Loma Negra
Fourth 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
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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 Fourth 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 Jalón, 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 are Sergio Faifman, our CEO and Vice President of the Board of Directors; Marcos Gradin, our CFO; and Lucrecia Loureiro, our Human Capital, Sustainability and Legal Affairs Director. 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 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.

We are pleased to present Loma Negra's fourth and final quarter of the year.

In terms of volumes, the fourth quarter largely mirrored the trends seen in prior quarters, with cement dispatches declining 1.2% year-over-year. Overall, 2025 represented a year of gradual recovery for Argentina's economy and, to a lesser extent, for the cement industry. While volumes showed a year-over-year improvement, the rebound progressed more slowly than initially anticipated and lost some momentum in the second half of the year.

Against this backdrop, net revenues totaled Ps. 225 billion for the quarter, equivalent to US$ 152 million, reflecting a 1.7% year-over-year decline versus 4Q24. On a sequential basis, however, performance remained broadly stable, significantly narrowing the gap observed earlier in the year.

In this still challenging demand environment, consolidated Adjusted EBITDA reached US$ 37 million, with a margin of 19.7% for the quarter. It is important to note that the comparison base was particularly demanding, as margins in the same period last year were exceptionally strong. Sequentially, fourth-quarter profitability remained in line with recent quarters.

For full-year 2025, Adjusted EBITDA amounted to US$ 146 million, with a margin of 21.3%, representing a contraction of 454 basis points compared to 2024.

Turning to the balance sheet, net debt declined by US$ 23 million quarter-over-quarter to US$ 183 million, resulting in a net debt-to-EBITDA ratio of 1.47x, reinforcing the Company's solid financial position.

I will now turn the call over to Lucrecia, who will present our newly released Sustainability Report and its key highlights. Please, Lucrecia, go ahead.

Slide 3

Lucrecia Loureiro

Thank you, Sergio. Good morning, everyone.

Please turn to slide three for a review of our ESG highlights for the year.

We take great satisfaction in releasing the fifth edition of our Sustainability Report, which details our environmental, social, and governance management and the actions we carry out to build a company prepared for the challenges of the future, with a focus on ethics, transparency, and long-term sustainable value creation.
In 2025 we achieved significant progress across our environmental priorities. Compared to our 2021 baseline, CO_2 equivalent emissions were reduced by 22%, reflecting our ongoing decarbonization efforts. We also advanced our circular economy strategy by valorizing 85% of the waste generated, recovering more than 270,000 tons of waste and by-products using alternative materials and fuels, including biomass in cement production. In terms of water stewardship, total water withdrawal decreased by 3.5%, with a notable 21% reduction in water-stressed areas compared to 2024. Additionally, air quality improvements continued, with PM10 emissions from cement production declining by 9.3% year over year, underscoring our commitment to responsible, low-impact operations.
Turning to our social impact and community engagement, 2025 was a year of strong collaboration and meaningful outreach. We worked alongside 700 partner organizations to implement social programs and projects, while 172 initiatives were supported through the different programs of the Fundación Loma Negra, reaching a total of more than 90 thousand beneficiaries.
We reached a historic milestone: the launch of our new 25-kilo bag. This initiative safeguards the health and well-being of industry. Over the course of five years, we invested more than 65 million dollars in our plants.
This year marks a significant milestone for our Company: Loma Negra celebrates 100 years of contributing to Argentina's sustainable and productive development.
We are committed to the principles that have guided our actions for a century, in pursuit of our purpose of transforming people’s lives through sustainable growth. Built on 100 years of legacy, we honor our past while continuing to build the future with responsibility and vision. Our report fifth sustainability report reflects that path.

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 5

Marcos Gradin

Thank you, Lucrecia. Good morning, everyone.

Please turn to slide 5.

The latest release of the EMAE, Argentina's monthly economic activity indicator, showed a 3.5% year-over-year increase, reversing the downward trend observed in the previous couple of months. As a result, full-year 2025 economic growth reached 4.4%.

However, a deeper look at sector-level performance reveals significant divergences. Agriculture, mining, and financial intermediation rank among the strongest contributors to growth. In contrast, industry and commerce continue to show contractions.

As for construction, activity remained broadly flat, showing virtually no change compared to the prior year.

Within this macro backdrop, the cement industry posted a broadly flat quarter, reversing the decline recorded in the previous period and closing the year with 5.6% growth.
After a more encouraging start to the year, growth expectations were affected by the electoral process and the uncertainty surrounding it, together with financial and FX tensions that weighed on the recovery momentum.

Looking at dispatch dynamics, bulk cement outperformed, supported by larger-scale projects, including residential developments, as well as logistics and infrastructure works. In contrast, bagged cement volumes contracted, reflecting weaker retail demand. The individual and small-contractor segment remains more subdued in the current environment of monetary tightening and interest rate volatility.

As we move into 2026, we expect the sectors that have lagged behind to gradually catch up, supported by a more flexible monetary stance. Given that these sectors are among the most employment-intensive, their recovery should contribute to greater dynamism in overall economic activity.

It will also be important to closely monitor cement demand in March and April. The start of the year has been relatively weak — not only due to typical summer seasonality, but also reflecting still-cautious activity levels.

Looking ahead, we expect recently announced investment initiatives — including infrastructure programs, road corridors, and mining and energy projects — to gradually begin supporting dispatch volumes as we move past the summer period.

Slide 6

Turning to slide 6 for a review of our topline performance by segment.

Fourth-quarter revenues declined 1.7% year-over-year, continuing the sequential improvement trend and meaningfully narrowing the contraction observed earlier in the year. The performance was mainly explained by the Cement segment, while Concrete delivered strong growth.

In Cement, Masonry Cement and Lime, revenues decreased 4.4% year-over-year, mainly reflecting softer pricing conditions compared to the same period last year. Sequentially, prices improved for the second consecutive quarter, extending the real-term recovery and reducing the year-over-year gap.

Volumes declined 1.2% year-over-year. Bulk cement continued to outperform, supported by stronger activity from concrete producers, larger-scale projects, and public works. In contrast, bagged cement volumes continued to lag, as retail demand remained subdued amid economic softness and financial volatility. Since our segment also includes masonry cement and lime—products that tend to follow dynamics similar to bagged cement—this mix effect weighs on our segment performance when compared to industry statistics, which reflect only grey cement volumes.

Concrete revenues increased 37% year-over-year, driven by a 62% expansion in volumes, partially offset by competitive pricing dynamics. Growth was mainly supported by infrastructure works in Santa Fe and private logistics-related developments.

Aggregates revenues were essentially stable, down 0.9% year-over-year. Volumes increased 8.2%, reflecting stronger road construction and railroad-related activity. However, pricing and product mix—particularly a higher share of fine aggregates with lower average prices—offset the positive volume contribution.

Railroad revenues declined 8.9% in the quarter. Although transported volumes increased 2.8%, weaker pricing and the continued disruption of the Bahía Blanca rail line impacted longer-haul traffic, particularly grains, gypsum, and frac sand, reducing ton-kilometers and overall revenue.

For full-year 2025, consolidated revenues declined 7.8% to Ps. 848 billion from Ps. 920 billion in 2024, while cement volumes increased 2.5%.

Slide 8

Moving on to slide 8, consolidated gross profit declined by 29.1%, while gross margin contracted by 906 basis points year-over-year to 23.5%. However, margins showed a sequential recovery compared to the previous quarter.

Cost of sales increased by 11.5% year-over-year, primarily driven by higher costs in the Cement segment, along with a greater depreciation impact following the completion of the 25-kilogram bagging project. Additionally, cost performance in 4Q24 represented a challenging comparison base.

Regarding the Cement segment, cost of sales increased by 12% year-over-year. Higher maintenance expenses and increased utilization of spare parts and supplies, together with a greater impact from packaging costs related to the implementation of the 25-kilogram bags, put upward pressure on costs.

On the other hand, energy inputs continued to support cost management efforts, particularly thermal energy. On a sequential basis, unit costs — excluding depreciation — remained almost flat, increasing only 0.8% quarter-over-quarter.

The contraction in Cement was followed by a decline in Aggregates, while the Concrete and Railroad segments posted improvements.

Finally, SG&A expenses increased by 6.3%, mainly driven by a higher allowance for doubtful accounts and increased IT expenses, partially offset by lower freight and marketing costs. As a percentage of sales, SG&A stood at 12.9%, up 97 basis points from the fourth quarter of 2024.

For fiscal year 2025, gross profit declined by 24.8%, with margin contracting by 493 basis points to 21.8%.

Slide 9

Please turn to slide nine.

Consolidated Adjusted EBITDA for the quarter stood at 37 million dollars, while in pesos it reached Ps. 44 billion, reflecting a 33.4% year-over-year decline. This decrease was primarily driven by lower EBITDA generation in the Cement segment, while the remaining segments posted improvements.

Consequently, the consolidated EBITDA margin contracted to 19.7%, representing a 938 basis point decline year-over-year. On a sequential basis, the margin remained broadly stable, decreasing 114 basis points quarter-over-quarter. Additionally, the higher contribution from other segments, which operate with structurally lower margins, also weighed on the consolidated margin.

In the Cement segment, Adjusted EBITDA margin came in at 22.7%, compared to 37.7% in the fourth quarter of 2024, which represented a particularly strong comparison base.

The year-over-year decline was largely explained by higher cost of sales and softer pricing dynamics. While pricing has shown a sequential improvement, it still remains below prior-year levels.

Performance was also impacted by higher SG&A expenses and a lower contribution from Other Gains and Losses during the quarter.

In the Concrete segment, Adjusted EBITDA margin improved by 326 basis points but remained in negative territory, coming in at negative 2.8% compared to negative 6.1% in the fourth quarter of 2024. The recovery in sales volumes helped dilute fixed costs. However, softer pricing dynamics in a highly competitive environment continued to weigh on the segment's performance.

Turning to Aggregates, Adjusted EBITDA margin improved by 80 basis points year-over-year to negative 8.1%, from negative 8.9% in the same quarter last year. Although volumes continued to expand, profitability remained constrained by a competitive pricing environment and an unfavorable sales mix, with a higher share of lower-margin products.

Finally, in the Railroad segment, Adjusted EBITDA margin improved by 233 basis points year-over-year, reaching 1.9% in the fourth quarter of 2025, compared to negative 0.4% in the prior-year period. Volumes posted a modest increase, mainly driven by higher shipments of granitic aggregates. However, the continued disruption of the Bahía Blanca railway line constrained longer-haul traffic, particularly grains, gypsum, and frac sand. These challenges were partially offset by ongoing cost control initiatives.

For Fiscal Year 2025, Adjusted EBITDA totaled 146 million dollars, or 181 billion pesos, down 24%, with a margin contraction of 454 basis points to 21.3%.

Slide 11

Moving to the bottom line on slide eleven, Net Profit attributable to owners of the Company totaled Ps. 6.2 billion for the quarter, compared to Ps. 29.5 billion in the fourth quarter of 2024. The decline was primarily driven by weaker operating performance, along with a lower net financial result reflecting a reduced impact from inflation. This was partially offset by lower income tax expenses.

On the financial side, the Company reported a net financial loss of Ps. 9.8 billion for the quarter, compared to a net financial gain of Ps. 1.1 billion in the same period of 2024. The year-over-year variation was mainly explained by a lower gain from the net monetary position, reflecting a more normalized inflation environment.

Additionally, net financial expenses decreased 2.1% to Ps. 14.4 billion, primarily driven by higher financial income as a result of a stronger average cash position during the period.

For full-year 2025, Net Income attributable to owners of the Company totaled Ps. 23.6 billion, compared to Ps. 202.3 billion in fiscal year 2024. The year-over-year decline was primarily driven by the negative impact of the financial result—particularly the reduced contribution from the net monetary position—along with weaker operating performance.

Slide 12

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

We ended the quarter with net debt of Ps. 266 billion and a Net Debt to EBITDA ratio of 1.47x, up from 0.89x at the end of 2024, and maintaining a comfortable maturities profile.
Cash flow generated from operating activities totaled Ps. 58 billion, compared to Ps. 62.8 billion in 4Q24. The weaker operating performance was partially offset by a favorable working capital dynamic. Inventories increased at a slower pace than in 4Q24, releasing cash. Together with lower income tax payments, this more than offset the additional cash requirements from higher trade receivables and a lower contribution from accounts payable.
Regarding investing activities, the Company generated Ps. 34.9 billion during the quarter, primarily driven by the liquidation of short-term investments that had been funded with the proceeds from the Class 5 bond issuance and were subsequently used to repay the Class 2 bond at maturity.
CAPEX totaled Ps. 17.5 billion, decreasing quarter-over-quarter following the completion of the 25-kilogram bagging project.
In financing activities, the Company used Ps. 129 billion during the quarter, mainly related to the repayment of borrowings, particularly the December maturity of the Class 2 corporate bond.
In U.S. dollar terms, net debt stood at US$ 183 million, with an average duration of one year. As of quarter-end, 85% of total debt was denominated in U.S. dollars, with the remaining balance in pesos.
Subsequent to quarter-end, in January 2026, the Company issued a new Class 6 corporate bond for US$ 60 million, with a 36-month tenor. The transaction was multiple times oversubscribed, reflecting strong investor demand, and allowed the Company to secure a 6.5% interest rate. This issuance fully covers the Company’s U.S. dollar maturities for this year.
Now, for our final remarks, I’ll hand the call back to Sergio. Thank you.

Slide 14

Sergio Faifman

Thank you, Marcos,

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

Following a relatively favorable first half of the year, the recovery lost momentum in the second semester, as political uncertainty surrounding the election period — together with financial and FX tensions — affected overall activity levels. Although the economy is estimated to have expanded by around 4% in 2025, the rebound in the cement industry was more moderate than anticipated, with significant room still to recover from the sharp contraction of 2024.

Within this context of tight monetary conditions, margins remained under pressure. Loma Negra's strong focus on cost discipline and operational efficiency was essential to preserving profitability in a challenging demand environment.

We remain confident that the structural growth drivers of our industry are intact. However, the normalization process and the full transmission of macroeconomic improvements to the real economy may take longer than previously expected.

Looking ahead to 2026, we are optimistic that continued macro stabilization and a gradual easing of monetary constraints will help restore dynamism to economic activity. That said, while several investment initiatives have been announced — particularly in infrastructure, road corridors, mining, and energy — these projects have not yet translated into higher volumes. We expect their impact to materialize progressively as execution advances throughout the year.

Argentina continues to face significant infrastructure gaps that must be addressed to sustain long-term growth, and Loma Negra is well positioned to play a central role in this next phase of development.

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