Loma Negra Compañía Industrial Argentina Sociedad Anónima

Consolidated financial statements as of December 31, 2023

Consolidated Financial Statements as of December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021 of Loma Negra Compañía Industrial Argentina Sociedad Anónima

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Loma Negra Compañía Industrial Argentina Sociedad Anónima

Opinion on the financial statements

We have audited the accompanying consolidated statements of financial position of Loma Negra Compañía Industrial Argentina Sociedad Anónima (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders´ equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated April 29, 2024 expressed an unqualified opinion thereon.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment of Property, plant and equipment

Description of the matter

As of December 31, 2023, the Company's Property, plant and equipment ("PP&E") amounts to Argentine pesos ("Ps.") 482,127 million. As mentioned in Note 13.1. to the consolidated financial statements, the Company carries out an impairment analysis of the amount of these assets when an indicator is identified and suggests that their carrying amount could be less than their recoverable value, which is defined as the highest between its fair value less costs of disposal and its value in use. The Company determined the recoverable value of PP&E based on discounted future cash flows, calculated for each cash generating unit ("CGU").

Auditing the Company´s PP&E impairment test is complex and highly judgmental due to the significant assumptions and estimates applied by the Company's Management to determine the recoverable value, that are subject to uncertainty related to future events and the impact of the expectations about future market and macroeconomic conditions.

How we addressed the matter in our audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls over the Company´s impairment analysis process. For example, we tested controls over the determination of recoverable values, including the valuation models and underlying assumptions used to develop such estimates.

To test the impairment analysis of PP&E our audit procedures included, among others, involving professionals with specialized skills and knowledge in valuation techniques to assist us in evaluating the methodology used by the Company in the determination of discounted cash flows and the significant assumptions used by the Company for determining future cash flows, including discount rates, macroeconomic variables, expected growth rates, price variation levels, expected profit margins, and the required levels of investment in PP&E and working capital for each CGU; comparing those significant assumptions with the Company's historical trend and with information obtained from industry reports and other external information sources; carrying out a sensitivity analysis of changes in the recoverable value in relation to changes in the mentioned significant assumptions; testing the completeness and accuracy of the data used in the recoverable value estimates and testing the mathematical accuracy of the model developed by the Company. We also evaluated the disclosures related to this matter included in the consolidated financial statements.

Consolidated net assets and disclosures related to the Ferrosur Roca railway concession

Description of the matter

As mentioned in Note 2.5. to the consolidated financial statements, the Company consolidates the financial information of its controlled company Ferrosur Roca S.A., that operates the General Roca National Cargo Railway Network pursuant to the concession by the Argentina National Government. The concession original term ended in March 2023. As of December 31, 2023, the recorded amounts of the assets and liabilities related to the concession amount to Ps. 12,451 million and Ps. 9,691 million, respectively.

As mentioned in Note 38. to the consolidated financial statements, although the concession contract provided the possibility of an additional ten-year extension, the Ministry of Transportation has rejected the request for the extension of the concession contracts submitted by all the private railway concessionaires, granting only a temporary extension for 18 months, while the stated objective of the National Government is to begin managing the railroad network infrastructure directly, carrying out the corresponding investments and allowing the provision of railway services to registered operators. As a result, the concession of Ferrosur Roca S.A. would end in September 2024.

Auditing the recorded amounts of assets and liabilities and the disclosures related to the railway concession of Ferrosur Roca S.A. is complex and highly judgmental due to the assumptions about future events and conditions used by the Company´s Management to assess the impacts of the termination of the concession and the potential continuity as a railway operator, that are described in Note 38. to the consolidated financial statements.

How we addressed the matter in our audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls over the Company´s assessment of the Ferrosur Roca concession. For example, we tested controls over management's review of significant assumptions described in Note 38. to the consolidated financial statements.

To test management assessment our audit procedures included, among others, obtaining an understanding of the legal and regulatory framework applicable to the concession; reading the concession contract and other related agreements and documentation; reading the Company's internal and external legal advisors' reports; reading the filings and correspondence with the relevant authorities in relation to the application to be a railway operator; obtaining an understanding of the plans of the Company in relation to the potential railway operator business and evaluating the assessment performed by the management over the useful lives and recoverability of related assets. We also assessed the Company's disclosures regarding Ferrosur Roca S.A. railway concession in the consolidated financial statements.

/s/ PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
Member of Ernst & Young Global Limited

We have served as the Company's auditor since 2019.

City of Buenos Aires, Argentina
April 29, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Loma Negra Compañía Industrial Argentina Sociedad Anónima

Opinion on Internal Control Over Financial Reporting

We have audited Loma Negra Compañía Industrial Argentina Sociedad Anónima (the "Company")´s internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated statements of financial position of the Company as of December 31, 2023 and 2022, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders´ equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes, and our report dated April 29, 2024 expressed an unqualified opinion thereon.

Basis for opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
Member of Ernst & Young Global Limited

City of Buenos Aires, Argentina
April 29, 2024

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(figures expressed in thousands of pesos - $ - except as otherwise stated)

		For the year ended December 31, 2023		
	Notes	**2023**	**2022**	**2021**
Revenues	5	422,160,817	451,954,054	446,871,607
Cost of sales	6	(316,253,576)	(329,905,094)	(305,630,509)
Gross profit		**105,907,241**	**122,048,960**	**141,241,098**
Selling and administrative expenses	7	(38,665,716)	(38,958,912)	(38,390,085)
Impairment of property, plant and equipment	13	-	-	(927,176)
Other gains and losses	8	918,069	10,542,480	1,270,462
Tax on debits and credits to bank accounts	9	(4,676,516)	(4,531,752)	(4,503,693)
FINANCIAL RESULTS, NET				
Exchange rate differences	10	(117,211,866)	(23,103,527)	(9,988,880)
Gain on net monetary position		138,760,271	42,809,717	12,181,672
Financial income	10	5,709,934	5,064,518	6,200,123
Financial expenses	10	(73,323,164)	(79,607,300)	(8,135,216)
Profit before tax		**17,418,253**	**34,264,184**	**98,948,305**
INCOME TAX EXPENSE				
Current	11	(3,809,918)	(12,782,304)	(40,269,309)
Deferred	11	(3,927,812)	(15,855,125)	(20,195,489)
NET PROFIT FOR THE YEAR		**9,680,523**	**5,626,755**	**38,483,507**
Net income attributable to:				
Owners of the parent company		10,305,179	6,037,186	39,949,661
Non-controlling interest		(624,656)	(410,431)	(1,466,154)
NET PROFIT		9,680,523	5,626,755	38,483,507
Total comprehensive income attributable to:				
Owners of the parent company		10,305,179	6,037,186	39,949,661
Non-controlling interest		(624,656)	(410,431)	(1,466,154)
Total comprehensive income		**9,680,523**	**5,626,755**	**38,483,507**
Earnings per share (basic and diluted)	12	17.6599	10.3144	67.4772

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

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2023, AS COMPARED WITH DECEMBER 31, 2022
(figures expressed in thousands of pesos - $ - except as otherwise stated)

		As of December 31, 2023	
	Notes	**2023**	**2022**
ASSETS			
Non-current assets			
Property, plant and equipment	13	482,127,908	477,921,441
Right of use assets	14	2,546,342	3,271,458
Intangible assets	15	1,585,465	1,463,250
Investments	16	31,869	31,869
Goodwill	17	317,878	317,878
Inventories	18	22,670,508	19,868,134
Other receivables	20	1,848,118	3,491,282
Total non-current assets		**511,128,088**	**506,365,312**
Current assets			
Inventories	18	76,485,713	63,539,614
Other receivables	20	21,747,770	18,217,466
Trade accounts receivable	21	22,749,158	28,410,255
Investments	16	1,710,368	13,223,330
Cash and banks	22	5,023,797	2,069,630
Total current assets		**127,716,806**	**125,460,295**
Total assets		**638,844,894**	**631,825,607**

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

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2023, AS COMPARED WITH DECEMBER 31, 2022
(figures expressed in thousands of pesos - $ - except as otherwise stated)

		As of December 31, 2023	
	Notes	**2023**	**2022**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital stock and other capital related accounts	23	121,975,858	118,150,647
Reserves		165,387,745	236,274,028
Retained earnings		6,875,895	6,037,186
Equity attributable to owners of the parent company		**294,239,498**	**360,461,861**
Non-controlling interest		(17,963)	606,693
Total shareholders' equity		**294,221,535**	**361,068,554**
LIABILITIES			
Non-current liabilities			
Borrowings	24	110,145,543	30,766,107
Lease liabilities	14	2,772,804	2,439,055
Provisions	26	6,741,516	4,070,567
Salaries and social security contributions		526,679	294,296
Other liabilities	28	477,915	511,487
Deferred tax liabilities	11	106,599,410	102,671,598
Total non-current liabilities		**227,263,867**	**140,753,110**
Current liabilities			
Borrowings	24	37,224,733	33,914,391
Lease liabilities	14	1,214,560	879,181
Accounts payable	25	57,255,242	55,117,283
Advances from customers		4,382,101	5,484,815
Salaries and social security contributions		8,874,040	13,846,323
Tax liabilities	27	2,951,041	9,077,763
Other liabilities	28	5,457,775	11,684,187
Total current liabilities		**117,359,492**	**130,003,943**
Total liabilities		**344,623,359**	**270,757,053**
Total shareholders' equity and liabilities		**638,844,894**	**631,825,607**

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

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2023
(figures expressed in thousands of pesos - $ - except as otherwise stated)

	Owners' contributions																
	Capital stock	Treasury shares	Capital adjustments	Treasury shares adjustments	Share premium	Treasury shares premium	Treasury shares trading premium	Merger premium	Cost of treasury shares	Share-based payment plans	Legal reserve	Environmental reserve	Optional Reserve for Future Dividends	Retained earnings	Shareholders' equity attributable to owners of the parent company	Non-controlling interest	Total
Balances as of January 1, 2023	**58,359**	**1,244**	**43,019,989**	**917,010**	**63,954,980**	**15,487,928**	**43,080**	**14,350,655**	**(20,038,774)**	**356,176**	**8,799,320**	**68,686**	**227,406,022**	**6,037,186**	**360,461,861**	**606,693**	**361,068,554**
Share-based payment plans (Note 19)	-	-	-	-	-	-	-	-	-	395,927	-	-	-	-	395,927	-	395,927
Granting of share-based payment plans (Note 23)	9	(9)	6,440	(6,440)	108,773	(108,773)	115,757	-	66,615	(182,372)	-	-	-	-	-	-	-
Appropriation as per Annual Shareholders' Meeting held April 25, 2023:																	
- Optional reserve	-	-	-	-	-	-	-	-	-	-	-	-	6,037,186	(6,037,186)	-	-	-
- Capital reduction	(19)	(1,235)	(14,081)	(910,570)	(237,815)	(15,379,155)	-	-	19,972,159	-	-	-	-	(3,429,284)	-	-	-
Appropriation as per Board of Directors' Resolution of May 2, 2023:																	
- Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(48,610,174)	-	(48,610,174)	-	(48,610,174)
Appropriation as per Board of Directors' Resolution of June 23, 2023:																	
- Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(28,313,295)	-	(28,313,295)	-	(28,313,295)
Net income for the year														10,305,179	10,305,179	(624,656)	9,680,523
Balances as of December 31, 2023	**58,349**	**-**	**43,012,348**	**-**	**63,825,938**	**-**	**158,837**	**14,350,655**	**-**	**569,731**	**8,799,320**	**68,686**	**156,519,739**	**6,875,895**	**294,239,498**	**(17,963)**	**294,221,535**

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

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2022
(figures expressed in thousands of pesos - $ - except as otherwise stated)

	Owners' contributions																
	Capital Stock	Treasury shares	Capital adjustments	Treasury shares adjustments	Share premium	Treasury shares premium	Treasury shares trading premium	Merger premium	Cost of treasury shares	Share-based payment plans	Legal reserve	Environmental reserve	Optional Reserve for Future Dividends	Retained earnings	Shareholders' equity attributable to owners of parent company	Non-controlling interest	Total
Balances as of January 1, 2022	**58,743**	**860**	**43,303,322**	**633,677**	**68,740,297**	**10,702,611**	**-**	**14,350,655**	**(14,481,083)**	**241,856**	**8,799,320**	**68,686**	**266,461,094**	**39,949,662**	**438,829,700**	**1,017,124**	**439,846,824**
Acquisition of treasury stock (Note 19)	(389)	389	(287,043)	287,043	(4,847,997)	4,847,997	-	-	(5,597,532)	-	-	-	-	-	(5,597,532)	-	(5,597,532)
Share-based payment plans (Note 14)	-	-	-	-	-	-	-	-	-	197,241	-	-	-	-	197,241	-	197,241
Granting of share-based plans	5	(5)	3,710	(3,710)	62,680	(62,680)	43,080	-	39,841	(82,921)	-	-	-	-	-	-	-
Appropriation as per Annual Shareholders' Meeting held April 14, 2022:																	
- Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(25,380,007)	-	(25,380,007)	-	(25,380,007)
Appropriation as per Annual Shareholders' Meeting held April 27, 2022:																	
- Optional reserve	-	-	-	-	-	-	-	-	-	-	-	-	39,949,662	(39,949,662)	-	-	-
Appropriation as per Board of Directors' Resolution of July 1, 2022:																	
- Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(42,725,459)	-	(42,725,459)	-	(42,725,459)
Appropriation as per Board of Directors' Resolution of December 27, 2022:																	
- Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	(10,899,268)	-	(10,899,268)	-	(10,899,268)
Net income for the year														6,037,186	6,037,186	(410,431)	5,626,755
Balances as of December 31, 2022	**58,359**	**1,244**	**43,019,989**	**917,010**	**63,954,980**	**15,487,928**	**43,080**	**14,350,655**	**(20,038,774)**	**356,176**	**8,799,320**	**68,686**	**227,406,022**	**6,037,186**	**360,461,861**	**606,693**	**361,068,554**

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

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LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2021
(figures expressed in thousands of pesos - $ - except as otherwise stated)

	Owners contributions															
	Capital Stock	Treasury shares	Capital adjustments	Treasury shares adjustments	Share premium	Treasury shares premium	Merger premium	Cost of treasury shares	Share-based payment plans	Legal reserve	Environmental reserve	Optional Reserve for Future Dividends	Retained earnings	Shareholders' equity attributable to owners of the parent company	Non-controlling interest	Total
Balance as of January 1, 2021	**59,603**	**-**	**43,936,999**	**-**	**79,442,907**	**-**	**14,350,655**	**-**	**-**	**8,799,320**	**68,686**	**162,529,603**	**103,931,492**	**413,119,265**	**2,483,278**	**415,602,543**
Appropriation as per Annual Shareholders' Meeting held April 20, 2021:																
- Optional reserve	-	-	-	-	-	-	-	-	-	-	-	103,931,491	(103,931,491)	-	-	-
Acquisition of treasury stock (Note 19)	(860)	860	(633,677)	633,677	(10,702,610)	10,702,611	-	(14,481,083)	-	-	-	-	-	(14,481,082)	-	(14,481,082)
Share-based payment plans (Note 23)	-	-	-	-	-	-	-	-	241,856	-	-	-	-	241,856	-	241,856
Net income for the year													39,949,661	39,949,661	(1,466,154)	38,483,507
Balance as of December 31, 2021	**58,743**	**860**	**43,303,322**	**633,677**	**68,740,297**	**10,702,611**	**14,350,655**	**(14,481,083)**	**241,856**	**8,799,320**	**68,686**	**266,461,094**	**39,949,662**	**438,829,700**	**1,017,124**	**439,846,824**

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

LOMA NEGRA COMPAÑÍA INDUSTRIAL ARGENTINA SOCIEDAD ANÓNIMA
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED AS OF DECEMBER 31, 2023, 2022 AND 2021
(figures expressed in thousands of pesos - $ - except as otherwise stated)

	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year	9,680,523	5,626,755	38,483,507
Adjustments to reconcile net profit to net cash generated by operating activities			
Income tax expense	7,737,730	28,637,429	60,464,798
Depreciation and amortization	32,191,480	41,348,599	36,149,158
Provisions	6,994,024	4,053,260	2,764,867
Exchange rate differences	95,094,749	15,041,776	1,854,015
Interest expense	62,211,635	15,899,479	2,062,609
Share-based payments	395,927	197,241	241,855
Gain on disposal of property, plant and equipment	(450,860)	(10,486,093)	(540,541)
(Recovery) charge of allowance for other doubtful receivables	(212,407)	602,730	297,902
Loss from securities transactions	1,836,132	54,919,417	-
Impairment of property, plant and equipment	-	-	927,176
Gain on net monetary position	(138,760,271)	(42,809,717)	(12,181,672)
Changes in operating assets and liabilities			
Inventories	(14,575,409)	(9,858,881)	1,745,191
Other receivables	(4,792,880)	(9,893,753)	(4,282,708)
Trade accounts receivable	(25,045,352)	(22,254,891)	(9,048,503)
Advances from customers	1,503,830	749,930	773,009
Accounts payable	45,212,240	34,765,134	4,897,069
Salaries and social security contributions	6,742,030	8,768,681	4,318,237
Provisions	(672,274)	(1,255,625)	(1,048,784)
Tax liabilities	(1,596,016)	16,552,552	1,325,703
Other liabilities	7,067,994	175,500	178,343
Income tax paid	(5,532,616)	(33,115,769)	(38,088,680)
Net cash generated by operating activities	**85,030,209**	**97,663,754**	**91,292,551**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of interest in Yguazú Cementos S.A.	649,496	289,699	2,806,078
Proceeds from disposal of property, plant and equipment	824,916	10,264,091	1,747,265
Payments to acquire property, plant and equipment	(36,053,162)	(31,774,070)	(42,995,891)
Payments to acquire intangibles assets	(669,825)	(324,567)	(623,563)
Payments to acquire investments	-	-	(25,652,214)
Redemption of investments	-	7,458,665	11,621,534
Contributions to FFFSFI	(576,786)	(602,730)	(557,547)
Net cash used in investing activities	**(35,825,361)**	**(14,688,912)**	**(53,654,338)**
CASH FLOWS FROM FINANCING ACTIVITIES			

Proceeds from borrowings	69,468,936	161,017,112	7,585,725
Issuance of corporate bonds	142,486,878	-	-
Interest paid	(54,374,304)	(14,810,324)	(3,458,721)
Dividends paid	(86,844,758)	(67,904,557)	-
Lease payments	(960,757)	(881,969)	(1,072,089)
Repayment of borrowings	(110,861,564)	(148,995,136)	(41,709,560)
Repurchase of common stock	-	(5,597,532)	(14,481,084)
Net cash used in financing activities	**(41,085,569)**	**(77,172,406)**	**(53,135,729)**

Net increase (decrease) in cash and cash equivalents	8,119,279	5,802,436	(15,497,516)
Cash and cash equivalents at the beginning of the year (Note 29)	15,292,960	20,052,396	40,063,098
Effect of restating in constant currency of cash and cash equivalents	(23,218,875)	(11,272,209)	(11,312,922)
Effects of exchange rate differences on cash and cash equivalents in foreign currency	6,540,801	710,337	6,799,736
Cash and cash equivalents at the end of the year (Note 29)	**6,734,165**	**15,292,960**	**20,052,396**

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

1. LEGAL INFORMATION

Legal address:

Loma Negra Compañía Industrial Argentina S.A. (hereinafter "Loma Negra", "the Company" or "the Group") is a corporation organized under the laws of the Argentine Republic with legal address in Boulevard Cecilia Grierson 355, 4th. Floor, City of Buenos Aires, Argentina .

Fiscal year number:

Fiscal year No. 99 beginning on January 1, 2023.

Principal business of the Company:

The Company and its subsidiaries, mentioned below, are referred to in these financial statements as "the Group".

The main activity of the Group is the manufacturing and selling of cement and its derivatives, as well as the extraction of mineral resources that are used in the production process. At present, the Group has 8 cement factories in Argentina, in the provinces of Buenos Aires, Neuquén, San Juan and Catamarca. The Company also has mobile concrete plants adaptable to customer construction projects at all times.

The Group, through its subsidiary Cofesur S.A.U., has a controlling interest in Ferrosur Roca S.A., a company whose capital is owned by Cofesur S.A.U. with 80% interest, the National State with a 16% interest, and 4% has been transferred by the latter to the employees through a trust created for such purpose. Ferrosur Roca S.A. operates the railway cargo network of Ferrocarril Roca under a concession granted by the Argentine government in 1993 for a term of 30 years, which allows access of several of Loma Negra's cement production plants to the railway network. As a result of the National Government's decision to terminate to the existing railway concession system in Argentina and shift to an open access model with the participation of private rail operators, the above concession ended in March 2023. However, on December 22, 2022, the Ministry of Transport published Resolution No. 960/2022 in the Official Gazette, provisionally extending for 18 months the concessions of FerroExpreso Pampeano S.A., Nuevo Central Argentino S.A. and Ferrosur Roca S.A. as from the expiration date of their respective concessions; therefore, the concession of Ferrosur Roca S.A. will end in September 2024. The Group has assessed potential business scenarios based on its intention to continue delivering services as a rail network operator, as described in Note 38.

The Group also controls Recycomb S.A.U., a company engaged in the treatment and recycling of industrial waste for use as fuel or raw material.

Date of registration with the Argentinian General Inspection of Justice (local regulatory agency):

- Registration of the bylaws: August 5, 1926, under No 38, Book 46.
- Last amendment registered to the bylaws: September 26, 2023, under No 16,416, book 114, Corporations Volume.
- Correlative Number of Registration with Inspección General de Justicia (local regulatory agency): 1,914,357.
- Tax identification number (CUIT): 30-50053085-1.
- Date of expiration: July 3, 2116.

Parent company:

InterCement Trading e Inversiones Argentina S.L. with 52.1409% of the Company's capital stock and votes.

Capital structure:

The Ordinary and Extraordinary General Shareholders' Meeting, held on April 25, 2023, approved, among other issues, the voluntary reduction of the Company's capital stock for a total of 12,543,339 ordinary shares, which includes 12,352,329 shares in portfolio. and 191,010 unnamed shares.

Considering the aforementioned, as of December 31, 2023, the subscribed for and paid in capital amounts to $58,348,315.10, represented by 583,483,151 book-entry common shares with a nominal value of $0.10 each, and each entitling to one vote.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Statement of compliance with the International Financial Reporting Standards (IFRS) and bases of preparation of these consolidated financial statements

The consolidated financial statements of the Group as of December 31, 2023 and 2022 and for the fiscal years ended December 31, 2023, 2022 and 2021 have been prepared and presented in accordance with the IFRS as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements comprehensively recognize the effects of variations in the purchasing power of currency through the application of the method to restate the consolidated financial statements in constant currency, as established by the International Accounting Standard 29 (IAS 29).

For comparative purposes, these consolidated financial statements include figures and other details corresponding to the fiscal years ended on December 31, 2022 and 2021, which are an integral part of the above-mentioned consolidated financial statements and are presented in order for them to be solely interpreted in accordance with the figures and other information for this current fiscal year. These figures have been restated in the current fiscal year's end-of-period currency in the manner described in the following section in order to allow comparability.

These consolidated financial statements were approved by the Board of Directors on April 29, 2024, the date when they were available for issuance.

2.2. Financial information presented in constant currency

The consolidated financial statements as of December 31, 2023, and the corresponding figures for prior fiscal years have been restated to consider changes in the general purchasing power of the Group's functional currency (the Argentine Peso) in accordance with the provisions included in IAS 29. As a result, the consolidated financial statements are stated in constant currency as at the end of the current fiscal year.

According to IAS 29, the restatement of the financial statements is necessary when the functional currency of an entity is that of a hyperinflationary economy. IAS 29 provides certain guidelines for illustrative purposes to define a situation in which hyperinflation is deemed to arise, including (i) analysis of general population behavior, prices, interest rate, and salaries in the face of changes in price indexes and the loss of the currency purchasing power and (ii) as a quantitative feature, which is the condition more frequently considered in practice, the existence of a cumulative three-year inflation rate that approximates or exceeds 100%.

In order to assess the above-mentioned quantitative condition and also to restate financial statements, the series of indices to be used in the application of IAS 29 is determined by FACPCE. These series combines the Consumer Price Index (CPI) at the national level and as published by Instituto Nacional de Estadística y Censos (Official Statistics Bureau, "INDEC" as per the initials in Spanish) as from January 2017 (baseline month: December 2016) with the Wholesale Domestic Price Index (IPIM, for its acronym in Spanish) as published by INDEC until that date, computing for the months of November and December 2015, for which INDEC has no information with respect to changes in the IPIM, the variation in the CPI of the City of Buenos Aires.

Taking such index into account, inflation was 211.40%, 94.79% and 50.94% in the years ended December 31, 2023, 2022 and 2021, respectively, and more than 100% accumulated in three years during each of the years presented was reached.

Below is a summary of the methods of applying IAS 29.

Restatement of the statement of financial position:

(i) Monetary items (those with a fixed nominal value in local currency) are not restated because they are already stated at the current unit of measurement as of the end of the reporting period. In an inflationary period, holding monetary assets causes losses in the purchasing power and holding monetary liabilities generates gains in the purchasing power, provided that such items are not subject to an adjustment mechanism that may otherwise offset these effects. Monetary gains or losses are included in the statement of profit or loss and other comprehensive income for every fiscal year.

(ii) The assets and liabilities that are subject to changes based on specific agreements are adjusted on the basis of such agreements.

(iii) Non-monetary assets and liabilities measured at fair values as of the balance sheet date are not inflation-restated for presentation purposes in the statement of financial position, however, their restated amounts are used to measure the gains or losses caused by holdings of such non-monetary items. For the fiscal years ended December 31, 2023, 2022 and 2021, the Group did not have non-monetary items measured at fair value.

(iv) Non-monetary items measured at historical cost or at the current value of a date prior to the end of the reporting fiscal year are restated by coefficients that reflect the variations in the general price level since the date of acquisition or revaluation through the end of the reporting period. Subsequently, the restated amounts of such assets are compared to the corresponding recoverable values at the end of the reporting period. The amounts charged to against the statement of profit or loss and other comprehensive income due to depreciation of property, plant and equipment and amortization of intangible assets, as well as any other consumption of non-monetary assets shall be determined based on the restated amounts. As of December 31, 2023, 2022 and 2021, the items subject to this restatement process have been those included in inventories, other receivables, property, plant and equipment, right of use assets, goodwill, and non-current investments.

(v) When borrowing costs are capitalized in non-monetary assets pursuant to IAS 23, the components of those costs compensating the creditor for the effects of inflation are not capitalized.

(vi) The restatement of non-monetary assets in terms of current units of measurement as of the end of the year with no equivalent adjustment for tax purposes gives rise to a taxable temporary difference and the recognition of deferred tax liabilities against to profit or loss for the year. In those cases where there is a revaluation of the non-monetary assets in addition to the restatement, the deferred tax recognized on the restatement is accounted for as profit or loss for the year, and the effect of deferred taxes on the revaluation (excess of the revalued amount over the restated amount) is recognized in other comprehensive income. The Group has no revaluated assets.

Restatement of the statement of profit or loss and other comprehensive income:

(i) Expenses and revenues are restated as from the date they are accrued, except for those profit or loss items related to the consumption of assets measured in purchasing power currency of a date previous to the recording of such consumption which are restated based on the inception date of the asset to which the items are related (such as depreciation, impairment, and other use of assets valued at historical cost); and except also for any profit or loss arising from comparing two measurements expressed in a currency with a purchasing power from different dates, for which it is necessary to identify the amounts compared, their separate restatement and their comparison based on the new restated amounts.

(ii) Net profit or loss on exposure of monetary assets and liabilities to inflation is reported in a separate item of profit and loss , which reflects profit or loss on the exposure to changes in the purchasing power of the currency (“RECPAM” for the Spanish initials of "Resultado por el Cambio en el Poder Adquisitivo de la Moneda").

Restatement of the statement of changes in shareholders’ equity:

All equity components' beginning balances are restated by applying the general price index from the beginning of the fiscal year, and the movements of each such components during the year are restated as from the date of the contribution or initial recognition. Capital stock is presented at nominal values and its corresponding restatement adjustment is presented in the "capital adjustment" account. Other comprehensive income resulting after the transition date of the implementation of IAS 29 is recorded net of the inflation effect.

Restatement of the statement of cash flows:

IAS 29 requires that all entries in this statement should be restated in terms of the unit of measurement that is current at the end of the reporting period. The monetary gain or loss generated from cash and cash equivalents is presented in the statement of cash flows separately from the cash flows from operating, investing and financing activities, as a specific item for the reconciliation between cash and cash equivalents at the beginning and at the end of the fiscal year.

2.3. Applicable accounting standards

The consolidated financial statements have been prepared on a historical cost basis, which has been restated at year-end currency in the case of non-monetary items, except for the revaluation of certain financial assets, which are measured at the fair value at the closing date of each fiscal year. In general, historical cost is based on the fair value of the consideration given in exchange for the assets.

Fair value is the price that the Group would receive to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date, irrespective of whether such price is directly observable or estimated using another valuation technique. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value is determined on the basis previously mentioned, except for share-based payment transactions that are within the scope of IFRS 2, lease transactions, within the scope of IFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 quoted (unadjusted) prices in active markets for identical assets and liabilities to which the entity has access as at the measurement date;
- Level 2 valuation techniques for which the lowest level input that is significant to their value measurement is directly or indirectly observable; and
- Level 3 valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Classification as current and non-current:

The Group classifies assets and liabilities in the consolidated statement of financial position as current and non-current.

An asset is classified as current when the Group:

a) expects to realize the asset or intends to sell or consume it during its normal operating cycle;
b) holds the asset primarily for the purpose of trading;
c) expects to realize the asset within twelve months after the end of the reporting period; or
d) the asset is cash or cash equivalent unless it is restricted and cannot be exchanged or used to settle a liability for at least twelve months after the end of the reporting period.

All other assets are classified as non-current.

A liability is classified as current when the Group:

a) expects to settle the liability during its normal operating cycle;
b) holds the liability primarily for the purpose of trading;
c) the liability is due to be settled within twelve months after the end of the reporting period; or
d) fails to have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

All the other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities in all cases.

Year-end date:

The fiscal year of the Group starts on January 1° and ends on December 31 each year.

Currency:

The consolidated financial statements are presented in thousands of Argentine Pesos ($), the currency of legal tender in the Argentine Republic, and which is the functional currency of the Group. Amounts are rounded without decimals.

Use of estimates:

The preparation of consolidated financial statements requires the Group's management to make judgements, estimates and assumptions that affect the amount of recorded assets and liabilities and the contingent assets and liabilities disclosed as of the reporting date, as well as the revenues and expenses recognized during each year. Future profit or loss may differ from the estimates and assessments made as of the date of preparation of these consolidated financial statements.

The description of estimates and significant accounting judgments made by the Group's Board in the application of accounting policies as well as the areas with greater degree of complexity requiring further judgment, are disclosed in Note 4.

The Group´s material accounting policies are described below.

2.4. Standards and interpretations issued but not yet effective

The following is a detail of standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's consolidated financial statements. The Group intends to adopt these standards, if applicable, when they become effective, but in no case will they be adopted earlier.

- IAS 1 Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1 "Presentation of Financial Statements" to specify the requirements for the classification of liabilities as current or non-current. The amendments clarify: (i) what is meant by a right to defer settlement; (ii) that a right to defer must exist at the end of the reporting period; (iii) that classification is unaffected by the likelihood that an entity will exercise its deferral right; and (iv) that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. The amendments shall be effective for fiscal years beginning on or after January 1, 2024 and shall be applied retroactively. These amendments are not expected to have an impact on the Group´s consolidated financial statements.

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for fiscal years beginning as from January 1, 2024. The amendments are not expected to have an impact on the Group's consolidated financial statements.

- Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period.

Considering the Group's business practice in recent years, no impacts are expected in relation to this modification. This modification is effective for financial statement presentation periods beginning on or after January 1, 2024.

- Lack of exchangeability – Amendments to IAS 21

In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments refer to:

– A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations; a currency is not interchangeable with another currency if an entity can only obtain an insignificant amount of the other currency.

– If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

– When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed.

- Enhancement and standardization of climate-related disclosures for investors

On March 6 2024, the SEC issued the final rules on the enhancement and standardization of climate-related disclosures for investors. This rules mandates the disclosure of information regarding a registrant’s climate-related risks that have materially impacted, or are reasonably likely to have a material impact on, its business strategy, results of operations, or financial condition. The Group is currently assessing the impact of this rules that may imply the need of additional disclosure to investors.

Even though as of April 4, 2024 the SEC voluntarily stayed this rules pending completion of the Eighth Circuit Court of Appeal’s review, the SEC will “continue vigorously defending” the rules in court. If the court upholds the rules, it could lead to their prompt adoption once the stay is lifted.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 was issued on 9 April 2024 and becomes effective for reporting periods beginning on or after 1 January 2027. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards.

Adoption of improvements or new standards

The Group has adopted all the improvements and new standards and interpretations issued by the IASB that are relevant to its operations and that are effective for the fiscal year ended December 31, 2023. As from January 1, 2023, these are the new standards or improvements that become effective:

- IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. This rule is not applicable to the Group.

- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments require entities to disclose their “material accounting policy information”, instead of “significant accounting policies”. The amendments provide guidance and examples to help entities to identify when an accounting policy is material. The Group made the modifications required by the standard, which did not have a material impact on the disclosures of the Group's accounting policies, and did not affect the measurement, recognition or presentation criteria in the Group's financial statements.

- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments clarify that a change in the accounting estimate resulting from new information or new developments is not the correction of an error. The amendments had no impact on the Group’s consolidated financial statements.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences at that moment. The amendments had no impact on the Group’s consolidated financial statements.

- International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules (inclusive framework about anti base erosion and profit shifting) and include:

(a) A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
(b) Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception (the use of which is required to be disclosed) applies immediately.

Although the BEPS rules are global, the rules would be implemented through legislation enacted in jurisdictions that adopt them. The BEPS rules have not been enacted or substantially enacted in jurisdictions in which the Group operates and/or in those jurisdictions in which its controlling entities operate.

The Group continues monitoring the legislation, including the effective date, any transitional exemption, if applicable, and any other important requirements. The Group will continue the evaluation of the potential exposure to Pillar Two income taxes and its implementation based on the most recent information available at all times, although it understands that it will not have effects on its financial statements on the basis that the rate of income tax that is applicable is higher than the minimum rate of 15% considered by the BEPS rules.

The above mentioned amendments did not have an impact on the Group's consolidated financial statements.

2.5. Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the companies controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group will re-assess whether or not it controls an investee when facts and circumstances indicate changes in one or more of the control elements listed in the preceding paragraph.

Generally, there is a presumption that the majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all the relevant facts and circumstances in assessing whether it has power over the investee, including:

- The Group's voting right ownership percentage vis-à-vis the size and dispersion of the percentages held by other shareholders voting rights and potential voting rights;
- Potential voting rights held by the Group, other shareholders or other parties;
- Rights arising from contractual arrangements; and
- Any and all additional events or circumstances that indicate that the Group has, or fails to have, the current ability to direct the relevant activities of the investee when decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Specifically, the revenues and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income since the date on which the Group obtains control until the date on which the Group ceases to control the subsidiary.

Profits or losses of each component of other comprehensive income are attributed to the Group´s owners and to the non-controlling interests. The total comprehensive income of the subsidiaries is attributed to the Group's owners and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

All intra-group assets, liabilities, equity, income, expenses and cash flows related to transactions between members of the Group are eliminated in full upon consolidation.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The consolidated information disclosed in these consolidated financial statements includes the following subsidiaries:

Subsidiary	Main business	Country	% of direct and indirect interest as of		
			December 31, 2023	December 31, 2022	December 31, 2021
Cofesur S.A.U.	Investment	Argentina	100.00	100.00	100.00
Ferrosur Roca S.A. (1)	Rail freight transportation	Argentina	80.00	80.00	80.00
Recycomb S.A.U.	Waste recycling	Argentina	100.00	100.00	100.00

(1) Directly controlled by Cofesur S.A.U.

Below is a summary of the financial information for Ferrosur Roca S.A., a subsidiary in which shareholders outside the Group have a material non-controlling interest.

	2023	2022
Current assets	6,432,521	6,633,042
Non-current assets	6,018,546	8,015,053
Current liabilities	7,373,666	10,281,947
Non-current liabilities	2,317,828	1,332,845
Shareholders’ equity attributable to owners of the parent company	2,207,659	2,426,642
Non-controlling interest	551,915	606,661

	2023	2022	2021
Revenues	33,265,474	36,384,432	36,273,669
Financial results, net	(1,042,507)	712,145	(351,779)
Depreciation	(2,764,791)	(8,396,827)	(6,894,662)
Income tax	(552,976)	1,452,029	(76,837)
Net losses for the year	(4,745,191)	(5,298,385)	(7,330,754)

	2023	2022	2021
Net cash generated by (used in) operating activities	(1,983,303)	(280,281)	2,865,822
Net cash generated by (used in) investing activities	3,329,828	(2,814,803)	(3,576,068)
Net cash generated by (used in) financing activities	(1,213,679)	3,392,253	556,037
Effects of the exchange rate differences on cash and cash equivalents in foreign currency	(228,460)	(175,373)	(115,395)

3. MATERIAL ACCOUNTING POLICIES

3.1. Revenue recognition

The Group is engaged in the production and distribution of cement, masonry cement, concrete, limestone and aggregates, operates a railway concession to provide transportation services and it is also engaged in the industrial waste recycling business. The goods to be delivered and the services to be provided arise from agreements with commercial substance (in general, they are not written) where the Group may identify the right of each one of the parties and the payment terms .

3.1.1. Sale of goods

Revenues from sales of goods are recognized when control over goods is transferred to the customer for an amount that reflects the consideration that the Group expects to be entitled to in exchange for such assets. The customer obtains control of the goods when significant risks and rewards of the products sold are transferred in accordance with the specific delivery terms agreed with the customer. Revenues from the sale of goods are measured at fair value of the consideration received or to be collected, net of commercial discounts. No financing components are considered in the transaction since credit terms vary greatly between 20 and 35 days, depending on the specific terms agreed upon by the Group, which is consistent with market practices.

Some agreements with customers offer commercial discounts or volume-based discounts. If revenues cannot be reliably measured, the Group defers revenue recognition until the uncertainty is resolved. However, due to the fact that performance obligations relate mainly to the delivery of the acquired goods, and that both the price and any discount granted are specifically agreed between the parties, there are in practice no uncertainties associated with revenue recognition from sales of goods. Variable consideration is recognized when there is a high likelihood that there will not be a significant reversal in the amount of the accumulated revenues recognized in the agreement and is measured using the expected value or the most likely amount method, whichever allows to make a better prediction of the amount based on the terms and conditions of the agreement.

The products sold by the Group in general are not returned by customers once they have approved their quality, which occurs at the time of reception.

3.1.2. Services rendered

The Group provides transportation services along with the sale of cement, concrete, limestone, and aggregates. Revenues from transportation services are recognized at the time services are provided, which is usually when revenues from the sale of the transported good are recognized as transportation distance and time is very short. Revenue is measured on the basis of the consideration defined in the contract with customers.

Revenues from freight railway services and waste recycling services are recognized at the time such services are rendered.

3.2. Goodwill

The goodwill recorded by the Group due to the acquisition of Recycomb S.A.U. and is measured at cost restated in constant currency at the end of the reporting period, as mentioned in Note 2.2.

In accordance with IFRS 3, Business Combinations, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the fair value of the net identifiable assets acquired and liabilities assumed.

Goodwill is not amortized, but rather tested for impairment on an annual basis. For impairment testing purposes, goodwill is allocated to each of the Group’s cash-generating units that are expected to benefit from the synergies of the relevant combination. Cash-generating units to which goodwill is allocated are tested for impairment on an annual basis, or more frequently if there are indications that the unit may have been impaired.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized reducing first the carrying amount of goodwill allocated to the CGU and then, proportionally, the other CGU's assets. Impairment losses related to goodwill cannot be reversed in future periods.

Any goodwill impairment loss is recognized directly in profit or loss.

Upon disposal of a cash generating unit to which goodwill has been allocated, such goodwill is included in the determination of the profit or loss on such disposal.

As of December 31, 2023, 2022 and 2021, the Group has not recognized any goodwill impairment loss.

3.3. Investments in other companies

These are investments in which the Group has no significant influence. As these investments do not have a quoted market price in an active market and their fair value cannot be reliably measured, these investments are measured at cost restated at the end of the reporting period, less any impairment losses identified at the end of each reporting period.

3.4. Leases

Group as Lessee:

The accounting model for the recognition and measurement of all leases is as follows:

Right-of-use assets:

The Group recognizes a right of use asset at the beginning of each lease (the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, net of accumulated depreciation and impairment losses, and adjusted to reflect any remeasurement of liabilities and to recognize changes in the currency purchasing power. The cost of the right-of-use assets includes the amount of the recognized lease liabilities, initial direct costs incurred, and lease payments made at or before the lease start date, less any incentives received. Unless the Group is certain that it will acquire the asset at the end of the lease, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease term (calculated based on the term of the relevant agreements, including renewal provisions in the event that they are highly likely to continue). Right-of-use assets are subject to impairment.

The Group applies the short-term lease recognition exception (i.e., those leases that have a lease term of 12 months or less from the inception date and do not contain a purchase option). The Group also applies the recognition exception to leases that are considered to be of low value. Payments under these leases are recognized as expense on a straight-line basis over the lease term.

Lease liabilities:

Lease liabilities are measured at the present value of future lease payments to be made throughout the lease term, for which market rates have been used according to the nature and term of each agreement. Lease payments include fixed payments, less any lease incentives to be received, variable payments depending on an index or rate and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of any purchase option of the leased underlying asset, and any penalties for terminating the lease, provided that it is reasonably likely that the Group will exercise such options. Variable payments that do not depend on an index or rate are recognized in profit or loss for the year of occurrence of the condition to which they are subject.

The unwinding of the present value recognized for each lease is accounted by the Group in the comprehensive income of each year.

Group as Lessor:

The income from the operating lease of buildings and equipment is recognized every month during the lease term. Leases in which the Group does not transfer substantially all the risks and rewards inherent in the ownership of the asset are classified as operating leases. The initial direct costs incurred in negotiating an operating lease are in addition to the carrying amount of the leased asset and are recognized throughout the lease term on the same basis as lease income.

3.5. Foreign currency and functional currency

The consolidated financial statements are presented in Argentine Pesos (Argentina's currency of legal tender), which is also the functional currency (the currency of the primary economic environment where the entity operates) for all the Group companies , and the reporting currency of the consolidated financial statements.

For the purposes of presenting these consolidated financial statements, the assets and liabilities in foreign currency held by the Group are translated to Argentine pesos at the foreign exchange rate prevailing at the end of each fiscal year.

Any exchange gain or loss from monetary items is recognized in the profit or loss for the year, restated at year-end currency, except for those arising from foreign currency borrowings related to financing qualifying assets, such as assets under construction for future productive use, which were included in the cost of such assets for being considered as an adjustment to the cost of interest accrued on such foreign currency denominated borrowings.

3.6. Borrowing costs

Borrowing costs, net of the effect of inflation directly attributed to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the asset until the assets are ready for use or sale.

Income earned on short term investments of specific outstanding borrowings to finance the construction of qualifying assets is deducted from the borrowing costs that may qualify for capitalization.

All the other borrowing costs are recognized in profit or loss during the fiscal year in which they are incurred, net of the effect of inflation on the liabilities that generated them.

The Group has not capitalized interest or exchange differences in the fiscal year ended December 31, 2023 and 2022, respectively.

3.7. Taxation

3.7.1. Income tax

The Group assesses the income tax to be recorded in accordance with the deferred tax method, which considers the effect of temporary differences arising from the different bases for the measurement of assets and liabilities according to accounting and taxing criteria, and of existing tax losses and unused tax credits deductible from future taxable income, computed by considering the tax rate in force.

Law No. 27,260, which was enacted on June 16, 2021, introduced amendments to the corporate tax rate by setting a staggered structure of applicable rates based on the level of accumulated net taxable income for each company, which may be 25%, 30%, or 35% (Note 11); the 7% tax on the distribution of dividends, however, has remained unchanged.

3.7.1.1. Current taxes

Current tax payable is based on the taxable profit for the fiscal year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit and loss and other comprehensive income because of items of income, or expenses that are taxable or deductible in other years and items that will never be taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been substantially enacted at the end of the reporting period.

3.7.1.2. Deferred tax

Deferred tax is recognized on the temporary differences between the carrying amount of the assets and liabilities included in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all future taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that the Group is likely to have future tax profit against which it is possible to account for those deductible temporary differences. Such deferred tax assets and liabilities are not recognized when temporary difference arose from goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable nor the accounting profit.

The carrying amounts of deferred tax assets are reviewed at the end of each fiscal year and derecognized to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the fiscal year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the end of the reporting period. Measurement of deferred tax assets and liabilities at the end of the reporting period reflects the tax consequences that would stem from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

The Group offsets deferred tax assets and deferred tax liabilities only if (a) it has enforceable right to set off current taxes and current liabilities and (b) the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities and the Group intends either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are recognized only to the extent it is probable that there will be sufficient taxable profit to use the benefits of temporary differences and they are expected to reverse in the foreseeable future.

3.7.1.3. Current tax charge and deferred taxes profit or loss

Current and deferred taxes are recognized in the statement of profit or loss and other comprehensive income, except when they relate to items that are recognized in other comprehensive income or directly in shareholders’ equity, in which case the current and deferred taxes are also recognized in other comprehensive income or directly in shareholders’ equity, respectively. When the current tax or deferred tax arises from the initial accounting of a business combination, the tax effect is included in the accounting for the business combination.

3.7.2. Personal assets tax – Substitute taxpayer

In Argentina, individuals and foreign entities, as well as their undistributed estates, regardless of whether they are domiciled or located in Argentina or abroad are subject to personal property tax at the rate of 0.50% over the value of any shares or the American Depositary Shares (ADSs) issued by Argentine entities held as of December 31 of each year.

The tax is applied to the Argentine issuers of such shares, who must pay this tax on behalf of the relevant shareholders and is based on the value of the shares (following the equity method), or the book value of the shares derived from the most recent financial statements as of December 31 of each year. In accordance with the Personal Assests Tax Law, the Group has the right to obtain a reimbursement of the tax paid from the shareholders to whom the above tax is applicable, through the reimbursement procedure deemed appropriate by the Group.

As of December 31, 2022 the Group carried receivables for $416,364, in relation to this tax.

3.8. Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods and services, or for administrative purposes, are carried at the cost restated in constant currency at the end of the reporting period, in accordance with Note 2.2, less accumulated depreciation and impairment loss.

The cost includes the stripping and initial preparation of the open pit quarries, as mentioned in Note 3.18, and the counterpart for the environmental restoration and/or dismantling obligations recognized, as indicated in Note 3.12. It also includes borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The lands owned by the Group are not subject to depreciation.

Construction in progress for administrative, production, supply or other purposes are carried at cost restated in constant currency at the end of the reporting period, in accordance with Note 2.2, less any recognized impairment loss.

Depreciation of Property, Plant and Equipment commences when such assets are ready for their intended use.

Property, plant and equipment are depreciated, except for land and assets under construction, over their estimated useful lives using the straight-line method. The estimated useful life, the residual value and the depreciation method are reviewed at the end of each fiscal year, with the effect of any changes in estimates being accounted for on a prospective basis.

Gain or loss from the disposal or write-off of an item of property, plant and equipment is calculated as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss at its value restated at the year-end currency.

The Group assesses the recoverability of the value of its property, plant and equipment items whenever any indication of impairment is identified. The assessments are carried out considering the cash-generating units established by the Group.

3.9. Intangible assets

Intangible assets with finite useful lives that were separately acquired are carried at cost restated in constant currency at the end of the reporting period, as described in Note 2.2, less accumulated depreciation and impairment losses.

The estimated useful life and depreciation method are reviewed at the end of each fiscal year, with the effect of any changes in estimates being accounted for on a prospective basis. Intangible assets with indefinite useful lives that were separately acquired are carried at the cost restated in constant currency at the end of the reporting period, as described in Note 2.2, less accumulated impairment losses.

Intangible assets are derecognized when no future economic benefits are expected from their use or disposal. Gains or losses from a derecognized intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

3.10. Impairment of tangible and intangible assets

At the end of each period, the Group reviews if any indication that tangible and intangible assets might be impaired.

In case of impairment indicators are observed, the Group calculates the recoverable amount per cash-generating unit. The recoverable amount of an asset is the higher of the fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments as of year-end with respect to the time value of money considering the risks that are specific to the asset. Cash-generating units match the business segments defined in Note 31.

If the recoverable value of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying value of the asset (or cash-generating unit) is reduced to its recoverable value. Impairment losses are immediately recognized in profit or loss.

When a recognized impairment loss is subsequently reversed, the book value of the asset is increased up to the new recoverable amount but the reversal is limited so that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset or CGU in prior years. Impairment loss reversals are immediately recognized in profit loss. Impairment losses related to goodwill are not reversed in future periods.

3.11. Inventories

Inventories are stated at the lower of cost restated in constant currency at the end of the reporting period in accordance with Note 2.2 and net realizable value.

Costs incurred in bringing products to their present condition are accounted for as follows:

- Raw materials and spare parts: at acquisition cost according to the Weighted Average Price method.
- Finished goods and work in progress: at acquisition cost of raw materials and labor, plus a proportion of manufacturing overheads based on normal operating capacity.

The net realizable value of an inventory component is the estimated selling price for that component in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale, calculated as of the end of the reporting period. In assessing recoverable amounts, slow-moving inventories are also considered. The carrying amount of inventories as of the fiscal year-end does not exceed their recoverable value.

3.12. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Estimated amounts of the obligation are based on the expected outflows that will be required to settle such obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset (a receivable), but only when the reimbursement is virtually certain and the amount of the receivable can be reliably measured.

The Group uses the opinion of its legal advisors to determine if a provision should be recorded as well as to estimate the amounts of the obligations.

Environmental restoration and asset decommissioning obligations:

Under legal provisions and best practices, and the environmental commitments assumed by the Group, land used by the Group for mining and quarrying is subject to environmental restoration, and the fixed assets used in production will be removed at the end of operations.

In this context, provisions are recognized, as long as they are determinable, in order to afford the estimated expenses for environmental recovery and restoration of the mining areas and the retirement of the corresponding productive assets. These provisions are recorded simultaneously with the increase in value in the underlying asset and the relevant depreciation of the assets involved is recognized in profit and loss prospectively.

.The environmental restoration and asset retirement obligation can also increase or decrease due to changes in the estimated timing of cash flows, changes in the discount rate and/or changes in the original estimated undiscounted costs. In estimating the expected cost, the Group takes into account changes in environmental legislation and regulations, if any, that may impact the process and restoration and dismantling costs. Increases or decreases in the obligation other than the unwinding of discount will result in a corresponding change in the carrying amount of the related asset. Actual costs incurred upon settlement of the asset retirement obligation are charged against the asset retirement obligation to the extent of the liability recorded. The Group discounts the costs related to asset retirement obligations using the discount rate that reflects the current market assessment of the time value of money and risks specific to the liabilities that have not been reflected in the cash flow estimates. Asset retirement obligations are remeasured at each reporting period in order to reflect the discount rates in effect at that time.

In addition, the Group follows the practice of progressively restoring the areas by the removal of quarries using the provisions recognized for that purpose.

3.13. Financial instruments

A financial instrument arises from any contract that results in the recognition of a financial asset in one entity and a financial liability or equity instrument in another entity.

All financial assets and liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and liabilities at fair value through profit or loss) are added or deducted from the fair value of the financial assets or liabilities on the initial cost of recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Interest and financial income are recognized to the extent the effective interest rate is accrued.

In general, the Group receives short-term advances from its customers. Pursuant to the practical expedient of IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. The Group does not receive any long-term advances from its customers.

3.14. Financial assets

According to IFRS 9 Financial instruments, the Group classifies its financial assets into two categories because the company has not asset that are designated as fair value through other comprehensive income:

- Financial Assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met: (i) the asset is held within a business model of the Group whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In addition, for the assets that meet the conditions mentioned above, IFRS 9 contains an option to designate, at initial recognition, a financial asset as measured at fair value if doing so eliminates or significantly reduces an account mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

The Group has not recognized financial assets at fair value using this option. At the date of the consolidated financial statements, the Group's financial assets at amortized cost include certain items of cash and cash equivalents and trade and other receivables.

- Financial assets at fair value through profit or loss

If one of the above two criteria is not met, the financial asset is classified as an asset measured at "fair value through profit or loss".

At the date of these consolidated financial statements, the Group's financial assets at fair value through profit or loss include mutual funds classified as current investments.

Recognition and Measurement:

Acquisitions and disposals of financial assets are recognized on the date on which the Group promises to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from such instruments and the risks and benefits related to their ownership have been terminated or assigned.

Financial assets at amortized cost are initially recognized at fair value plus transaction costs. These assets accrue interest based on the effective interest rate method.

Financial assets at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as expenses in the statement of profit or loss and other comprehensive income. They are subsequently measured at fair value. Changes in fair values and gains or losses on the sale of financial assets at fair value through profit or loss are recognized in "Financial results, net" in the statement of profit or loss and other comprehensive income.

In general, the Group uses the transaction price to determine the fair value of a financial instrument at initial recognition. In all other cases, the Group only records a gain or loss at initial recognition if the fair value of the instrument is evidenced by other comparable and observable market transactions for the same instrument or is based on a valuation technique incorporating only observable market data. Any gains or losses not recognized at initial recognition of a financial asset are subsequently recognized only to the extent that they arise from a change in factors (including time) that market participants would consider in establishing the price.

The results of debt instruments that are measured at amortized cost and are not designated in a hedging relationship are recognized in the profit or loss and other comprehensive income statement using the effective interest rate method. The Group reclassifies between categories all investments in debt instruments only when there is a change in the business model used to manage such assets.

Financial asset impairment

The Group assesses at the end of each period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. The impairment is recorded only if there is objective evidence of impairment as the result of one or more events that occurred after the initial recognition of the asset and that impairment can be reliably estimated.

The Group defined a policy to calculate ECLs for trade receivables and record the related allowance for debtors' impairment. The provision is initially based on the Group's historical observed default rates and it is complemented by a case by case analysis to identify special circumstances on individual customers and/or transactions.

Evidence of impairment includes indications that the debtors or a group of debtors are experiencing serious financial difficulties, default or arrears in interest or principal payments, the likelihood that they will be declared bankrupt or file for reorganization proceedings, and when such observable data indicates that there is a decrease in estimated future cash flows.

The amount of the impairment is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the original effective interest rate of the financial asset. The carrying amount of the asset is written down and the amount of the loss is recognized in the profit or loss and other comprehensive income statement. As a practical measure, the Group may measure impairment based on the fair value of an instrument using an observable market price. If, in a subsequent period, the impairment amount decreases and such reduction is related to an event taking place after the original impairment, the reversal of the impairment loss is recognized in the consolidated statement of profit and loss and other comprehensive income.

Offsetting of financial instruments:

Financial assets and liabilities are offset whenever there is a legal right to offset such assets and liabilities and there is an intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Derecognition of a financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.15. Ferrocarril Roca Management Trust for capital expenditures

The interest in the Trust for the Strengthening of the Interurban Rail System ("FFFSFI") was carried at cost, considering the value of the contributions made, net of trust expenses, plus net financing profit accrued through the end of the fiscal year. The amounts that may not be recovered or applied against future capital expenditures have been reduced to their recoverable value by recording an impairment allowance at the end of this fiscal year. The entity is not controlled by Ferrosur Roca S.A. (Note 36).

3.16. Financial Liabilities and Equity Instruments

i) Classification as debt or equity:

Debt and equity instruments are classified as financial liabilities or as equity in accordance with the substance of the contractual agreement and the definitions of financial liabilities and equity instruments.

ii) Equity instruments:

An equity instrument consists in a contract evidencing a residual ownership interest over an entity's net assets after deducting all its liabilities. Equity instruments issued by an entity of the Group are recognized at the amount of proceeds received, net of direct issuance costs.

The repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the profit or loss statement stemming from purchases, sales, issuance or cancellation of the Group's own equity instruments.

Capital Stock Component Accounts

Capital Stock and Share Premium:

It comprises the contributions committed or made by the shareholders represented by outstanding shares at nominal value.

Adjustment to capital:

Capital stock accounts were restated by recognizing the effects of changes in the purchasing power of the currency by applying the procedure described in Note 2.2. The capital stock account was maintained at nominal value and the adjustment derived from such monetary restatement is disclosed in capital adjustment account. Capital adjustment is not available for distribution in cash or in kind; however, it can be capitalized by issuing additional shares. In addition, the adjustment mentioned above may be used to cover losses for the year, according to the order of absorption of accumulated losses, as explained below in "Retained Earnings".

Merger premium:

This reflects the recognition of premiums originated in mergers between the Parent Company and Ecocemento S.A. and Compañía de Servicios a la Construcción S.A. in the years 2002 and 2010, respectively. Merger premium balances were restated in constant currency at the end of the reporting period by applying the adjustment procedure described in Note 2.2 based on the respective merger dates.

Share-based payment plans:

It refers to the counterpart of the recognition of share-based payment plans received by Group Directors, restated in constant currency at the end of the reporting period following the adjustment procedure described in Note 2.2, based on the dates of issuance of the plans.

Treasury shares trading premium:

This trading premium relates to treasury shares delivered to employees under current share-based payment plans and represents the difference between the purchase value of the shares delivered and the estimated value of the consideration received from the relevant employees.

Legal reserve:

In accordance with the provisions under Law No. 19,550, the Group must appropriate 5% of income for the year, plus adjustments of previous fiscal years, transfers of other comprehensive income to retained earnings and accumulated losses from previous fiscal years, until it reaches a 20% of the sum of the balances of "Capital" and "Adjustment to capital" accounts. The Legal reserve has been restated in constant currency at the end of the reporting period as described in Note 2.2, considering the movements taking place each fiscal year.

Environmental reserve and future dividends reserve:

This corresponds to the reserve created by the Group's shareholders for future use on environmental matters and dividend distributions, respectively. These two reserves have been restated in constant currency at the end of the reporting period as described in Note 2.2. considering the movements for each fiscal year.

Other comprehensive income:

This includes income and losses recognized directly in equity and that will be transferred from equity to the profit or loss statement or accumulated retained earnings, as defined in IFRS.

Retained earnings:

Retained earnings include the accumulated income or losses with no specific allocation, which, if positive, can be distributed by means of a decision of the Shareholders' Meeting, provided that they are not subject to any legal restrictions. It includes profit or loss from previous fiscal years that were not distributed, the amounts transferred from other comprehensive income, and adjustments from previous fiscal years by application of new accounting standards. Retained earnings are restated in constant currency at the end of the reporting period by applying the adjustment procedure described in Note 2.2, considering the movements taking place each fiscal year.

Non-controlling interest:

This includes the minority ownership interest not owned by Loma Negra C.I.A.S.A. in the net assets and profit or loss of Ferrosur Roca S.A. (20%).

iii) Financial liabilities:

Financial liabilities are classified as at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss:

A financial liability at fair value through profit or loss is a financial liability held for trading . Financial liabilities are classified as held for trading if:

a) It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or

b) At the time of initial recognition, the liabilities are part of a portfolio of financial instruments that are managed by the Group and there is evidence of a recent current pattern of short-term profit; or

c) It is a derivative that has not been designated and is not effective as a hedging instrument or financial guarantee.

Financial liabilities at fair value through profit or loss are recorded at fair value, with any gains or losses arising from the remeasurement being recognized in profit or loss. The net gain or loss recognized in profit or loss includes any interest paid on the financial liability and is included in other financial results. Fair value is determined as described in Note 32.

Financial liabilities (other than financial liabilities held for trading) or contingent consideration to be paid by an acquirer as a part of a business combination may be designated as a liability at fair value through profit and loss upon initial recognition if:

- Such designation eliminates or significantly reduces a potential accounting mismatch that would otherwise arise; or
- Financial liabilities are part of a group of financial assets or liabilities or both, which is managed and whose performance is assessed on the basis of fair value, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- They are part of a contract containing one or more embedded derivatives, and IFRS 9 allows the entire combined contract to be carried at fair value through profit and loss.

The Company has no financial liabilities measured at fair value to be presented in the statement of financial position.

Other financial liabilities:

Other financial liabilities, including borrowings and trade and other payables, are initially recognized at fair value, net of transaction costs.

Subsequent to initial recognition, other financial liabilities are then measured at amortized cost using the effective interest rate method, with interest expense recognized based on actual return.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement for more than twelve months after the date of the financial statements.

iv) Financial liabilities in foreign currency:

The fair value of financial liabilities in foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each fiscal year. The foreign currency component is part of its profit or loss at fair value. For financial liabilities classified as at fair value through profit or loss, the foreign currency component is recognized in profit or loss.

For debt instruments denominated in foreign currency classified at amortized cost, gains and losses in foreign currency are determined on the basis of the amortized cost of the liability and recognized in “Exchange rate differences” under the “Financial results net” in the statement of profit or loss and other comprehensive income.

v) Derecognition of financial liabilities:

The Group must derecognize financial liabilities if, and only if, the obligations of the Group expire, are settled or satisfied.

3.17. Short- and long-term employee benefits

Liabilities are recognized for the benefits accrued in favor of employees with respect to salaries and wages, annual vacations, and leaves of absence due to illness in the period in which the service is rendered in connection with the non-discounted amount of the benefits expected to be paid in exchange for such service.

Liabilities recognized with respect to other long-term employee benefits (severance payment plans resulting from specific plans for employees leaving the Group and receiving a compensation payable in installments) are measured at the present value of estimated future cash outflows expected to be paid by the Group.

On January 24, 2018, the Company’s Board of Directors approved the implementation of an employee incentive program calculated on the basis of ADSs for the purpose of attracting and retaining certain high-ranking employees who satisfied certain eligibility criteria, with the goal of aligning their long-term interests with those of the Company and its shareholders.

Under this program, a liability was recorded to reflect the fair value of the obligations resulting from the incentive plan as they are settled in cash. Such fair value is determined at the beginning and at the end of the fiscal year through the plan settlement date. To calculate the fair value, the Group uses the Black-Scholes valuation method. Changes in the fair value is recorded as an expense during the vesting period and any changes in the fair value are recognized in salaries, wages and social security contributions within the statement of profit or loss and other comprehensive income and the related liability is recognized in non-current Salaries and social security payables within the statement of financial position.

During fiscal year 2021, the Board of Directors, through its meeting held on February 12, 2021, implemented two new employee incentive programs with the same objective. These programs replaced the one approved by the Board of Directors at its meeting of January 24, 2018, notwithstanding the fact that the annual awards that have already been granted as part of the original program will remain in force.

The programs approved in 2021 consist in delivering, to certain employees, shares of the Company’s common stock listed on the Argentine Stock Exchanges and Markets (“BYMA”) and/or on the New York Stock Exchange (“NYSE”) in the form of ADSs, being one of the programs subject to total shareholder return (Total Shareholder Return or “TSR”), and the other to the permanence of the selected employees with the Group. In other words, the effective delivery of the shares will depend on the degree of performance of the return as defined in each of the annual plans that will be issued as part of the program, and on the permanence of the employee with the Group.

On December 19, 2023, December 21, 2022, and December 21, 2021 the Company's Board of Directors approved the issuance of the new plans within the framework of the programs implemented in 2021.

The cost of the new share-based payment plans to be settled with equity instruments was initially measured at fair value at the date of grant, determined using a valuation model appropriate to the circumstances. The cost of this type of plan, along with the related changes, is recognized as "Salaries, wages, and social security contributions" in the comprehensive income over the period in which the performance and/or service conditions are met, with contra to "Share-based payment plans" in shareholders' equity. The accumulated expense recognized for these plans at each closing date, and up to the vesting date, reflects the extent to which the vesting period has been met and the Group's best estimate of the number of equity instruments that will ultimately remain as vested benefit for the employees.

During the years ended December 31, 2023 and 2022, 17,473 and 10,069 American Depositary Receipts ("ADRs"), respectively, were distributed due to the aforementioned incentive programs.

3.18. Stripping and quarry exploitation costs

Following the guidelines established by IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine, the costs of stripping and initial preparation of open-pit quarries for subsequent exploitation are capitalized as property, plant and equipment, as part of the Company's open-pit quarry stripping and development costs, and are subsequently depreciated based on the units extracted, considering to that end the estimation of reserves available for extraction and existing in the stripped area at all times. The Group periodically revalues the estimate of proven reserves in stripped quarries and prospectively adjusts the effects of any difference in the estimate of tons available for extraction. Due to the frequency in which estimates are reviewed, the risk of significant differences in estimates is reduced. Extraction costs incurred later during the production phase are recognized as part of production costs.

In the ordinary course of business, the Company undertakes several exploration and evaluation activities in order to search for mineral ore and determine the technical and commercial feasibility of the resources identified. Exploration and evaluation activities include research and analysis of historical exploration data, the compilation of exploration data through geological studies, exploratory drilling and sampling in several areas, the determination of the volume and qualification of the resources identified, among others.

Mineral rights acquired in connection with the right to explore existing exploration areas are capitalized and amortized during the term of the right. As soon as a legal right has been acquired to explore, exploration and evaluation costs are expensed as incurred to profit or loss, unless the Company's Management arrives at the conclusion that there is a highest likelihood of obtaining future profits; when this is the case, costs are capitalized. In assessing whether the costs satisfy the criteria to be capitalized several information sources are used, including the nature of the assets, the surface area explored and the results of the samples taken, among others.

All capitalized stripping, exploration and evaluation costs are subject to impairment testing. In the case of determining a potential impairment indicator, the Company carries out an assessment of its recoverability together with the group of related operating assets, which represents the cash-generating unit to which the exploration is attributed.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group´s accounting policies described in Note 3, the Group's management has been required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. It should be noted that actual results could differ from those estimates.

Underlying estimates and assumptions are continuously reviewed. The effects of revisions to the accounting estimates are recognized in the year in which the estimates are reviewed.

4.1. Critical judgments in applying accounting policies

(figures expressed in thousands of pesos - $ - except as otherwise stated)

The following are the critical assumptions, in addition to those involving estimations (Note 4.2), made by Management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

4.1.1. Ferrosur Roca S.A. concession

Management has reviewed the Group's interest in Ferrosur Roca S.A., taking into account the provisions of IFRIC 12 Service Concession Arrangements, which provides guidance on accounting by the operators of public-to-private service concession arrangements.

Based on the fact that the grantor neither controls nor regulates which services should be provided by the operator to the infrastructure or to whom it must provide them, and at what price, Group Management conclude that Ferrosur Roca S.A. concession is out of the scope of IFRIC 12 and, therefore, the Group does not apply its provisions. Accordingly, the Group has recorded the assets received from the concession and those subsequently acquired under IAS 16 - Property, Plant and Equipment.

The concession bidding terms and conditions grant an original term of thirty years (1993-2023) and originally provided for the possibility of an extension for ten additional years, which was rejected by the Ministry of Transport for the reasons described in Note 38. On December 22, 2022, the Ministry of Transport provisionally granted an extension for an additional term of 18 months as from the expiration date of the concession. Therefore, the concession of Ferrosur Roca S.A. will end in September 2024.

The Group has evaluated potential business scenarios based on its intention to continue delivering services as a rail network operator and has not anticipated significant associated effects to date. Likewise, it has reassessed all the accounting estimates affected to the end of the current concession, especially those associated with the recoverability of certain non-current assets affected by it. The evaluations carried out by the Group are detailed in Note 38.

4.2. Key assumptions and sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing material adjustments to the carrying amounts of assets and liabilities during the next fiscal year.

4.2.1. Property, plant and equipment and intangible assets

The following is the estimated useful life for each component of property, plant and equipment and intangible assets:

	Useful life
Fields	50 to 100 years
Quarries - Stripping cost	Based on estimated tons
Buildings	10 to 50 years
Machinery	10 to 35 years
Furniture and fixtures	5 to 10 years
Tools	5 years
Software	5 years
Transportation and load vehicles	4 to 32 years

The assets used in the concession of Ferrosur Roca S.A. are depreciated over the shorter of their estimated useful lives and the remaining concession term.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of fair value less costs to sell is based on available data from binding sales transactions conducted under market conditions for similar assets or observable market prices less incremental costs of asset disposal. The calculation of the value in use is based on a discounted cash flow model. Cash flows are derived from the budget for next year, extrapolated for subsequent years using a growth rate, and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model, as well as the expected future cash inflows and the growth rate used for extrapolation purposes, among other factors. These matters are the most relevant in the related estimates. Note 13 provides more information on impairment analysis and assumptions used.

The Group has considered the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements. The group has assessed whether its items of property, plant and equipment are exposed to physical risks, such as flooding, water shortages and increasing forest fires, but understands that such risks do not currently exist due to circumstances and conditions of the locations where its plants, deposits and quarries are located. Additionally, the Group has assessed that it is not currently affected by transition risks, such as those derived from energy efficiency requirements or reductions in emissions due to possible changes in climate-related legislation and regulations. The objectives that the Group has voluntarily imposed in relation to these matters are contemplated in its budgets and business plans and do not have a material impact on the measurements of recoverable values.

As described in Notes 3.8 and 3.9, the Group annually assesses the estimated useful lives of tangible and intangible assets, respectively.

4.2.2. Provisions for lawsuits and other contingencies

The final settlement cost of complaints and litigation may vary due to estimates based on different interpretations of regulations, opinions and final assessments of damages. Therefore, any change in the circumstances related to this type of contingencies may have a significant impact on the amount of the provision for contingencies recorded.

In the normal course of its business, the Group selects tax criteria and accounting positions based on a reasonable interpretation of the current regulations, also taking into consideration the opinion of its tax and legal advisors along with evidence available up to the date of issuance of these financial statements. Nevertheless, in the event of situations where the assessment by a third party and the potential occurrence of damage for the Group are uncertain, the Group has not recorded a provision as it is has not been required under IFRS.

The Group makes judgments and estimates to assess whether it is necessary to record costs and make provisions for environmental cleanup remediation and asset retirement obligations based on the current information related to expected remediation costs and plans. In the case of environmental provisions, costs may differ from estimates due to changes in laws and regulations, discovery and analysis of local conditions, as well as changes in cleanup technologies. Therefore, any change in the factors or circumstances related to this type of provisions, as well as any amendment to the rules and regulations may thus have a significant impact on the provisions recorded in these consolidated financial statements.

4.2.3. Calculation of income tax and deferred income tax assets

The proper assessment of income tax expenses depends on several factors, including estimates in the timing and realization of deferred tax assets and the frequency of income tax payments.

In order to measure the effect of deferral on investments in controlled or associated companies, Management has determined the presumption that they will not be disposed of in the foreseeable future and therefore no deferred income tax has been recorded.

4.2.4. Management's accounting estimates and judgments on environmental matters

The Group is constantly working on a responsible and sustainable business strategy, committed to improving environmental performance on an ongoing basis, minimizing environmental impact caused by its operations, and providing maximum value for society.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

To this end, the Group has set various environmental sustainability goals within the medium term (year 2030) and long term (year 2050), aligned with the 2030 Agenda Sustainable Development Goals ("SDG") promoted by the United Nations.

The main committed goals are related to maximizing energy efficiency and renewable energy, reducing gas emissions and improving air quality, reducing the carbon footprint, maximizing water management, streamlining waste management by promoting circular economy, and improving efficiency in the use of materials.

In preparing the consolidated financial statements, the Group's Management has considered the potential environmental impact. Therefore, the estimates and judgments made by the Group's Management primarily involve assumptions related to future regulations and performance of the industry in which the Group operates. The effects of changes in the estimates and judgments made may primarily relate to impairment tests on property, plant and equipment, the estimated useful life of those assets and therefore the related depreciation recognized annually, as well as the recognition of provisions, such as the environmental provision to afford the estimated expenses for the environmental recovery and restoration of the mining areas exploited by the Group.

5. REVENUES

	2023	2022	2021
Sale of products	614,033,971	627,924,111	613,783,915
- Domestic market	613,771,519	627,743,238	613,379,901
- External customers	262,452	180,873	404,014
Services rendered	15,077,673	18,761,289	20,198,930
Bonuses / Discounts	(206,950,827)	(194,731,346)	(187,111,238)
Total	**422,160,817**	**451,954,054**	**446,871,607**

6. COST OF SALES

		2023		2022		2021
Inventories at the beginning of the year		83,407,748		71,465,476		70,025,517
Finished products	5,235,997		3,610,248		4,312,946	
Products in progress	14,966,747		12,165,049		8,240,170	
Raw materials, materials, fuel, and spare parts	63,205,004		55,690,179		57,472,401	
Purchases and production expenses for the year		332,002,049		341,847,366		307,070,468
Inventories at the end of the year		(99,156,221)		(83,407,748)		(71,465,476)
Finished products	(4,171,765)		(5,235,997)		(3,610,248)	
Products in progress	(17,649,645)		(14,966,747)		(12,165,049)	
Raw materials, materials, fuel, and spare parts	(77,334,811)		(63,205,004)		(55,690,179)	
Cost of sales		**316,253,576**		**329,905,094**		**305,630,509**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

The breakdown of production costs is as follows:

	2023	2022	2021
Fees and compensation for services	4,824,164	6,224,735	6,122,508
Salaries, wages, and social security contributions	48,315,608	49,158,340	48,170,901
Transport and traveling expenses	2,707,952	2,419,876	2,179,660
Data processing	165,897	184,139	120,484
Taxes, duties, contributions, and commissions	5,511,485	6,027,942	6,218,524
Depreciation and amortization	31,860,526	40,557,578	36,155,471
Preservation and maintenance costs	28,848,789	28,111,393	28,360,476
Communications	265,395	302,747	293,150
Leases	559,015	533,776	337,557
Employee benefits	1,580,643	1,469,734	1,329,001
Water, natural gas, and energy services	92,341	71,633	62,353
Freight and tolls	33,085,274	35,201,204	31,589,306
Fuels	50,755,980	52,325,243	41,838,109
Insurance	1,183,817	1,099,379	949,784
Packaging	10,590,791	11,449,210	12,539,651
Electric power	24,278,677	28,865,993	29,872,012
Contractors	24,927,448	22,776,427	22,759,383
Canon (concession fee)	210,582	232,174	239,768
Security	1,427,618	1,495,425	1,537,416
Others	3,937,480	4,462,876	4,158,678
Total	**275,129,482**	**292,969,824**	**274,834,192**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

7. SELLING AND ADMINISTRATIVE EXPENSES

	2023	2022	2021
Managers and directors' compensation fees	2,804,523	3,017,529	2,822,191
Fees and compensation for services	3,311,630	2,571,901	2,249,637
Salaries, wages, and social security contributions	9,665,392	9,768,778	8,723,883
Transport and traveling expenses	522,432	502,604	204,903
Data processing	1,390,817	975,828	1,126,570
Advertising expenses	2,127,755	1,808,897	1,891,998
Taxes, duties, contributions, and commissions	8,328,934	9,456,135	9,577,426
Depreciation and amortization	2,014,873	2,522,764	2,255,476
Preservation and maintenance	119,311	67,574	87,347
Communications	211,827	302,606	256,354
Leases	150,090	121,814	155,754
Employee benefits	550,638	294,747	325,978
Water, natural gas, and energy services	18,519	16,152	22,767
Freight	4,688,096	5,725,645	5,890,705
Insurance	1,733,962	963,228	883,015
Allowance for doubtful accounts	109,601	85,119	1,191,265
Security	94,717	87,740	80,928
Others	822,599	669,851	643,888
Total	**38,665,716**	**38,958,912**	**38,390,085**

8. OTHER GAINS AND LOSSES

	2023	2022	2021
Gain on disposal of property, plant and equipment	450,860	10,493,634	540,541
Donations	(276,017)	(219,069)	(273,201)
Technical services and assistance	11,048	17,648	59,921
Gain over tax credit assignment	73,424	340,004	559,347
Contingencies	(853,264)	(1,164,304)	(358,795)
Leases	392,172	521,515	665,628
Service fee from ADS Depositary bank	878,856	442,285	306,068
Insurance claim collection	4,517	-	-
Miscellaneous	236,473	110,767	(229,047)
Total	**918,069**	**10,542,480**	**1,270,462**

9. TAX ON DEBITS AND CREDITS TO BANK ACCOUNTS

The general tax rate on bank credits and debits is 0.6% for amounts debited and credited in the bank accounts of companies based in Argentina. Regarding credited and debited amounts, 33% of both items can be computed as payment on account of other taxes. Sixty seven percent (67%) of credits and debits is included in this line item in the statement of profit or loss and other comprehensive income.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

10. FINANCIAL RESULTS, NET

	2023	2022	2021
Exchange rate differences:			
Foreign exchange gains	12,271,935	2,599,842	1,716,834
Foreign exchange losses	(129,483,801)	(25,703,369)	(11,705,714)
Total	**(117,211,866)**	**(23,103,527)**	**(9,988,880)**
Financial income			
Interest from short-term investments	5,016,309	4,708,054	6,109,952
Effect of discounts on provisions and liabilities	693,625	356,464	90,171
Total	**5,709,934**	**5,064,518**	**6,200,123**
Financial expenses			
Interest on borrowings	(61,852,712)	(17,757,415)	(2,983,830)
Loss from securities transactions (Note 32.4)	(1,836,132)	(54,919,417)	-
Interest on leases	(358,923)	(289,306)	(315,661)
Tax interest	(616,320)	(804,813)	(357,630)
Effect of discounts on receivables	(2,366,806)	(2,667,735)	(2,071,540)
Others	(6,292,271)	(3,168,614)	(2,406,555)
Total	**(73,323,164)**	**(79,607,300)**	**(8,135,216)**

11. INCOME TAX EXPENSES

	2023	2022	2021
Profit before income tax expenses	17,418,253	34,264,184	98,948,305
Income tax rate	35%	35%	35%
Income tax at the statutory tax rate	(6,096,389)	(11,992,464)	(34,631,906)
Adjustments for calculation of the effective income tax:			
Recovery of tax losses / Unrecognized tax losses	1,063,259	(13,965,632)	(1,438,622)
Effects of inflation adjustments for accounting and tax purposes	(2,979,017)	(2,571,900)	(1,029,682)
Change in tax rate	(13,233)	3,000	(23,401,908)
Other non-taxable income or non-deductible expense, net	287,650	(110,433)	37,320
Total income tax	**(7,737,730)**	**(28,637,429)**	**(60,464,798)**
Income tax			
Current	(3,809,918)	(12,782,304)	(40,269,309)
Deferred	(3,927,812)	(15,855,125)	(20,195,489)
Total	**(7,737,730)**	**(28,637,429)**	**(60,464,798)**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

11.1. The deferred income tax assets and liabilities are as follows:

	2023	2022
Assets		
Tax loss carryforward	10,387,206	15,159,150
Valuation allowance of tax loss carryforward	(4,137,345)	(13,982,670)
Leases	504,358	16,370
Provisions	2,071,727	918,897
Salaries and social security contributions	307,325	178,670
Other liabilities	338,199	428,218
Others	566,268	216,228
Total deferred tax assets	10,037,738	2,934,863

	2023	2022
Liabilities		
Property, plant and equipment	(100,938,571)	(92,302,691)
Inventories	(14,854,114)	(9,741,243)
Taxes payable (tax inflation adjustment)	(648,759)	(3,374,191)
Borrowings	(194,128)	(89,222)
Others	(1,576)	(99,114)
Total deferred tax liabilities	(116,637,148)	(105,606,461)
Total net deferred tax liabilities	**(106,599,410)**	**(102,671,598)**

11.2. Unrecognized temporary differences on investments and other interests

Temporary differences related to investments in subsidiaries and other interests for which no deferred tax assets or liabilities have been recognized since it is not considered probable that they will be reversed in the foreseeable future, are as follows:

	2023	2022
Subsidiaries	(744,988)	1,188,609
Others	(11,122)	(11,055)
Total	**(756,110)**	**1,177,554**

The Group carries tax losses in relation to which an impairment has been recognized and other unrecognized tax losses for a total of 14,178,123, of which 429,819 expires in 2024, 100,462 in 2025, 843,487 in 2026, 12,781,349 in 2027 and 23,007 in 2028.

12. EARNINGS PER SHARE

Basic and diluted earnings per share:

The earnings and the weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	2023	2022	2021
Profit attributable to the owners of the parent company used in the calculation of basic and diluted earnings per share	10,305,179	6,037,186	39,949,661
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share (in thousands of shares)	583,536	585,317	592,046
Basic and diluted earnings per share (in pesos)	17.6599	10.3144	67.4772

13. PROPERTY, PLANT AND EQUIPMENT

	2023	2022
Cost	1,212,747,831	1,179,854,760
Accumulated depreciation	(730,619,923)	(701,933,319)
Total	**482,127,908**	**477,921,441**
Land	6,157,733	6,210,098
Plant and buildings	78,991,885	79,190,529
Machinery, equipment and spare parts	339,259,490	349,634,093
Transportation and load vehicles	6,841,896	7,173,697
Furniture and fixtures	532,842	574,137
Fields and quarries	33,757,180	29,449,339
Tools	624,447	543,136
Construction in process	15,962,435	5,146,412
Total	**482,127,908**	**477,921,441**

Cost

	Land	Buildings	Machinery, equipment and spare parts	Transportation and load vehicles	Furniture and fixtures	Fields and quarries	Tools	Works in process	Total
Balance as of January 1, 2022	**6,219,522**	**300,979,660**	**608,464,616**	**75,590,036**	**21,357,079**	**128,964,236**	**4,166,935**	**11,494,837**	**1,157,236,921**
Additions	-	488,183	-	-	-	233,520	-	26,205,979	26,927,682
Disposal	(9,424)	(1,964,150)	(370,246)	(691,216)	(10,381)	(1,257,868)	(6,558)	-	(4,309,843)
Transfers	-	3,852,949	14,752,704	3,364,005	428,916	10,024,085	131,745	(32,554,404)	-
Balance as of December 31, 2022	**6,210,098**	**303,356,642**	**622,847,074**	**78,262,825**	**21,775,614**	**137,963,973**	**4,292,122**	**5,146,412**	**1,179,854,760**
Additions	72	858,529	-	-	-	423,695	-	35,841,852	37,124,148
Disposal	(52,437)	(2,328,480)	(1,231,979)	(617,440)	(741)	-	-	-	(4,231,077)
Transfers	-	4,725,307	6,500,298	1,876,150	163,076	11,479,491	281,507	(25,025,829)	-
Balance as of December 31, 2023	**6,157,733**	**306,611,998**	**628,115,393**	**79,521,535**	**21,937,949**	**149,867,159**	**4,573,629**	**15,962,435**	**1,212,747,831**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

Accumulated depreciation and impairment in value

	Buildings	Machinery, equipment and spare parts	Transportation and load vehicles	Furniture and fixtures	Fields and quarries	Tools	Total
Balance as of January 1, 2022	**(217,764,600)**	**(256,984,789)**	**(66,566,633)**	**(20,780,972)**	**(98,460,911)**	**(3,541,684)**	**(664,099,589)**
Disposal	1,782,024	298,150	601,469	10,381	1,164,835	6,558	3,863,417
Depreciation	(8,183,537)	(16,526,342)	(5,123,964)	(430,886)	(11,218,558)	(213,860)	(41,697,147)
Balance as of December 31, 2022	**(224,166,113)**	**(273,212,981)**	**(71,089,128)**	**(21,201,477)**	**(108,514,634)**	**(3,748,986)**	**(701,933,319)**
Disposal	2,328,480	1,113,988	401,913	605	-	-	3,844,986
Depreciation charge	(5,782,480)	(16,756,910)	(1,992,424)	(204,235)	(7,595,345)	(200,196)	(32,531,590)
Balance as of December 31, 2023	**(227,620,113)**	**(288,855,903)**	**(72,679,639)**	**(21,405,107)**	**(116,109,979)**	**(3,949,182)**	**(730,619,923)**

13.1. Impairment of property, plant and equipment

The Group tests property, plant and equipment for impairment when circumstances indicate that their carrying value may be impaired.

The impairment test conducted by the Group for property, plant and equipment is based on estimates of the recoverable amount per cash-generating unit, which has been defined as the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted using a discount rate reflecting market assessments as of the end of the period with respect to the time value of money considering the risks that are specific to the assets involved.

The calculation of the value in use for all cash-generating units is more sensitive to the following assumptions which, as described below, were considered by Group Management in the development of the impairment test: volumes, prices, gross margins, levels of operating expenses and capital expenditure in property, plant and equipment and working capital, discount rate, growth rate used to extrapolate cash flows beyond the forecast period, and macroeconomic variables estimated to be present during the projection horizon including, without limitation, exchange rates, inflation levels, and GDP growth.

The Group has also considered a number of other factors in reviewing impairment indicators, such as market capitalization, participation in each of the segments where it does business, unused installed capacity, industry trends, potential environmental impact, and other factors, together with the increase in property, plant and equipment balances due to the application of the restatement in constant currency as a result of applying IAS 29 in relation to those assets.

At the end of fiscal year ended December 31, 2021, considering the prevailing uncertainty of the Argentine economic situation and the inflationary environment, as well as the impact derived from commissioning the new power plant L'Amalí which includes innovative technology and therefore higher efficiency in operating costs compared to other facilities, and the reallocation of production volumes derived from L'Amalí operation, the Group has determined that certain facilities belonging to its cement plant called “Sierras Bayas” would not be used in the foreseeable future, since Sierras Bayas volumes would be reallocated to the new plant considering the volumes produced and sold until then. Therefore, the Group recognized an impairment loss on property, plant and equipment amounting to 927,176 in the consolidated statement of profit or loss and other comprehensive income as of December 31, 2021, that requires not reversal to date.

As of the current fiscal year-end, the Company determined that property, plant and equipment amounts are recoverable.

Cement, Masonry Cement and Lime Cash-generating Unit

The determination of the recoverable amount of cement, masonry cement and lime cash-generating unit is based on a calculation of the value in use of the assets involved using cash flow projections from the financial budgets approved by Company Management. Projected cash flows have been updated to reflect variations in the demand for traded products, such as the Argentine macroeconomic variables that have an impact on the Company's businesses. The discount rate used in cash flow projections is 15.45% (15.70% in 2022) in US dollars considering that cash flows have been prepared in that currency. As a result of the analysis carried out, no impairment has been determined for this cash-generating unit as of December 31, 2023.

Concrete Cash-generating Unit

The determination of the recoverable amount of concrete cash-generating unit is based on a calculation of the value in use of the assets involved using cash flow projections from the financial budgets approved by Company Management. Projected cash flows have been updated to reflect variations in the demand for traded products, such as the Argentine macroeconomic variables that have an impact on the Company's businesses. The discount rate used in cash flow projections is 15.45% (15.70% in 2022) in US dollars considering that cash flows have been prepared in that currency. As a result of the analysis carried out, no impairment has been determined for this cash-generating unit as of December 31, 2023.

Aggregates Cash-generating Unit

The recoverable amount of aggregates cash-generating unit is determined based on a calculation of the value in use of the assets involved using cash flow projections from the financial budgets approved by Company Management. Projected cash flows have been updated to reflect variations in the demand for traded products, such as the Argentine macroeconomic variables that have an impact on the Company's businesses. The discount rate used in cash flow projections is 15.45% (15.70% in 2022) in US dollars considering that cash flows have been prepared in that currency. As a result of the analysis carried out, no impairment has been determined for this cash-generating unit as December 31, 2023.

Rail Services Cash-generating Unit

The recoverable amount of rail services cash-generating unit is determined based on a calculation of the value in use of the assets involved using cash flow projections from the financial budgets approved by Company Management. Projected cash flows have been updated to reflect variations in the demand for traded services, the Argentine macroeconomic variables with an impact on the Company's businesses, and the potential impact that may derive from terminating the current concession and continuing in business as a railway operator, including without limitation the National Government's maintenance of the railway infrastructure, concession fees to be charged for the use of the rail infrastructure (plus related tolls), the estimated term for the provision of rail services, the routes and businesses to be assigned, and the future demand for freight rail services. The discount rate used in cash flow projections is 16.09% (16.44% in 2022) in US dollars considering that cash flows have been prepared in that currency. As a result of the analysis carried out, no impairment has been determined for this cash-generating unit as December 31, 2023.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

14. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Group has entered into lease agreements primarily for the lease of offices and premises. Changes in right of use assets and lease liabilities as of December 31, 2023 and 2022 are as follows:

	2023	2022
Lease liabilities:		
As of the beginning of the year	3,318,236	1,909,119
Additions	71,084	2,160,014
Financial restatements	358,923	289,307
Foreign Exchange gain /(losses)	4,271,628	930,664
Gain on net monetary position	(3,071,750)	(1,088,899)
Payments	(960,757)	(881,969)
As of the end of the year	**3,987,364**	**3,318,236**
Right of use assets:		
As of the beginning of the year	3,271,458	1,879,740
Additions	71,084	2,160,014
Depreciation	(796,200)	(768,296)
As of the end of the year	**2,546,342**	**3,271,458**

15. INTANGIBLE ASSETS

	2023	2022
Software	1,585,465	1,463,250
Total	**1,585,465**	**1,463,250**

	Software
Cost:	
Balance as of January 1, 2022	7,208,457
Additions	324,567
Balance as of December 31, 2022	7,533,024
Additions	669,825
Balance as of December 31, 2023	**8,202,849**
Accumulated amortization:	
Balance as of January 1, 2022	(5,454,876)
Amortization	(614,898)
Balance as of December 31, 2022	(6,069,774)
Amortization	(547,610)
Balance as of December 31, 2023	**(6,617,384)**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

16. INVESTMENTS

	2023	2022
Non-Current		
Investments in other companies:		
- Cementos del Plata S.A.	31,869	31,869
Total	**31,869**	**31,869**
Current		
Short-term investments:		
- Government securities in dollars	1,609,330	-
- Mutual fund in pesos	30,503	2,068,052
- Short-term investments in foreign currency	70,535	11,155,278
Total	**1,710,368**	**13,223,330**

Short-term investments in pesos accrue interest at an annual nominal rate of approximately 89.8% and 59.2% as of December 31, 2023 and 2022, respectively. Short-term investments in foreign currency accrue interest at an annual nominal rate of approximately 0.72% and 0.14% as of December 31, 2023 and 2022, respectively.

Short-term investments are held for investment purposes and are made for variable periods ranging from one day to three months, according to the Group’s funding needs.

17. GOODWILL

	2023	2022
Cost		
Recycomb S.A.U.	317,878	317,878
Total	**317,878**	**317,878**

For impairment testing purposes, goodwill was allocated to the waste treatment cash-generating unit. The recoverable amount of this cash-generating unit is determined based on a calculation of the value in use which uses cash flow projections based on financial budgets approved by the directors for a five-year period. The key hypothesis used in the determination of the recoverable value are consistent with the ones disclosed in Note 13.1 used for the impairment test of property, plant and equipment items.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

18. INVENTORIES

	2023	2022
Non-Current		
Spare Parts	23,140,685	20,816,309
Allowance for obsolete inventories	(470,177)	(948,175)
Total	**22,670,508**	**19,868,134**
Current		
Finished products	4,171,765	5,235,997
Production in progress	17,649,645	14,966,747
Raw materials, materials and spare parts	44,945,404	33,450,670
Fuels	9,718,899	9,886,200
Total	**76,485,713**	**63,539,614**

19. PARENT COMPANY, OTHER SHAREHOLDERS, ASSOCIATES AND OTHER RELATED PARTIES BALANCES AND TRANSACTIONS

The balances between the Group and related parties as of December 31, 2023 and 2022 are as follows:

	2023	2022
Related parties:		
InterCement Brasil S.A.		
Accounts payable	(141,115)	(93,693)
InterCement Trading e Inversiones S.A.		
Other receivables	1,693,789	1,306,661
Accounts payable	(778,006)	(516,560)
Intercement Participações S.A.		
Other receivables	1,967,205	1,186,085
Accounts payable	(2,132,681)	(2,306,469)
InterCement Trading e Inversiones Argentina S.L		
Other receivables	-	265,265
Other liabilities – dividends payable	-	(5,681,123)

Total Group's balances per item with other related parties as of December 31, 2023 and 2022 are as follows:

	2023	2022
Other receivables	3,660,994	2,758,011
Accounts payable	(3,051,802)	(2,916,722)
Other liabilities – dividends payable	-	(5,681,123)

(figures expressed in thousands of pesos - $ - except as otherwise stated)

The transactions between the Group and other related parties during the fiscal years ended December 31, 2023, 2022, and 2021 respectively, are detailed below. These transactions are made on terms equivalent to those that prevail in arm's length transactions:

	2023	2022	2021
InterCement Trading e Inversiones S.A. - sales of goods and services	-	-	23,975
Intercement Participações S.A. - services provided	148,821	238,249	823,953
Intercement Participações S.A. - services received	(2,735,576)	(4,312,762)	(4,303,006)
InterCement Trading e Inversiones Argentina S.A. - distribution of dividends	(40,108,638)	(41,075,634)	-

On May 2, 2023, the Board of Directors of the Company resolved to partially cancel the optional reserve for future dividends in the amount of 48,610,174 (amount restated at the closing date of the period) and distribute as dividends in kind through the delivery of LEDE National Treasury Bill in pesos at a discount maturing on June 6, 2023 (the "Letters"), for a total of 25,590,778,098 Letters ("Total Amount of Letters"), with a ratio of 43.858641084 Letters for each share of $0.10 outstanding face value of the Company. The dividend was made available as of May 5, 2023.

On June 23, 2023, the Company's Board of Directors resolved to partially cancel the optional reserve for future dividends in the amount of 28,313,295 (amount restated at the closing date of the period) and declare a dividend

Additionally, the Company's Board of Directors, at its meetings held on April 14, July 1 and December 27, 2022, approved the distribution of dividends for a total of 25,380,007, 42,725,459 and 10,899,268 (amounts restated as of the fiscal year-end), respectively, and announced as a general principle that shareholders would receive such dividends in Pesos and were guaranteed with the option to receive payment of their portion of dividends in the equivalent amount in United States Dollars by converting the original dividend in pesos at the exchange rate called "Reference Exchange Rate of the Central Bank of the Argentine Republic – Com. "A" 3500" prevailing at the close of the business day immediately prior to the day of dividend availability for distribution; and, in such case, grant shareholders the option of receiving such payment through Caja de Valores S.A. in their local bank account or in a bank account held abroad. Dividends were made available on April 26, 2022, July 12, 2022, and January 9, 2023, respectively.

The amount charged to income as fixed and variable remuneration for key management personnel of the Group was 2,171,265 and 2,448,947 during the fiscal years ended December 31, 2023 and 2022, respectively. Additionally, 697,205 and 224,397 have been accrued as long-term incentive program during the fiscal years ended December 31, 2023 and 2022, respectively (Note 3.17).

No expenditure has been recognized in this or prior fiscal years in respect of bad or doubtful accounts related to amounts owed by related parties.

Amounts outstanding with related parties as of December 31, 2023 are not guaranteed and will be settled in cash. No guarantees have been given or received regarding outstanding balances.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

20. OTHER RECEIVABLES

	2023	2022
Non-Current		
Advances to suppliers	809,864	2,102,928
Tax receivables	17,705	57,735
Contributions to the Trust Fund to Strengthen the Inter-urban Railroad System (F.F.F.S.F.I.)	283,852	951,538
Prepaid expenses	1,020,549	1,245,819
Guarantee deposits	-	84,800
Subtotal	2,131,970	4,442,820
Allowance for other doubtful accounts	(283,852)	(951,538)
Total	**1,848,118**	**3,491,282**

	2023	2022
Current		
Income tax receivables	5,767,981	8,940,294
Turnover tax receivables	166,448	815,259
Value added tax receivables	191,282	-
Receivable for sale of interest in Yguazú Cementos S.A.	806,452	1,375,475
Related party receivables (Note 19)	3,660,994	2,758,011
Prepaid expenses	1,997,365	1,945,937
Guarantee deposits	919	2,665
Reimbursements receivable	14,694	6,283
Advance payments to suppliers	2,875,372	1,516,256
Salaries advances and loans to employees	41,597	99,089
Insurances receivable	4,838,710	-
Receivables from sales of property, plant and equipment	951,830	716,094
Miscellaneous	434,126	42,103
Total	**21,747,770**	**18,217,466**

21. TRADE RECEIVABLES

	2023	2022
Accounts receivable	22,623,900	28,418,758
Accounts receivable in litigations	1,883,274	1,285,941
Notes receivable	5,322	16,801
Foreign customers	161,707	17,874
Subtotal	24,674,203	29,739,374
Allowance for doubtful accounts	(1,925,045)	(1,329,119)
Total	**22,749,158**	**28,410,255**

The trade receivables disclosed above are carried at amortized cost.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

Interest is recognized on overdue trade receivables at current market rates. The Group measures the allowance for doubtful receivables for an amount equal to the losses expected throughout the life of the receivable. The determination of the loss expected to be recognized is calculated based on a percentage of uncollectibility according to maturity ranges for each receivable. This historical percentage should consider the expectations of future credit collectability and therefore the estimated changes in behavior.

Before accepting a new customer, the Group conducts an internal credit analysis to evaluate the potential customer's credit quality and define its credit limit. The limits and ratings attributed to the main customers are reviewed at least once a year.

The trade receivables disclosed in the preceding paragraphs include the amounts (see aging analysis below) which are overdue as of December 31, 2023 and 2022. Accounts receivable aging is as follows:

	2023	2022
To expire	14,650,767	18,935,824
Past due:		
0 to 30 days	7,029,712	7,193,784
31 to 60 days	449,533	1,334,517
61 to 90 days	278,923	294,520
More than 90 days	2,265,268	1,980,729
Total	**24,674,203**	**29,739,374**

Trade receivables disclosed above include certain amounts (see aging analysis below) that are past due at the end of each reporting period, but for which the Group has not recognized an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Aging of past due, but not impaired, accounts receivable is as follows:

	2023	2022
Past due:		
0 to 30 days	7,029,712	7,193,784
31 to 60 days	449,533	1,334,517
61 to 90 days	278,923	294,520
More than 90 days	340,223	1,769,082
Total	**8,098,391**	**10,591,903**
Average age of overdue balances (in days)	22	27

The average aging of past due and impaired accounts receivable is as follows:

	2023	2022
Past due:		
More than 90 days	1,925,045	1,329,119
Total	**1,925,045**	**1,329,119**

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the receivable from the date the credit was initially granted up to the end of each reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and independent, collection terms are short and there exists credit limit controls applicable to each individual sale transaction.

Changes in the allowance for doubtful receivables were as follows:

Balance as of January 1, 2022	1,575,960
Increases	683,201
Gain on net monetary position	(879,511)
Decreases (*)	(50,531)
Balance as of December 31, 2022	1,329,119
Increases, net of recoveries	1,862,288
Gain on net monetary position	(1,265,427)
Decreases (*)	(935)
Balance as of December 31, 2023	**1,925,045**

(*) It includes allocation of provisions for specific purposes.

22. CASH AND BANKS

	2023	2022
In Pesos	1,793,728	2,059,103
In Dollars	3,220,510	4,600
In Euros	9,559	5,927
Total	**5,023,797**	**2,069,630**

23. CAPITAL STOCK AND OTHER RELATED ACCOUNTS

	2023	2022
Capital stock	58,349	59,603
Capital adjustment	43,012,348	43,936,999
Treasury shares	-	(20,038,774)
Share-based payment plans	569,731	356,176
Treasury shares trading premium	158,837	43,080
Share premium	63,825,938	79,442,908
Merger premium	14,350,655	14,350,655
Total	**121,975,858**	**118,150,647**
The issued, paid-in and registered capital stock consists of:		
Common stock with a face value of 0.10 per share and entitled to 1 vote each, fully paid-in (in thousands)	583,483	596,026

Since fiscal year 2021, based on the context and the Group's financial position, the Board of Directors approved various plans for the acquisition of own shares. The purpose of these plans was to use a portion of the Company's liquidity in an efficient manner, which might result in a higher shareholder return and therefore increase shareholder value considering the current value of the shares. Pursuant to Article 64 of the Capital Markets Law, treasury stock may not exceed, as a whole, the limit of 10% of capital stock. Such acquisitions were made with realized and liquid profits, as the Company had the necessary liquidity to conduct the acquisition of treasury stock, as approved, without affecting its solvency.

Until the date of these consolidated financial statements, the Group acquired 12,352,329 own shares for a total value of 19,972,158 and 27,542 ADRs for a total value of 106,458, whose destination has been the following, with no own shares in the portfolio as of that date:

- Within the framework of the incentive programs for senior staff, 17,473 and 10,069 ADRs were distributed in the months of January 2023 and 2022, respectively.
- On April 25, 2023, the Ordinary and Extraordinary General Shareholders' Meeting approved the voluntary reduction of the Company's share capital for a total of 12,543,339 ordinary shares (which included 12,352,329 shares in the portfolio and 191,010 unnamed actions).

On the other hand, on December 19, 2023, taking into account the context and financial position of the Group, the Board of Directors approved a new plan for the acquisition of own shares for up to a maximum amount of $600 million and for a period of up to on March 30, 2024. During the month of January 2024, the Group acquired 25,650 ADRs for a total value of 146,403.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

24. BORROWINGS

24.1. Composition of borrowings

	2023	2022
Borrowings		
- In foreign currency	111,358,993	33,888,039
- In local currency	36,011,283	30,792,459
Total	**147,370,276**	**64,680,498**
Non-current borrowings	110,145,543	30,766,107
Current borrowings	37,224,733	33,914,391
Total	**147,370,276**	**64,680,498**

24.2 Detail of borrowings

	2023					2022
	Ref.	Company	Rate	Last maturity date	Amount	Amount
Borrowings in foreign currency - US$						
Industrial and Commercial Bank of China (Dubai)		Loma Negra C.I.A.S.A.	3-Month Libor + 7.50%	Nov-23	-	2,148,385
Industrial and Commercial Bank of China (Dubai)	(1)	Loma Negra C.I.A.S.A.	3-Month Libor + 8.00%	Jul-24	-	31,502,232
Banco Patagonia	(2)	Ferrosur Roca S.A.	17.00%	Jun-24	37,281	-
Banco Patagonia	(2)	Ferrosur Roca S.A.	18.00%	Jul-24	88,173	-
Banco Patagonia	(2)	Ferrosur Roca S.A.	36.00%	May-23		6,489
Banco Patagonia	(2)	Ferrosur Roca S.A.	15.00%	May-23		66,664
Banco Patagonia	(2)	Ferrosur Roca S.A.	19.00%	Mar-23		8,875
Banco Patagonia	(2)	Ferrosur Roca S.A.	37.00%	Feb-23		6,016
Banco Patagonia	(2)	Ferrosur Roca S.A.	15.00%	Feb-23		15,397
Banco Patagonia	(2)	Ferrosur Roca S.A.	13.50%	Feb-23		133,981
Total borrowings in foreign currency					**125,454**	**33,888,039**
Borrowings in local currency						
Bank overdrafts	(3)	Ferrosur Roca S.A.	102.56%	Jan-24	2,304,780	3,863,785
Bank overdrafts	(3)	Loma Negra C.I.A.S.A.	97.83%	Jan-24	4,645,464	3,000,735
Bank overdrafts	(4)	Loma Negra C.I.A.S.A.	52.00%	Jan-23	-	9,404,983
Bank overdrafts	(3)	Loma Negra C.I.A.S.A.	69.00%	Jan-23	-	6,305,600
Securities-guaranteed borrowing	(5)	Loma Negra C.I.A.S.A.	64.99%	Jan-23	-	8,217,356
Total borrowings in local currency					**6,950,244**	**30,792,459**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

	2023					2022
	Ref.	Company	Rate	Last maturity date	Amount	Amount
Corporate notes - US$						
Serie – Class 2	(6)	Loma Negra C.I.A.S.A.	6.50%	Dec-25	57,851,670	-
Serie – Class 3	(6)	Loma Negra C.I.A.S.A.	7.49%	Mar-26	45,262,452	-
Serie – Class 4	(6)	Loma Negra C.I.A.S.A.	6.00%	Mar-26	8,119,417	-
Total corporate bonds in foreing currency					**111,233,539**	**-**

	2023					2022
	Ref.	Company	Rate	Last maturity date	Amount	Amount
Corporate notes - Ps.						
Serie – Class 1	(7)	Loma Negra C.I.A.S.A.	BADLAR +2%	Aug-24	29,061,039	-
Total corporate bonds in local currency					**29,061,039**	**-**
Total					**147,370,276**	**64,680,498**

(1) In April 2022, Loma Negra C.I.A.S.A. entered into a loan agreement abroad with Industrial and Commercial Bank of China Limited for US$ 56 million, the principal payments of which mature in three equal installments in January, April, and July 2024. The loan was guaranteed by Intercement Participações S.A. up to 51% of its amount. Interest accrues at Libor plus 8% payable on a quarterly basis. As this loan has been used to settle Company obligations held abroad, the loan proceeds have not been deposited or settled through Argentina's single and free exchange market ("MULC" for the Spanish initials of Mercado Único y Libre de Cambios). The loan has been valued at its amortized cost in foreign currency, and the resulting amounts have been translated into local currency at the official selling exchange rate in force at the end of the reporting period. On October 4, 2023, the Group prepaid the balance owed on the loan with the Industrial and Commercial Bank of China for a total amount of US$48,208 thousand, including interest.

(2) During the fiscal year 2023 and 2022 , Ferrosur Roca S.A. entered into several contracts in US dollars with Banco Patagonia, accruing interest at a fixed rate.

(3) As of December 31, 2023 and 2022, the Group carries bank overdrafts in the amount of 6,950,244 and 13,170,120, respectively. Bank overdrafts existing at the beginning of the year were canceled regularly during fiscal year 2023.

(4) In addition, on July 7, 2022, the Company entered into a loan agreement with HSBC Bank Argentina S.A. for 3,000 million pesos maturing in a term of 180 days, accruing interest at a fixed annual rate of 52%. As of December 31, 2023, it is canceled.

(5) As of December 31, 2022, Loma Negra entered into fundraising agreements through securities-guaranteed borrowings, using its own shares as guarantee at an annual nominal average rate of 64.99%, which has been canceled during fiscal year 2023.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

(6) On June 21, 2023, September 11, 2023 and November 2, 2023, the Company issued its Class 2, 3 and 4 Corporate Bonds in dollars for a total amount of US$71,723 thousand, US$55,000 thousand and US10,000 thousand, with an interest rate of 6.5%, 7.49% and 6.00%, and maturing on December 21, 2025, March 11, 2026 and May 2, 2026, respectively. Interest is paid semiannually. The issuance of these corporate bonds in foreign currency has been carried out within the scope of the local public offering, without intervention of the single and free exchange market ("MULC"). These debts have been valued at their amortized cost in foreign currency, converting the resulting amounts into local currency at the official selling exchange rate effective at the end of the reporting period.

(7) On February 22, 2023, the Company issued its Class 1 Corporate Bonds for a total amount of $25,636.3 million, with an interest rate BADLAR + 2.0%, principal maturity at 18 months and payments quarterly interest.

	2023	2022
Total borrowings by company:		
- Loma Negra C.I.A.S.A.	144,940,042	60,579,291
- Ferrosur Roca S.A.	2,430,234	4,101,207
Total	**147,370,276**	**64,680,498**

24.3 Movements of borrowings

The movements of borrowings for the fiscal year ended December 31, 2023, are disclosed below:

Balances as of January 1, 2023	64,680,498
New borrowings and financing	69,468,936
Issuance of corporate bonds	142,486,878
Accrued interest	61,852,712
Effects of foreign exchange rate variation	97,363,920
Gain on net monetary position	(123,246,800)
Interest payments	(54,374,304)
Principal payments	(110,861,564)
Balances as of December 31, 2023	**147,370,276**

As of December 31, 2023, long-term borrowings have the following maturity schedule:

Fiscal year	
2025	57,794,807
2026	52,350,736
Total	**110,145,543**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

25. ACCOUNTS PAYABLE

	2023	2022
Current		
Suppliers	41,824,376	39,003,595
Related parties (Note 19)	3,051,802	2,916,722
Accounts payable for investments in property, plant and equipment	348,192	2,656,884
Provisions for expenses	12,030,872	10,540,082
Total	**57,255,242**	**55,117,283**

26. PROVISIONS

	2023	2022
Labor and social security	1,305,780	1,382,456
Environmental restoration	4,574,024	2,219,589
Civil and other	861,712	468,522
Total	**6,741,516**	**4,070,567**

Changes in provisions are as follows:

	Labor and social security	Environmental restoration	Civil and other	Total
Balance as of January 1, 2022	645,226	2,035,257	760,956	3,441,439
Increases (*)	1,615,516	1,948,712	546,977	4,111,205
Gain on net monetary position	(582,718)	(1,243,167)	(400,567)	(2,226,452)
Decreases (**)	(295,568)	(521,213)	(438,844)	(1,255,625)
Balance as of December 31, 2022	1,382,456	2,219,589	468,522	4,070,567
Increases (*)	1,610,912	5,480,500	1,329,368	8,420,780
Gain on net monetary position	(1,471,926)	(2,834,570)	(771,722)	(5,078,218)
Decreases (**)	(215,662)	(291,495)	(164,456)	(671,613)
Balance as of December 31, 2023	**1,305,780**	**4,574,024**	**861,712**	**6,741,516**

(*) The increase in the environmental provision includes the increase resulting from changes in the measurement of liabilities arising from the estimated restoration schedule and the discount rates used as of December 31, 2023 and 2022, respectively, the effect of which has adjusted the cost of the relevant assets.

(**) It includes the uses of provisions for specific purposes.

The provision for labor and social security claims represents the present value of the best estimate of future cash flows that will be required for the Group to cover labor and social security litigations. All the provisioned claims are of a similar nature and none of them is individually significant.

Environmental provisions are the provisions made to afford the estimated expenses for the environmental recovery and restoration of the mining areas and the retirement of assets used in production activities, as mentioned in Note 3.12.

The provision for civil and other claims represents the present value of the best estimate of future cash flows that will be required for the Group to cover tax, administrative and civil litigations. All the provisioned claims are of a similar nature and none of them is individually significant.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

As of December 31, 2023, as mentioned in Note 3.12, there are claims against the Group classified as possible contingencies. The potential risk amount of those claims is $4,925 million, mainly including $434 million related to tax contingencies, $685 million related to labor contingencies, and $3,806 million related to administrative, commercial and other proceedings. The Group has not recognized a provision for such possible claims, as it is not required under IFRS. As of the date of issuance of these consolidated financial statements, the Group understands there is no evidence to determine that other contingencies could materialize and have a negative impact on the consolidated financial statements.

In the normal course of business, the Group selects tax criteria and accounting positions based on a reasonable interpretation of applicable rules and regulations, also taking into consideration the opinion of its tax and legal advisors along with the evidence available up to the date of issuance of these consolidated financial statements. Nevertheless, there are situations where the assessment by a third party and the possible materialization of damage for the Group are uncertain. In such cases, the Group has not recognized a provision as it is not required by IFRS.

27. TAX LIABILITIES

	2023	2022
Income tax	202,674	601,293
Value added tax	1,377,515	6,528,267
Turnover tax	847,627	1,015,497
Other taxes	523,225	932,706
Total	**2,951,041**	**9,077,763**

28. OTHER LIABILITIES

	2023	2022
Non-current		
Benefit plans	370,813	302,445
Termination payment plans	107,102	209,042
Total	**477,915**	**511,487**
Current		
Termination payment plans	301,582	479,710
Dividends payable to related parties (Note 19)	-	5,681,123
Dividends payable to third parties minority	226,309	5,450,550
Agreement for settlement of claims	4,838,710	-
Others	91,174	72,804
Total	**5,457,775**	**11,684,187**

29. CASH AND CASH EQUIVALENTS

For purposes of the consolidated statement of cash flows, cash and cash equivalents include cash and banks, and short-term investments with high liquidity (with maturities of less than 90 days from the date of acquisition), held to settle short term liabilities, which are easily convertible into cash and that have low risk of changes in their value. Cash and cash equivalents at the end of each reporting period as disclosed in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

(figures expressed in thousands of pesos - $ - except as otherwise stated)

	2023	2022	2021
Cash and banks (Note 22)	5,023,797	2,069,630	2,006,225
Short-term investments (Note 16)	1,710,368	13,223,330	18,046,171
Cash and cash equivalents	**6,734,165**	**15,292,960**	**20,052,396**

30. NON-CASH TRANSACTIONS

Below is a detail of the transactions that did not involve cash flows in each fiscal year:

	2023	2022	2021
- Right of use assets and lease liabilities	71,084	2,160,014	347,192
- Acquisition of financed property, plant and equipment	348,246	5,259,641	9,566,122
- Delivery of shares – benefit plans	182,372	197,242	241,855

31. SEGMENT INFORMATION

The Company has adopted IFRS 8 Operating Segments, that requires operating segments to be identified on the basis of internal reports regarding components of the Company that are regularly reviewed by the Executive Committee, the chief operating decision maker, in order to allocate resources and to assess their performance.

This analysis is based on monthly information consisting of historical figures of the identified segments. The information reviewed by the main decision maker consists of the historical details for each month accumulated until the end of the reporting periods being analyzed, which is the reason why they differ from the inflation-adjusted figures as described in Note 2.2.

For management purposes, both financially and operatively, the Company has classified its businesses' activities as follows:

i) Cement, masonry cement and lime: this segment includes profit or loss from the cement, masonry cement and lime business, from procurement of raw materials in quarries, the manufacturing process of clinker and quicklime and their subsequent grinding with certain aggregates for the production of cement, masonry cement and lime.

ii) Concrete: this segment includes profits or loss from the production and sale of ready-mix concrete. It also includes the delivery of the product at the worksite and, depending on the circumstances, the pumping of concrete up to the place of destination.

iii) Aggregates: this segment includes profits or loss from the aggregates business, from obtaining to crushing the stone.

iv) Rail Services: this segment includes profits or loss from the provision of rail transportation services.

v) Others: this segment includes profits or loss from the industrial waste treatment and recycling business for use as fuel.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

	2023	2022	2021
Revenues			
Cement, masonry cement and lime	205,007,364	96,498,837	173,743,274
Concrete	21,866,051	9,389,682	13,901,377
Rail services	18,450,706	8,720,472	15,813,685
Aggregates	7,071,371	2,775,092	2,989,635
Others	1,354,975	664,332	1,189,017
Segment-to-segment eliminations	(20,411,026)	(8,805,043)	(13,482,789)
Total	233,339,441	109,243,372	194,154,199
Effect from restatement in constant currency	188,821,376	342,710,682	252,717,408
Total	**422,160,817**	**451,954,054**	**446,871,607**

	2023	2022	2021
Cost of sales			
Cement, masonry cement and lime	118,763,699	58,125,212	101,210,427
Concrete	20,728,478	8,924,833	14,195,542
Rail services	17,254,059	8,308,344	14,989,065
Aggregates	6,081,288	2,282,557	2,866,884
Others	896,919	389,501	742,172
Segment-to-segment eliminations	(20,411,026)	(8,805,043)	(13,482,789)
Total	143,313,417	69,225,404	120,521,301
Effect from restatement in constant currency	172,940,159	260,679,690	185,109,208
Total	**316,253,576**	**329,905,094**	**305,630,509**

	2023	2022	2021
Selling, administrative and other expenses			
Cement, masonry cement and lime	17,259,548	4,345,407	13,069,959
Concrete	681,148	337,403	165,426
Rail services	1,021,921	469,408	1,693,896
Aggregates	72,640	33,259	34,672
Others	453,282	211,365	415,838
Total	19,488,539	5,396,842	15,379,791
Effect from restatement in constant currency	18,259,108	23,019,590	21,739,832
Total	**37,747,647**	**28,416,432**	**37,119,623**

(figures expressed in thousands of pesos - $ - except as otherwise stated)

	2023	2022	2021
Depreciation and amortization			
Cement, masonry cement and lime	3,097,258	2,411,444	4,162,150
Concrete	104,245	57,140	205,878
Rail services	546,760	607,668	950,170
Aggregates	117,188	55,837	104,253
Others	5,241	4,978	15,813
Total	3,870,692	3,137,067	5,438,264
Effect from restatement in constant currency	28,320,788	38,211,532	30,710,894
Total	**32,191,480**	**41,348,599**	**36,149,158**

	2023	2022	2021
Revenues less cost of sales, selling and administrative expenses, and other gains and losses			
Cement, masonry cement and lime	68,984,117	34,028,218	59,462,888
Concrete	456,425	127,446	(459,591)
Rail services	174,726	(57,280)	(869,276)
Aggregates	917,443	459,276	88,079
Others	4,774	63,466	31,007
Total	70,537,485	34,621,126	58,253,107
Effect from restatement in constant currency	(2,377,891)	59,011,402	45,868,368
Total	**68,159,594**	**93,632,528**	**104,121,475**
Reconciling items			
Tax on debits and credits to bank accounts	(4,676,516)	(4,531,752)	(4,503,693)
Impairment of property, plant and equipment - Cement	-	-	(927,176)
Financial results (loss), net	(46,064,825)	(54,836,592)	257,699
Income tax	(7,737,730)	(28,637,429)	(60,464,798)
Net profit for the year	**9,680,523**	**5,626,755**	**38,483,507**

In relation to the segregation of profit or loss by geographic segment, the Group carries out its activities and operations in Argentina, exports are not significant.

No customer contributed 10% or more of the Group's revenue for the years ended December 31, 2023, 2022 and 2021, respectively.

32. FINANCIAL INSTRUMENTS

32.1 Capital risk management

The Group manages its capital stock to ensure that its entities will be able to continue as a going concern while maximizing the return to its shareholders through the optimization of debt and equity balances. The Group's strategy has not changed for the financial years 2023 and 2022.

The Group and its subsidiaries participate in transactions involving financial instruments, recognized as equity items, which are intended to meet their needs and to reduce exposure to market, currency and interest rate risks. These risks, as well as their respective instruments, are managed through the definition of strategies, the implementation of control systems, and the determination of exposure limits.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

The Group's capital structure consists of net debt (borrowings as detailed in Note 24 offset against cash, banks and short term investments) and shareholders' equity (consisting of issued capital stock, reserves and retained earnings).

The Group is not subject to any external capital requirement.

The Group's risk management committee reviews the capital structure of the Group.

Net debt-to-equity ratio:

The net debt-to-equity ratio for the reporting fiscal years is as follows:

	2023	2022
Debt (i)	147,370,276	64,680,498
Cash and current investment	6,734,165	15,292,960
Net debt	**140,636,111**	**49,387,538**
Shareholders' Equity (ii)	294,221,535	361,068,554
Net debt-to-equity ratio and shareholders' equity	**0.48**	**0.14**

(i) Debt is defined as long and short-term borrowings.
(ii) Shareholders' equity includes non-controlling interest, which are managed as capital stock.

32.2 Categories of financial instruments

	2023	2022
Financial Assets		
At amortized cost:		
Cash and banks	5,023,797	2,069,630
Investments	1,679,865	11,155,278
Accounts receivable and other receivables	33,264,975	33,395,629
At fair value through profit or loss:		
Investments	30,503	2,068,052

	2023	2022
Financial Liabilities		
Amortized cost	226,900,332	158,530,073

At the end of this reporting period, there are no significant credit risk concentrations for debt instruments designated at fair value through profit or loss. The carrying amount reflected above represents the Group's maximum exposure to credit risk for such instruments.

32.3 Financial risk management objectives

The treasury function offers services to business, coordinates access to domestic and international financial markets, monitors and manages the financial risks related to the Group's operations through internal risk reports, which analyze exposures depending on the degree and extent thereof. These risks include market risk (including currency risk, interest rate at fair value and price risk), credit risk and liquidity risk. The Company and its subsidiaries do not employ or traded derivative financial instruments for speculative purposes. Monitoring compliance with these provisions policy is made by the executive committee and the internal audit team.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

32.4 Foreign exchange risk management

The Group carries out transactions in foreign currency; and is hence exposed to exchange rate fluctuations, also considering the current exchange regulations in force. Exposures in the exchange rate are managed within approved policy parameters using foreign exchange contracts.

The carrying amounts of monetary assets and liabilities denominated in foreign currency at the end of the fiscal years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Liabilities:		
United States Dollars	130,228,653	42,156,027
Euros	693,536	1,163,015
Reales	423	265

	2023	2022
Assets:		
United States Dollars	15,764,054	16,758,306
Euros	9,559	142,433

32.4.1. Foreign currency sensitivity analysis

The Group is mainly exposed to the US Dollar and Euro, considering that the Group's functional currency is the Argentine peso.

The following table details the Group's sensitivity to an increase in the exchange rate of the US Dollar and the Euro as of December 31, 2023. The sensitivity rate is the rate used when reporting exchange rate risk internally to key management staff and represents management's assessment of a possible reasonable change in exchange rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currency and adjusts their translation on the balance sheet day for a 25% change in the exchange rate, considering for its calculation the whole of the items of the subsidiaries.

	US Dollar effect	Euro effect
Income for the year	28,616,150	170,994
Shareholders' Equity	28,616,150	170,994

Additionally, considering the exchange regulations currently applicable in Argentina, the Group constantly monitors the alternatives for collecting assets and settling liabilities in foreign currency and the related impact. The gain/loss arising from the use of financial instruments to settle transactions in foreign currency is recognized when the Group unconditionally commits to or irreversibly executes such settlement. As of December 31, 2023, the use of financial instruments to settle the above transactions would result in an impact of approximately 21%

Likewise, as of December 31, 2023 and 2022, the gain/loss from using such instruments to settle certain financial borrowings was Ps. 1,836,132 and Ps. 54,919,417 and is recorded in the statement of profit or loss and other comprehensive income within financial results as "Loss from securities transactions" (Note 10).

(figures expressed in thousands of pesos - $ - except as otherwise stated)

32.5 Interest rate risk management

The Group is exposed to the risk of significant fluctuations in interest rates because Group entities have borrowings at both fixed and floating interest rates. The Group manages this risk by maintaining an appropriate combination of fixed- and floating-rate borrowings.

	2023	2022
Financial Assets:		
Investments held to maturity (1)	1,679,865	11,155,278
Investments at fair value through profit or loss (2)	30,503	2,068,052
Financial Liabilities:		
Amortized cost (3)	147,370,276	64,680,498

(1) Fixed-term deposits at fixed rates.
(2) Short-term investments at floating rates.
(3) Related to borrowings, as detailed in Note 24.

32.5.1. Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative financial instruments at the end of this fiscal year. For floating-rate liabilities, the analysis is prepared based on an average monthly debt balance. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonable threshold to conduct an interest rate risk analysis.

In the event that the average SOFR rate applicable to financial liabilities for the fiscal year ended December 31, 2023, were 1.0% higher than the average interest rate during that fiscal year, financial expenses for the fiscal year ended December 31, 2023, would have increased by approximately US$ 94,675.

In the event that the average BADLAR rate applicable to financial liabilities for the fiscal year ended December 31, 2023, were 1.0% higher than the average interest rate during that fiscal year, financial expenses for the fiscal year ended December 31, 2023, would have increased by approximately 224,317.

With regard to financial assets, a 1.0% increase in the average interest rate during the fiscal year ended December 31, 2023, would have increased financial income by approximately 44,318.

32.6 Credit risk management

Credit risk refers to the risk that one of the parties will fail to comply with its contractual obligations and resulting in a financial loss to the Group. The Group has adopted a policy of engaging only with solvent parties and obtaining sufficient collateral, where appropriate, as a way of mitigating the risk of financial loss caused by defaults. Credit exposure is controlled by counterparty limits, which are reviewed and approved periodically.

Trade receivables are made up of a significant number of customers. Credit assessment is continuously performed on the financial condition of accounts receivable.

Credit risk on liquid funds and financial instruments is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

The carrying amount of financial assets recognized in the consolidated financial statements, which is net of impairment losses, represents the maximum exposure to credit risk, regardless of the guarantees of accounts or other credit enhancements.

(figures expressed in thousands of pesos - $ - except as otherwise stated)

32.7 Liquidity risk management

The Group's Board of Directors has the ultimate responsibility for liquidity management, having established an appropriate framework for liquidity management so that management is able to deal with short-, medium- and long-term financing requirements, as well as the Group's liquidity management. The Group manages liquidity risk by maintaining reserves, adequate financial and lending facilities, continuously monitoring projected and actual cash flows, and reconciling the maturity profiles of financial assets and liabilities.

The Group carefully manages liquidity risk, and therefore it maintains cash and bank balances, liquid instruments, and available funds.

The Group's Board of Directors considers that exposure to liquidity risk is low as the Group has generated cash flows from its operating activities, as a result of its operations, and has access to borrowings and financial resources, as explained in Note 24.

The following tables show the Group's remaining contractual maturity dates for its non-derivative financial liabilities with agreed repayment terms. The tables have been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the Group may be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are at floating rates, the undiscounted amount is derived from interest rate curves at the end of this reporting period.

Borrowings	Weighted average effective interest rate %	Less than 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	Total
As of December 31, 2023	61%	6,939,996	9,887,760	47,965,502	119,713,394	184,506,652
As of December 31, 2022	58%	28,741,032	3,771,421	4,665,270	32,740,936	69,918,659

Leases	Weighted average effective interest rate %	Less than 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 6 years	Total
As of December 31, 2023	(*)	108,095	324,450	967,459	3,465,001	148,090	5,013,095
As of December 31, 2022	(*)	82,646	247,569	611,888	2,625,646	732,225	4,299,974

(*) The average rates in Pesos were 53% and 69% for the fiscal years ended December 31, 2023 and 2022, respectively. The average rates in US Dollars were 12% and 12% for the fiscal years ended December 31, 2023 and 2022, respectively.

32.8 Fair value measurements

Some of the Group's financial assets are measured at fair value at the end of this reporting period. The following table provides information on how the fair values of these financial assets are measured (particularly, valuation techniques and inputs used).

	Fair value at:		Hierarchy level
Financial assets	2023	2022	
Assets:			
Mutual Funds	30,503	2,068,052	Level 1

Level 1: quoted price in an active market.

Fair value of financial assets and financial liabilities measured at amortized cost:

The estimated fair value of borrowings based on the interest rates offered to the Group (Level 3) for financial borrowings amounted to 145,786,056 and 64,288,430 as of December 31, 2023 and 2022, respectively.

The Board considers that the carrying amounts of the remaining financial assets and liabilities recognized at amortized cost in the consolidated financial statements approximate their fair values.

33. GUARANTEES GRANTED TO SUBSIDIARIES

The Company guarantees the bank overdrafts borrowed by Ferrosur Roca S.A. in the normal conduct of its business, and the letters of credit to be entered into by the company to finance imports up to a maximum amount of Ps. 6,400 million. As of December 31, 2023, Ferrosur Roca S.A. carries current account overdraft balances for 2,304,780 and import financing balances for 125,454.

34. RESTRICTED ASSETS

As of the date of these consolidated financial statements, the Group has judicial deposits for 12,957, which are disclosed in other current and non-current receivables.

35. COMMITMENTS

The Group has certain contractual commitments to purchase slag valid until 2028. The estimate of future cash flows is approximately Ps. 5,286,581 thousand per year. Additionally, it has commitments to purchase granite stone up to 2025 for an annual average of Ps. 2.5 million.

In the ordinary course of business, to ensure the supply of key inputs, the Group has entered into contracts for the supply of gas, assuming payment commitments for a total amount of approximately Ps. 65,227 million, of which Ps. 31,352 million is payable during fiscal year 2024, Ps. 22,332 million during fiscal year 2025, Ps. 8,811 million during fiscal year 2026 and Ps. 2,732 million during 2027.

In addition, the Group has entered into power supply agreements with certain suppliers for a total amount of Ps. 91,300 million, of which Ps. 11,425 million per year is payable until 2028 and, and Ps. 34,175 million from 2029.

The Group entered into product sales contracts under which it has undertaken to supply concrete and cement so that a third party can carry out residential projects in the province of Buenos Aires and the City of Buenos Aires. The contracts provide that the Group shall collect a portion of the concrete sales in kind by receiving functional units of the real estate developments upon completion, for which the related agreements of sale have been signed. In addition, the contracts include various rights and obligations for the parties to ensure fulfillment of the main purpose of the contract, which is the purchase and sale of concrete.

36. FUND ADMINISTRATION TRUST FOR INVESTMENT WORKS

On February 5, 2013, a trust agreement was entered into between Ferrosur Roca S.A. and Banco de la Nación Argentina to conduct the formalization process necessary to manage the funds paid by Ferrosur Roca S.A. for the investment works intended to strengthen the interurban rail system.

The trust assets are the amounts contributed by the trustor which are amounts resulting from the application of the Memorandum of Agreement entered into between the Group and "Unidad de Renegociación y Análisis de Contratos de Servicios Públicos" (Unit for the Renegotiation and Analysis of Public Service Contracts) dated May 19, 2008 and ratified by Decree No. 2017 of November 25, 2008, the income that the trust might earn from temporary placement of idle resources, the funds existing in the current account that the Group held at Standard Bank as of February 2013 and any other amounts that must be added to the trust.

With the enactment of Resolution No. 218 by the Ministry of Transport on July 27, 2016, which was published on August 3, 2016, the procedure for the certification of works proposed by the railway concessionaires was established.

Exhibits I and II of the above-mentioned resolution set a clear procedure whereby the Group must submit the projects of the works to be funded with the trust funds, the circuit to study the projects by the different agencies (National Committee for Transportation Regulation, ADIP and Secretariat of Transportation), the requirements for approval and the contents of the administrative act to be handed down by the competent authority approving the project and the maximum amount to be assigned to the trust accounts for such project.

Based on the new regulation, the Company recognizes in other receivables the contributions to the Trust Fund for the Strengthening of the Interurban Railway System ("FFFSFI") for which it has the right of reimbursement for infrastructure works under the concession agreements, net of an impairment reserve for the amounts it expects will not be recovered or used against future capital expenditures due to the concession end date. The contributions made during 2023 amounted to Ps. 576,786.

Although the use of trust funds requires approval by the regulatory authority; the nature of the capital-intensive activity guarantees the need for infrastructure works in the amounts contributed, making it unlikely that such approvals will not be granted.

37. RESTRICTIONS ON DIVIDEND DISTRIBUTION

In accordance with the provisions of Law 19,550, the Group is required to make a legal reserve of not less than 5% of the positive result arising from the sum of the income for the year, the adjustments from previous years, transfers of other comprehensive income to retained earnings, and accumulated income (losses) from previous years, to complete 20% of the sum of capital stock and the capital adjustment balance.

On September 1, 2019, the Argentine Central Bank issued Communication "A" 6,770, subsequently amended by Communication "A" 6,869, where the requirements for access to the exchange market are established for remittance abroad of foreign currency as profits and dividends to non-resident shareholders.

38. FERROSUR ROCA S.A. CONCESSION AND RELATED RAIL SERVICES

On March 11, 1993, Ferrosur Roca S.A. obtained the concession of the General Roca National Cargo Railway Network with the exception of the Altamirano-Miramar corridor and the urban sections, through the approval of the concession contract formalized by National Executive Branch Decree No. 2681/92, after the presentation made through a national and international tender and formalized to that effect. The area of influence is concentrated in the center and south of the province of Buenos Aires, north of the province of Río Negro and Neuquén. It has access to the ports of Buenos Aires, Dock Sud, La Plata, Quequén, and Bahía Blanca.

Ferrosur Roca S.A. is indirectly controlled by the Company, through Cofesur S.A.U. which owns 80% of the interest, 16% of which belongs to the National State and the remaining 4% belongs to the workers of Ferrosur Roca S.A. through a trust created for this purpose.

The term of the concession is 30 years, which expires in March 2023, and originally provides for an extension of 10 additional years.

Ferrosur Roca S.A. requested the above-mentioned extension in due time on March 8, 2018, and in line with the bidding terms and conditions and the concession agreement. The concession extension request was reiterated on March 1, 2019.

On November 7, 2018, Decree No. 1027/2018, which regulated Law No. 27,132, was published in the Official Gazette. The relevant subjects were: readjustment of existing concession contracts with the possibility of extending them for a term not greater than 10 years, full implementation of an open access system on the day following expiration of the last concession contract (of the three million private concessions existing at present), including extensions, with the possibility of initiating this modality in the branches that allow it when the planned investments are made; revision of technical standards; revision of the sanction regime, and creation of the registry of operators.

On March 29, 2021, through Resolution No. 219/2021, the National Commission for Transport Regulation ("CNRT") approved the Rules and Regulations of the National Registry of Railway Operators and granted such capacity to Ferrosur Roca S.A. and the other railway concessionaires that operate the current concessions and, through Resolution No. 211 of the Ministry of Transport, published in the Official Gazette on June 28, 2021, and rejected the request for an extension of the concession contracts duly submitted by all the private railway concessionaires. Therefore, the railway concession operated by the Company expired at the end of its original term, that is, on March 10, 2023. The purpose of the National State is that the national railway network be based on a mixed modality combining public and private cargo operators, where the National State will manage the infrastructure and control the related investments, thus allowing any registered railway operator to provide railway services regardless of who owns or possesses the facilities at the point of loading or destination.

Consequently, the Group understands that, at the end of its concession, it will continue to provide the cargo transport rail services it currently provides but as a cargo operator under the terms set forth in Resolution No. 211, Law No. 27,132, and Decree No. 1027 dated November 7, 2018. To this end, the Group will have to readjust various operational issues once it hands over control of the railway infrastructure linked to its current concession to the National State. The Group's Management understands that the intention of the National State is to prioritize the continuity of the current operators for each of the existing services and businesses, thus guaranteeing the best use of the experience they have acquired.

On June 9, 2022, the Ministry of Transport published Resolution No. 353/2022 in the Official Gazette, thus granting an 18-month extension to the concession granted to the concessionaire FerroExpreso Pampeano S.A., which expires on June 30, 2023, and setting the "canon" (concession fee) or toll to be paid by the railway operators using the Bahía Blanca – Rosario branch. Subsequently, on July 20, 2022, the National and International Comprehensive Projects Tender No. 1/2022 was published in the Official Gazette by Belgrano Cargas y Logística in order to award the railway operation of the Bahía Blanca – Rosario branch managed by such concession. The bid opening act was held on October 31, 2022, resulting in the tender being void.

On December 22, 2022, the Ministry of Transport published Resolution No. 960/2022 in the Official Gazette, by which the concessions of FerroExpreso Pampeano S.A., Nuevo Central Argentino S.A. and Ferrosur Roca S.A. were extended for 18 additional months as from the expiration date of their respective concessions. Therefore, the concession of Ferrosur Roca S.A. will end in September 2024.

Resolution No. 960/2022 provides that during the extended concession period the services will be delivered on a provisional basis and may be revoked at any time without this generating any subjective right, pending right or setting any precedent that may be claimed in favor of the operators, or otherwise the recognition of any amount for the potential early revocation of the additional concession term granted.

Notwithstanding the above scenario and considering the provisions of Resolution No. 960/2022, the Group has assessed the possible business scenarios, considering that its intention is to continue providing services as operator of the railway network. In these scenarios, the National State, which is responsible for managing the train traffic control systems and maintaining the railway infrastructure, would charge the Group a fee for the use of the railway infrastructure, which would replace direct maintenance expenses currently paid by the concessionaires plus applicable tolls. No other significant changes are currently known regarding the rest of the matters and activities as compared to the current business model of the Group. In addition, the Group's assessment of the new business model has included estimation of the term for the provision of rail services, the routes and businesses that would be assigned, the future demand for rail freight services, and the allocation of fixed and variable costs in the Group's new cost structure, among other issues.

Finally, the Group has reassessed all accounting estimates associated with the end of the current concession. No significant impact is expected as of the issuance date of these consolidated financial statements in this regard. We will continue to monitor the new regulations as they come into effect, as well as the progress of ongoing negotiations with the National State and will record any related effect as soon as it is possible to make an estimate.

39. COMPLAINTS BROUGHT AGAINST THE GROUP AND OTHERS IN THE UNITED STATES

During 2018, two lawsuits were brought in the United States ("USA") against the Group, its directors and some of its first-line managers and the controlling shareholder at the time of the Company's initial public offering in 2017 ("Initial Public Offering" or "IPO"), one in federal court and the other in the state of New York.

Regarding the lawsuit filed in federal jurisdiction, after various motions from the parties, on April 27, 2020, the Court sustained the motion to dismiss filed by the Group. Finally, on July 21, 2020, the plaintiffs voluntarily withdrew the appeal filed against the judgment of first instance that fully sustained the motion to dismiss submitted by the Group. Accordingly, a final and conclusive judgment was rendered in favor of the Group and the rest of the defendants, and the lawsuit came to an end.

Regarding the state class action (Kohl v. Loma Negra CIASA, et al. -Index No. 653114/2018 - Supreme Court of the State of New York, County of New York), the complaint was filed with the state courts of New York in June 2018 by Dan Kohl –a shareholder who acquired ADSs issued by the Company during its 2017 initial public offering. The banks that placed the ADSs have also been sued. In the complaint, the plaintiff alleges assumed violations of the US Federal Securities Law on grounds of allegedly false representations contained in the Offering Memorandum and/or failure to include relevant information. On March 13, 2019, the Company filed a motion to dismiss the lawsuit, which, after various instances, resulted in a partially favourable ruling for the Group dated June 1, 2021. This ruling narrowed down the grounds on which the case could proceed according to the plaintiff's allegations, leaving only two points out of all the claims to be addressed in the discovery process: (i) whether there were indeed irregularities on the part of an affiliate of the Group, and (ii) whether it is true that there was a slowdown in payments for public works at the time of the IPO.

In addition, on January 11, 2021, the plaintiff requested to certify the case as a class action, which, after various submissions from the parties, was granted by the court on December 2, 2021.

On January 6, 2022, the case was reassigned from Judge Schecter to another judge in the Commercial Division of the New York Supreme Court, Judge Borrok.

On October 11, 2023, we entered into a proposed agreement with the lead plaintiff which received the preliminary approval from the New York State Court on November 30, 2023. On April 10, 2024 the final approval by the New York State Court was granted. The completion of the Settlement is contingent on a final class payment, to be made before October 11, 2024, which is covered by our Directors and Officers (D&O) insurance policies. Once such payment has been made, the New York State Court should issue the final judgment and the case will end

The Agreement does not contain any admission or acknowledgment of guilt for wrongful conduct by Loma Negra or other defendants in the class action, and it includes a release of all claims.

The material payment obligations under the agreement are covered by insurance policies contracted by the Company, with a significant portion of the Agreement amount having been paid in December 2023, which is deposited in the court's escrow accounts. There is still an additional payment that must be made 365 days from the signing of the Agreement.

Due to the Group having signed the agreement reached with the lead plaintiff, which was finally approved by the Court, a provision has been recorded for the final committed payment and a credit for the coverage of the insurance policies contracted regarding said payment.

40. INVESTIGATION PROCEEDINGS STARTED BY THE NATIONAL COMMISSION FOR THE DEFENSE OF COMPETITION

On November 2, 2022, the Company was notified that proceedings were started by the National Commission for the Defense of Competition ("CNDC" for the Spanish initials of *Comisión Nacional de Defensa de la Competencia*) pursuant to Law No. 27,442 on Defense of Competition to investigate alleged anti-competitive conduct by the Company. The investigation proceedings initiated do not imply an accusation against the Company for its conduct.

During February 2023, the CNDC gave the Company notice of a request for information in relation to the above proceedings.

As part of the investigation, the Company has provided and will continue to provide the information and evidence that the CNDC may require and has declared that it has always complied with applicable rules and regulations on relations with competitors and compliance and ethics policies.

41. THE ARGENTINE CONTEXT

On December 10, 2023, new authorities of the Argentine national government took office and began the process of issuing a series of emergency measures in order to face the critical economic situation. The main objectives of the measures include, among others, make more flexible rules for economic development, reduction of different public expenses with the aim of reducing the fiscal deficit, and reduction of subsidies. In the context of the change of government, there was a significant devaluation of the Argentine peso, reflected in the official exchange rate, which raised from approximately 360 pesos per dollar to 800.

Regarding the level of public Argentine debt, there are significant commitments for the coming years, as well as the need to obtain refinancing during the year 2024, both in local and foreign currency. Additionally, other critical macroeconomic indicators are presented such as the fiscal deficit, the reserves of the Argentine Central Bank, as well as the inflation indicators published by the local statistics bureau (INDEC), with retail inflation of more than 210% during the year 2023.

The comprehensive program that the government intends to implement includes reforms in the economy, justice, foreign affairs, infrastructure and others. Some of the measures necessary to carry out the plan will be implemented through one or more executive orders and other measures will require specific laws that must be dealt with by the National Congress, all of which will be part of the legislative agenda and the executive orders to be issued by Argentine President in the coming months.

42. SUBSEQUENT EVENTS

The Group has considered events after December 31, 2023, to assess whether it is necessary to recognize or disclose them in these consolidated financial statements. Such events were assessed through April 29, 2024, the date when the consolidated financial statements were available for issue.

42.1 Repurchase of common stock

Subsequent to the end of this fiscal year, the Group has executed a treasury shares repurchase program approved by the Board of Directors on December 19, 2023 as explained in Note 23.

42.2 Annual shareholders' meeting

The annual shareholders' meeting held on April 25, 2024, approved (i) to allocate the sum of Ps. 6,876 million (in December 31, 2023 currency) to the Optional Reserve for Future Dividends; and (ii) to delegate to the Board of Directors the power to totally or partially release and distribute in cash and/or in kind, one or more payments, the amount in constant currency of the Optional Reserve for Future Dividends depending on the evolution of the business and the regulatory restrictions and limitations through the next annual shareholders meeting that will consider the financial statements corresponding to the year ending December 31, 2024.