

2025

SECOND QUARTER EARNINGS REPORT



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GCC REPORTS SECOND QUARTER 2025 RESULTS

Chihuahua, Mexico, July 22, 2025 – GCC, S.A.B. de C.V. (BMV: GCC*), a leading supplier and producer of cement, aggregates, and concrete in the United States and Mexico, announced today its results for the second quarter of 2025.

Q2 2025 HIGHLIGHTS

- Consolidated net sales increased 1% year-on-year to US\$363.9 million
- U.S. sales grew 7.7% as concrete and cement volumes increased 20.7% and 4.2%, respectively
- U.S. concrete and cement prices increased 9.5% and 0.6%, respectively
- Mexico cement and concrete prices increased 4.2% and 3%, respectively
- EBITDA decreased 11.6% to US\$118.4 million, with a 32.5% EBITDA margin
- Cash and equivalents totaled US\$826.9 million
- Net leverage (net debt/EBITDA) ratio totaled -0.48x as of June 2025
- Earnings per share decreased 18.1% year-on-year, to US\$0.2242
- Free cash flow totaled US\$48.6 million with a 41.1% free cash flow conversion rate
- A dividend of Ps. 1.7674 per share was paid on May 13, 2025, representing a 15% year-on-year increase

KEY FIGURES (millions of dollars)

	Q2 25	Q2 24	Q2 25 vs. Q2 24	H1 25	H1 24	H1 25 vs. H1 24
Net sales	363.9	360.3	1.0%	610.4	633.2	-3.6%
Operating income before other expenses, net	91.0	109.3	-16.7%	139.0	167.8	-17.1%
EBITDA*	118.4	133.9	-11.6%	191.9	216.8	-11.5%
EBITDA margin	32.5%	37.1%		31.4%	34.2%	
Free cash flow**	48.6	29.0	67.7%	60.8	70.7	-14.0%
Net income	73.5	89.6	-18.0%	114.1	138.5	-17.7%
Earnings per share (US\$) ***	0.2242	0.2738	-18.1%	0.3480	0.4235	-17.8%

*EBITDA: Operating income before other expenses + depreciation and amortization

**Free cash flow before growth and strategic CapEx

***Earnings per share calculated based on average number of outstanding shares during the quarter

Enrique Escalante, GCC's Chief Executive Officer, commented: "While the second quarter was more challenging than anticipated, GCC's resilience has been demonstrated in the past, and this year will be no exception. Our company-wide cost and expense optimization plan reflects our commitment to protecting profitability through the remainder of the year."

Enrique continued, “We remain focused on what we can control and confident that our disciplined execution, along with our long-term strategy, will enable us to navigate short-term pressures and continue creating sustained value for our stakeholders.”

FINANCIAL RESULTS

Consolidated net sales for the second quarter of 2025 increased by 1% year-on-year, to US\$363.9 million up from US\$360.3 million in the second quarter of 2024. This was primarily due to increased concrete and cement volumes in the United States, and a favorable price environment in both markets. These gains were partially offset by decreased cement and concrete volumes in Mexico, as well as the depreciation of the Mexican peso against the U.S. dollar.

For comparative purposes, consolidated net sales, excluding the exchange rate effect, increased by 4% during the quarter.

Six months: Consolidated net sales decreased by 3.6%, to US\$610.4 million. This result was driven by decreased cement and concrete volumes in Mexico, partially offset by increased cement and concrete volumes in the United States, and a favorable price environment in both markets.

For comparative purposes, consolidated net sales, excluding the depreciation of the Mexican peso against the U.S. dollar, increased by 0.9%.

NET SALES (millions of dollars)

	Q2 25	Q2 24	Q2 25 vs. Q2 24	H1 25	H1 24	H1 25 vs. H1 24
Consolidated	363.9	360.3	1.0%	610.4	633.2	-3.6%
United States	272.3	252.8	7.7%	440.0	426.2	3.2%
Mexico	91.7	107.6	-14.8%	170.5	207.0	-17.6%
	Q2 25 vs. Q2 24			H1 25 vs. H1 24		
	Volumes	Prices*		Volumes	Prices*	
Cement						
United States	4.2%	0.6%		0.7%	1.6%	
Mexico	-6.2%	4.2%		-9.2%	4.7%	
Concrete						
United States	20.7%	9.5%		15.4%	10.6%	
Mexico	-13.1%	3.0%		-12.9%	3.0%	

*Prices in local currency

U.S. sales for the second quarter of 2025 increased by 7.7% to US\$272.3 million, representing 75% of GCC's consolidated net sales. This was primarily due to a 20.7% and 4.2% increase in concrete and cement volumes, respectively, and a 9.5% and 0.6% increase in concrete and cement prices, respectively.

The most dynamic market segment during the quarter was renewable energy.

Six months: U.S. sales increased by 3.2% to US\$440 million. This growth was primarily driven by a 15.4% and 0.7% increase in concrete and cement volumes, respectively, and a 10.6% and 1.6% increase in concrete and cement prices.

Mexico sales decreased by 14.8% in the second quarter of 2025, to US\$91.7 million, representing 25% of GCC's consolidated net sales. This decline was driven by a 13.1% and 6.2% decrease in concrete and cement volumes, respectively, partially offset by a 4.2% and 3% increase in cement and concrete prices.

The depreciation of the Mexican peso against the U.S. dollar during the quarter decreased sales by US\$11 million. For comparison, sales in Mexico, excluding this effect, decreased by 4.6%.

Mexico sales during the quarter were primarily impacted by the slowdown in the industrial segment, partially offset by increased demand related to housing.

Six months: Mexico sales decreased by 17.6% to US\$170.5 million, driven by a 12.9% and 9.2% decrease in concrete and cement volumes, respectively. This decline was partially offset by a 4.7% and 3% increase in cement and concrete prices.

The depreciation of the Mexican peso against the U.S. dollar decreased sales by US\$28.4 million. For comparison, sales in Mexico, excluding the effects of the peso depreciation, decreased by 3.9%.

Cost of sales totaled US\$242.9 million for the second quarter of 2025, representing 66.7% of total sales; a 5.8 percentage-point increase. This result was primarily driven by lower production due to the timing of plant maintenance, an effect that is expected to normalize in the second half of the year. Additional impacts included the absence of the natural gas hedge benefit we recognized in the second quarter of 2024, as well as higher transfer freight expenses, increased real estate sales and higher fuel prices.

Six months: Cost of sales represented 67.7% of revenues; a 4.2 percentage-point year-over-year increase. This was result of the same factors that impacted the second quarter of 2025.

Selling, general, and administrative expenses totaled US\$30 million in the second quarter of 2025, equivalent to 8.3% of consolidated net sales; a 50 basis-point decrease, driven

primarily by the depreciation of the Mexican peso against the U.S. dollar and lower consulting services.

Six months: Selling, general, and administrative expenses totaled US\$58.2 million, equivalent to 9.5% of sales, representing a 50 basis-point decrease, as a result of the same reasons as the second quarter.

Operating income before other expenses decreased 16.7% to US\$91 million in the second quarter of 2025, compared to US\$109.3 million in the second quarter of 2024.

Six months: Operating income before other expenses decreased 17.1% to US\$139 million.

Other expenses totaled US\$1.9 million in the second quarter of 2025, compared to US\$2.3 million in the second quarter of 2024; a 20.4% decrease.

Six months: Other expenses totaled US\$3.4 million, compared to US\$4 million in the prior-year period.

Operating income decreased 16.6% to US\$89.2 million in the second quarter of 2025, compared to US\$107 million in the second quarter of 2024.

Six months: Operating income decreased 17.2% to US\$135.6 million.

As a result, second quarter 2025 **EBITDA** decreased by 11.6% to US\$118.4 million. Second quarter 2025 EBITDA margin was 32.5%; a 4.6 percentage-point decrease.

85% of second quarter 2025 EBITDA was generated by the Company's U.S. operations and 15% by its Mexico operations.

Six months: EBITDA decreased 11.5% to US\$191.9 million, while the EBITDA margin decreased 2.8 percentage points to 31.4%.

GCC's U.S. operations generated 78% of EBITDA and Mexico generated 22% of EBITDA.

Net financial income totaled US\$8.5 million in the second quarter of 2025, compared to US\$15.2 million in the prior-year period; a 44.1% decrease. This was primarily due to the depreciation of the Mexican peso against the U.S. dollar and lower financial income resulting from a decreased average cash balance, partially offset by the benefit of the interest capitalization related to the Odessa plant expansion project.

Six months: Net financial income totaled US\$16 million, compared to US\$25.4 million in the prior year period, as a result of the same reasons impacting the second quarter.

Income tax totaled US\$24.7 million for the second quarter of 2025, compared to US\$32.6 million in the prior year period; a 24.1% decrease. This was due to lower income before taxes.

Six months: Income tax totaled US\$39 million; a 23% year-on-year decrease. This was due to lower income before taxes.

Consolidated net income was US\$73.5 million for the second quarter of 2025, an 18% decrease compared to US\$89.6 million in the second quarter of 2024.

Six months: Consolidated net income decreased 17.7% and totaled US\$114.1 million, compared to US\$138.5 million for the same period in 2024.

Earnings per share was US\$0.2242 in the second quarter of 2025, compared to US\$0.2738 in the second quarter of 2024; an 18.1% decrease.

Six months: Earnings per share totaled US\$0.3480, compared to US\$0.4235 in the prior-year period; a 17.8% year-over-year decrease.

Free cash flow was US\$48.6 million in the second quarter of 2025, compared to US\$29 million for the same period in 2024; a 67.7% increase. This increase was due to lower working capital requirements, maintenance CapEx, and cash taxes, partially offset by lower EBITDA generation and interest income.

Six months: Free cash flow was US\$60.8 million, compared to US\$70.7 million for the same period in 2024; a 14% decrease. This decrease was primarily due to lower EBITDA generation, interest income, and accrual payments, partially offset by lower working capital requirements and maintenance CapEx.

FREE CASH FLOW (millions of dollars)

	Q2 25	Q2 24	Var	H1 25	H1 24	Var
Operating income before other expenses	91.0	109.3	-16.7%	139.0	167.8	-17.1%
Depreciation and amortization	27.3	24.6	11.3%	52.9	49.0	7.8%
EBITDA	118.4	133.9	-11.6%	191.9	216.8	-11.5%
Interest income (expense)	2.4	7.1	-65.7%	14.9	24.3	-38.7%
Decrease (increase) in working capital	(32.9)	(61.5)	-46.5%	(50.2)	(75.9)	-33.8%
Taxes	(21.4)	(26.4)	-19.0%	(33.0)	(31.6)	4.2%
Prepaid expenses	3.2	3.0	7.6%	3.9	5.6	-30.1%
Accruals and other accounts	(4.6)	1.6	n.m.	(33.0)	(24.8)	33.3%
Operating leases (IFRS16 effect)	(3.4)	(3.1)	9.8%	(6.6)	(6.4)	3.8%
Operating cash flow	61.7	54.5	13.2%	87.9	108.1	-18.7%
Maintenance CapEx	(13.1)	(25.5)	-48.7%	(27.1)	(37.4)	-27.6%
Free cash flow	48.6	29.0	67.7%	60.8	70.7	-14.0%
Strategic & Growth CapEx	(88.1)	(71.1)	23.9%	(155.5)	(96.8)	60.6%
Shares repurchase, net	0.5	(0.6)	n.m.	(0.5)	0.4	n.m.
Debt additions	0.0	0.0	n.m.	100.0	0.0	n.m.
Dividends paid	(29.8)	(30.0)	-0.5%	(29.8)	(30.0)	-0.5%
FX effect	22.3	(28.4)	n.m.	21.2	(23.7)	n.m.
Initial cash balance	873.4	980.5	-10.9%	830.6	958.7	-13.4%
Final cash balance	826.9	879.4	-6.0%	826.9	879.4	-6.0%
FCF conversion rate*	41.1%	21.7%		31.7%	32.6%	

*Free cash flow conversion rate: Free cash flow after maintenance CapEx/EBITDA

Total debt was US\$600 million as of June 30, 2025, based on contractual balances, reflecting a 20% year-on-year increase.

Long-term debt represented 100% of the Company's total debt.

As of June 30, 2025, 100% of GCC's debt was denominated in U.S. dollars.

Net leverage (net debt/EBITDA) at the end of the second quarter of 2025 was -0.48 times, compared to -0.56 times as of March 31, 2025, in accordance with GCC's contractual obligations.

INTEREST-BEARING DEBT* (millions of dollars)

	June 2025	June 2024	2025 vs. 2024
Total	600.0	500.0	20.0%
Short-term	0.0	0.0	0.0%
Long-term	600.0	500.0	20.0%

*Excludes amortizable commissions and issuance expenses

REVISED OUTLOOK FOR 2025

United States		
Volumes	Cement	Flat
	Concrete	Mid-teens increase
Prices (US\$)	Cement	Flat
	Concrete	Mid-single digit increase
Mexico		
Volumes	Cement	Mid-single digit decrease
	Concrete	
Prices (US\$)	Cement	Mid-single digit increase
	Concrete	Low-single digit increase
Consolidated		
EBITDA Growth		Mid-single digit decrease
FCF Conversion Rate*		> 60%
Total CapEx		US\$400 million
	Growth	\$330
	Maintenance	\$70
Net Debt / EBITDA, year-end		Negative

BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and use the U.S. dollar as the reporting currency.

Currency translations from pesos to U.S. dollars use the average monthly exchange rates published by Banco de México, as shown below.

EXCHANGE RATES (pesos per U.S. dollar)

	2025	2024
Second quarter average	19.5281	17.2295
As of June 30	18.8928	18.2215
Accumulated average	19.9753	17.1128

Unless otherwise stated, all percentage changes refer to the second quarter (or six months) of 2025 compared to the corresponding periods in 2024.

ANALYST COVERAGE

Analysts at the following brokerages currently cover GCC's shares:

1. Actinver
2. Bank of America Merrill Lynch
3. BBVA
4. Bradesco BBI
5. Citigroup
6. Data Based Analysis
7. GBM - Grupo Bursátil Mexicano
8. Grupo Financiero Banorte
9. Grupo Financiero Ve por Más
10. Itaú BBA
11. J.P. Morgan
12. Morgan Stanley
13. Santander
14. Scotiabank
15. UBS

MATERIAL EVENTS**GCC announced dividend payment**

The General Shareholders' Meeting held on April 24, 2025, declared a Ps. 1.7674 dividend per share, which came from the balance of the net earnings on a tax basis corresponding to fiscal year 2013 and prior years.

The declared dividend was paid on May 13, 2025, through S.D. Indeval, against delivery of coupon 22 of the current share certificates.

GCC recognized as a Socially Responsible Company

For the 20th consecutive year, GCC received the Socially Responsible Company (ESR®, for its acronym in Spanish) distinction in Mexico. This recognition is granted by the Mexican Center for Philanthropy (Cemefi, for its acronym in Spanish) and the Alliance for Corporate Social Responsibility (AliaRSE, for its acronym in Spanish). It is awarded exclusively to companies that achieve a score above 75% on the Corporate Social Responsibility Index.

This achievement reaffirms GCC's commitment to upholding the highest standards in business ethics, quality of life within the company, community engagement, and environmental care and preservation.

SUSTAINABILITY

GCC released its 2024 Integrated Report

GCC published its Integrated Report for fiscal year 2024, providing a comprehensive overview of its strategic actions and accomplishments throughout the year.

In 2024, GCC delivered record financial growth with unprecedented sales, EBITDA, EBITDA margin, and net income, while achieving significant progress in its ESG initiatives. The report reflects the Company's commitment to transparency, sustainability, and excellence, as well as the teams' dedication to building a solid foundation for the future.

To read GCC's 2024 Integrated Report, [click here](#).

CONFERENCE CALL

GCC, S.A.B. de C.V. will host its earnings conference call on July 23, 2025.

Time: 11 a.m. Eastern Time (New York) / 9 a.m. Central Time (Mexico City)

Conference ID: **13750648**

Dial in:

U.S. (toll free): 1-877-407-0789

International: 1-201-689-8562

Replay (through July 30, 2025, 11:59 p.m. ET):

U.S. (toll free): 1-844-512-2921

International: 1-412-317-6671

Listen-only webcast and replay: [click here](#)

Income Statement

(Thousands of dollars)

	Q2 2025	%	Q2 2024	%	Q25 / Q24
Net sales	363,909	100.0%	360,338	100.0%	1.0%
U.S. sales	272,256	74.8%	252,783	70.2%	7.7%
Mexico sales	91,653	25.2%	107,555	29.8%	-14.8%
Cost of sales	242,864	66.7%	219,547	60.9%	10.6%
Gross income	121,045	33.3%	140,791	39.1%	-14.0%
Selling, general and administrative expenses	30,027	8.3%	31,505	8.7%	-4.7%
Operating income before other expenses, net	91,018	25.0%	109,286	30.3%	-16.7%
Other (income) expenses	1,852	0.5%	2,326	0.6%	-20.4%
Operating income	89,166	24.5%	106,960	29.7%	-16.6%
Financial income	12,383	3.4%	17,190	4.8%	-28.0%
Financial expenses	(2,043)	-0.6%	(6,739)	-1.9%	-69.7%
Exchange gain (loss), net	(1,839)	-0.5%	4,762	1.3%	n.m.
Net financing income	8,501	2.3%	15,213	4.2%	-44.1%
Share of profit of associates and joint venture	567	0.2%	24	0.0%	n.m.
Income before income taxes	98,234	27.0%	122,197	33.9%	-19.6%
Income taxes (benefit)	24,719	6.8%	32,558	9.0%	-24.1%
Consolidated net income	73,515	20.2%	89,639	24.9%	-18.0%
Controlling interest	73,514	20.2%	89,638	24.9%	-18.0%
Non-controlling interest	1	0.0%	1	0.0%	0.0%
EBITDA	118,362	32.5%	133,863	37.1%	-11.6%
Free cash flow	48,624	13.4%	28,991	8.0%	67.7%

Cumulative Income Statement to June

(Thousands of dollars)

	2025	%	2024	%	2025 / 2024
Net sales	610,440	100.0%	633,183	100.0%	-3.6%
U.S. sales	439,981	72.1%	426,218	67.3%	3.2%
Mexico sales	170,459	27.9%	206,965	32.7%	-17.6%
Cost of sales	413,252	67.7%	401,762	63.5%	2.9%
Gross income	197,188	32.3%	231,421	36.5%	-14.8%
Selling, general and administrative expenses	58,197	9.5%	63,665	10.1%	-8.6%
Operating income before other expenses, net	138,991	22.8%	167,756	26.5%	-17.1%
Other (income) expenses	3,409	0.6%	4,048	0.6%	-15.8%
Operating income	135,582	22.2%	163,708	25.9%	-17.2%
Financial income	25,482	4.2%	34,846	5.5%	-26.9%
Financial expenses	(7,516)	-1.2%	(13,388)	-2.1%	-43.9%
Exchange gain (loss), net	(2,007)	-0.3%	3,984	0.6%	n.m.
Net financing income	15,959	2.6%	25,442	4.0%	-37.3%
Share of profit of associates and joint venture	1,493	0.2%	12	0.0%	n.m.
Income before income taxes	153,034	25.1%	189,162	29.9%	-19.1%
Income taxes (benefit)	38,978	6.4%	50,639	8.0%	-23.0%
Consolidated net income	114,056	18.7%	138,523	21.9%	-17.7%
Controlling interest	114,054	18.7%	138,522	21.9%	-17.7%
Non-controlling interest	2	0.0%	1	0.0%	100.0%
EBITDA	191,868	31.4%	216,802	34.2%	-11.5%
Free cash flow	60,806	10.0%	70,685	11.2%	-14.0%

Statement of Financial Position

(Thousands of dollars)

	June 2025	June 2024	Variation
Total assets	3,260,725	2,851,565	14.3%
Current assets	1,217,189	1,252,856	-2.8%
Cash and cash equivalents	826,854	879,385	-6.0%
Accounts receivable, net	170,544	155,855	9.4%
Other accounts receivable, net	31,317	29,400	6.5%
Due from related parties	3,935	4,103	-4.1%
Inventories	174,190	173,674	0.3%
Prepaid expenses	10,349	10,439	-0.9%
Non-current assets	2,043,536	1,598,709	27.8%
Inventory properties	56,472	51,026	10.7%
Investment in associates	31,704	27,488	15.3%
Property, machinery and equipment, net	1,633,400	1,216,327	34.3%
Long term right of use assets	29,241	20,622	41.8%
Goodwill	216,674	212,598	1.9%
Intangible assets, net	59,131	54,372	8.8%
Other non-current assets	16,914	16,276	3.9%
Total liabilities	1,188,987	1,054,907	12.7%
Short-term liabilities	304,309	296,654	2.6%
Trade accounts payable	183,552	160,856	14.1%
Due to related parties	1,713	3,248	-47.3%
Short term - employee benefits	38,879	37,552	3.5%
Accrued expenses and taxes other than income taxes	65,867	82,174	-19.8%
Provisions	2,925	5,649	-48.2%
Short term right of use liabilities	11,373	7,175	58.5%
Long-term liabilities	884,678	758,253	16.7%
Long term debt	596,327	497,141	20.0%
Long term right of use liabilities	20,308	14,620	38.9%
Employee benefits	28,375	30,238	-6.2%
Provision for environmental restoration	25,952	24,562	5.7%
Deferred income taxes	213,716	191,692	11.5%
Total equity	2,071,738	1,796,658	15.3%
Controlling interest	2,071,063	1,795,683	15.3%
Capital stock	32,070	32,070	0.0%
Additional paid-in capital	148,365	148,365	0.0%
Reserves	22,659	22,659	0.0%
Retained earnings	2,022,957	1,729,591	17.0%
Consolidated net income	114,054	138,522	-17.7%
Other comprehensive income	(269,042)	(275,524)	2.4%
Non-controlling interest	675	975	-30.8%
Total liabilities and equity	3,260,725	2,851,565	14.3%

ABOUT GCC

GCC is a leading supplier and producer of cement, aggregates, concrete, and construction-related services in the United States and Mexico. The Company has an annual cement production capacity of 6 million metric tons.

Founded in 1941, the Company's shares are listed on the Mexican Stock Exchange under the ticker symbol GCC*.

This earnings report may contain forward-looking statements. All statements that are not clearly historical in nature are forward-looking, and words such as "anticipate," "believe," "expect," "estimate," "intend," "project," and similar expressions are generally intended to identify forward-looking statements. These statements are subject to risks and uncertainties, including but not limited to changes in macroeconomic, political, legal, and public health conditions, including COVID-19, governmental or business conditions in the markets where GCC operates, changes in interest rates, inflation rates, and currency exchange rates, as well as the performance of the construction industry, pricing, business strategy, and other factors.

If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, actual results may differ materially from the beliefs, projections, and estimates described herein. GCC assumes no obligation to update the information contained in this earnings report. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.