Loma Negra
Third Quarter 2025 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 morning, and welcome to the Loma Negra Third Quarter 2025 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 Jalon, Head of IR. Please, Diego, go ahead.

Slide 1

Diego Jalón

Thank you. Good morning 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 this morning, will be Sergio Faifman, our CEO and Vice President of the Board of Directors, and our CFO, Marcos Gradin. Both of them 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 this morning.

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.

During the third quarter, industry activity lost momentum as the broader economy slowed. The electoral process and uncertainties around the sustainability of the economic framework, combined with higher interest rates in pesos, negatively affected shipment levels for both the industry and LOMA. In our case, volumes declined 5% year-over-year.

That said, volumes recorded in September and October provide encouraging signs as we look ahead.

In terms of results, in this more challenging context, our consolidated Adjusted EBITDA margin contracted to 20.8% in the quarter. However, it remained almost stable versus the previous quarter, despite the higher cost pressure that typically occurs in third quarters. Please bear in mind that energy costs are seasonally affected by the winter period. Adjusted EBITDA reached 36 million dollars, reflecting a 23.7% reduction when measured in pesos.

On the balance sheet side, net debt declined by US$9 million quarter over quarter to US$206 million. In addition, following the Class 5 bond issuance, we significantly improved our maturity profile, and our leverage metrics remain at comfortable levels for the Company.

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

Slide 4

Marcos Gradin

Thank you, Sergio. Good morning, everyone.

Please turn to slide 4.

After a very solid first half of the year, forecasts for the third quarter now point to a weaker performance of the Argentine economy, and full-year growth expectations were revised down to around 3.9%.

This dynamic is fully reflected in construction and the cement industry. The recovery trend began to lose some steam, mainly due to the uncertainty around the election process and questions about the sustainability of the economic program.

After two quarters of growth, cement dispatches fell around 1% in the quarter, largely explained by a soft July. And although September volumes were the highest in 22 months, they weren't enough to offset the quarterly decline.

Bagged cement remained the most impacted format, as it is more tied to retail and residential demand. On the other hand, bulk dispatches continued to perform well, in line with what we saw in the second quarter, and reached 44% of total industry dispatches.

Looking at the most recent data, October volumes showed renewed strength, with a 7.4% year-over-year increase. And year-to-date volumes are also up 7.4%.

Now, with the election behind us, we expect uncertainty to start easing. And the outcome of the election could be seen as a validation of the government's policy direction, which may help unlock investment projects that have been waiting for a more stable framework.

So overall, we remain optimistic that this renewed confidence will gradually put the industry's recovery back on track.

Slide 5

Marcos Gradin

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

Second-quarter topline declined by 12.1%, primarily due to weaker performance in the Cement segment, followed by softer results across the remaining segments.

Revenue in the Cement, Masonry Cement, and Lime segment declined 13.2% YoY, driven by a 5.4% contraction in volumes and softer pricing year-over-year. As we mentioned, this quarter we saw a halt in the recovery trend that had started in the first half.

Bulk cement dispatches continued to be the dispatch mode showing the best dynamics, supported by industrial and commercial projects and by larger housing developments. In addition, provincial-level public works began to gain momentum, adding volume to this dispatch mode. Bagged cement remained more pressured, as weaker overall consumption continues to impact retail and residential demand.

When comparing LOMA's performance with the industry, our bulk dispatches grew below the industry this quarter. It is also important to note that our segment includes Masonry Cement and Lime, which behave more similarly to bagged cement, while industry statistics disclose volumes exclusively for grey cement.

In the same sense, topline was also affected by softer pricing conditions versus 3Q24, although cement prices in pesos delivered a positive quarter-over-quarter performance when adjusted by inflation.

Concrete revenues remained broadly flat versus 3Q24, as a 37.8% increase in volumes offset softer pricing dynamics in a highly competitive environment. Volume growth was supported by private developments, mainly in logistics infrastructure and residential construction, and also benefited from higher activity in public infrastructure projects across the Buenos Aires metropolitan area and in the province of Santa Fe.

Similarly, the Aggregates segment also remained nearly flat, posting a slight 0.8% revenue decline. Sales volumes rose 26.3%, driven by higher activity in road construction and railroad projects, partially offsetting the impact of softer pricing. Pricing was also affected by the sales mix, as road construction projects primarily require fine aggregates, which carry a lower unit price and reduce the overall average.

Railroad revenues declined 14.9% in the quarter. A 3.9% increase in transported volumes only partially mitigated the effect of weaker pricing. In addition, the ongoing disruption of the railway line in Bahía Blanca continues to affect longer-haul traffic—mainly grains, gypsum, and frac sand—reducing ton-kilometers transported and, consequently, revenue generation.

Slide 7

Moving on to slide 7, consolidated gross profit declined 32.5%, while gross margin contracted by 524 basis points year-over-year, reaching 17.3%.

In the Cement segment, cost of sales decreased 8.7% year-over-year, with a 3.5% reduction in unit costs, despite the seasonal impact of higher winter energy costs and higher depreciation associated with the completion of the 25kg project. Effective cost management helped offset the weaker pricing environment. Lower maintenance costs and improved thermal energy input prices also supported the quarterly cost structure.

Continuing the trend from previous quarters, thermal energy contracts signed last year — which included year-over-year tariff reductions — together with short-term agreements linked to oil production at tariffs below one dollar per million BTU, helped contain variable costs. On the electrical energy side, lower consumption helped offset higher electricity tariffs, as the Company continued to face the impact of increased transmission and distribution costs.

The contraction in Cement was accompanied by declines across the remaining business segments.

Finally, SG&A expenses decreased 11.7%, mainly due to lower freight and sales tax expenses resulting from reduced sales volumes, as well as a lower impact from salaries and professional consulting fees. As a percentage of sales, SG&A stood at 9.1%, remaining flat year-over-year.

Slide 8

Please turn to slide eight.

Consolidated Adjusted EBITDA for the quarter stood at 36 million dollars, while in pesos it reached Ps. 43 billion, reflecting a 23.7% year-over-year decline. This decrease was primarily driven by lower EBITDA generation in the Cement segment, followed by weaker results in the Concrete and Railroad segments. In line with this performance, the consolidated EBITDA margin contracted to 20.8%, representing a 315 basis point decline year-over-year, while remaining broadly in line quarter-over-quarter despite the typical cost pressures of the third quarter.

In the Cement segment, the Adjusted EBITDA margin contraction was more moderate, reaching 24.2%, down 129 basis points year-over-year, mainly due to a softer pricing environment which, despite showing an improved sequential trend, still lags on a year-over-year basis. Costs on a per-ton basis, excluding depreciation, declined 6.5%, supported by lower thermal energy prices and maintenance costs, which partially offset the weaker topline.

The Concrete segment saw its Adjusted EBITDA margin decline by 1,093 basis points, reaching -6.8% versus 4.2% in the third quarter of 2024, as cost controls and higher volumes were not sufficient to offset softer pricing dynamics in a highly competitive environment.

In the Aggregates segment, the Adjusted EBITDA margin improved by 36 basis points to -16.7%, compared to -17% in the same quarter last year. Although volumes continued to improve during

the quarter, the persistent market challenges and an unfavorable product mix continued to weigh on the segment's profitability.

Regarding the Railroad segment, the Adjusted EBITDA margin contracted by 920 basis points to 3.4% in 3Q25, from 12.6% a year ago. Transported volumes improved slightly, mainly driven by higher shipments of granitic aggregates. However, the ongoing disruption of the railway line in Bahía Blanca continued to affect longer-haul traffic —primarily grains, gypsum, and frac sand— reducing ton-kilometers transported and, consequently, revenue generation. These impacts were partially offset by cost reductions.

Slide 10

Moving to the bottom line on slide ten. Net loss attributable to owners of the Company totaled Ps. 8.5 billion for the quarter, compared to a net gain of Ps. 27.9 billion in the third quarter of 2024. This decline was primarily driven by a lower financial net result, reflecting a more moderate inflationary effect and a higher impact from FX exposure, combined with weaker operational performance. However, the decrease was partially offset by lower income tax expenses.

On the financial front, the main driver of the year-over-year variation was a reduced gain from the net monetary position, as the inflationary effect on monetary liabilities was significantly lower than in the same period last year. In addition, exchange rate differences had a higher impact due to the devaluation of the peso during the period. As a result, the Company reported a net financial loss of Ps. 28.7 billion for the quarter, compared to a gain of Ps. 16.6 billion in the same period of 2024.

Additionally, net financial expenses increased 7.5%, reaching Ps. 17.5 billion, primarily due to higher interest rates in pesos during the quarter.

Slide 11

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

We ended the quarter with net debt of Ps. 281 billion and a Net Debt to EBITDA ratio of 1.49x, up from 0.89x at the end of 2024, while still maintaining a comfortable leverage profile.
Cash flow generated from operating activities totaled Ps. 31.9 billion, compared to Ps. 83.8 billion in 3Q24. This mainly reflected higher working capital requirements and a lower operating result.

On the working capital side, the economic uncertainty during the quarter and the higher interest rate environment increased working capital needs. This was coupled with higher income tax payments, since the Company did not make advance income tax payments during 2024.

On the other hand, inventories decreased during the quarter due to seasonality — as clinker production is minimized during the winter months, while inventory consumption increases.
Regarding investing activities, the Company allocated 61.9 billion pesos in the quarter, primarily due to the short-term allocation of the proceeds from the Class 5 bond issuance. On the other

hand, CAPEX decreased by 14.6 billion pesos following the completion of the 25-kilogram bagging project.

During the quarter, the Company generated Ps. 74.3 billion from financing activities, mainly from the bond issued in July. The Class 5 corporate bond amounted to 113 million dollars, with a two-year tenor and an 8% interest rate. The new bond was partially subscribed through exchanges with holders of Class 2 and Class 3 bonds. Proceeds will be primarily used to repay the remaining balance of the Class 2 bond maturing in December.

In U.S. dollar terms, net debt stood at 206 million dollars, with a duration close to one year. At the end of the third quarter, dollar-denominated debt represented 81% of total debt, with the remainder 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.

During the third quarter, the volume recovery trend lost momentum amid the uncertainty linked to the electoral process. The recovery experienced a temporary slowdown, but we believe the underlying growth drivers remain intact.

Looking forward, the recent electoral outcome —and the ratification of the government's economic plan— could provide the stability needed to unlock investment projects that have been on hold. And although many of the economic and political challenges remain in place, the election result brought renewed optimism, which we expect to see reflected in higher activity levels.

I would also like to highlight that during the quarter we began dispatching the new 25-kilogram bags. After hard work and a meaningful investment effort, the new bag format hit the market successfully, and was very well received by both our customers and final consumers. I would like to congratulate everyone involved in this project.

As we approach the end of a very challenging transition year, we remain optimistic about the outlook for a more prosperous Argentina. And LOMA continues to focus on optimizing performance and being ready to support the country's development as conditions normalize.
This is the end of our prepared remarks. We are now ready to take questions. Operator, please open the call for questions.