3Q24 Votorantim Cimentos Earnings Release

Votorantim Cimentos ended the third quarter of 2024 with higher operating income and margin growth, supported by geographic and product diversification, and higher volumes. The Company continues to advance with investments in structural competitiveness, decarbonization, and new businesses, maintaining financial discipline, supported by the upgrade in Fitch Ratings' credit rating from BBB- to BBB. In addition to the already announced sale of Tunisian assets, we also announced the sale of Morocco's assets, in line with the portfolio balancing strategy in developed and emerging markets. With its ongoing liability management strategy, the Company issued debentures adding up to BRL 1.1 billion in the local market, taking advantage of good market momentum, focusing on extending tenor and reducing cost of debt.

+3%
Cement Volume
vs 3Q23

-1% LC[1]
Net Revenue
vs 3Q23

29%
EBITDA margin
+ 3pp vs 3Q23

+11% LC[1]
Adjusted EBITDA
vs 3Q23

+ 22%
CAPEX
vs 3Q23

1.76x
Leverage
vs 1.60 x in 3Q23

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[1] LC: in local currency, excluding exchange variation – considers fixed average exchange rate for 3Q24 for the 3Q23 periods

Due to the reclassification of 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.

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Highlights

- All-time high operating results in the quarter and margin increase, due to geographic and product diversification.
- Continued investments in Capex in the quarter, with an increase of 22% during the same period, in line with the strategy of accelerating investments towards structural competitiveness.
- During the quarter, we carried out the liability management strategy in the domestic market, with the issuance of BRL 1.1 billion in debentures, leading to cost reduction and tenor extensions.
- Announcement of the sale of Morrocos' assets, and conclusion subject to the fulfillment of precedent conditions, including approval by regulatory authorities.
- Fitch Ratings upgraded Votorantim Cimentos' global credit profile from "BBB-" to "BBB" with a stable outlook.

Financial Highlights

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
Cement Sales Volume (m tons)	**10.0**	**9.1**	**9.7**	**10%**	**3%**	**26.7**	**26.1**	**2%**
Net revenue	**7,560**	**6,752**	**7,153**	**12%**	**6%**	**19,524**	**19,352**	**1%**
COGS	**(5,503)**	**(5,285)**	**(5,282)**	**4%**	**4%**	**(15,291)**	**(15,213)**	**1%**
SG&A	**(618)**	**(618)**	**(566)**	**0%**	**9%**	**(1,805)**	**(1,676)**	**8%**
Selling expenses	(253)	(239)	(226)	6%	12%	(731)	(701)	4%
General and administrative expenses	(364)	(379)	(340)	(4%)	7%	(1,074)	(974)	10%
Other operational results	**153**	**82**	**76**	**88%**	**101%**	**287**	**205**	**40%**
Net income	**1,021**	**515**	**824**	**98%**	**24%**	**1,553**	**1,372**	**13%**
Depreciation	**(590)**	**(555)**	**(430)**	**6%**	**37%**	**(1,596)**	**(1,316)**	**21%**
Adjusted EBITDA	**2,200**	**1,569**	**1,840**	**40%**	**20%**	**4,445**	**4,091**	**9%**
EBITDA Margin	**29%**	**23%**	**26%**	**+6p.p.**	**+3p.p.**	**23%**	**21%**	**+2p.p.**

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1 Net Revenue and Adjusted EBITDA

1.1 Consolidated

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	3Q24 vs. 3Q23 LC[2]	9M24	9M23	9M24 vs. 9M23
Net Revenue	7,560	6,752	7,153	12%	6%	-1%	19,524	19,352	1%
Adjusted EBITDA	2,200	1,569	1,840	40%	20%	11%	4,445	4,091	9%
EBITDA Margin (%)	29%	23%	26%	+6p.p.	+3p.p.	-	23%	21%	+2p.p.

Consolidated net revenue in 3Q24 was BRL 7.6 billion, stable results excluding the effect of the exchange variation compared to 3Q23. The financial data comes from positive performance, highlighting countries in Europe and Asia (VCEAA), and stability in Brazil (VCBR), offsetting the results of countries in North America (VCNA) and Latin America (VCLatam).

Consolidated adjusted EBITDA reached a quarterly record, in the amount of BRL 2.2 billion, an increase of 11%, eliminating exchange variation effects compared to 3Q23. The progress in results is due to the balanced portfolio, highlighting VCEAA' results, with operational efficiency combined with the reduction of variable costs as well as earnings from the sale of non-strategic assets in VCNA and Uruguay.

1.2 Brazil (VCBR)

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
Net Revenue	3,493	3,203	3,482	9%	0%	9,695	9,661	0%
Adjusted EBITDA	848	566	805	50%	5%	1,926	1,918	0%

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

Adjusted EBITDA added up to BRL 848 million in 3Q24, a 5% increase compared to the same period in 2023, due to the improvement in variable costs and higher volumes, leading to an increase in margins during the quarter.

The cement sector in Brazil, according to preliminary data from the National Cement Industry Association (SNIC), increased approximately 7% in 3Q24 compared to 3Q23, 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, despite macroeconomic risks, possible cost pressure and logistics, the scenario of employment recovery, income, GDP and especially the real estate market translates into growth potential for the year. The association revised the growth expectation from 1.4% to 2.8% at the end of 2024, compared to 2023.

[2] LC: in local currency, excluding exchange variation – considers an average fixed exchange rate in 3Q24 for the 3Q23 periods - BRL | USD average exchange rate: 4.88 (3Q23) and 5.55 (3Q24) | BRL | EUR average exchange rate 5.31 (3Q23) and 6.09 (3Q24)

Due to the reclassification of 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.

1.3 North America (VCNA)

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	3Q24 vs. 3Q23 LC[3]	9M24	9M23	9M24 vs. 9M23
Net Revenue	**2,618**	**2,153**	**2,321**	**22%**	**13%**	**(1%)**	**5,894**	**5,876**	**0%**
Adjusted EBITDA	**923**	**613**	**753**	**50%**	**23%**	**8%**	**1,520**	**1,352**	**12%**

At VCNA, net revenue reached BRL 2.6 billion, a slight decrease of 1% compared to 3Q23 excluding the exchange rate variation, due to the market slowdown partially mitigated by better prices.

The adjusted EBITDA was BRL 923 million, compared to BRL 753 million in the same period of the previous year. The increase in local currency earnings was due to better margins and the sale of non-strategic asset.

The Portland Cement Association (PCA), in their latest report published, revised the 1.4% cooling estimate to a 3.2% drop in cement consumption for 2024 based on rising interest rates and restrictive credit conditions, which are having a more adverse impact on residential and commercial construction. According to the association, the market slowdown is likely to continue until macroeconomic factors improve, and the first sign is the drop in inflation that is already underway. However, these improvements take time, and the interest rate cut at a level that stimulates the economy should only happen in mid-2025, according to the association. The PCA maintains the positive impacts of the US government's onshoring industrial activity and infrastructure investments. The PCA states that there is an expectation for this slowdown in the short term and a recovery in consumption growth in the coming years, in line with macroeconomic improvements.

[3] LC: in local currency, excluding exchange variation – considers an average fixed exchange rate in 3Q24 for the 3Q23 periods - BRL | USD average exchange rate: 4.88 (3Q23) and 5.55 (3Q24) | BRL | EUR average exchange rate 5.31 (3Q23) and 6.09 (3Q24)

1.4 Europe, Africa and Asia (VCEAA)[4]

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	3Q24 vs. 3Q23 LC[5]	9M24	9M23	9M24 vs. 9M23
Net Revenue	**1,070**	**991**	**844**	**8%**	**27%**	**10%**	**2,798**	**2,421**	**16%**
Adjusted EBITDA	**332**	**264**	**181**	**26%**	**83%**	**59%**	**750**	**589**	**27%**

VCEAA's net revenue was BRL 1.1 billion, an increase of 10% in 3Q24 compared to 3Q23 excluding the exchange rate variation, due to better volumes and prices, both in Spain and Turkey.

The region's adjusted EBITDA was BRL 332 million, an increase of 59% compared to 3Q23 in local currency. The positive operating income was due to the aforementioned market dynamics and lower variable costs.

The Spanish market ended the third quarter of the year with a slight decrease of 0.5% in the cement sector compared to 9M23, according to the local association. Despite a troubled beginning of the year, with external impacts such as the high volume of rainfall, the recovery of cement demand took place in the second half of the year with positive evolution in construction and public project licenses, which may suggest an even more positive advance towards the end of the year and a change in trends, if these construction projects are actually deployed in the short term, according to the association.
Turkey had an 18% increase in cement consumption versus the same period in 2023, according to the local cement association. The country is going through last year's post-earthquake reconstruction and has experienced a milder winter, favoring domestic cement sales with a resilient economy despite hyperinflation.

[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, excluding exchange variation – considers an average fixed exchange rate in 3Q24 for the 3Q23 periods - BRL | USD average exchange rate: 4.88 (3Q23) and 5.55 (3Q24) | BRL | EUR average exchange rate 5.31 (3Q23) and 6.09 (3Q24)

1.5 Latin America (VCLATAM)

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	3Q24 vs. 3Q23 LC[6]	9M24	9M23	9M24 vs. 9M23
Net Revenue	**244**	**209**	**239**	**17%**	**2%**	**(6%)**	**648**	**633**	**2%**
Adjusted EBITDA	**62**	**29**	**47**	**112%**	**30%**	**18%**	**121**	**112**	**8%**

VCLatam's net revenue dropped 6% in the third quarter of 2024 compared to the same period in 2023 in local currency, due to a challenging market in both countries.

The region ended the 3Q24 period with BRL 62 million in adjusted EBITDA, 18% higher than 3Q23 excluding the exchange rate variation effect, and the positive impacts from a sale of an asset in Uruguay, which mitigated negative results due to challenging market dynamics mentioned.

The cement market in Uruguay has been impacted since the first quarter with heavy rains and floods. In the third quarter, some delayed construction work and local economic effects hampered cement demand.
In Bolivia, the scenario was positive, with cement demand growing 3% from January/24 to August /24 compared to the same period in 2023, according to INE (National Institute for Statistics).
Both countries have economic growth projections for 2024, according to the April/24 IMF report, considering the stable macroeconomics and controlled inflation.

2 Cost of Goods Sold, Sales and Administrative

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
COGS	**(5,503)**	**(5,285)**	**(5,282)**	**4%**	**4%**	**(15,291)**	**(15,213)**	**1%**
SG&A	**(618)**	**(618)**	**(566)**	**0%**	**9%**	**(1,805)**	**(1,676)**	**8%**
Selling expenses	(253)	(239)	(226)	6%	12%	(731)	(701)	4%
General and administrative expenses	(364)	(379)	(340)	(4%)	7%	(1,074)	(974)	10%

Consolidated cost of product sold and services provided (CPV) grew 3% compared to 3Q23. This variation is mainly due to higher volumes as well as the impact of the exchange rate variation for the period, which offset the reduction in variable costs.

Consolidated selling expenses were BRL 253 million in 3Q24, an increase of 12% compared to 3Q23, a variation resulting from the timing of expenses with marketing initiatives, inflation and the impact of the exchange variation in the period. Concerning general and administrative expenses, there was an increase of 7% compared to 3Q24 with 3Q23, adding up to BRL 364 million, due to greater investments in information technology, inflation and the exchange rate variation.

[6] LC: in local currency, excluding exchange variation – considers an average fixed exchange rate in 3Q24 for the 3Q23 periods - BRL | USD average exchange rate: 4.88 (3Q23) and 5.55 (3Q24) | BRL | EUR average exchange rate 5.31 (3Q23) and 6.09 (3Q24)

3 Net income

BRL million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
Adjusted EBITDA	**2,200**	**1,569**	**1,840**	**40%**	**20%**	**4,445**	**4,091**	**9%**
Depreciation	**(590)**	**(555)**	**(430)**	**6%**	**37%**	**(1,596)**	**1,316**	**21%**
Equity method	39	42	38	(7%)	3%	107	63	70%
Net financial earnings	(345)	(363)	(360)	(5%)	(4%)	(1,059)	(861)	23%
Income tax and social contribution	(347)	(148)	(282)	133%	23%	(399)	631	(37%)
Other	(18)	(83)	(28)	(78%)	(36%)	(135)	(106)	27%
Net income from discontinued operations	82	53	46	55%	77%	189	132	43%
Net income	**1,021**	**515**	**824**	**98%**	**24%**	**1,553**	**1,372**	**13%**

Net income was BRL 1.0 billion in 3Q24 compared with BRL 824 million in 3Q23, mainly due to the improvements in operating income.

Net financial earnings added up to BRL 345 million, a 4% reduction when compared to the same period in 2023, due to the variation in the interest rates curve impacting the mtm of derivatives.

Income tax and social contribution income reached BRL 347 million compared with an expense of BRL 282 million in 3Q23. The expense in 3Q24 is mainly due to the earnings during the period.

4. Free Cash Flow

BR million	3Q24	2Q24	3Q23	3Q24 vs. 2Q24	3Q24 vs. 3Q23	9M24	9M23	9M24 vs. 9M23
Adjusted EBITDA	2,200	1,569	1,840	40%	20%	4,445	4,091	9%
Working Capital/Others	(220)	41	289	N.A.	N.A.	(1,920)	(1,748)	10%
Taxes	(29)	(77)	(71)	(62%)	(59%)	(154)	(178)	(13%)
CAPEX	(635)	(673)	(519)	(6%)	22%	(1,715)	(1,330)	29%
Operating Cash Flow	**1,316**	**859**	**1,539**	**53%**	**(14%)**	**656**	**837**	**(22%)**
Investment/Divestment	-	(13)	(5)	-	-	(28)	(65)	(57%)
Financial results	(115)	(360)	(179)	(68%)	(36%)	(647)	(620)	4%
Exchange effect on cash	(18)	237	59	(108%)	(131)	276	(56)	(593%)
Free Cash Flow to Shareholder	**1,183**	**723**	**1,414**	**64%**	**(16%)**	**257**	**95**	**171%**
Dividends to minority shareholders	(23)	(70)	-	(67%)	-	(93)	(101)	(8%)
Dividends for controlling shareholder	(471)	-	(463)	-	2%	(959)	(940)	2%
Free Cash Flow	**689**	**653**	**951**	**6%**	**(28%)**	**(795)**	**(946)**	**16%**

In 3Q24, Operating Cash Flow was BRL 1.3 billion, a 14% drop compared to the same period in 2023. This is mainly due to the seasonal variation in working capital and higher investment in Capex.

Working capital in 3Q24 was negative by BRL 220 million, due to the reduction in the supplier account mainly due to lower fuel prices.

The financial earnings were BRL 115 million in the period, a reduction compared to 3Q23, due to the positive impact of the settlement of derivative transactions related to liability management in the quarter.

In 3Q24, dividends were paid to Votorantim S.A., the controlling shareholder, adding up to BRL 471 million. During the year, the total amount paid as dividends was BRL 959 million.

Thus, the Free Cash Flow for the period was BRL 689 million, despite the higher investments and dividends paid.

5. Investment

At the end of 3Q24, investments (Capex) added up to 635 million, 22% higher than in 3Q23. 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.

In addition, the Company highlights the continuity of the BRL 5 billion investment plan that was already announced, which is expected to further strengthen Votorantim Cimentos' operations in Brazil through a comprehensive growth and structural competitiveness program.

Sustaining, modernization and other investments represent 83% of the total CAPEX, and the rest were investments in expansion projects.

6. Leverage and Liquidity

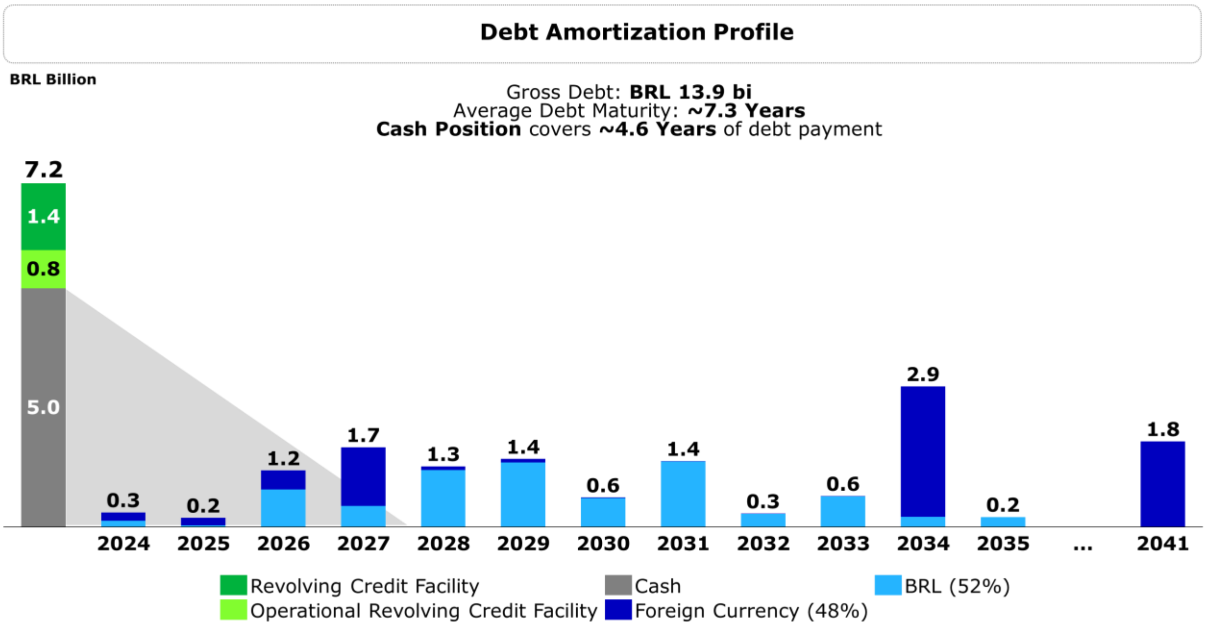
At the end of 3Q24, the gross debt[7] added up to BRL 13.9 billion, higher compared to the end of 2023, mainly due to seasonal withdrawals from the revolving credit facility and the exchange rate variation for the period. As of June 30, 2024, the average maturity of the debt was approximately 7.3 years, with 97% of the gross debt considered long-term (non-current).

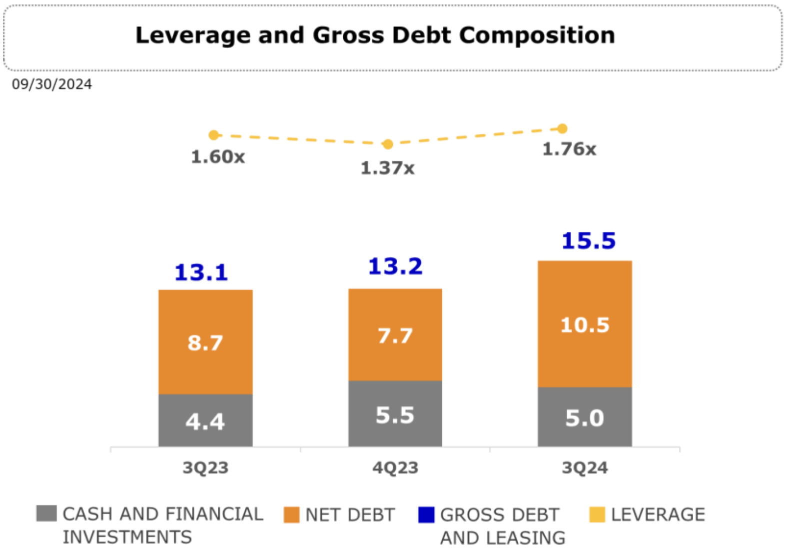
In September 2024, the Company had a net debt / adjusted EBITDA (leverage) of 1.76x, an increase of 0.16x compared to the leverage of 3Q23, considering continuing operations only. The increase in the metric compared to the same period in the previous year was due to the exchange variation, partially mitigated by the improvement in operating results.

The cash and financial investments at Votorantim Cimentos maintained solid liquidity, adding up to BRL 5.0 billion, which allows the Company to meet its financial obligations for more than four years.

In the chart below, the debt profile by September 2024 and then the leverage evolution chart:

[7] 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 add 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 Northern Hemisphere. Thus, the operating credit facility was drawn at USD 140 million at the end of September 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 closing of 3Q24.

Votorantim Cimentos has kept its liability management strategy, focused on extending the average term and lowering the average cost of the debt portfolio. Taking advantage of a good market moment, in the third quarter, the Company issued BRL 1.1 billion in debentures in the domestic market

, maturing in 2031 and costing 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.

7. Environmental, Social, and Governance

Environmental

Votorantim Cimentos announced a new cement and concrete brand in Spain, Blenture, increasing the Company's position in low-carbon products and promoting a more sustainable construction.

Blenture was originated with a significant investment in R&D, aligned with our sustainability commitments and our decarbonization strategy, based on process efficiency, the use of recycled raw materials and the consumption of non-fossil fuels, promoting the circular economy and renewable energies.

Blenture cements and concrete offer competitive solutions for many applications while maintaining the usual quality, strength and performance with 30% less carbon footprint.

Also in Spain, we began a new photovoltaic park located in a quarry in Arcos de la Frontera (Cadiz). The park has an installed capacity of 263.5 kWp and an area of 1,250 m², with the expectation of covering up to 40% of the energy consumed during the months with the highest solar incidence, resulting in a significant saving of CO_2 emissions in the quarry. This investment is part of our sustainability commitments and strengthens our pillars towards decarbonization.

Additionally, in the VCEAA region, in line with our decarbonization commitments, we started up a new pre calciner at the Toral de los Vados plant, which aims to increase the plant's thermal substitution levels to above 50%.

Change in Board of Directors

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 took on these roles, and continues in the Company as the Chief Executive Officer.

8. Business highlights

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 subsidiary´s shares in the country.

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.

Rating Update

The rating agency Fitch raised the Company's global credit rating, in September 2024, from "BBB-" to "BBB" with a stable outlook, confirming the Company's Investment Grade.

For more information, please access the 3Q24 Financial Statements.

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