Votorantim Cimentos 1Q25 Results

Votorantim Cimentos closed the first quarter of 2025 with an increase in net revenue, due to the advance in volume and benefit of geographic diversification. The operating result was impacted in the quarter due to seasonality and maintenance timing. Even in a volatile and cautious environment, financial robustness makes it possible to advance investments in competitiveness, decarbonization and new businesses. The Company's financial discipline is corroborated by the reaffirmation of the credit rating by S&P Rating and Moody's, and by the opportunity to issue debt at low spread levels. In the quarter, the Company announced the conclusion of the sale of assets in Tunisia, aligned with the strategy of balancing the portfolio between developed and emerging markets.

+2%
Cement Volume
vs 1Q24

+1% LC[1]
Net Revenue
vs 1Q24

11%
EBITDA Margin
-2p.p. vs 1Q24

-14% LC[1]
Adjusted EBITDA
vs 1Q24

+35%
CAPEX
vs 1Q24

1.95x
Leverage[2]
vs 1.86x in 1Q24

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

[1] LC: in local currency; considers fixed average Exchange rate in 1Q24 in 1Q25 results; BRL | USD average exchange rate: 4.95 (1Q24) and 5.85 (1Q25) | BRL | EUR average exchange rate 5.38 (1Q24) e 6.16 (1Q25).
[2] Only the continuing operations are considered in the Leverage, for 1Q24 and 1Q25.

Highlights

- Increase in net revenue supported by higher volume and geographic diversification.
- Conclusion of the sale of assets in Tunisia, aligned with the portfolio management strategy.
- 35% increase in capex, totaled R$ 548 million in 1Q25, in line with investments in structural competitiveness, decarbonization and new businesses, such as projects in Brazil in Salto de Pirapora, São Paulo and in Edealina, Goiás.
- The Company acquired aggregates and concrete assets in mature markets, strengthening its position and investing in new businesses.
- In May, VCSA issued R$ 1 billion in debentures for liability management, focusing on cost reduction and tenor extension.

Financial Highlights

R$ Million	1Q25	1Q24	1Q25 vs. 1Q24
Cement sales volume (m tons)	**7.7**	**7.6**	**2%**
Net revenue	**5,620**	**5,212**	**8%**
COGS	**(5,270)**	**(4,503)**	**17%**
SG&A	**(672)**	**(569)**	**18%**
Selling expenses	(257)	(238)	**8%**
General and administrative expenses	(415)	(331)	**25%**
Other operational results	**172**	**56**	**207%**
Net profit	**(325)**	**17**	**N.A.**
Depreciation	**(742)**	**(451)**	**64%**
Adjusted EBITDA	**598**	**675**	**(11%)**
EBITDA Margin	**11%**	**13%**	**(2 p.p.)**

1 Net Revenue and Adjusted EBITDA

1.1 Consolidated[3]

R$ Million	1Q25	1Q24	1Q25 vs 1Q24 ML[4]	1Q25 vs 1Q24
Net Revenue	**5,620**	**5,212**	**1%**	**8%**
Adjusted EBITDA	**598**	**675**	**(14%)**	**(11%)**
EBITDA Margin (%)	**11%**	**13%**	**--**	**(2 p.p.)**

Consolidated net revenue in 1Q25 was R$ 5.6 billion, an increase of 1% excluding the effect of exchange rate variation compared to 1Q24. The result is due to positive demand in Brazil and Spain, and positive price dynamics in most countries.

Consolidated adjusted EBITDA was R$ 598 million, a 14% decrease excluding the effect of exchange rate variation compared to 1Q24. The result is due to weather impacts in North America and maintenance timing in the plants.

1.2 Brazil (VCBR)

R$ Million	1Q25	1Q24	1Q25 vs 1Q24 ML	1Q25 vs 1Q24
Net Revenue	**3,155**	**2,999**	**--**	**5%**
Adjusted EBITDA	**427**	**512**	**--**	**(17%)**

VCBR's net revenue grew by 5% in the first quarter of 2025 compared to the same period in 2024, mainly due to higher volumes.

Adjusted EBITDA totaled R$ 427 million in 1Q25, a 17% decrease compared to 1Q24, due to maintenance timing and a non-recurring item that positively affected 1Q24.

[3] 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.

[4] LC: in local currency; considers fixed average Exchange rate in 1Q24 in 1Q25 results; BRL | USD average exchange rate: 4.95 (1Q24) and 5.85 (1Q25) | BRL | EUR average exchange rate 5.38 (1Q24) e 6.16 (1Q25).

The cement sector in Brazil, according to preliminary data from the National Cement Industry Union (SNIC), had an increase of 5.9% in the first quarter of 2025 compared to 1Q24, considering calendar days. The real estate market remains heated, mainly linked to the launches of the Minha Casa Minha Vida program.

According to SNIC, despite a strongly positive start to the year, more modest growth is expected for 2025, between 1% and 1.5%, compared to 2024. The performance will depend on the evolution of the economy, monetary policy and investments in infrastructure and housing.

Source: www.snic.org.br

1.3 North America (VCNA)

R$ Million	1Q25	1Q24	1Q25 vs 1Q24 LC[5]	1Q25 vs 1Q24
Net Revenue	**1,212**	**1,123**	**(9%)**	**8%**
Adjusted EBITDA	**(136)**	**(18)**	**(541%)**	**(657%)**

VCNA's net revenue was R$ 1.2 billion, a 9% reduction compared to 1Q24 excluding exchange rate variation, due to market slowdown resulting from the more severe winter, partially mitigated by better prices.

The adjusted EBITDA result was negative at R$ 136 million, versus the negative result of R$ 18 million in 1Q24. The result was mainly impacted by the winter conditions mentioned above, as well as the plant maintenance timing.

The PCA expects cement consumption in the US to cool for the third consecutive year. High interest rates and political uncertainty are seen as factors behind the slowdown. In addition, some markets – such as industrial construction – that have supported cement volumes in recent years have peaked and are now expected to act as a drag on growth, according to the association.

The PCA projects cement consumption to decrease by 1.6% in 2025. The US cement market is expected to return to growth in 2026, with stronger gains materializing in 2027 as lower interest rates usher in increased private construction activity.

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

[5] LC: in local currency; considers fixed average Exchange rate in 1Q24 in 1Q25 results; BRL | USD average exchange rate: 4.95 (1Q24) and 5.85 (1Q25) | BRL | EUR average exchange rate 5.38 (1Q24) e 6.16 (1Q25).

1.4 Europe, Africa and Asia (VCEAA)[6]

R$ Million	1Q25	1Q24	1Q25 vs 1Q24 LC[7]	1Q25 vs 1Q24
Net Revenue	**869**	**741**	**2%**	**17%**
Adjusted EBITDA	**235**	**155**	**33%**	**51%**

VCEAA's net revenue was R$ 869 million, an increase of 2% in the first quarter of 2025 compared to 1Q24 excluding exchange rate variation, resulting from better prices in both countries.

The region's adjusted EBITDA result was R$ 235 million, an increase of 33% compared to the 1Q24 result in local currency. The positive operating result was due to the aforementioned positive market dynamics in Spain and better margins in both countries.

As already announced, the Company announced the completion of the sale of assets in Tunisia. The assets in Morocco are following the normal course of the transaction and await the fulfillment of usual precedent conditions for this type of operation.

The Spanish market ended the 1Q25 period with a growth of 7.8% in the cement sector compared to 1Q24, according to the local association. Although general external indicators seem encouraging, with public works tenders and housing permits growing, other macroeconomic indicators remain uncertain, according to the association. The association expected cement consumption to grow by about 5% in 2025 compared to 2024.

Turkey had a very harsh winter period at the beginning of 2025, thus impacting the market. However, the outlook is positive considering the country's post-earthquake reconstruction, which may favor domestic cement sales, in addition to a more resilient economy, despite hyperinflation.

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

1.5 América Latina (VCLATAM)

R$ Milhão	1Q25	1Q24	1Q25 vs 1Q24 LC[9]	1Q25 vs 1Q24
Net Revenue	**234**	**195**	**2%**	**20%**
Adjusted EBITDA	**39**	**30**	**6%**	**30%**

VCLatam's net revenue advanced 2% in 1Q25 compared to the same period in 2024 in local currency, resulting from better volumes and prices in Bolivia.

The region ended the 1Q25 period with R$ 39 million in adjusted EBITDA, 6% higher than 1Q24 excluding the exchange rate variation effect, advancing in margins.

[6] 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.
[7] LC: in local currency; considers fixed average Exchange rate in 1Q24 in 1Q25 results; BRL | USD average exchange rate: 4.95 (1Q24) and 5.85 (1Q25) | BRL | EUR average exchange rate 5.38 (1Q24) e 6.16 (1Q25).

The cement market in Uruguay was slightly more positive vs 1Q24, with less rain at the beginning of the year, positively impacting demand.
In Bolivia, cement demand fell 6% between January/25 and February/25 compared to the same period in 2024, according to the INE (National Institute of Statistics).

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

2 Cost of goods sold, sales and administrative expenses

R$ Milhão	1Q25	1Q24	1Q25 vs 1Q24
COGS	**(5,270)**	**(4,503)**	**17%**
SG&A	**(672)**	**(569)**	**18%**
Selling expenses	(257)	(239)	8%
General and administrative expenses	(415)	(331)	25%

The consolidated value of cost of goods sold and services provided (COGS) experienced a growth of 17% compared to the 1Q24 period. However, excluding the exchange rate variation, we would have a 9% advance in the consolidated value of COGS, resulting from higher volumes and maintenance timing.

Consolidated sales expenses were R$ 257 million in 1Q25, an advance of 8% compared to 1Q24, a variation mainly due to the impact of exchange rate variation in the period and inflation. Regarding general and administrative expenses, there was an increase of 25% comparing 1Q25 with 1Q24, totaling R$ 415 million, a result coming from exchange rate variation, inflation, higher investments in IT and other non-recurring items.

3 Net profit

R$ Milhão	1Q25	1Q24	1Q25 vs 1Q24
Adjusted EBITDA	598	675	(11%)
Depreciation	(742)	(451)	64%
Equity income	27	26	2%
Net financial result	(280)	(351)	(20%)
Income tax and social contribution	82	95	(12%)
Others	(6)	(28)	(79%)
Net profit from discontinued operations	(4)	51	N.A.
Net profit	**(325)**	**17**	**N.A.**

The net profit was negative in R$ 325 million in 1Q25 against R$ 17 million in 1Q24.

Depreciation in the period totaled an expense of R$ 742 million, mainly as an increase in the asset base coming from recent investments, exchange rate variation and revision in the useful life of its fixed assets.

The net financial result totaled an expense of R$ 280 million, 20% lower when compared to 1Q24. The better financial result was due to the volatility of the interest rate curve, which positively impacted on the fair value of derivatives.

The income tax and social contribution result totaled revenue of R$ 82 million against revenue of R$ 95 million in 1Q24. The 1Q25 revenue mainly stems from the effects of changes in operating income.

In addition to the factors described above, there was the impact of the conclusion of the sale of assets in Tunisia, in a net negative amount of R$ 81 million, mainly due to realization of the exchange rate variation on this investment abroad.

4. Free Cash Flow

R$ Million	1Q25	1Q24	1Q25 vs 1Q24
Adjusted EBITDA	598	675	(11%)
Working capital/others	(1,665)	(1,740)	(4%)
Taxes	(74)	(48)	54%
CAPEX	(548)	(407)	35%
Operating Cash Flow	**(1,689)**	**(1,518)**	**11%**
Investment/Divestment	793	(15)	N.A.
Financial result	(192)	(172)	12%
FX effect on cash	(138)	57	N.A.
Free Cash Flow to shareholder	**(1,226)**	**(1,648)**	**(26%)**
Dividends to minority shareholder[8]	(4)	-	N.A.
Dividends to majority shareholder	(550)	(488)	13%
Free Cash Flow	**(1,780)**	**(2,136)**	**(17%)**

Operating Cash Flow (OCF) was negative by R$ 1.7 billion in 1Q25, an 11% decrease compared to the same period in 1Q24. The result is mainly explained by lower operating income and higher CAPEX investment.

The working capital result was negative by R$ 1.7 billion, an expected result in a quarter of intense seasonality, mainly in North America.

In 1Q25, dividends were paid to Votorantim S.A., the Company's shareholder, totaling R$ 550 million.

Free Cash Flow (FCF) ended 1Q25 negative by R$ 1.8 billion, an improvement compared to the same period of the previous year, due to the receipt of the conclusion of the sale of assets in Tunisia, positively impacting the investment/divestment line. Excluding this receipt, FCF would be more negative compared to 1Q24, mainly due to higher CAPEX investment and the effect of exchange rates on cash.

5. Investment

At the close of 1Q25, investments (Capex) totaled R$ 548 million, 35% higher than in the same period of 2024. This increase is explained by the global strategy of investments in modernization and competitiveness, in addition to projects linked to our decarbonization commitments.

Aligned with the decarbonization plan, we started an investment in the Málaga and Alconera factories, in Spain, related to the modernization of furnaces to receive alternative fuel, with the objective of increasing thermal substitution in the units, contributing to the reduction of CO2 emissions.

The sustaining, modernization and other investments projects correspond to 80% of the total consolidated CAPEX, and the remainder were investments in expansion projects.

[8] Incluem dividendos pagos a acionistas minoritários de entidades controladas pela Votorantim Cimentos S.A.

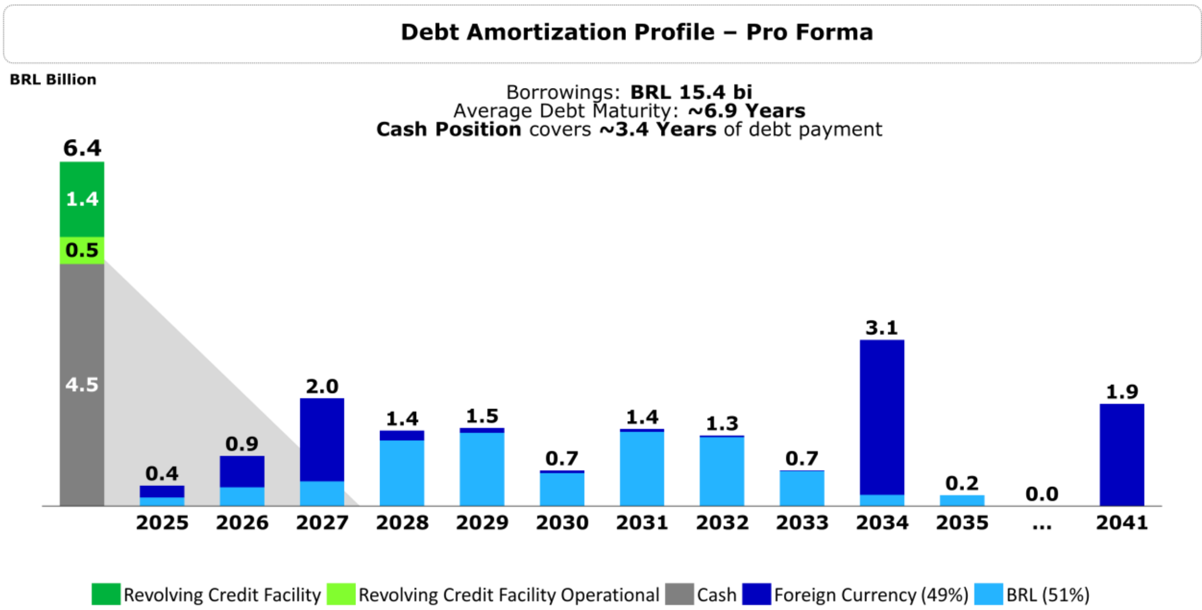
6. Debt and Liquidity

At the end of 1Q25, gross debt[9] totaled R$ 14.9 billion, 4% higher compared to the close of 2024, mainly explained by new financing and offset by the lower exchange rate at the end of the period. On March 31, 2025, the average debt term was approximately 6.4 years, with 91% of the gross debt being long-term (non-current).

At the end of the first quarter of 2025, the Company presented a net debt to adjusted EBITDA (leverage) of 1.95x, an increase of 0.09x compared to the leverage of 1Q24, considering only continuing operations.

Votorantim Cimentos' cash and financial investments maintained solid liquidity, amounting to R$ 4.1 billion, which allows the Company to meet its financial obligations for the next three years.

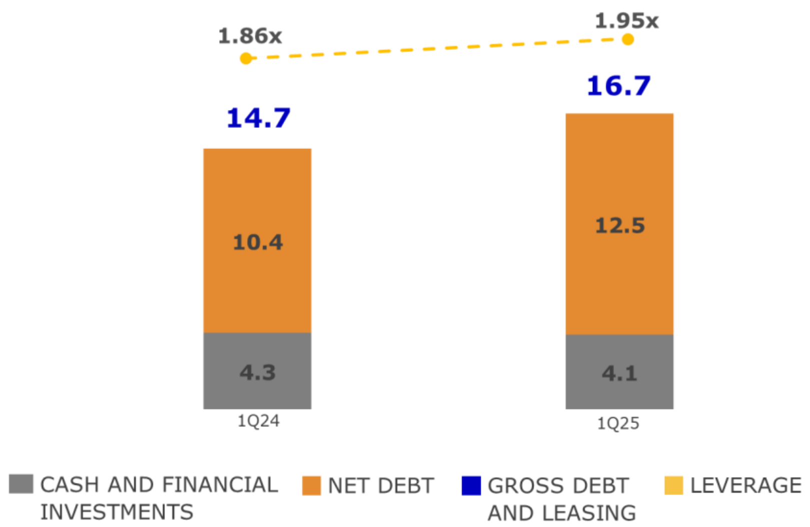
In the graph below, the debt profile ended in March 2025, considering subsequent event, and then, the leverage evolution graph:



[9] Does not include IFRS 16 effects - Leasing

Leverage and Gross Debt Composition

03/31/2025 – Leverage in 1Q24 and 1Q25 considers only continuing operations



6.1 Liquidity & Cash Position

Votorantim Cimentos has two revolving credit lines available. The first line, in the amount of USD 300 million, maturing in June 2027, supports the Company with short-term cash liquidity needs during the seasonality periods that affect its subsidiaries based in North America. Therefore, the operating credit line was drawn at USD 172 million at the end of March 2025. The second revolving credit line aims to provide liquidity to the Company in scenarios of greater uncertainty and volatility. This credit line has a total amount of USD 250 million, maturing in 2026, and was 100% available at the close of the first quarter of 2025.

7. Environmental, Social and Governance

Environmental

In January, the Málaga and Alconera factories in Spain were selected to receive a public incentive of EUR 4.3 million as part of the PERTE (Strategic Projects for Economic Recovery and Transformation, in Spanish). This incentive will contribute to investment in decarbonization projects related to increasing the use of alternative fuels to replace fossil fuels in both factories.

In March, we maintained the score "A" in the MSCI ESG Rating index, which identifies the company's exposure to ESG risks that are financially relevant to the industry in the long term.

Governance

In line with the improvement in governance, Votorantim Cimentos announced at the end of April 2025 the election of Cristina Betts as a board member of Votorantim Cimentos. And we inform the departure of Clarissa de Araújo Lins and Marcelo Strufaldi Castelli who contributed in recent years as members of the Company's Board of Directors.

8. Business highlights

Conclusion of the sale of operations in Tunisia

On March 26, 2025, the subsidiary Votorantim Cimentos EAA Inversiones S.L, called ("VCEAA") concluded the sale of all its assets located in Tunisia, related to the operations of Societe Les Ciments de Jbel Oust and Societe Granulats Jbel Oust, both located in Tunisia, to the company Sinoma Cement Co. Ltda.

The Transaction is aligned 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

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

The above actions reaffirm the Company with an investment grade credit profile.

9. Subsequent Event

(a) Acquisition of concrete businesses – St. Marys

In April 2025, VCNA Prairie LLC, a wholly owned subsidiary of St. Marys based in Chicago, Illinois, USA, entered into an agreement to acquire Rogers Ready Mix & Materials, Inc. and Rogers Transportation Services, Inc., based in Illinois. The operation was accounted for as a business combination, in accordance with IFRS 3 / CPC 15 (R1) - Business combinations.

This transaction is aligned with the Company's growth and positioning strategy and will allow for increased capacity to supply aggregates and ready-mix concrete to customers in the construction and agriculture sectors in the state of Illinois.

Rogers Ready Mix & Materials, Inc. and Rogers Transportation Services, Inc. operate their businesses through seven operating units, including aggregates and ready-mix concrete, all located in the state of Illinois.

(b) Distribution of dividends to controlling company VSA

In April 2025, the VCSA Board of Directors approved the distribution of interim dividends in the amount of R$ 683 million from the accumulated profit reserve balance, which were paid on April 28, 2025.

(c) VCSA's 18th Debenture Issuance

In April 2025, the Company approved debentures, non-convertible into shares, in a single series, under the terms of CVM Resolution No. 160/2022, in the total amount of R$ 1 billion and maturing on April of 2032, remunerated at a rate of DI+ 0.67 p.y.. The new fundraising is aligned with the Company's debt management strategy, focused on cost reduction and extending the debt profile.

For more information, please access the 1Q25 Financial Statements.

CONTACT – Investor Relations
E-mail: **vc-ri@vcimentos.com**
Site: **https://ri.votorantimcimentos.com.br/en**