
Pedra do Cavalo - VCBR


Charlevoix - VCNA

Votorantim Cimentos Conference Call

2021 Results


Tunisia - VCEAA

Votorantim Cimentos

Initial Remarks

Marcelo Castelli

Chief Executive Officer

Pecém II - VCBR

Initial Remarks & 2021 Business Highlights

Votorantim Cimentos

ESG

Strategy execution with ESG as a key lever

Official commitment to SBTi targets

Integrated Report 2021 released aligned with best practice standards (CDP, TCFD and SASB)

Financial Performance

Record Results and strong operational performance

Leverage ratio of 1.55x, a reduction versus 1.95x in 2020, in a year with strategic investments and dividends payment to shareholders

Financial metrics strengthened as the company now is IG in the 3 main rating agencies

Business Strategy

Business combination with McInnis and bolt-on acquisitions in Aggregates and RMX

Cementos Balboa transaction concluded and acquisition announcement of the South Cluster of HeidelbergCement in Spain

Pecém start-up and advances in JS+ growth plan

Votorantim
Cimentos

2021 Results

Osvaldo Ayres

Chief Operating Officer
(former CFO)

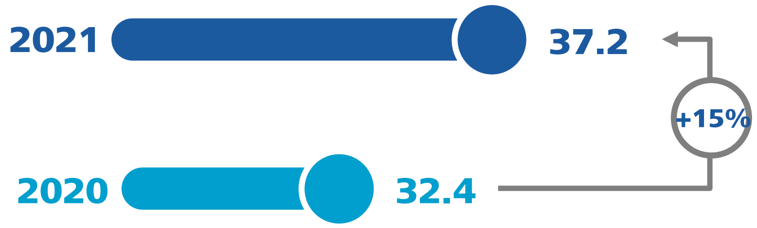
&

Bianca Nasser

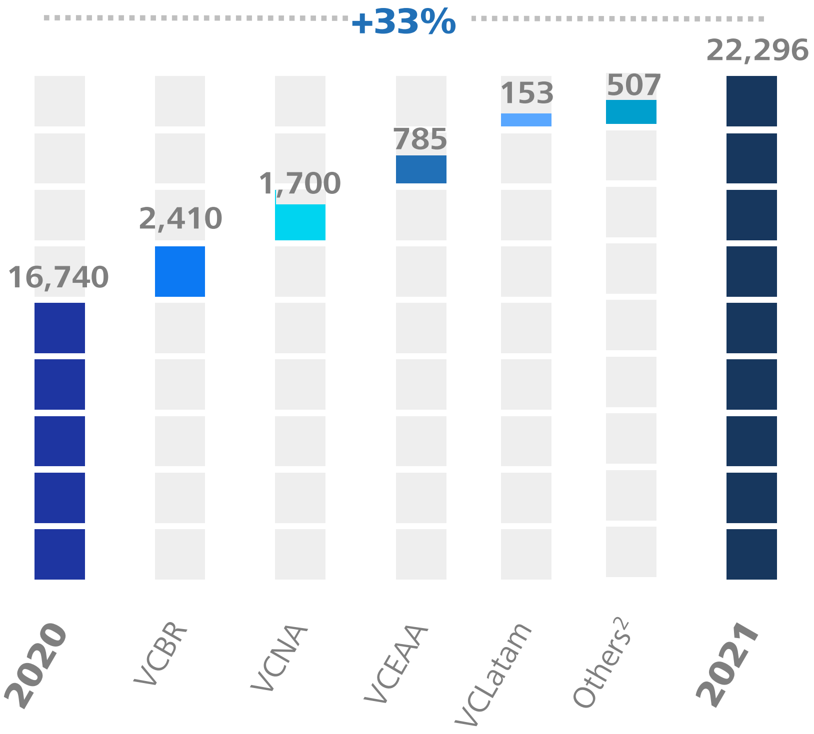
Chief Financial Officer

Consolidated Results

Sales Volume (mton)



Net Revenue (R$ million)[1]



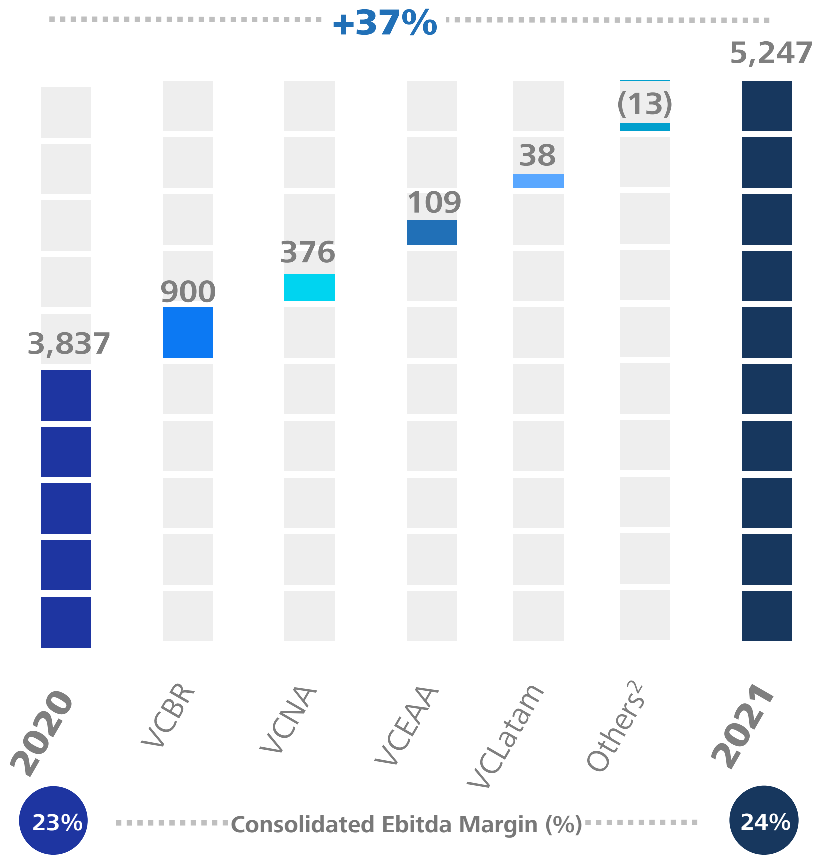
Organic volume growth in all regions

Net revenue driven by **favorable price dynamic, strong volumes** and **successful recent acquisitions** consolidation

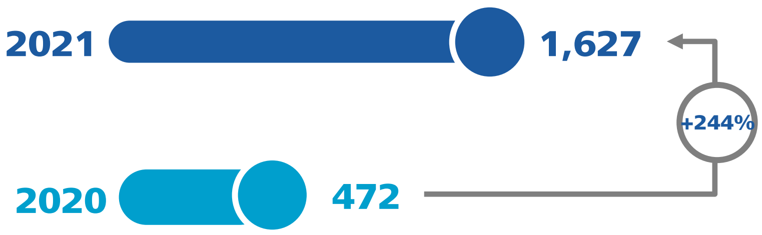
(1) BRL | USD Average Exchange rate used 5.15 (2020) and 5.39 (2021) | (2) Other's net revenue is mainly due to Votorantim Cimentos Trading. Other's adjusted Ebitda is mainly due to dividends received and others non-recurring items, more information in FS 2021 note 4.1.

Consolidated Results

Adjusted Ebitda (R$ million)[1]



Net Income (R$ million)[1]



Record Adjusted Ebitda supported by better market conditions and a partial impact of recent acquisitions

Net income improved mainly by **strong operational performance** in all regions

(1) BRL | USD Average Exchange rate used 5.15 (2020) and 5.39 (2021) | (2) Other's net revenue is mainly due to Votorantim Cimentos Trading. Other's adjusted Ebitda is mainly due to dividends received and others non-recurring items, more information in FS 2021 note 4.1.

VCBR Results

in R$ million

	2021	2020	2021x2020
Net Revenue	10,314	7,904	+30%
% of consolidated Net Revenue	46%	47%	
Adjusted Ebitda	2,444	1,544	+58%
% of consolidated Adjusted Ebitda	47%	40%	

Net Revenue

Continued strong market dynamic even with a strong base of comparison in 2020

Adjusted Ebitda

Positive evolution due to double-digit price increase and strong cement volumes, which mitigated the cost pressure during the year

VCNA Results

in R$ million

	2021	2020	2021x2020
Net Revenue[1]	7,129	5,429	+31%
% of consolidated Net Revenue	32%	32%	
Adjusted Ebitda[1]	1,839	1,463	+26%
% of consolidated Adjusted Ebitda	35%	38%	

Net Revenue

Consolidation of recent acquisitions, higher sales volumes and prices in both countries and BRL devaluation during the year

Adjusted Ebitda

Strong top-line, recent acquisitions integration and milder winter conditions supported a strong evolution

(1) BRL | USD Average Exchange rate used 5.15 (2020) and 5.39 (2021)

VCEAA Results

in R$ million

	2021	2020	2021x2020
Net Revenue[1]	**2,915**	**2,129**	**+37%**
% of consolidated Net Revenue	13%	13%	
Adjusted Ebitda[1]	**562**	**453**	**+24%**
% of consolidated Adjusted Ebitda	11%	12%	

Net Revenue

Strong demand in all countries and solid prices alongside a recovery from a 2020's low base comparison

Adjusted Ebitda

Margins decrease 2p.p. despite strong market dynamic due to significant cost pressure in the cluster

(1) BRL | EUR Average Exchange rate used 5.89 (2020) and 6.38 (2021)

VCLatam Results

in R$ million

	2021	2020	2021x2020
Net Revenue[1]	**978**	**825**	**+19%**
% of consolidated Net Revenue	4%	5%	
Adjusted Ebitda[1]	**237**	**199**	**+19%**
% of consolidated Adjusted Ebitda	5%	5%	

Net Revenue

Robust recovery in Bolivia, solid demand in Uruguay and positive impact of BRL devaluation

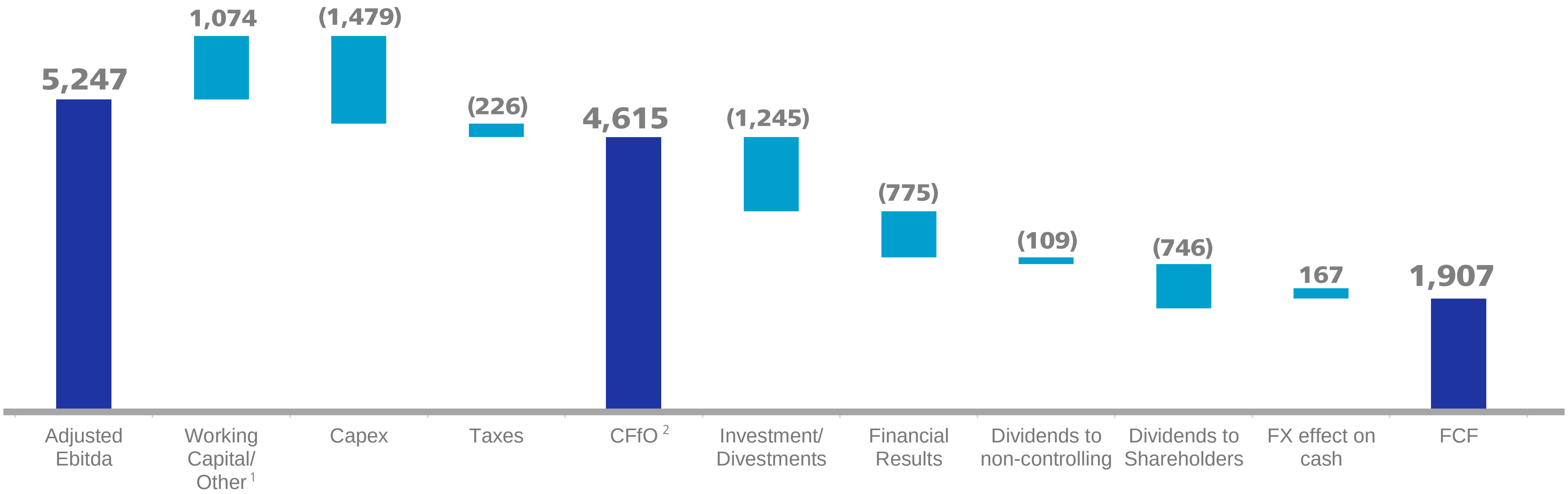
Adjusted Ebitda

Stable margins due to solid top-line mitigating cost pressure

(1) BRL | USD Average Exchange rate used 5.15 (2020) and 5.39 (2021)

Cash Flow Generation

in R$ billion



CFfO

50% YoY increase in CFfO due to operational performance and Working Capital

Inv / Divestment

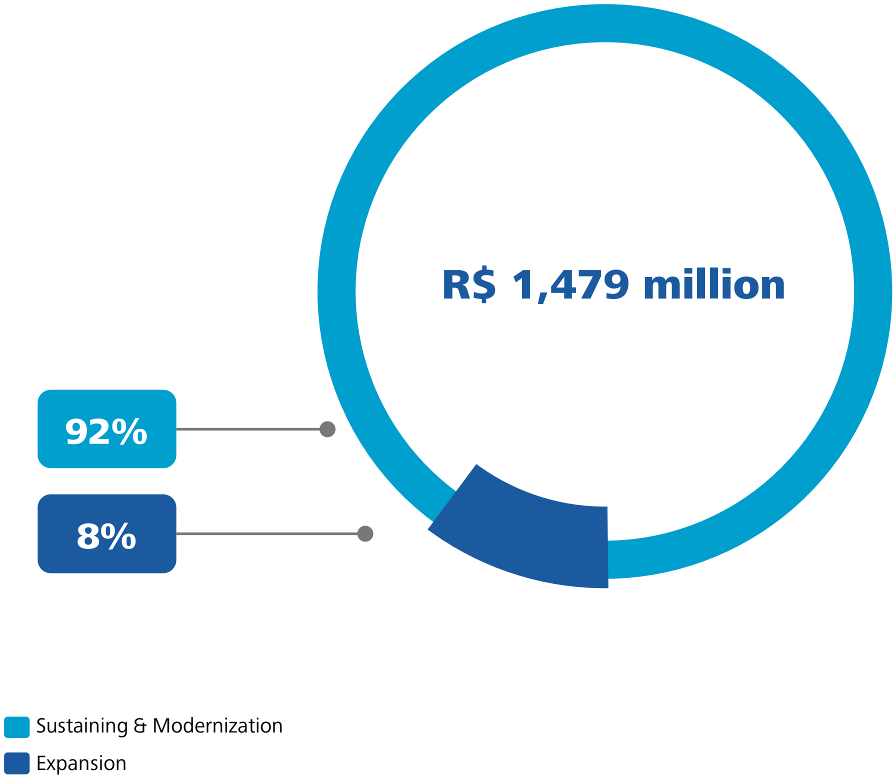
Includes the acquisitions executed throughout the year

Free Cash Flow

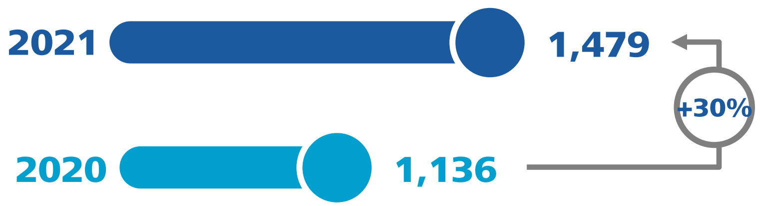
Strong Cash Generation and Free Cash Flow Conversion

(1) Other items that do not impact cash generation | (2) Cash Flow from Operations

Capital Expenditure



Total Capex (R$ million)



Highlights

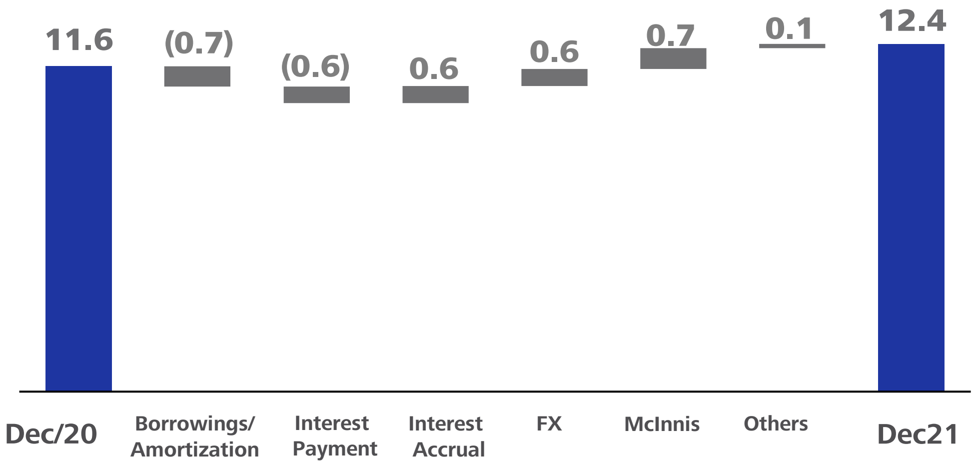
Footprint **optimization in Uruguay** to strengthen competitiveness position and financial performance, with startup forecasted by end of 2022

Expansion of Pecém, northeast of Brazil, started in July

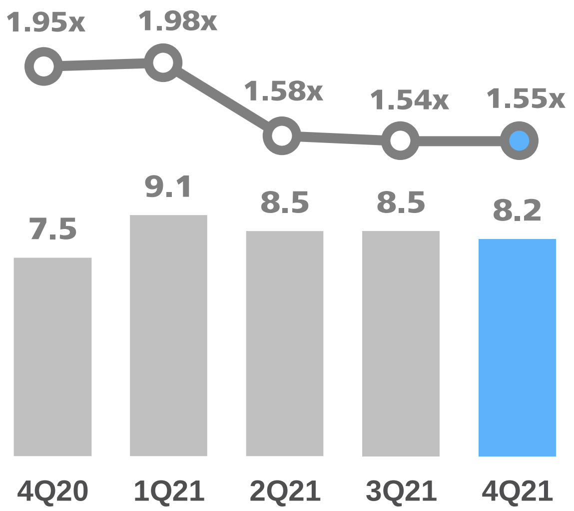
Indebtedness & Liquidity

Votorantim Cimentos

Gross Debt[1] (R$ billion)



Net Debt[2] and Net Debt/Adj. EBITDA[3]



Gross Debt

Gross debt increase driven by debt consolidation in acquisitions and FX impact

Leverage Ratio

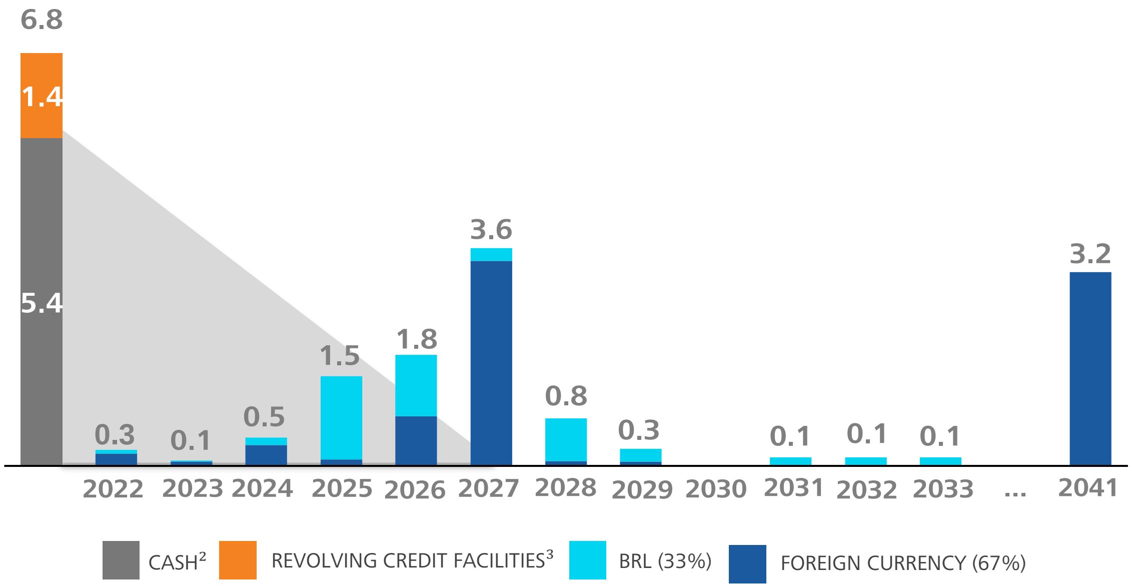
Leverage ratio drop already including recent acquisitions successfully concluded

(1) Debt figures do not include leasing neither subsequent events | (2) Net debt with MTM included; | (3) EBITDA relating to foreign operations was converted to BRL considering the average exchange rates for the period;

Debt Amortization Profile[1]

in R$ billion

Average Debt Maturity: 8.6 years



Adjusted Ebitda

Cash position covers over ~5 years of financial obligation

Additional Liquidity

Strong liquidity + RCF of USD 250mm fully available

LM Strategy

No significant debt maturities for the next 3 years

(1) Debt figures do not include leasing neither subsequent events after 4Q21
(2) Cash position as of Dec 31, 2021
(3) Global revolving credit facility: USD 250 MM. Additionally, the committed credit facility of USD 290 MM which is due in 2024, was not considered.

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Sustainability Pathway

Alvaro Lorenz

Head of Sustainability & Institutional Relations

Artigas - VCLatam

Highlights: ESG and 2030 Commitments

SUSTAINABLE DEVELOPMENT GOALS

2030 Commitments

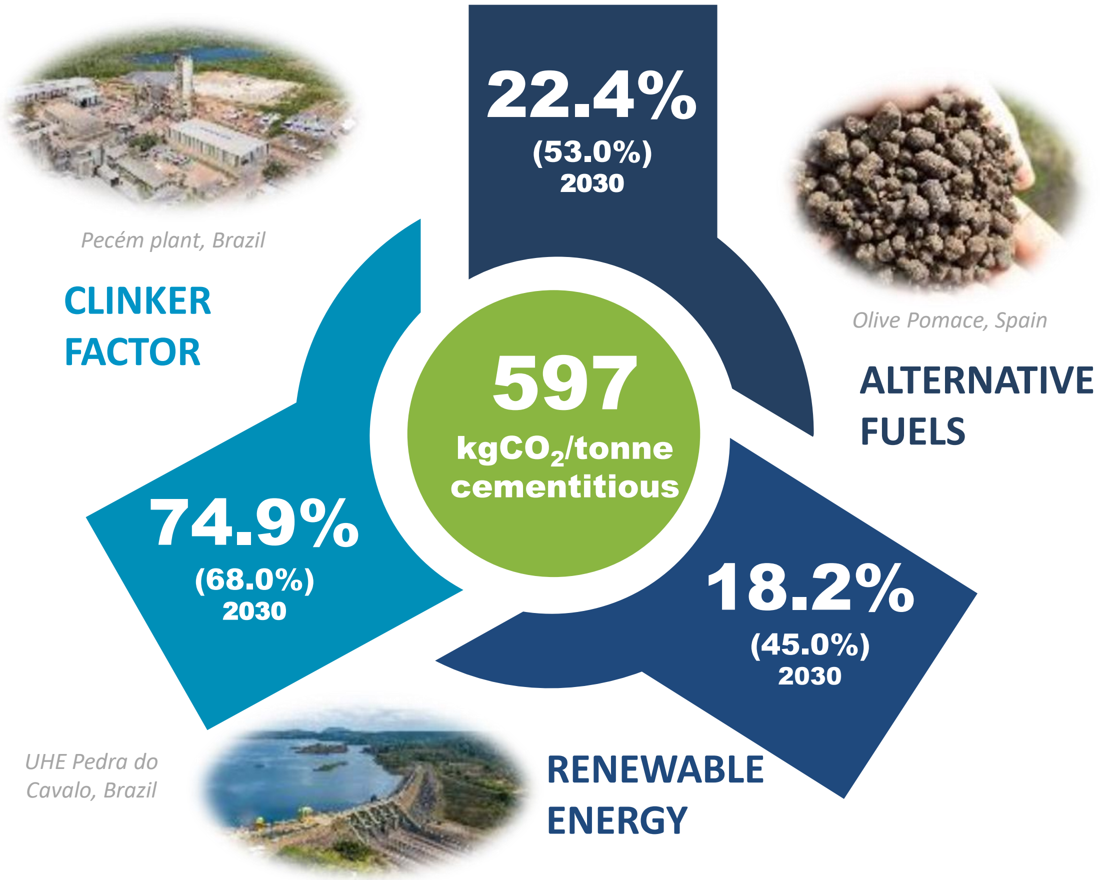
1. We operate with integrity and transparency
2. Safety, health and well being are fundamental values
3. Innovation: we co-create sustainable solutions
4. A diverse and inclusive environment
5. Reducing our environmental footprint
6. Promoting a more circular environment
7. Generating shared value in our communities

2021 Main Decarbonization Initiatives

1 Maximize the fossil fuel replacement

2 Reduce the amount of clinker in cement and concrete

3 Use renewable sources of energy



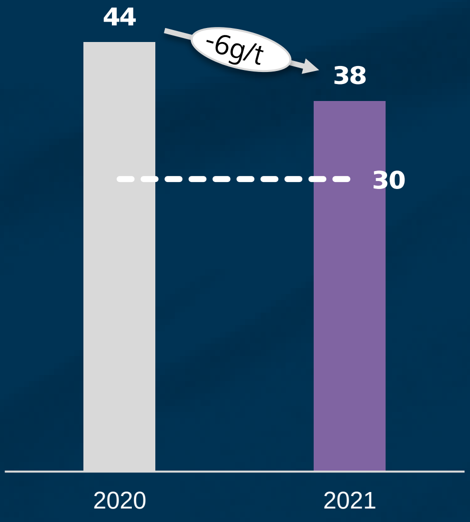
Highlights: Our 2030 Commitments

Safety
Fatalities

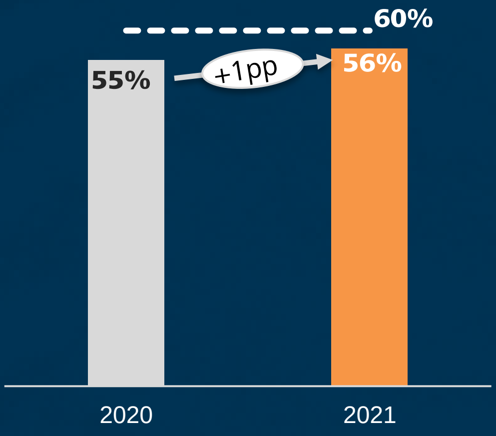
Safety is a **non-negotiable** value.

We ended 2021 with **no fatalities on-site** with employees and contractors

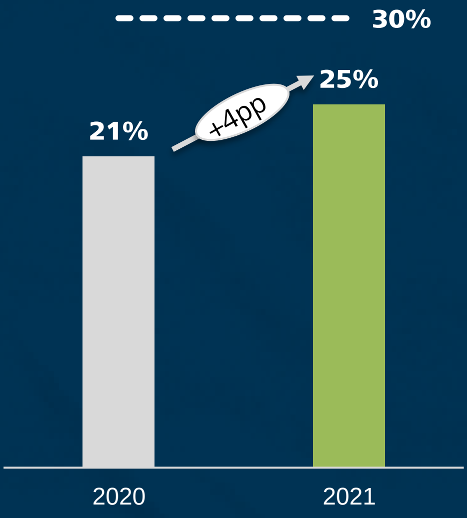
Emissions
Dust



Local
Suppliers



Sustainable
Revenue



Improvement
2030 commitment

OURVCWAY

Access our Integrated Report 2021 here

March 31 – Integrated Report Release

Votorantim Cimentos

Final Remarks

Marcelo Castelli

Chief Executive Officer

Final Remarks

Votorantim Cimentos

2021: A year of operational and strategic growth

2022 with uncertainties in global macroeconomic scenario

Enhancing our ESG commitmments in our operations

Flexible solidity: hope for the best but prepared for the worst

Contact our IR team

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www.ir.votorantimcimentos.com

www.votorantimcimentos.com.br/integrated-report/

Access our new IR website here