensive income  
For the three-month periods ended March 31**
**All amounts in thousands of US Dollars, unless otherwise stated**

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
<b>Loss for the quarter</b>		(11,357)	(27,560)
<b>Components of other comprehensive income (expenses) for subsequent reclassification to the statement of income</b>			
<b>Attributable to the owners of the Company</b>			
Currency exchange differences on translation of foreign operations	24(b)	29,924	30,195
Currency translation in hedge accounting for net investments in foreign operations	24(b)	(8,275)	1,872
Other components of comprehensive income (loss)		(169)	23
<b>Attributable to non-controlling shareholders</b>			
Currency exchange differences on translation of foreign operations		(690)	3,323
Currency translation in hedge accounting for net investments in foreign operations		(1,695)	384
Other components of other comprehensive income (loss)		249	1
		<u>19,344</u>	<u>35,798</u>
<b>Total comprehensive income for the quarter</b>		<u>7,987</u>	<u>8,238</u>
<b>Comprehensive income from</b>			
Continuing operations		<u>7,987</u>	<u>8,238</u>
<b>Comprehensive income (expense) attributable to</b>			
Company owners		16,271	11,061
Non-controlling interests		(8,284)	(2,823)
		<u>7,987</u>	<u>8,238</u>

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

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

## Votorantim Cimentos International S.A.



### Condensed consolidated interim statement of changes in equity

For the three-month periods ended March 31

All amounts in thousands of US Dollars, unless otherwise stated

	Attributable to the Company owners					Non-controlling interests	Total stockholder's equity
	Share capital	Share premium	Consolidated reserves	Other comprehensive income (loss)	Total		
<b>At January 1, 2023, before opening balance adjustments</b>	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)
<b>At January 1, 2023, after opening balance adjustments</b>	99,915	1,621,892	1,453,514	(878,713)	2,296,608	382,831	2,679,439
Comprehensive income (loss) for the quarter							
Loss for the quarter			(21,029)		(21,029)	(6,531)	(27,560)
Other comprehensive income				32,090	32,090	3,708	35,798
			(21,029)	32,090	11,061	(2,823)	8,238
<b>At March 31, 2023</b>	99,915	1,621,892	1,432,485	(846,623)	2,307,669	380,008	2,687,677
<b>At January 1, 2024</b>	99,915	1,621,892	1,740,262	(883,040)	2,579,029	388,974	2,968,003
Comprehensive income (loss) for the quarter							
Loss for the quarter			(5,209)		(5,209)	(6,148)	(11,357)
Other comprehensive income				21,480	21,480	(2,136)	19,344
			(5,209)	21,480	16,271	(8,284)	7,987
<b>At March 31, 2024</b>	99,915	1,621,892	1,735,053	(861,560)	2,595,300	380,690	2,975,990

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

## Votorantim Cimentos International S.A.



**Condensed consolidated interim statement of cash flow**  
**For the three-month periods ended March 31**  
**All amounts in thousands of US dollars, unless otherwise stated**

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
<b>Loss before income tax</b>		(30,847)	(27,355)
Adjustments of items that do not represent changes in cash and cash equivalents			
Depreciation, amortization and depletion	25	60,587	60,055
Share in the net profit of associates and joint ventures	17 (b)	(4,928)	(6,790)
Impairment provision for PP&E			42
Gain on the sale of PP&E and intangible assets		(132)	(541)
Allowance for doubtful accounts, net of reversals	14 (b)	(61)	(202)
Provision for obsolete inventories, net of reversals		466	1,225
Provision for legal claims and ARO, net of reversals	23 (a)	80	(91)
Accrued interest	26	18,573	16,701
Other components of net financial results		(2,109)	400
Other			(542)
		41,629	42,902
<b>Cash flow from operating activities</b>			
<b>Decrease (increase) in assets</b>			
Trade and other receivables		(30,526)	(87,708)
Inventory		(23,276)	(26,408)
Taxes recoverable		(1,992)	9,692
Other assets		(13,484)	(6,540)
<b>Increase (decrease) in liabilities</b>			
Trade payables		(100,501)	(59,296)
Confirming payables		(58,023)	15,859
Salaries and social charges		(17,367)	(696)
Taxes payable		(935)	(7,542)
Other accounts payable and other liabilities		(18,785)	(13,469)
		(223,260)	(133,206)
Interest paid	21 (c)	(16,582)	(15,506)
Income tax (paid) refunded, net		(11,008)	(5,727)
<b>Net cash used in operating activities</b>		(250,850)	(154,439)
<b>Cash flow from investing activities</b>			
Financial investments		3,113	11,705
Proceeds from disposals of PP&E and intangible assets		203	694
Dividends received from associates and joint ventures		142	640
	18 and 19	(53,966)	(35,210)
Acquisitions of PP&E and intangible assets			(2,967)
Payment for acquisition of subsidiary, net of cash received			4,746
Interest received		4,989	
<b>Net cash used in investing activities</b>		(45,519)	(20,392)
<b>Cash flow from financing activities</b>			
Proceeds from borrowing	21 (c)	192,642	123,945
Payments of borrowing	21 (c)	(20,818)	(859)
Derivative financial instruments		(37)	(377)
Lease liability payments	20 (b)	(14,410)	(12,003)
<b>Net cash provided by financing activities</b>		157,377	110,706
Decrease in cash and cash equivalents		(138,991)	(64,125)
Effect of exchange rate changes on cash and cash equivalents		(4,379)	4,297
Cash and cash equivalents at the beginning of the quarter		571,312	401,567
Cash and cash equivalents at the end of the quarter		427,942	341,739

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

**Votorantim Cimentos International S.A.****Notes to the condensed consolidated interim financial statements  
as of March 31, 2024**

All amounts in thousands of US dollars, unless otherwise stated

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**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 condensed consolidated interim financial statements**

The issue of these condensed consolidated interim financial statements (hereinafter referred to as “interim financial statements”) was authorized by the Management Board on May 14, 2024.

## Votorantim Cimentos International S.A.


**Notes to the condensed consolidated interim financial statements  
as of March 31, 2024**

All amounts in thousands of US dollars, unless otherwise stated

**3 Supplementary information**
**3.1 Information by operating segment**

	1/1/2024 to 3/31/2024				
	North America	Europe, Asia and Africa	Latin America	Holding and eliminations	Total
Revenue from contracts with customers	226,556	234,616	39,292		500,464
Cost of goods sold and services rendered	(252,894)	(180,184)	(32,254)		(465,332)
<b>Gross (loss) profit</b>	<b>(26,338)</b>	<b>54,432</b>	<b>7,038</b>		<b>35,132</b>
<b>Operating expenses</b>	<b>(19,438)</b>	<b>(20,304)</b>	<b>(5,907)</b>	<b>(539)</b>	<b>(46,188)</b>
<b>Operating (expenses) income before equity interest and financial results</b>	<b>(45,776)</b>	<b>34,128</b>	<b>1,131</b>	<b>(539)</b>	<b>(11,056)</b>
<b>Results of investees</b>					
Share of (loss) net profit of associates and joint ventures	(106)	2,096	2,938		4,928
<b>Financial results, net</b>					
Interest payable on borrowing	(9,595)	(1,068)	(2,379)	(5,531)	(18,573)
Financial results, net, except interest payable on borrowing and other	(9,012)	40	811	2,015	(6,146)
	(18,607)	(1,028)	(1,568)	(3,516)	(24,719)
<b>Profit (loss) before income tax</b>	<b>(64,489)</b>	<b>35,196</b>	<b>2,501</b>	<b>(4,055)</b>	<b>(30,847)</b>
<b>Income tax</b>	<b>15,108</b>	<b>4,159</b>	<b>223</b>		<b>19,490</b>
<b>Profit (loss) for the quarter</b>	<b>(49,381)</b>	<b>39,355</b>	<b>2,724</b>	<b>(4,055)</b>	<b>(11,357)</b>
<b>Depreciation, amortization and depletion</b>	<b>42,343</b>	<b>14,071</b>	<b>4,153</b>	<b>20</b>	<b>60,587</b>
Dividends received	142				142
Unusual items		925			925
<b>Adjusted EBITDA</b>	<b>(3,291)</b>	<b>49,124</b>	<b>5,284</b>	<b>(519)</b>	<b>50,598</b>
<b>Acquisition of PP&amp;E and intangible assets</b>	<b>39,718</b>	<b>11,991</b>	<b>2,254</b>	<b>2</b>	<b>53,965</b>
<b>Total assets</b>	<b>2,738,123</b>	<b>1,334,665</b>	<b>574,603</b>	<b>714,549</b>	<b>5,361,940</b>
<b>Total liabilities</b>	<b>1,308,640</b>	<b>591,210</b>	<b>180,825</b>	<b>305,275</b>	<b>2,385,950</b>
<b>Net debts</b>	<b>822,416</b>	<b>(7,617)</b>	<b>77,032</b>	<b>134,356</b>	<b>1,026,187</b>

## Votorantim Cimentos International S.A.


**Notes to the condensed consolidated interim financial statements  
as of March 31, 2024**
**All amounts in thousands of US dollars, unless otherwise stated**

					1/1/2023 to 3/31/2023
	North America	Europe, Asia and Africa	Latin America	Holding and eliminations	Total
Revenue from contracts with customers	232,621	294,943	37,311		564,875
Cost of goods sold and services rendered	(261,287)	(238,559)	(31,923)		(531,769)
<b>Gross (loss) profit</b>	<b>(28,666)</b>	<b>56,384</b>	<b>5,388</b>		<b>33,106</b>
<b>Operating expenses</b>	<b>(22,597)</b>	<b>(19,852)</b>	<b>(3,863)</b>	<b>(821)</b>	<b>(47,133)</b>
<b>Operating (expenses) income before equity interest and financial results</b>	<b>(51,263)</b>	<b>36,532</b>	<b>1,525</b>	<b>(821)</b>	<b>(14,027)</b>
<b>Results of investees</b>					
Share of (loss) net profit of associates and joint ventures	(52)	2,665	4,177		6,790
<b>Financial results, net</b>					
Interest payable on borrowing and other	(11,437)	(803)	(1,413)	(5,923)	(19,576)
Financial results, net, except interest payable on borrowing and other	(2,379)	2,658	(656)	(165)	(542)
	<b>(13,816)</b>	<b>1,855</b>	<b>(2,069)</b>	<b>(6,088)</b>	<b>(20,118)</b>
<b>Profit (loss) before income tax</b>	<b>(65,131)</b>	<b>41,052</b>	<b>3,633</b>	<b>(6,909)</b>	<b>(27,355)</b>
<b>Income tax</b>	<b>10,441</b>	<b>(11,950)</b>	<b>1,304</b>		<b>(205)</b>
<b>Profit (loss) for the quarter</b>	<b>(54,690)</b>	<b>29,102</b>	<b>4,937</b>	<b>(6,909)</b>	<b>(27,560)</b>
<b>Depreciation, amortization and depletion</b>	<b>42,143</b>	<b>14,410</b>	<b>3,502</b>		<b>60,055</b>
Dividends received	640				640
Impairment		42			42
<b>Adjusted EBITDA</b>	<b>(8,480)</b>	<b>50,984</b>	<b>5,027</b>	<b>(821)</b>	<b>46,710</b>
<b>PP&amp;E and intangible assets additions</b>	<b>28,019</b>	<b>4,423</b>	<b>2,768</b>		<b>35,210</b>
<b>Total assets</b>	<b>2,650,008</b>	<b>1,339,818</b>	<b>582,327</b>	<b>564,360</b>	<b>5,136,513</b>
<b>Total liabilities</b>	<b>1,200,563</b>	<b>713,909</b>	<b>187,199</b>	<b>347,235</b>	<b>2,448,906</b>
<b>Net debts</b>	<b>761,875</b>	<b>(99,763)</b>	<b>85,530</b>	<b>327,847</b>	<b>1,075,489</b>

The following table reconciles the adjusted EBITDA:

	1/1/2024 a 3/31/2024	1/1/2023 a 3/31/2023	4/1/2023 a 3/31/2024	1/1/2023 a 12/31/2023
Revenue from contracts with customers	500,464	564,875	2,781,975	2,846,386
Profit (loss) for the period	(11,357)	(27,560)	336,381	320,178
Profit (loss) before income tax	(30,847)	(27,355)	315,958	319,450
Depreciation, amortization and depletion - continuing operations	60,587	60,055	248,158	247,626
Financial result, net	24,719	20,118	108,124	103,523
<b>EBITDA</b>	<b>54,459</b>	<b>52,818</b>	<b>672,240</b>	<b>670,599</b>
Share of (loss) net profit of associates and joint ventures	(4,928)	(6,790)	(8,069)	(9,931)
Dividends received	142	640	14,989	15,487
<b>Adjusted EBITDA items</b>				
Impairment of long-term assets		42	(10,735)	(10,693)
Unusual items	925		2,270	1,345
<b>Adjusted EBITDA</b>	<b>50,598</b>	<b>46,710</b>	<b>670,695</b>	<b>666,807</b>

**Votorantim Cimentos International S.A.**
**Notes to the condensed consolidated interim financial statements  
as of March 31, 2024**

All amounts in thousands of US dollars, unless otherwise stated

### 3.2 Capital management

The financial leverage ratio, considering the basis of information of the accumulated profit in the past 12 months, is summarized as follows:

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 12/31/2023
Borrowing	21(a)	1,273,693	1,102,114
Lease liabilities	20(b)	183,635	183,907
Cash and cash equivalents	12	(427,942)	(571,312)
Financial investments	13	(3,199)	(6,312)
Derivative financial instruments			222
Net debt - (A)		1,026,187	708,619
Adjusted EBITDA for the last 12 months - (B)		670,695	666,807
Financial leverage ratio - (A/B)		1.53	1.06

## 4 Changes in accounting policies and disclosures

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

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

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

The Group analyzed the new accounting standards, amendments to the accounting standards and interpretations issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union ("EU") which are applicable for periods commencing on or after April 1<sup>st</sup>, 2024, and did not identify material impacts to its operations and accounting policies.

#### **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 EU has not yet endorsed these amendments; nevertheless, the Group is assessing the new required disclosures to be ready to disclose them once they become applicable.

## 5 New sustainability reporting standards

In January 2023 the EU 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 EU countries (Luxembourg and Spain), and indirectly to all subsidiaries forming part of VCI's Group perimeter. The European subsidiaries must report on a consolidated basis, in accordance with the current and future ESRSs, as from 31 December 2025.

The Group is in the process of implementing these new sustainability standards, leveraging in the processes already in place for the current Integrated Report prepared for VCSA Group, and deploying the necessary improvements to comply with the ESRSs, and be able to respond to the increasing expectations of investors and financial markets.

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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## 6 Basis of preparation

### 6.1 Interim financial statements

These interim financial statements were prepared and are being presented in accordance with the international accounting standard IAS 34 – “Interim Financial Reporting”, issued by the IASB that is adopted by the EU. These interim financial statements disclose all the applicable significant information related to the interim financial statements and are unaudited.

These interim financial statements as of March 31, 2024, do not contain all the accompanying notes and disclosures required by the accounting standards applicable to the annual consolidated financial statements, since their purpose is to provide an update on significant activities, events and circumstances compared to the annual consolidated financial statements. Therefore, they should be read together with the annual consolidated financial statements for the year ended December 31, 2023, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB that are adopted by the EU.

These interim financial statements have been prepared in a manner consistent with the accounting policies disclosed in the annual consolidated financial statements as of December 31, 2023. There are no changes to accounting policies compared to the year ended December 31, 2023.

### 6.2 Companies included in these interim financial statements

In the three-month period ended on March 31, 2024, there is no change in the companies included in these interim financial statements, compared to the information disclosed in Note 6.2 (g) of the last annual consolidated financial statements.

### 6.3 Hyperinflationary economies

The Group has operations in Turkey and Argentina, for which the functional currency is the Turkish Lira and the Argentine Peso, respectively. These countries are considered to have hyperinflationary economies, therefore hyperinflation accounting as prescribed in IAS 29 – “Financial Reporting in Hyperinflationary Economies” is applied to the financial information reported by the Group’s subsidiaries located in Turkey and to the associate Cementos Avellaneda S.A. (“Avellaneda”) located in Argentina, before being included in these interim financial statements.

For Avellaneda IAS 29 has been applied since 2018, and for the Turkish subsidiaries the hyperinflation accounting was firstly applied in April 2022.

The comparative amounts presented in these interim financial statements and related to the above-mentioned entities are not restated, as they are presented in a stable currency.

## 7 Critical accounting estimates and judgments

In the first three-months period of 2024 there have been no changes in estimates and assumptions entailing a significant risk, with a 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 of the annual consolidated financial statements for the year ended December 31, 2023.

## Votorantim Cimentos International S.A.



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## 8 Seasonality of cement operations

The demand for cement, ready-mix concrete, aggregates, and other construction materials is seasonal, due to cyclical activity in the construction sector affected by climatic conditions. This has a direct impact on VCI Group's operating performance throughout the year.

The Group's principal markets are located in North America, Europe, Asia and Africa, therefore the operating sales usually suffer a decrease during the first quarter of the year and December month, reflecting the negative winter effects. The second and third quarters of the year show an increase in sales, reflecting the positive effects of the summer season. This seasonality can be particularly visible in severe winter seasons, and its impacts are more significant in the North American business.

## 9 Environmental risk management

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

## 10 Financial risk management

### 10.1 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.

#### 10.1.1 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 Company and its subsidiaries have assets and liabilities denominated in foreign currencies that differ from its functional currency, being Euro, Canadian dollar, US dollar, Moroccan dirham, Turkish lira, Tunisian dinar, Bolivianos and Uruguayan pesos.

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 10.1.3 below for additional details.

#### 10.1.2 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 21 for the details of borrowings by interest rate.

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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#### 10.1.3 Hedging of net investments in foreign operations

The subsidiary St Marys (hereinafter 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		1/1/2024 to 3/31/2024
Entity	Currency	Investment	Currency	Percentage designated	Underlying investment USD	Net designated amount	Currency	Original amount	Amount in USD	Loss	
SMCI	CAD	VCNA US, Inc.	USD	74.52%	670,919	500,000	USD	500,000	502,632	(9,970)	

Investor							Hedged item		Instrument		1/1/2023 to 3/31/2023
Entity	Currency	Investment	Currency	Percentage designated	Underlying investment USD	Net designated amount	Currency	Original amount	Amount in USD	Gain	
SMCI	CAD	VCNA US, Inc.	USD	45.64%	1,095,639	500,000	USD	500,000	499,908	2,256	

There was no ineffectiveness in the hedge relationships during the three-month period ended on March 31, 2024; therefore, no translation gain or loss was recognized in the interim statement of income.

The gain or loss shown above is net of tax effects, which are presented in Note 24 (b).

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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#### 10.2 Credit risk

The credit quality of trade receivables that are non-overdue and not impaired is as follows:

	3/31/2024	12/31/2023
High risk	24,832	20,488
Medium risk	19,525	21,143
Low risk	101,320	70,797
AAA	32,351	44,085
	<u>178,028</u>	<u>156,513</u>

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.

#### 10.3 Liquidity risk

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
<b>At March 31, 2024</b>							
Borrowing		102,155	86,753	995,502	135,521	516,624	1,836,556
Lease liabilities		29,586	22,853	48,052	28,302	100,301	229,094
Confirming payables		203,450					203,450
Trade payables		333,336					333,336
Dividends payable	16(a)	337					337
		<u>668,864</u>	<u>109,606</u>	<u>1,043,554</u>	<u>163,823</u>	<u>616,925</u>	<u>2,602,772</u>
<b>At December 31, 2023</b>							
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	16(a)	347					347
Pension plan		12,194	12,186	33,893	53,341	154,203	265,817
		<u>816,974</u>	<u>120,271</u>	<u>922,520</u>	<u>230,202</u>	<u>773,742</u>	<u>2,863,709</u>

## Votorantim Cimentos International S.A.


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**11 Financial instruments by category**
**(a) Analysis**

	Note	3/31/2024		
		Amortized cost	Fair value through profit and loss	Total
<b>Assets</b>				
Trade receivables	14 (a)	198,892		198,892
Securitization of receivables	14(d)	54,737		54,737
		<u>253,629</u>		<u>253,629</u>
Cash and cash equivalents	12		427,942	427,942
Financial investments	13		3,199	3,199
			<u>431,141</u>	<u>431,141</u>
<b>Liabilities</b>				
Borrowing	21(a)	1,273,693		1,273,693
Lease liabilities	20(b)	183,635		183,635
Confirming payables		203,450		203,450
Trade payables		333,336		333,336
Salaries and payroll charges		59,846		59,846
Securitization of receivables	14(d)	17,965		17,965
		<u>2,071,925</u>		<u>2,071,925</u>

	Note	12/31/2023		
		Amortized cost	Fair value through profit and loss	Total
<b>Assets</b>				
Trade receivables	14 (a)	173,191		173,191
Securitization of receivables	14(d)	51,716		51,716
		<u>224,907</u>		<u>224,907</u>
Cash and cash equivalents	12		571,312	571,312
Financial investments	13		6,312	6,312
			<u>577,624</u>	<u>577,624</u>
<b>Liabilities</b>				
Borrowing	21(a)	1,102,114		1,102,114
Lease liabilities	20(b)	183,907		183,907
Confirming payables		261,473		261,473
Trade payables		433,837		433,837
Salaries and payroll charges		77,213		77,213
Securitization of receivables		19,693		19,693
Derivative financial instruments			222	222
		<u>2,078,237</u>	<u>222</u>	<u>2,078,459</u>

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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#### (b) 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		3/31/2024	
		Price quoted in an active market	Valuation technique supported by observable prices		Fair value
			Level 1	Level 2	
Assets					
Cash and cash equivalents	12	383,395	44,547	427,942	
Financial investments	13		3,199	3,199	
		<u>383,395</u>	<u>47,746</u>	<u>431,141</u>	
Liabilities					
Borrowing	21(a)	883,572	469,157	1,352,729	

	Note	Fair value measured based on		12/31/2023	
		Price quoted in an active market	Valuation technique supported by observable prices		Fair value
			Level 1	Level 2	
Assets					
Cash and cash equivalents	12	352,142	219,170	571,312	
Financial investments	13		6,312	6,312	
		<u>352,142</u>	<u>225,482</u>	<u>577,624</u>	
Liabilities					
Borrowing	21(a)	869,648	270,008	1,139,656	
Derivative financial instruments			222	222	
		<u>869,648</u>	<u>270,230</u>	<u>1,139,878</u>	

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.

## 12 Cash and cash equivalents

	3/31/2024	12/31/2023
Cash at bank	383,395	352,142
Time deposits (i)	44,547	219,170
	<u>427,942</u>	<u>571,312</u>

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

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**13 Financial investments**

	<b>3/31/2024</b>	<b>12/31/2023</b>
Time deposits	3,199	6,312

**14 Trade receivables**
**(a) Analysis**

	<b>3/31/2024</b>	<b>12/31/2023</b>
Trade accounts receivables	196,312	176,055
Related parties	8,269	4,622
Allowance for doubtful accounts	(5,689)	(7,486)
	<u>198,892</u>	<u>173,191</u>

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

**(b) Changes in the allowance for doubtful accounts**

	<b>1/1/2024 to 3/31/2024</b>	<b>1/1/2023 to 3/31/2023</b>
Balance at the beginning of the quarter	(7,486)	(9,539)
Additions	(88)	(97)
Reversals	149	299
Receivables written off as uncollectible	1,599	1,124
Exchange rate variations	137	(57)
Companies included in the consolidation		659
Balance at the end of the quarter	<u>(5,689)</u>	<u>(7,611)</u>

The additions and reversals of allowance for doubtful accounts have been included in "Selling expenses" in the interim statement of income. Subsequent recoveries of amounts previously written off are credited against the same line item. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

**(c) Aging of trade receivables**

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

	<b>3/31/2024</b>	<b>12/31/2023</b>
Current	186,297	161,135
Up to 3 months past due	11,736	9,467
From 3 to 6 months past due	935	1,278
Over 6 months past due	5,613	8,797
	<u>204,581</u>	<u>180,677</u>
Allowance for doubtful accounts	(5,689)	(7,486)
	<u>198,892</u>	<u>173,191</u>

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**(d) Securitization of receivables**

In March 2024, the Group entered into a new revolving receivables securitization agreement with a financial institution, with a credit facility amounting to USD 250 million and maturing in March 2027.

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

	<b>3/31/2024</b>	<b>12/31/2023</b>
Notes recognized	48,844	43,091
Capital contribution in the SPE	5,893	8,625
Notes and capital related to the SPE	54,737	51,716
Security guarantee	(13,842)	(19,094)
Junior note guarantee losses	(4,123)	(599)
Junior subordinated note	(17,965)	(19,693)
Net carrying amount of the continuing involvement	36,772	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.

**15 Inventory**

	<b>3/31/2024</b>	<b>12/31/2023</b>
Finished products	32,078	31,290
Semi-finished products	168,831	140,495
Raw materials	48,021	67,377
Fuels	80,203	86,423
Auxiliary materials and consumables	127,734	108,305
Other	3,605	3,308
Provision for losses	(36,442)	(36,606)
	424,030	400,592

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## 16 Related parties

### (a) Analysis

	Parent company		Associated companies		Other related parties		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
<b>Assets</b>								
<b>Current</b>								
Trade receivables	144	262	4,456	1,874	3,669	2,486	8,269	4,622
Dividends receivable				254				254
	144	262	4,456	2,128	3,669	2,486	8,269	4,876
<b>Non-current</b>								
Other assets			54,737	51,716			54,737	51,716
	144	262	59,193	53,844	3,669	2,486	63,006	56,592
<b>Liabilities</b>								
<b>Current</b>								
Trade payables	1,829	2,322	4,468	4,479			6,297	6,801
Dividends payable					337	347	337	347
	1,829	2,322	4,468	4,479	337	347	6,634	7,148
<b>Non-current</b>								
Other liabilities			17,965	19,693			17,965	19,693
			17,965	19,693			17,965	19,693
	1,829	2,322	22,433	24,172	337	347	24,599	26,841

**Votorantim Cimentos International S.A.**
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	Associated companies		Other related parties		Total	
	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
<b>Income statement</b>						
Sales	5,446	11,000	5,717	30,099	11,163	41,099
Purchases	5,825	7,316			5,825	7,316
Other incomes (expenses)	(4,541)	1,466			(4,541)	1,466
	<u>6,730</u>	<u>19,782</u>	<u>5,717</u>	<u>30,099</u>	<u>12,447</u>	<u>49,881</u>

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**(b) Group's debts guaranteed by related parties**

<b>Instrument</b>	<b>Guarantor and % of debt guaranteed</b>	<b>3/31/2024</b>	<b>12/31/2023</b>
Committed Credit Facility	VCSA (100%) / SMCI (100%)	228,032	34,027
Eurobonds - USD (Voto 41)	VSA (100%) / VCSA (100%)	346,008	339,950
Eurobonds - USD (Voto 27)	VCSA (100%) / SMCI (100%)	504,951	512,139
Bilateral loan - VCEAA	VCSA (100%) / VCEAA (100%)	114,290	117,332
		<u>1,193,281</u>	<u>1,003,448</u>

Funding costs are not considered in these amounts.

**(c) Debts issued by related parties guaranteed by the Group**

<b>Instrument</b>	<b>Debtor</b>	<b>Guarantor</b>	<b>Percentage guaranteed by the Company</b>	<b>Amount guaranteed</b>	
				<b>3/31/2024</b>	<b>12/31/2023</b>
4131 - USD 50 MM	VCN/NE	VCI,VCSA	100%	50,455	50,305
4131 - USD 100 MM	VCSA	VCI	100%	101,462	100,609
				<u>151,918</u>	<u>150,914</u>

The amounts above represent the total amount guaranteed by the Group and may differ from the carrying value of the debts in the debtors' financial statements due to market value adjustments and credit risks impacts.

## Votorantim Cimentos International S.A.



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## 17 Investments in associates and joint ventures

### (a) Analysis

	Country	Information as at March 31, 2024			Share of net profit of associates and joint ventures			Balance
		Net equity	Net income for the quarter	Percentage of voting and total capital (%)	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023	3/31/2024	12/31/2023
Investments accounted for using the equity method								
Associates								
Cementos Especiales de las Islas S.A.	Spain	48,166	4,042	50.00	2,021	2,636	24,083	22,582
Cementos Avellaneda S.A.	Argentina	286,296	5,996	49.00	2,938	4,177	140,285	94,389
Joint ventures								
Grundy-River Holdings LLC	United States	11,806		50.00			5,903	5,894
Hutton Transport Limited	Canada	14,480	708	25.00	177	129	3,620	3,652
Midway Group, LLC	United States	14,488	(722)	50.00	(361)	(212)	7,244	7,605
RMC Leasing LLC	United States	8,060	156	50.00	78	30	4,030	3,952
Other investments								
					75	30	14,361	14,640
					4,928	6,790	199,526	152,714
Goodwill								
Cementos Avellaneda S.A.	Argentina						50,190	35,336
Hutton Transport Limited	Canada						2,196	2,247
Grundy-River Holdings LLC	United States						415	424
					4,928	6,790	252,327	190,721

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**(b) Changes**

	<b>1/1/2024 to 3/31/2024</b>	<b>1/1/2023 to 3/31/2023</b>
Balance at the beginning of the quarter	190,721	240,088
Share of net profit of associates and joint ventures	4,928	6,790
Currency exchange differences on translation of foreign operations	56,820	6,196
Approved dividends	(142)	(640)
Balance at the end of the quarter	<u>252,327</u>	<u>252,434</u>

## Votorantim Cimentos International S.A.



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## 18 Property, plant, and equipment

### (a) Analysis and changes

								1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Land	Buildings	Machinery, equipment and facilities	Leasehold improvements	Vehicles	Furniture and fixtures	Construction in progress	Total	Total
Balance at the beginning of the quarter									
Cost	186,045	1,067,988	3,394,629	145,757	307,519	30,278	267,835	5,400,051	5,076,844
Accumulated depreciation		(583,394)	(2,336,378)	(103,479)	(207,684)	(25,639)		(3,256,574)	(3,049,514)
Net balance	186,045	484,594	1,058,251	42,278	99,835	4,639	267,835	2,143,477	2,027,330
Acquisitions		76	1,108		372	1	41,893	43,450	34,369
Companies included in the consolidation									1,862
Disposals							(71)	(71)	(153)
Depreciation		(5,195)	(30,385)	(1,524)	(5,533)	(308)		(42,945)	(42,009)
Exchange variations	(2,325)	(3,265)	(3,219)	(1,086)	(833)	(91)	(4,795)	(15,614)	21,043
Provision of impairment									(42)
Transfers		2,157	58,224	183	5,148	484	(66,196)		
Balance at the end of the quarter	183,720	478,367	1,083,979	39,851	98,989	4,725	238,666	2,128,297	2,042,400
Cost	183,720	1,077,371	3,436,529	138,377	312,021	30,129	238,666	5,416,813	5,163,652
Accumulated depreciation		(599,004)	(2,352,550)	(98,526)	(213,032)	(25,404)		(3,288,516)	(3,121,252)
Balance at the end of the quarter	183,720	478,367	1,083,979	39,851	98,989	4,725	238,666	2,128,297	2,042,400
Average annual depreciation rates - %		3	6	10	14	13			

**Votorantim Cimentos International S.A.**
**Notes to the condensed consolidated interim financial statements  
as of March 31, 2024**

 All amounts in thousands of US dollars, unless otherwise stated
 

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**(b) Construction in progress**

	<b>3/31/2024</b>	<b>12/31/2023</b>
Sustaining (i)	96,953	93,293
Industrial modernization (ii)	96,596	115,342
Environment and security	23,684	21,726
Expansion of cement production capacity (iii)	21,332	28,378
Other	101	9,096
	<b>238,666</b>	<b>267,835</b>

- (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.

## Votorantim Cimentos International S.A.



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## 19 Intangible assets

### (a) Analysis and changes

								1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Rights over natural resources	Goodwill	Asset retirement obligation	Customer contracts and agreements	Software	Intangible in progress	Other	Total	Total
Balance at the beginning of the quarter									
Cost	545,385	923,078	75,731	124,428	56,908	9,992	9,192	1,744,714	1,836,121
Accumulated depreciation and depletion	(149,996)		(44,976)	(86,426)	(47,668)		(7,660)	(336,726)	(401,260)
Net balance	<u>395,389</u>	<u>923,078</u>	<u>30,755</u>	<u>38,002</u>	<u>9,240</u>	<u>9,992</u>	<u>1,532</u>	<u>1,407,988</u>	<u>1,434,861</u>
Acquisitions					826	9,688	2	10,516	841
Companies included in the consolidation									1,043
Disposals and write offs									(5)
Amortization and depletion	(2,349)		(1,193)	(946)	(1,358)		(32)	(5,878)	(6,401)
Exchange variations	(745)	(8,620)	(1,544)	(28)	(184)	(2,950)	242	(13,829)	9,347
Remeasurement of estimates									1,239
Transfers	353				13,098	(13,451)			
Balance at the end of the quarter	<u>392,648</u>	<u>914,458</u>	<u>28,018</u>	<u>37,028</u>	<u>21,622</u>	<u>3,279</u>	<u>1,744</u>	<u>1,398,797</u>	<u>1,440,925</u>
Cost	544,480	914,458	73,733	122,889	70,633	3,279	10,962	1,740,434	1,850,653
Accumulated amortization and depletion	(151,832)		(45,715)	(85,861)	(49,011)		(9,218)	(341,637)	(409,728)
Balance at the end of the quarter	<u>392,648</u>	<u>914,458</u>	<u>28,018</u>	<u>37,028</u>	<u>21,622</u>	<u>3,279</u>	<u>1,744</u>	<u>1,398,797</u>	<u>1,440,925</u>
Average annual amortization and depletion rates - %	6		7	7	22		20		

**Votorantim Cimentos International S.A.**
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**(b) Goodwill arising on acquisitions**

	<b>3/31/2024</b>	<b>12/31/2023</b>
North America	577,890	578,888
Europe, Asia and Africa	333,824	341,550
Latin America	2,744	2,640
	<u>914,458</u>	<u>923,078</u>

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

All amounts in thousands of US dollars, unless otherwise stated

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

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

							1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	Land and improvements	Machinery and equipment	Buildings	Vehicles	IT equipment	Barges	Total	Total
Balance at the beginning of the quarter								
Cost	110,029	39,979	6,615	43,183	231	164,091	364,128	352,156
Accumulated depreciation and depletion	(21,835)	(33,507)	(4,041)	(34,029)	(120)	(94,067)	(187,599)	(147,712)
Net balance	88,194	6,472	2,574	9,154	111	70,024	176,529	204,444
Additions	2,917	6,460	1,893	2,259			13,529	2,233
Amortization	(1,453)	(2,051)	(319)	(1,241)	(12)	(6,688)	(11,764)	(11,645)
Disposals	(110)						(110)	(39)
Exchange variations	(388)	(7)	(20)	(127)	(3)	(730)	(1,275)	622
Balance at the end of the quarter	89,160	10,874	4,128	10,045	96	62,606	176,909	195,615
Cost	113,129	43,819	8,471	44,476	274	163,362	373,531	353,915
Accumulated amortization	(23,969)	(32,945)	(4,343)	(34,431)	(178)	(100,756)	(196,622)	(158,300)
Balance at the end of the quarter	89,160	10,874	4,128	10,045	96	62,606	176,909	195,615
Average annual depreciation rates - %	16	32	19	22	33	9		

**Votorantim Cimentos International S.A.**
**Notes to the condensed consolidated interim financial statements  
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**(b) Analysis and changes of lease liabilities**

	<b>1/1/2024 to 3/31/2024</b>	<b>1/1/2023 to 3/31/2023</b>
Balance at the beginning of the quarter	183,907	218,511
Additions	13,529	2,233
Payments	(14,410)	(12,003)
Present value adjustment	1,807	1,934
Disposals	(110)	(39)
Exchange variations	(1,088)	(981)
Balance at the end of the quarter	<u>183,635</u>	<u>209,655</u>
Current	26,833	28,086
Non-current	156,802	181,569
	<u>183,635</u>	<u>209,655</u>

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

All amounts in thousands of US dollars, unless otherwise stated

## 21 Borrowing

### (a) Analysis and fair value

Type	Average annual cost	Current		Non-current		Total		Fair value	
		3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Eurobonds - USD	6.39% Fixed USD	15,176	16,329	789,218	808,844	804,394	825,173	841,364	869,648
	CDOR 0,95%/SOFR 0,95%/3.95% Fixed BOB/ 10.72% Fixed UYU/1.63% Fixed								
Syndicated loans / Bilateral agreements	EUR/ EURIBOR+1.61%	15,561	12,300	376,263	188,071	391,824	200,371	400,141	201,666
Local issuance in Bolivia	5.40% Fixed BOB	15,520	6,915	61,050	68,624	76,570	75,539	68,111	67,311
Other		550	551	355	480	905	1,031	905	1,031
		<u>46,807</u>	<u>36,095</u>	<u>1,226,886</u>	<u>1,066,019</u>	<u>1,273,693</u>	<u>1,102,114</u>	<u>1,310,521</u>	<u>1,139,656</u>
Accrued interest		21,856	19,890						
Current portion of long-term borrowing (principal)		24,951	16,205						
		<u>46,807</u>	<u>36,095</u>						

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.

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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#### (b) Maturity profile

	2024	2025	2026	2027	2028	2029	2030	2031+	Total
Eurobonds - USD	16,730			458,090				334,229	809,049
Syndicated loans/Bilateral agreements	14,494	12,345	60,644	289,163	2,737	2,737	2,737	9,503	394,360
Local issuance in Bolivia	7,944	10,629	12,210	21,368	12,210	12,210			76,571
Other	435	470							905
	<u>39,603</u>	<u>23,444</u>	<u>72,854</u>	<u>768,621</u>	<u>14,947</u>	<u>14,947</u>	<u>2,737</u>	<u>343,732</u>	<u>1,280,885</u>
% amortized per year	3.09%	1.83%	5.69%	60.01%	1.17%	1.17%	0.21%	26.84%	100.00%

The balances presented in this note do not reconcile with the Note 21 (a) since it excludes the upfront fees.

#### (c) Changes

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Balance at the beginning of the quarter		1,102,114	1,086,018
New borrowing		192,642	123,945
Accrued interest	26	18,573	16,701
Amortization of borrowing fees, net of additions		418	396
Interest paid		(16,582)	(15,506)
Debt renegotiation gain or loss		92	91
Payments		(20,818)	(859)
Exchange variation		(2,746)	2,620
Balance at the end of the quarter		<u>1,273,693</u>	<u>1,213,406</u>

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

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

During the first three months of 2024 a total amount of USD 193 million was withdrawn from the credit facility CCF. These withdraws are recurring due to operations seasonality. As of March 31, 2024 the total amount of USD 74 million was available to the Group for new withdraws, as detailed in Note 21 (f) below.

#### (ii) Bonds repurchase

In January 2024 VCI repurchased the amount of USD 20 million of principal of the bond maturing in 2027 ("Voto 27"), a bond issued by SMCI, decreasing the total consolidated outstanding balance to USD 458.5 million.

#### (d) Analysis by currency

	Current		Non-current		Total	
	3/12/2024	12/31/2023	3/12/2024	12/31/2023	3/12/2024	12/31/2023
US Dollar	16,723	16,329	939,219	808,844	955,942	825,173
Euro	757	1,158	113,892	116,456	114,649	117,614
Boliviano	18,354	9,755	85,077	93,328	103,431	103,083
Canadian dollar	1,338	669	76,051	34,388	77,389	35,057
Uruguayan peso	9,635	8,184	12,647	13,003	22,282	21,187
	<u>46,807</u>	<u>36,095</u>	<u>1,226,886</u>	<u>1,066,019</u>	<u>1,273,693</u>	<u>1,102,114</u>

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**(e) Guarantees**

As of March 31, 2024, USD 1,193,281 (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 16 (b), while USD 50,729 (December 31, 2023 – USD 50,729) was collateralized by liens on property, plant and equipment items and mortgage, and there are no bank guarantees.

**(f) 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	(226,230)	73,770
				550,000	(226,230)	323,770

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

Subsequently to March 31, 2024, and until the date of issuance of these interim financial statements, the Group made repayments totaling CAD 65,000 (USD 48,032) and USD 40,000, decreasing the outstanding balance by the same amount.

**22 Current and deferred income taxes****(a) Reconciliation of income taxes expense**

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

	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Profit (loss) before taxes	(30,847)	(27,355)
Standard rate	24.94%	24.94%
Income tax at standard rates	7,693	6,822
Recognition of deferred tax asset on unused tax losses	8,204	
Tax losses without recognition of deferred tax assets	(3,111)	(2,567)
Hyperinflation tax adjustment	6,658	
Share of net profit of associates and joint ventures	1,229	1,693
State income tax expense		(2,401)
Rate differences of foreign companies	782	(961)
Deductible temporary differences without recognition of deferred tax assets	445	470
Other non taxable / (deductible) items	(2,410)	(3,262)
Income tax	19,490	(205)
Current	3,696	(10,296)
Deferred	15,794	10,091
Income tax in the income statement	19,490	(205)

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 the Group operates, Pillar Two legislation was adopted and enacted in Luxembourg, effective from 1 January 2024, and a bill was published in Spain with final approval expected along 2024.

The Group is in the process of assessing the potential exposure arising from Pillar Two legislation and the preliminary assessment based on March 2024 period results 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.

## Votorantim Cimentos International S.A.


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**(b) Analysis of deferred tax balances**

	3/31/2024	12/31/2023
Tax credits on tax losses	171,101	169,008
Tax credits on temporary differences		
Market value adjustment and hyperinflation	41,879	40,506
Investment tax credit (ITC)	35,815	36,544
Ontario (CA) minimum tax	7,743	7,900
Provision for social security obligations	7,124	7,123
Pension plan	6,966	6,501
Provision for inventory losses	6,866	5,995
Deductions - Moroccan and Spain law (Government benefit)	3,853	2,641
Allowance for doubtful accounts	1,031	1,008
Asset retirement obligation	5,493	793
Provision for indemnities	252	370
Provision for legal claims	197	324
Provision for taxes under litigation	15	13
Other credits	14,226	13,690
Tax debts on temporary differences		
Adjustment to useful life of property, plant and equipment (depreciation)	(227,257)	(228,298)
Fair value uplift on property, plant and equipment	(56,115)	(55,146)
Other debts	(241)	(693)
Net	18,948	8,279
Net deferred tax assets of the same legal entity	167,446	161,949
Net deferred tax liabilities of the same legal entity	(148,498)	(153,670)

**(c) Effects of deferred income taxes on the statement of income and other comprehensive income**

	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Balance at the beginning of the quarter	8,279	(53,149)
Effect on income	15,794	10,091
Effect of exchange variations on other components of comprehensive income	(5,620)	73
Effect on other comprehensive income - hedge accounting	14	
Other	481	(58)
Balance at the end of the quarter	18,948	(43,043)

## Votorantim Cimentos International S.A.



### Notes to the condensed consolidated interim financial statements as of March 31, 2024

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## 23 Provision

### (a) Analysis and changes

	Legal claims				1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
	ARO (i)	Tax	Civil	Labor	Total	Total
Balance at the beginning of the quarter	42,072	4,790	706	64	47,632	65,994
Additions		99	13		112	12
Reversals		(32)			(32)	(103)
Settlements	(1,841)				(1,841)	(1,742)
Disposals						(20)
Exchange variation	(675)	(98)	(19)		(792)	541
Estimate remeasurement charged to intangible assets						1,239
Present value adjustment	563				563	1,482
Balance at the end of the quarter	<u>40,119</u>	<u>4,759</u>	<u>700</u>	<u>64</u>	<u>45,642</u>	<u>67,403</u>

(i) Asset Retirement Obligation.

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

	3/31/2024	12/31/2023
Civil	184	190
Tax	4,190	4,445
Other	864	828
	<u>5,238</u>	<u>5,463</u>

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 Shareholders' equity

### (a) Share capital and share premium

As of March 31, 2024 and December 31, 2023, the Company's fully subscribed and paid-up capital is USD 99,915, consisting of 99,915,432 common shares.

As of March 31, 2024 and December 31, 2023, the amount of share premium is USD 1,621,892.

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**(b) 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	5,174				5,174
Ongoing inflation adjustment for hyperinflationary economies - associates	34,917				34,917
Currency translation adjustment	(9,896)				(9,896)
Hedge accounting of net investment in foreign operations		1,872			1,872
Other comprehensive income				23	23
At March 31, 2023	<u>(810,734)</u>	<u>(45,788)</u>	<u>9,955</u>	<u>(56)</u>	<u>(846,623)</u>
At January 1, 2024	(849,702)	(37,966)	6,182	(1,554)	(883,040)
Ongoing inflation adjustment for hyperinflationary economies - subsidiary	10,061				10,061
Ongoing inflation adjustment for hyperinflationary economies - associates	65,346				65,346
Currency translation adjustment	(45,483)				(45,483)
Hedge accounting of net investment in foreign operations		(8,275)			(8,275)
Interest in other comprehensive income of investees				(169)	(169)
At March 31, 2024	<u>(819,778)</u>	<u>(46,241)</u>	<u>6,182</u>	<u>(1,723)</u>	<u>(861,560)</u>

## Votorantim Cimentos International S.A.


**Notes to the condensed consolidated interim financial statements  
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**25 Expenses by nature**

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
Raw materials and consumables used		60,936	68,386
Employee benefit expenses		107,561	102,235
Fuel costs		57,345	116,562
Freight costs		67,285	68,190
Depreciation, amortization and depletion	18, 19 and 20	60,587	60,055
Maintenance and upkeep		54,210	53,009
Electric power		28,863	33,682
Services, miscellaneous		38,629	38,682
Taxes, fees and contributions		7,896	8,419
Packaging materials		4,301	4,956
Rents and leases		3,294	3,830
Insurance		3,565	3,805
Technology and communication		3,734	3,802
Other expenses		20,947	16,806
		<u>519,153</u>	<u>582,418</u>
<b>Reconciliation</b>			
Cost of goods sold and services rendered		465,332	531,769
Selling expenses		16,146	18,561
General and administrative expenses		37,675	32,088
		<u>519,153</u>	<u>582,418</u>

## Votorantim Cimentos International S.A.


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**26 Financial income (expense)**

	Note	1/1/2024 to 3/31/2024	1/1/2023 to 3/31/2023
<b>Financial income</b>			
A/R securitization fees income		1,489	3,864
Derivative financial instruments			180
Income from financial investments		2,047	641
Interest on financial assets		1,306	241
Cross guarantee income		147	292
Other financial income		2,424	1,047
		<u>7,413</u>	<u>6,265</u>
<b>Financial expenses</b>			
Interest payable on borrowing	21(c)	(18,573)	(16,701)
A/R Securitizations fees expenses		(6,030)	(2,366)
Commissions on financial transactions		(3,513)	(1,336)
Cross guarantee expense		(2,377)	(2,318)
Inflation adjustment charges on provision and other liabilities		(345)	(229)
Amortization of prepaid financial results		(405)	(671)
Derivative financial instruments		(37)	(355)
Present value adjustment		(206)	(167)
Other financial expenses		(3,566)	(3,308)
		<u>(35,052)</u>	<u>(27,451)</u>
<b>Exchange rate variations</b>			
Exchange rate variations		(5,126)	(4,504)
Net monetary gain on hyperinflationary subsidiary		8,046	5,572
		<u>(24,719)</u>	<u>(20,118)</u>

**Votorantim Cimentos International S.A.****Notes to the condensed consolidated interim financial statements  
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**27 Events after the reporting period****(a) Bond issuance and Tender Offer**

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). 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 CO2 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 the outstanding notes related to the bond Voto 27 and repurchased a total of principal amount of USD 220,053. After this Tender Offer transaction the outstanding principal amount of Voto 27 is USD 238,447.

**(b) Share premium reimbursement to VCSA**

In April 2024, the Company reimbursed a total amount of USD 100 million in cash to its shareholder VCSA.

These interim financial statements were approved for issue by the Management Board on May 14, 2024 and were signed on behalf by:

DocuSigned by:  
  
9D82DEB72A2E423...  
Nuno Alves

Management Board Member

DocuSigned by:  
  
B5B66A0B5EB3436...  
Carlos Boggio

Management Board Member



**VOTORANTIM**  
**cimentos**