Loma Negra
Second Quarter 2026 Earnings Call and Webcast
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CORPORATE PARTICIPANTS
Diego Jalón – Head of Investor Relations
Sergio Faifman – Chief Executive Officer & VP, Board of Directors
Marcos Gradin – Chief Financial Officer

About Loma Negra

Founded in 1926, Loma Negra is the leading cement company in Argentina, producing and distributing cement, masonry cement, aggregates, concrete and lime, products primarily used in private and public construction. Loma Negra is a vertically-integrated cement and concrete company, with nationwide operations, supported by vast limestone reserves, strategically located plants, top-of-mind brands and established distribution channels. Loma Negra is listed both on BYMA and on NYSE in the U.S., where it trades under the symbol "LOMA". One ADS represents five (5) common shares. For more information, visit www.lomanegra.com

Disclaimer

This presentation may contain forward-looking statements within the meaning of federal securities law that are subject to risks and uncertainties. These statements are only predictions based upon our current expectations and projections about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "potential," "seek," "forecast," or the negative of these terms or other similar expressions.

The forward-looking statements are based on the information currently available to us. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including, among others things: changes in general economic, political, governmental and business conditions globally and in Argentina, changes in inflation rates, fluctuations in the exchange rate of the peso, the level of construction generally, changes in cement demand and prices, changes in raw material and energy prices, changes in business strategy and various other factors.

You should not rely upon forward-looking statements as predictions of future events. Although we believe in good faith that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Any or all of Loma Negra's forward-looking statements in this release may turn out to be wrong. You should consider these forward-looking statements in light of other factors discussed under the heading "Risk Factors" in Company's Annual Report on Form 20-F, as well as periodic filings made on Form 6-K, which are filed with or furnished to the United States Securities and Exchange Commission.

Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or to changes in our expectations.

The Company presented some figures converted from Argentine pesos to U.S. dollars for comparison purposes. The exchange rate used to convert Pesos to U.S. dollars was the reference exchange rate (Communication "A" 3500) reported by the Central Bank for U.S. dollars. The information presented in U.S. dollars is for the convenience of the reader only. Certain figures included in this report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregations of the figures presented in previous quarters.

Note: Loma Negra's financial information has been prepared in accordance with the Argentine Securities Commission (Comisión Nacional de Valores-CNV) and with International Financial Reporting Standards. Following the categorization of Argentina as a country with a three-year cumulative inflation rate greater than 100%, the country is considered highly inflationary in accordance with IFRS. Consequently, starting July 1, 2018, the Company is reporting results applying IFRS rule IAS 29. IAS 29 requires that results of operations in hyperinflationary economies are reported as if these economies were highly inflationary as of January 1, 2018, and thus year-to-date, together with comparable results, should be restated adjusting for the change in general purchasing power of the local currency, using official indices. For comparison purposes and a better understanding of our underlying performance, in addition to presenting 'As Reported' results, we are also disclosing selected figures as previously reported excluding rule IAS 29. Additional information in connection with the application of rule IAS 29 can be found in our earnings report.

Slide 1

Operator

Good day and welcome to the Loma Negra Second Quarter 2026 Conference Call and Webcast. All participants will be in listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero.

After today's presentation, there will be an opportunity to ask questions. Also, Mr. Sergio Faifman will be responding in Spanish immediately following an English translation. To ask a question, you may press star, then one on your telephone keypad. To withdraw your question, please press star, then two. Please note that this event is being recorded. I would now like to turn the conference over to Mr. Diego Jalón, Head of IR. Please Diego go ahead.

Slide 1

Diego Jalón

Thank you. Good day and welcome to Loma Negra´s earnings conference call.

By now, everyone should have access to our earnings press release and the presentation for today's call, both of which were distributed yesterday after market close.

Joining me on the call today are Sergio Faifman, our CEO and Vice Chairman of the Board of Directors; and Marcos Gradin, our CFO. Sergio and Marcos will be available for the Q&A session.

Before we proceed, I would like to make the following Safe Harbor statements. Today's call will contain forward-looking statements and I refer you to the forward-looking statements section of our earnings release, and recent filing with the SEC. We assume no obligation to update or revise any forward-looking statements to reflect new or changed events or circumstances.

This conference call will also include discussion on Non-Gaap financial measures. The full reconciliation to the corresponding financial measures is included in the Earnings press release.

Now, I would like to turn the call over to Sergio.

Slide 2

Sergio Faifman

Thank you, Diego. Hello everyone and thank you for joining us today.

I would like to start my presentation by discussing the highlights of the quarter. Then, Marcos will take you through our market review and financial results. Following that, I will share some final remarks before opening the call to your questions.

Starting with slide two.

As we move through the second quarter, industry volumes have not yet fully regained the momentum we were expecting. Performance during the quarter was mainly affected by a weak April, impacted by heavy rains, while May and June trends were more in line with the levels registered a year ago. Cement volumes decreased 1.4% year-over-year, while consolidated net revenues increased 2.1%, reaching Ps. 238.1 billion.

In terms of quarterly performance, margins in pesos showed some compression, mainly reflecting higher costs and depreciation, while our top line continued to show a positive trend, even as volumes remain lagging. Consolidated Adjusted EBITDA reached Ps. 48.2 billion, down 2.5% year-over-year, with margin contracting 97 basis points to 20.2%. In dollar terms, however, EBITDA generation per ton stood at 32.1 dollars, up 14% year-over-year, underscoring the resilience of our operations even as demand recovery remains gradual.

During the quarter, we cancelled our Class 4 corporate bond for a total of 10 million dollars, and we have no remaining structured debt maturities for the rest of the year. As of quarter-end, net debt stood at 185 million dollars, representing a net debt-to-LTM Adjusted EBITDA ratio of 1.3x.

I will now hand off the call to Marcos who will walk you through our market review and financial results. Please, Marcos go ahead

Slide 4

Marcos Gradin

Thank you, Sergio. Good day, everyone.

Please turn to slide 4.

The most recent economic data shows a more moderate growth trajectory in the second quarter. The EMAE — Argentina's monthly economic activity indicator — grew 1.6% year-over-year in April, before slowing to 0.2% in May, with a monthly decline of 0.5% versus April. On a cumulative basis, the indicator is up 1.7% through the first five months of the year, although the pace of growth has clearly moderated compared to earlier in the year.

Construction activity has shown a similar mixed trend. The ISAC declined 2.8% year-over-year in April, weighed down by the same heavy rains that affected our cement volumes, before rebounding 4.1% year-over-year in May. Leading indicators remain constructive: registered private-sector employment in construction grew 1.2% year-over-year in April, and building permits authorized in the same month expanded by 17% year-over-year, with a 7.6% increase on a cumulative basis for the first four months of the year.

Within this context, industry cement dispatches declined 5% year-over-year during the quarter, mainly reflecting the impact of heavy rains in April across the country's main urban centers. Our own volumes followed a similar trend but with a more moderate decline, down 1.4% year-over-year, outperforming the industry as May and June trends normalized closer to last year's levels.

In terms of product mix, bulk cement continued to outperform, supported by larger-scale projects, while bagged cement — which represents the majority of the industry mix — remained relatively weak, consistent with more cautious behavior in the retail and small-contractor segment.

Looking ahead, we expect a continued, uneven recovery path we have been describing, rather than a change in the underlying demand trend. That said, we remain cautiously optimistic going forward, as we believe this recovery path remains intact.

Slide 5

Turning to slide 5 for a review of our topline performance by segment.

Second-quarter revenues increased by 2.1% year-over-year, with growth led by the Cement business, followed by the Railroad segment, partially offset by lower revenues in the Concrete and Aggregates segments.

In the Cement, Masonry Cement and Lime segment, revenues increased by 2.2% year-over-year, while volumes decreased by 1.4%. Bulk cement dispatches continued to outperform, supported by higher activity from concrete producers, industrial clients, and construction companies, while bagged cement remained under pressure, with the retail segment showing the weakest performance, as demand for self-construction and refurbishment projects remained delayed. Pricing dynamics remained positive, supporting the segment's top-line performance.

Concrete revenues decreased by 11.2% year-over-year, as an 18.6% decline in volumes was only partially offset by favorable pricing dynamics. Volumes were mainly affected by lower demand from special projects, particularly those linked to port infrastructure and wind farms, which are now in their final stages of completion. The start of new projects has been gradually pushed back, though we expect them to break ground in the near term. Volumes in Rosario remained more stable, supported by a combination of private and public works.

Aggregates revenues decreased by 10.3% year-over-year, as a 12.2% decline in volumes was only partially offset by favorable pricing dynamics. Volumes were mainly affected by the same dynamics impacting the Concrete segment, particularly weaker demand from public works and construction companies.

Railroad revenues increased by 8.6% year-over-year, as higher transported volumes, up 10.1%, were partially offset by softer pricing conditions. Volume growth was mainly driven by higher transportation of grains, cement, and frac sand, the latter reflecting the resumption of operations to Neuquén following the repair of the rail section in Bahía Blanca that had been affected by last year's storm.

Slide 7

Moving on to slide 7, Consolidated gross profit decreased by 3.9% year-over-year, with gross margin contracting 122 basis points to 19.2%, mainly reflecting higher costs and depreciation.

Cost of sales increased by 3.7% year-over-year, mainly reflecting higher costs in the Cement and Railroad segments, partially offset by lower cost of sales in the Concrete and Aggregates businesses.

In the Cement segment, cost of sales increased on a per-ton basis, mainly driven by higher depreciation following the capitalization of the 25-kilogram bagging project after June of last year, along with higher packaging costs associated with its implementation. Maintenance and freight costs also rose, the latter reflecting the pass-through of higher fuel prices, while thermal and electric energy costs remained broadly in line. As planned, most kilns were shut down in May to avoid operating during the winter months, helping to limit our exposure to higher energy costs.

In Railroad, the increase in cost of sales was mainly related to higher transported volumes, together with higher salaries, fuel prices and depreciation.

The Concrete and Aggregates segments both contributed positively to the consolidated result, posting gross margin expansion, although they remained in negative territory.

Finally, SG&A expenses increased by 15.7% year-over-year, mainly driven by higher salary expenses. As a percentage of sales, SG&A stood at 12.1%, up 142 basis points compared to the second quarter of 2025.

Slide 8

Please turn to slide 8.

Consolidated Adjusted EBITDA for the quarter stood at 38 million dollars, while in pesos it reached Ps. 48.2 billion, reflecting a 2.5% year-over-year decline. This decrease was mainly driven by a weaker result in the Railroad segment, together with, to a lesser extent, a contraction in Cement, partially offset by improved results in Concrete and Aggregates.

As a result, the consolidated EBITDA margin contracted to 20.2%, representing a 97 basis point decrease year-over-year.

In the Cement segment, Adjusted EBITDA margin stood at 23.9%, down 81 basis points year-over-year, a smaller decline than the consolidated contraction, as higher cost of sales and SG&A, as discussed in the previous slide, were partially cushioned by favorable pricing dynamics.

The Concrete segment's Adjusted EBITDA margin expanded by 867 basis points to -4.3%, from -13.0% in the second quarter of 2025, supported by favorable pricing dynamics and lower costs, although it remained in negative territory.

Similarly, the Aggregates segment improved its margin by 877 basis points, reaching -18.6% in the quarter from -27.3% in the same period last year, also supported by favorable pricing and cost control, although it likewise remained in negative territory.

Finally, in the Railroad segment, the Adjusted EBITDA margin turned negative, reaching -5.2% in the second quarter, compared to a positive 9.8% in the same period of 2025. This was mainly due to higher cost of sales, primarily driven by increased fuel and labor costs, while SG&A expenses remained broadly in line.

Slide 10

Moving to the bottom line on slide ten, Net Profit attributable to owners of the Company totaled Ps. 7.5 billion for the quarter, compared to Ps. 0.5 billion in the second quarter of 2025. The improvement was mainly driven by lower financial losses, despite softer operating performance, and was partially offset by higher income tax expense.

On the financial side, the Company reported a total net financial loss of Ps. 5.6 billion for the quarter, compared to a net financial loss of Ps. 22.3 billion in the same period of 2025. The year-over-year improvement was mainly attributable to a lower foreign exchange loss on our U.S. dollar-denominated liabilities, as the peso continued to depreciate during the quarter, though at a more moderate pace than in the second quarter of last year.

Additionally, net financial expense decreased by 27% to Ps. 9.5 billion, mainly driven by improved financial income, coupled with lower financial expenses.

Slide 11

Moving on to the balance sheet, as you can see on slide eleven,

We ended the quarter with net debt of Ps. 274 billion and a Net Debt to Adjusted EBITDA ratio of 1.30x, down from 1.34x a year ago and 1.47x at the end of 2025.
Cash flow from operating activities totaled Ps. 18.1 billion in the quarter, compared to a cash outflow of Ps. 29.7 billion in the second quarter of 2025. This year-over-year improvement was mainly driven by a significant improvement in working capital, primarily reflecting lower income tax payments during the quarter, together with a stronger increase in tax liabilities. This was partially offset by higher working capital requirements in trade receivables, as well as accounts payable.
Regarding investing activities, the Company used Ps. 9.9 billion, with CAPEX totaling Ps. 9.7 billion, remaining lower following the completion of the 25-kilogram bagging project.
On the financing side, the Company used Ps. 30.2 billion during the quarter, mainly related to the repayment of borrowings. In May 2026, the Company completed the cancellation of the Class 4 corporate bond for 10 million dollars, leaving no remaining structured debt maturities for the rest of the year.
In U.S. dollar terms, net debt stood at 185 million dollars, with an average duration of 1.4 years. As of quarter-end, 87% of total debt was denominated in U.S. dollars, with the remaining balance in pesos.
Now, for our final remarks, I'll hand the call back to Sergio. Thank you.

Slide 13

Sergio Faifman

Thank you, Marcos,

Now to finalize the presentation I please ask you to turn to slide thirteen.

Volumes during the first half of the year came in below our initial expectations. Going forward, we may continue to see some volatility, including potential short-term declines, as the recovery path is unlikely to be a straight line. That said, we remain cautiously optimistic that the underlying trend for the second half of the year, and beyond, is a positive one.

We are beginning to see some of the projects approved under the RIGI regime starting to move forward. Beyond that, we see additional factors that could further support volumes in the second half of the year: a potential easing of monetary conditions, an expected improvement in real wages, and a possible recovery in credit availability.

Our top line continued to perform well during the quarter, and we remain focused on cost discipline and operational efficiency as we navigate a gradual demand recovery.

Finally, on August 5th, LOMA celebrated its 100th anniversary, an important milestone that fills us with pride. We look forward to continuing to support the country's development over the next 100 years, just as we have throughout this past century.

This is the end of our prepared remarks. We are now ready to take questions. Operator, please open the call for questions.