2024 Votorantim Cimentos Earnings Release

Votorantim Cimentos ended 2024 with all-time high operating results for the second consecutive year, supported by geographic and product diversification and in line with its strategic mandate. The Company ended another year with financial robustness, low leverage and solid liquidity, along with advances in credit ratings and opportunities with debt issuances at lower historical spread levels. In addition to the strong financial results, the Company continues to advance with the implementation of its sustainability strategy, in line with the public commitments to be achieved by 2030.

+1%
Cement Volume
vs 2023

-1% LC[1]
Net Revenue
vs 2023

24%
EBITDA Margin
+2p.p. vs 2023

+9% LC[1]
Adjusted EBITDA
vs 2023

+38%
CAPEX
vs 2023

1.66x
Leverage[2]
vs 1.37 x in 2023

-1%
CO2 *net* emission
vs 2023 [3]

Investor Relations Channels
E-mail: vc-ri@vcimentos.com
Website: https://ri.votorantimcimentos.com.br/en

[1] LC: in local currency; considers fixed average exchange rate in 2024 for 2023 earnings; BRL | USD average exchange rate: 5.00 (2023) and 5.39 (2024) | BRL | EUR average exchange rate 5.40 (2023) and 5.83 (2024)
[2] Only the continuing operations are considered in the Leverage, for 2023 and 2024.
[3] Net CO2 emission only considers continuing operations, for 2023 and 2024.

Highlights

- Consecutive all-time high in annual adjusted EBITDA and margin advance supported by geographic and product diversification.
- 38% increase in CAPEX, in line with the strategy of accelerating investments towards structural competitiveness.
- As recognition related to the financial robustness, extended debt profile and low leverage, the Company received an upgrade in its credit profile score by Fitch Rating and the reaffirmation of the investment grade by Moody's and S&P Ratings.
- In line with Votorantim Cimentos' efforts, investments and public commitments to be achieved by 2030, the Company earned an "A" score in climate change for the second year in a row by the *Carbon Disclosure Project* (CDP), positioning itself among a small number of organizations that operate with best practices in strategic environmental management.
- The Company entered into an agreement with the Administrative Council for Economic Defense ("CADE") and joined the extraordinary transaction with the Federal Attorney General's Office ("PGF"), based on the "Desenrola Agências Reguladoras" program, to resolve all controversies with CADE and finalize all the pending litigation with the authority.

Financial Highlights

BRL million	2024	2023	2024 vs. 2023
Cement Sales Volume (m tons)	**35.4**	**34.9**	**1%**
Net revenue	**26,565**	**25,678**	**3%**
COGS	**(20,693)**	**(20,117)**	**3%**
SG&A	**(2,522)**	**(2,248)**	**12%**
Selling expenses	(1,013)	(936)	**8%**
General and administrative expenses	(1,509)	(1,311)	**15%**
Other operational results	**(680)**	**362**	**N.A.**
Adjusted Net Income	**2,167**	**2,618**	**(17%)**
Depreciation	**(2,362)**	**(1,777)**	**33%**
Adjusted EBITDA	**6,474**	**5,605**	**16%**
EBITDA Margin	**24%**	**22%**	**+2p.p.**

ESG Highlights

Sustainability	2024	2023	2024 vs. 2023
CO_2 net emission (kg/ton cementitious)	**550**	**555**	**-1%**
Thermal substitution rate (%)	**32.1%**	**30.8%**	**+1.3 p.p.**
Clinker/cement factor (%)	**72.5%**	**72,7%**	**-0.2p.p.**
Renewable Energy (%)	**34.1%**	**34.1%**	**-**

1 Net Revenue and Adjusted EBITDA

1.1 Consolidated[4]

BRL million	2024	2023	2024 vs. 2023 LC[5]	2024 vs. 2023
Net Revenue	**26,565**	**25,678**	**(1%)**	**3%**
Adjusted EBITDA	**6,474**	**5,605**	**9%**	**16%**
EBITDA Margin (%)	**24%**	**22%**	**-**	**+2p.p.**

Consolidated net revenue in 2024 was BRL 26.6 billion, a stable result excluding FX effect compared to 2023. The result is due to the positive performance, with highlights to the countries in Europe and Asia (VCEAA) and the stability in Brazil (VCBR).

Consolidated adjusted EBITDA reached an all-time high adding up to BRL 6.5 billion, an increase of 9%, excluding FX variation compared to 2023. The advance is due to the balanced portfolio, highlighting the results in VCEAA, the operational efficiency combined with the reduction of variable costs in most regions and the positive impact of new businesses. Adjusted EBITDA margin reached 24%, and the adjusted EBIT[6] margin was 15%, leading to a solid cash conversion cycle.

1.2 Brazil (VCBR)

BRL million	2024	2023	2024 vs. 2023 LC	2024 vs. 2023
Net Revenue	**12,885**	**12,828**	**-**	**0%**
Adjusted EBITDA	**2,628**	**2,525**	**-**	**4%**

VCBR's net revenue was flat in the full year of 2024 compared to the same period in 2023, where higher volumes were offset by lower prices.

Adjusted EBITDA added up to BRL 2.6 billion in 2024, an increase of 4% compared to 2023, due to the improvement in variable costs, higher volumes and advances in new businesses.

[4]Due to the reclassification for Tunisia and Morocco as discontinued operations, the consolidated information does not consider the earnings from these countries. Dividends received from these operations are included as part of adjusted EBITDA from continuing operations.

[5]LC: in local currency; considers fixed average exchange rate in 2024 for 2023 earnings; BRL | USD average exchange rate: 5.00 (2023) and 5.39 (2024) | BRL | EUR average exchange rate 5.40 (2023) and 5.83 (2024)

[6] Adjusted EBIT refers to adjusted EBITDA of BRL 6,474 million (reconciled from net income in Note 4.1 of the annual financial statements) deducted by depreciation, amortization and depletion for the year adding up to BRL 2,362 million, reaching an amount of BRL 4,111 million.

The cement sector in Brazil, according to preliminary data from the National Cement Industry Union (SNIC), increased 3.9% in 2024 compared to 2023, considering calendar days. The real estate market continues to be heated, mainly linked to the launches of Minha Casa Minha Vida units.

According to SNIC, more moderate growth is expected for 2025, despite macroeconomic risks, fiscal uncertainties, inflation, high interest rates, and household indebtedness. The association expects grow of 1% by the end of 2025 compared to 2024, considering that programs on housing, sanitation and logistics will be implemented.

Source: www.snic.org.br

1.3 North America (VCNA)

BRL million	2024	2023	2024 vs. 2023 LC[7]	2024 vs. 2023
Net Revenue	**8,185**	**7,801**	**(4%)**	**5%**
Adjusted EBITDA	**2,297**	**1,922**	**6%**	**20%**

VCNA's net revenue reached BRL 8.2 billion, a 4% reduction compared to 2023, excluding the exchange rate variation, due to the market slowdown that mitigated higher prices.

The adjusted EBITDA was BRL 2.3 billion, versus BRL 1.9 billion from the previous year. The increase in local currency was due to higher prices, operational efficiency and the sale of non-strategic assets, resulting in an important margin recovery.

In the latest report published, the Portland Cement Association (PCA) revised the estimative of 1.4% decrease to a 3.2% drop in cement consumption in 2024, due to high interest rates and restrictive credit conditions, which are negatively impacting residential and commercial construction sectors. The PCA highlights the positive impacts of onshoring industrial activity and US government infrastructure investments for 2025. The association forecasts a slowdown in the short term, followed by a resumption of consumption growth in the coming years, in line with the macroeconomic improvement. The PCA's outlook for 2025 is 1.8% growth compared to 2024.

Source: https://www.cement.org/

[7]LC: in local currency; considers fixed average exchange rate in 2024 for 2023 earnings; BRL | USD average exchange rate: 5.00 (2023) and 5.39 (2024) | BRL | EUR average exchange rate 5.40 (2023) and 5.83 (2024)

1.4 Europe, Africa and Asia (VCEAA)[8]

BRL million	2024	2023	2024 vs. 2023 LC[9]	2024 vs. 2023
Net Revenue	**3,883**	**3,264**	**10%**	**19%**
Adjusted EBITDA	**1,087**	**763**	**32%**	**42%**

VCEAA's net revenue was BRL 3.9 billion, an increase of 10% in 2024 compared to 2023 excluding the FX variation, due to better volumes and prices, both in Spain and Turkey.

The region's adjusted EBITDA result was BRL 1.1 billion, an increase of 32% compared to the 2023 result in local currency. The positive operating result was due to the market dynamics and lower variable costs, mainly fuel and electricity. We also had an important cycle capturing synergies from the assets acquired in recent years in southern Spain.

As previously communicated, the Company has announced the sale of its assets in Tunisia and Morocco. The conclusion of these transactions is subject to the fulfillment of precedent conditions, including approval by regulatory authorities.

The Spanish market ended 2024 with a 2.9% growth in the cement sector compared to 2023, according to the local association. Despite a troubled start to the year, with external impacts such as the high volume of rainfall, the recovery in cement demand occurred during the second half with positive evolution. According to the association, based on data from public construction projects, civil construction, and bids, cement consumption is expected to grow by about 5% in 2025 compared to 2024.
Turkey had a 10.9 % increase in cement consumption from January to November 2024 versus the same period in 2023, according to the local cement association. The country is going through post-earthquake reconstruction and has experienced a milder winter, favoring domestic cement sales with a resilient economy despite hyperinflation.

Source: *https://www.oficemen.com/en/* ; *https://www.turkcimento.org.tr/en*

1.5 Latin America (VCLATAM)

BRL million	2024	2023	2024 vs. 2023 LC[9]	2024 vs. 2023
Net Revenue	**903**	**869**	**(2%)**	**4%**
Adjusted EBITDA	**158**	**164**	**(10%)**	**(3%)**

VCLatam's net revenue fell 2% in 2024 compared to the same period in 2023 in local currency, due to a challenging market in Uruguay and lower prices in Bolivia.

[8] Due to the reclassification for Tunisia and Morocco as discontinued operations, the consolidated information does not consider the earnings from these countries.

[9] LC: in local currency; considers fixed average exchange rate in 2024 for 2023 earnings; BRL | USD average exchange rate: 5.00 (2023) and 5.39 (2024) | BRL | EUR average exchange rate 5.40 (2023) and 5.83 (2024)

The region ended 2024 with BRL 158 million as adjusted EBITDA, 10% lower than 2023 excluding the effect of exchange variation, a negative result from the aforementioned market challenges and higher variable costs, partially mitigated by the sale of a non-strategic asset in Uruguay.

The cement market in Uruguay was impacted throughout the year with heavy rains and floods. During the year, some delayed works and local economic effects hampered cement demand.
In Bolivia, the scenario was positive, with cement demand growing 2% from January/24 to November/24 compared to the same period in 2023, according to INE (National Institute for Statistics).

Source: https://www.ine.gob.bo/

2 Cost of Goods Sold, Sales and Administrative

BRL million	2024	2023	2024 vs. 2023
COGS	**(20,693)**	**(20,117)**	**3%**
SG&A	**(2,522)**	**(2,248)**	**12%**
Sales expenses	(1,013)	(936)	**8%**
General and administrative expenses	(1,509)	(1,311)	**15%**

Consolidated cost of product sold and services provided (COGS) grew 3% compared to 2023. However, excluding FX variation, we would have a 4% reduction in the consolidated value of the COGS, due to the reduction in variable costs, mainly fuel.

Consolidated selling expenses were BRL 1.0 billion in 2024, an increase of 8% compared to 2023, a variation mainly due to the impact of the exchange rate variation during the period and inflation. Regarding general and administrative expenses, there was an increase of 15% comparing 2024 with 2023, adding up to BRL 1.5 billion, resulting from exchange rate variation, inflation and greater investments in IT.

3 Net income

BRL million	2024	2023	2024 vs 2023
Adjusted EBITDA	6,474	5,605	16%
Depreciation	(2,362)	(1,777)	33%
Equity method	157	55	184%
Net financial earnings	(1,427)	(1.000)	43%
Income tax and social contribution	(545)	(301)	81%
Others	(348)	(153)	842%
Net income from discontinued operations	218	188	16%
Agreement with CADE	(1,093)	-	N.A.
Net Income	**1,074**	**2,618**	**(59%)**
Adjusted Net Income	**2,167**	**2,618**	**(17%)**

Adjusted Net income was BRL 2.2 billion in 2024 compared to BRL 2.6 billion in 2023, 17% lower than in 2023.

The net financial result added up to BRL 1.4 billion, an increase of 43% when compared to 2023. This variation was due to the volatility of the interest rates curve, which impacted the fair value of derivatives and debt interest, and the financial expenses related to liability management of the period.

Income tax and social contribution reached BRL 545 million compared to an expense of BRL 301 million in 2023. The expense in 2024 is mainly due to the variation of income, additions and exclusions and lower deferred assets during the period.

4. Free Cash Flow

BRL million	2024	2023	2024 vs 2023
Adjusted EBITDA	6,474	5,605	16%
Working Capital/Others	(410)	(862)	(52%)
Agreement with CADE	(1,093)	-	N.A.
Taxes	(229)	(226)	1%
CAPEX	(3,235)	(2,340)	38%
Operating Cash Flow	**1,507**	**2,177**	(31%)
Investment/Divestment	(54)	(66)	(18%)
Financial results	(1,055)	(992)	6%
Exchange effect on cash	525	(95)	N.A.
Free Cash Flow to Shareholder	**923**	**1,024**	(10%)
Dividends to minority shareholders[10]	(110)	(183)	(40%)
Dividends to controlling shareholder	(959)	(939)	2%
Free Cash Flow	**(146)**	**(98)**	(49%)

Operating Cash Flow (OCF) was BRL 1.5 billion in 2024, a 31% drop compared to the same period in 2023. The result is mainly due to the impact of the payment to Cade and greater investments in Capex. Excluding the non-recurring item, we would have an OCF of BRL 2.6 billion, 19% above 2023.

The working capital in 2024 was negative by BRL 410 million, an improvement of 52% versus 2023. The results in 2024 are mainly due to the impact of lower variable costs on the suppliers account, mainly fuels in all regions, as well as the inventory variation resulting from a higher volume of stored fuels.

In 2024, dividends paid to Votorantim S.A., the controlling shareholder, added up to BRL 959 million.

Thus, the Free Cash Flow (FCL) for the period was negative by BRL 146 million. On a like-for-like basis, the FCL would be positive by BRL 947 million, a significant advance compared to 2023, even in a year with greater investments and maintenance of dividend payments.

5. Investment

At the end of 2024, investments (Capex) added up to BRL 3.2 billion, 38% higher than 2023. This increase is mainly due to the global strategy for investments in modernization and structural competitiveness, in addition to projects linked to our decarbonization commitments. Sustaining, modernization and other investments represent 85% of the total CAPEX, and the rest were investments in expansion projects.

[10] Include dividends paid to minority shareholders of entities controlled by Votorantim Cimentos S.A.

As announced throughout the year, the Company has an investment plan of R$5 billion to further strengthen Votorantim Cimentos' operations in Brazil through a comprehensive growth and structural competitiveness program. Among this amount, BRL 1.9 billion in investments are already in progress.

Within this investment program, we carried out a modernization project in the kiln for the use of biomass at the Xambioá plant, in the state of Tocantins, which aims to increase the co-processing rate.

Still in modernization projects, we delivered the first phase of the modernization project for the Salto de Pirapora plant, in São Paulo, which had a marginal increase in clinker production capacity and seeks to increase thermal replacement and reduce CO2 emissions. At the same plant, we announced the construction of a new griding with the expectation of adding 1 million tons per year to the unit's production capacity, and this investment is expected to be completed during the second half of 2025.

Among the expansion projects in Brazil, we inaugurated a unit in Itaperuçu (PR) with increased capacity for projects linked to new businesses, such as Viter (agricultural inputs) and Verdera (waste management and co-processing).

We announced an expansion in Edealina (GO), with an investment of BRL 200 million for the construction of a new cement griding line that will double the plant's production capacity, reaching 2 million tons of cement per year. The project is expected to be completed in the first half of 2026.

Our investments went beyond Brazil: in North America we completed the investment in our cement kiln at the St. Marys plant to expand the co-processing capacity of alternative fuels with plastic waste and biomass. At the same plant, we also completed an investment that aims to debottleneck and increase production capacity.

In Spain, at the Toral de los Vados plant, we installed a new pre-calcination process in the kiln, with the aim of improving the energy efficiency in the process and increasing the use of alternative fuels to replace traditional fossil fuels.

We launched the agricultural solution products in Bolivia using the Bróter brand, in order to meet the needs of agricultural producers with high quality and innovation, focusing on optimizing the production and yield of crops in the country.

6. Leverage and Liquidity

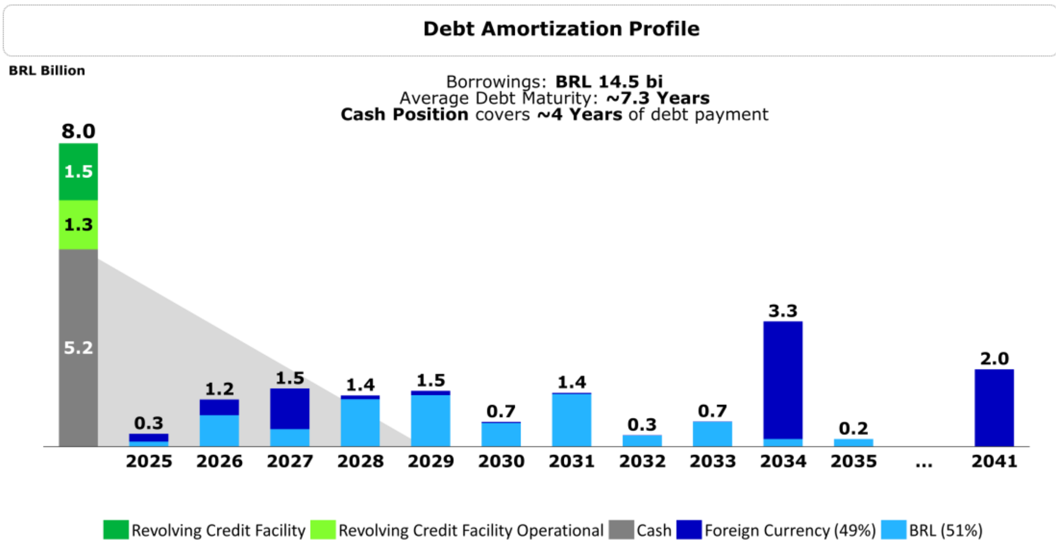
At the end of 2024, our gross debt added up to[11] BRL 14.5 billion, 19% higher compared to the end of 2023, mainly due to the exchange rate variation. As of December 31, 2024, the average debt maturity was approximately 7.3 years, with 98% of the gross debt considered long-term (non-current).

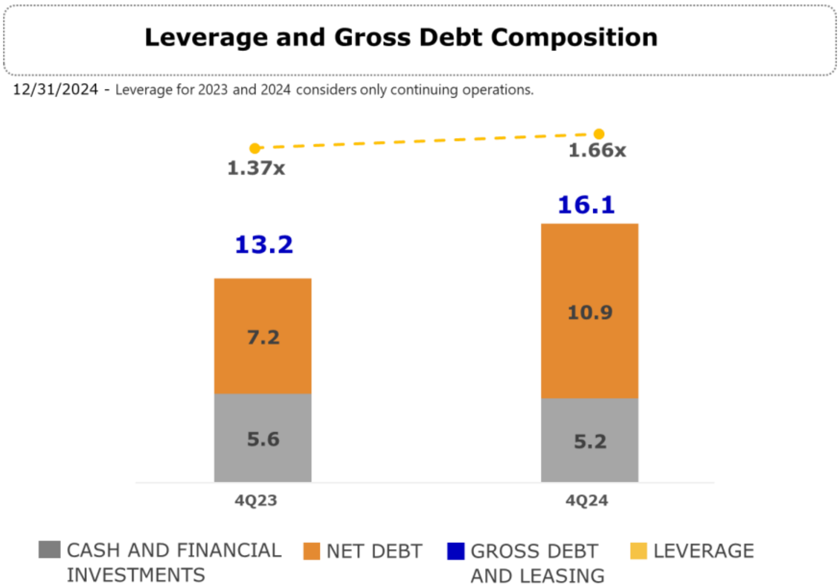
In December 2024, the Company presented a net debt per adjusted EBITDA (leverage) of 1.66x, an increase of 0.29x compared to the leverage in 2023, only considering the continuing operations. The ratio increase compared the previous year was due to the FX variation and the payment made to CADE at the end of 2024, partially offset by the improvement in the operating results. On a like-for-like basis, the leverage in 2024 would have been stable compared to 2023, even in a year with higher investments and dividend payments.

Even after the payment mentioned above, the amount of cash and financial investments at Votorantim Cimentos maintained solid liquidity, adding up to BRL 5.2 billion, which allows the Company to comply with its financial obligations for the next four years.

In the graphs below, the debt profile determined in December 2024 and, then, the leverage evolution graph:

[11] Does not include IFRS 16 effects - *Leasing*





6.1 Operations during period (Liability Management)

Votorantim Cimentos has two credit facilities available. The first credit facility, which adds up to USD 300 million, reaching maturity in June 2027, supports the Company´s need for short-term cash liquidity during seasonal periods in the North America. Thus, the operating credit facility was drawn at USD 90 million at the end of December 2024. The second revolving credit facility aims to provide liquidity for the Company and its subsidiaries in scenarios with greater uncertainty and volatility. This credit facility adds up to USD 250 million, maturing in 2026, and was 100% available at the end of the third quarter of 2024.

At the beginning of April 2024, the subsidiary St. Marys issued a new bond in the international market, with a full and irrevocable guarantee by the Company, adding up to USD 500 million, with a 5.75% coupon per year, to be paid every six months, and maturing in April 2034. The emission has an environmental performance indicator (KPI) associated with (i) net CO2 emission intensity in scope 1 (in kg CO2/ton cement), and (ii) thermal replacement (in %), which characterizes the debt as sustainability-linked bonds and demonstrates the Company's commitment to the decarbonization process, in convergence with the implementation of its sustainability targets to be achieved in 2030.

With the proceeds from the issuance of this bond maturing in 2034, we settled over 2024 the bond originally maturing in 2027, an outstanding debt in the international market, issued by the subsidiary St. Marys.

In the third quarter of 2024, taking advantage of a good market moment, the Company issued BRL 1.1 billion in debentures in the local market, in a single series, maturing in 2031 at a cost of CDI + 0.58% per year. With the proceeds from the new issuance, the Company settled three loans in advance based on Law 4131/1962, with original maturities in 2026 and 2028, and with an approximate cost of CDI +1.50% per year.

We reiterate that these operations are in line with the Company's strategy of liability management and extending the average debt term.

7. Environment, Social, and Governance

Environment

The Company remains aligned with the climate transition plan and continues to advance globally with projects to expand its capacity to use alternative fuels from biomass and waste.

As a highlight, in North America, St. Marys Cement was selected to participate in the Decarbonization Incentive Program (DIP) and part of the government subsidy received was used to install a new waste system at the plant.

In addition, in Xambioá, Brazil, we completed a kiln modernization project, which expanded the co-processing of waste with the installation of a waste storage, grinding, feeding and dosing system.

Votorantim Cimentos announced a new cement and concrete brand in Spain, Blenture, increasing the Company's position in low-carbon products and promoting more sustainable construction. In addition, we entered into a 50-50 joint venture with Veolia to operate a non-hazardous waste platform in Seville. This platform will supply up to 80,000 tons of waste-derived fuel (RDF) to Votorantim Cimentos' plants in southern Spain.

We also started the Carbon Capture pilot project at our Alconera plant in Spain, capturing 1 ton of CO2 per day. This initiative is one of the industry's first carbon capture experiments in Spain and aims to improve our knowledge of carbon capture technologies, representing a significant step towards the decarbonization journey.

Social

With our social agenda, we highlight Rede Transformar, a plural and multisectoral initiative that brings together companies to promote the development of communities, seeking to minimize the impacts of housing deficits and the climate emergency. The project has already capitalized about BRL 1.8 million, with housing improvements in 116 homes, 464 through 19 partners.

As part of our workforce diversity strategy, we continue to evolve with our diversity and inclusion programs. In 2024, we expanded our groups of allies with the creation of the TEAcolhe group to foster conversations between caregivers of atypical people. In addition, we increased the percentage of women in leadership positions to 24.8% and increased the presence of women in our operations.

Governance

In September 2024, we announced the election of Antonio Miguel Sousa Pelicano, former Chief Financial Officer for the Europe, Asia and Africa region, to the position of Global Chief Financial and Investor Relations Officer, succeeding Osvaldo Ayres Filho, who had temporarily taken on these roles, and continues in the Company as the Chief Executive Officer.

At the end of 2024, in line with the search for governance improvements, the Board of Directors approved the installation, on a permanent basis, of the Statutory Audit Committee, as a statutory advisory body linked directly to the Board of Directors, replacing the non-statutory Audit Committee. The operation of the CAE meets the requirements set forth in CVM Resolution No. 23/2021.

The following members were elected: (i) Diego Fresco Gutierrez – CAE coordinator and independent member; (ii) Marcelo Strufaldi Castelli – member of the Company's Board of Directors; and (iii) Luciana Bacci Costa – independent member.

8. Business highlights

Sale of Tunisia operations

In July 2024, the Board of Directors approved the terms for the divestment of the operations in Tunisia, which include a fully integrated cement plant and some complementary facilities, presented in the VCEAA operating segment. Thus, the Company signed a contract for the full sale of this business.

The completion of the transaction, with the effective delivery of the assets in the country and the financial settlement, is subject to the fulfillment of usual conditions precedent for this type of operation, including the approval by regulatory authorities in China, Tunisia and the Common Market for Eastern and Southern Africa (Comesa) organization.

The divestment transaction is in line with the Company's portfolio management strategy, which seeks to maximize value for its shareholders and balance the geographic positioning between mature and emerging markets, optimizing the risk management of the Company's consolidated portfolio.

Sale of operations in Morocco

In September 2024, the Board of Directors approved the conditions for the sale of operations in Morocco, which are presented in the VCEAA operating segment. The Company signed a contract for the sale of all the shares of its subsidiary in the country.

The completion of the transaction, with the effective delivery of the assets in the country and the financial settlement, is subject to the fulfillment of usual conditions precedent for this type of operation, including approval by the antitrust authority in Morocco.

The divestment transaction is in line with the Company's portfolio management strategy, which seeks to maximize value for its shareholders and balance the geographic positioning between mature and emerging markets, optimizing the risk management of the Company's consolidated portfolio.

Credit rating

The rating agency Fitch upgraded the Company's global credit rating from "BBB-" to "BBB", with a stable outlook.

The rating agencies Moody's and S&P Ratings reaffirmed the Company's global credit rating as "Baa3" and "BBB", respectively, with a stable outlook.

The above actions state the Company's investment-grade credit profile.

Agreement signed with the Administrative Council for Economic Defense (CADE)

On December 30, 2024, the Company entered into an agreement with CADE adhering to the "Desenrola Agências Reguladoras" program, an exceptional transaction with the Federal Attorney General's Office ("PGF"), with the objective of definitively resolving all points of divergence with CADE and pending disputes open with the agency. A 65% discount was granted on the amounts originally charged, resulting in an expense of R$ 1,093 paid in the year, recorded in "Other operating (expenses) income, net" in the statement of income. The Company did not recognize any illegal practices or participation in any anticompetitive conduct.

Additional information regarding the processes and the agreement is disclosed in Note 22(d)(i) to the 2024 Financial Statements.

For more information, please access the 2024 Financial Statements.

CONTACT INFO - Investor Relations
Email**: ri@vcimentos.com**
Website: **https://ri.votorantimcimentos.com.br/en**