



# SAFE HARBOR STATEMENT

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#### **EBITDA**

We define EBITDA as consolidated net income after adding back or subtracting, as the case may be: (1) depreciation and amortization; (2) net financing expense; (3) other non-operating expenses; (4) taxes; and (5) share of earnings in associates. In managing our business, we rely on EBITDA as a means of assessing our operating performance. We believe that EBITDA enhances the understanding of our financial performance and our ability to satisfy principal and interest obligations with respect to our indebtedness as well as to fund capital expenditures and working capital requirements. We also believe EBITDA is a useful basis of comparing our results with those of other companies because it presents results of operations on a basis unaffected by capital structure and taxes. EBITDA, however, is not a measure of financial performance under IFRS or U.S. GAAP and should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Our calculation of EBITDA may not be comparable to other companies' calculation of similarly titled measures.

### Currency translations / physical volumes

All monetary amounts in this presentation are expressed in U.S. Dollars (\$ or US\$). Currency translations from pesos into U.S. dollars use the average monthly exchange rates published by Banco de México. These translations do not purport to reflect the actual exchange rates at which cross-currency transactions occurred or could have occurred. The average exchange rates (Pesos per U.S. dollar) used for recent periods are:

Q4-23 - 17.5732 2023 - 17.7597 Q4-22 - 19.6878 2022 - 20.1222

Physical volumes are stated in metric tons (mt), millions of metric tons (mmt), cubic meters (m3), or millions of cubic meters (mm3).



### **REFLECTION OF THE STRATEGY EXECUTION SINCE 2016**

ONE OF THE STRONGEST PLAYERS IN THE INDUSTRY Deleveraging as soon as possible

Maintaining a healthy cash balance

Refinancing bank debt and notes, extending maturities and reducing the average cost of debt

Swapping non-integrated ready-mix assets for Montana cement plant without increasing debt

Successfully completing Rapid City cement plant expansion and Samalayuca debottlenecking project

Maintaining strict M&A criteria with a focus on value for purchase, at a cost within strict pre-determined parameters



# CASH, LIQUIDITY AND BALANCE SHEET

- Cost and expense reductions throughout the organization
  - Variable costs and distribution efficiencies
  - Achieved US\$24 million in savings during 2020 and maintained US\$10 million in 2021 e.g. hiring freeze, not filling vacant positions and limiting external service providers
- Cash and equivalents totaled US\$958.7 million in Q4-23
- Net debt/EBITDA totaled -0.99x as of December 2023
- No significant debt maturities in 2022
- Issued a US\$500 million 10-year sustainability-linked bond due 2032
- Strong balance sheet, result of the strategy of maintaining an efficient and prudent capital structure







### INVESTMENT HIGHLIGHTS

TICKER: BMV: GCC



- (1) Leading position in attractive U.S. regional markets and in Chihuahua, Mexico
- Mexico operations also provide a strong base, and add operational flexibility with export capacity
- 3 Vertically integrated, with best in class production facilities and logistics
- 4 Increased free float and liquidity
- 5 Healthy balance sheet and strong free cash flow drive value creation



MORE THAN NINE
YEARS OF OPERATIONAL
AND FINANCIAL
TRANSFORMATION

Disciplined expansion

Customer focus

• Operational excellence

Prudent balance sheet management

Increased shareholder value

AS OF
DECEMBER
2023 VS 2014

Cement
Capacity
+1.7mmt
+36%

EBITDA
Growth
+200%

EBITDA
Margin
+1,420bp

Net Debt/
EBITDA

2.28x →
-0.99x

Free Float

25% →

49%

Share Price (06/02/24) +430%

# GCC AT A GLANCE: A **UNIQUE** MARKET PRESENCE



• 3.5 MMT in U.S. + 2.5 MMT in Mexico

- #1 or #2 share in core markets
  - Landlocked states, insulated from seaborne competition
- 8 cement plants, 23 terminals, 2 distribution centers and 95 ready-mix plants
- 82 years of operation 29 in the U.S.
- Listed on Mexican Stock Exchange: GCC\*
- Included in: S&P/BMV IPC
   FTSE Indexes
   FTSE BIVA

## KEY RESULTS FY 2023

US\$1,364 million sales - 69% U.S. / 31% Mexico

**US\$472** million **EBITDA** – **76% U.S.** / **24% Mexico** 

34.6% EBITDA margin

Net leverage of -0.99x



## CEMENT AND READY-MIX CONCRETE OPERATIONS ACROSS THE "CENTER CUT" OF NORTH AMERICA

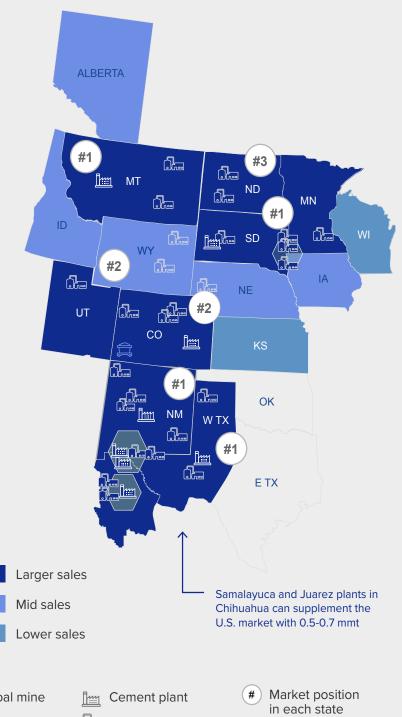




### REGIONAL LEADER IN U.S. MID-CONTINENT MARKETS

### WELL-POSITIONED TO CAPTURE U.S. GROWTH AND CONSTRUCTION INDUSTRY RECOVERY

- Leadership position in 15 contiguous states
  - CO, MN, MT, ND, NM, SD, UT and W.TX are our core markets, with 91% of U.S. sales
- No other producer competes with GCC across all our markets
- Diversified regional economies with low unemployment, offering clear upside to U.S. construction recovery
- Pricing upswing since 2013
  - Limited prospects for greenfield capacity expansion
  - Well-protected from seaborne imports
- Trident, MT cement plant acquisition (June 2018)
- Rapid City, SD plant expansion (+0.4 MMT) increased U.S. cement capacity to 3.5 MMT per year (finished 4Q18)
- Samalayuca, Chih. debottlenecking project (+0.2 MMT) finished in April 2023
- Odessa, TX plant ongoing expansion (+1.1 MMT)

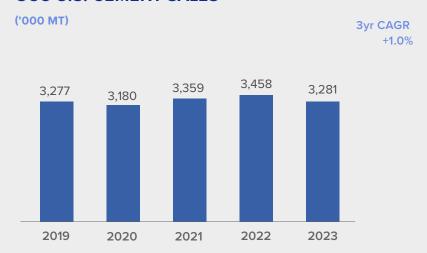




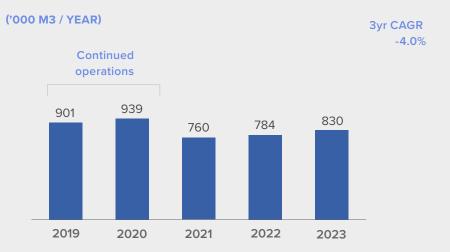


# MARKETS WITH DEMONSTRATED VOLUME AND PRICE RECOVERY

### **GCC U.S. CEMENT SALES**



### **GCC U.S. CONCRETE SALES**

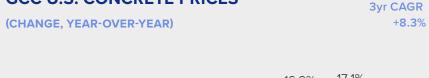






3yr CAGR

### **GCC U.S. CONCRETE PRICES**

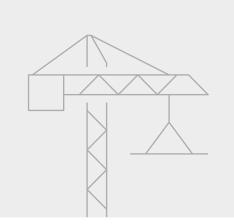




### WHERE GCC FACES FRAGMENTED COMPETITION AND HAS A DIVERSIFIED BUSINESS MIX



### GCC MARKET POSITION AND COMPETITORS IN CORE MARKETS



GCC market position GCC cement plant in state Competitor in-state plant

COLORADO #2 LHN, CX Other principal competitors EXP

N. MEXICO (~)

HEI, LHN LHN CRH

#3

LHN, CRH

N. DAKOTA S. DAKOTA

 $(\checkmark)$ BZU, SRMG\*

W. TEXAS

**EXP** 

**WYOMING** 

#2

( ~ )

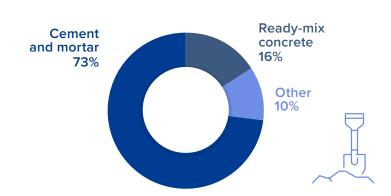
CRH

MONTANA

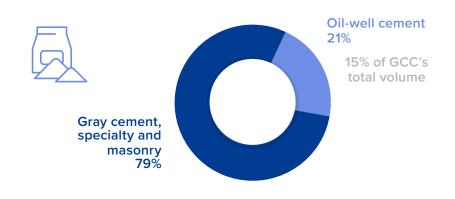
\*\* Aprox. 12 mmt of capacity in East and Central Texas

\* Refers to West Texas only

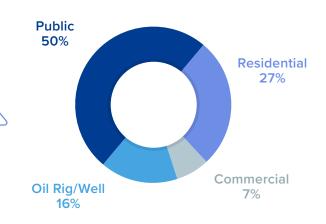
#### U.S. 2023 SALES MIX



### U.S. 2023 PRODUCTION VOLUME BY CEMENT TYPE



### U.S. SECTORS<sup>1</sup>

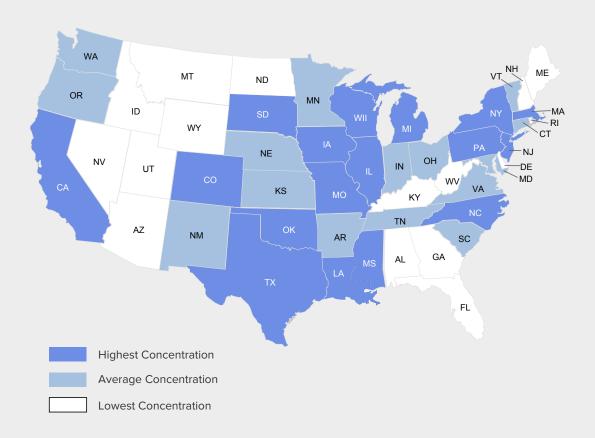




### AND A CLEAR NEED FOR INCREASED INFRASTRUCTURE SPENDING

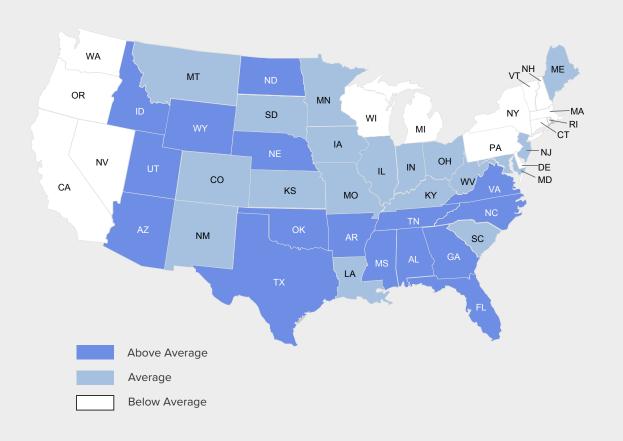
### **DEFICIENT ROADS 1**

LANE MILES RATED 'POOR'
AS A SHARE OF TOTAL LANE MILES



### **CEMENT FUNDAMENTALS 2**

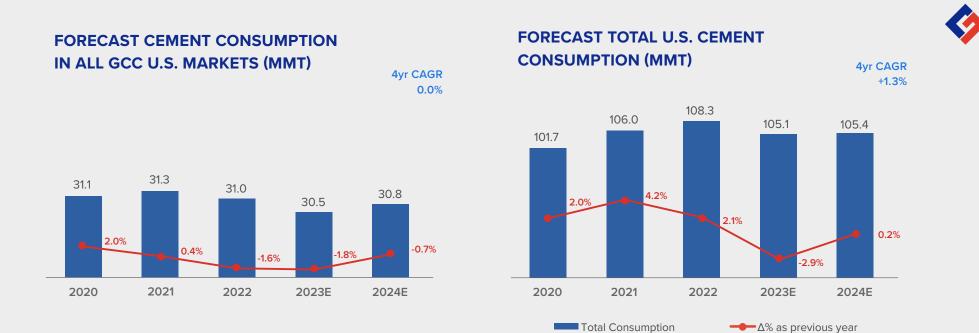
BASED ON PCA SECTOR COMPOSITE RANKINGS\*



<sup>&</sup>lt;sup>1</sup>Source: PCA United States' Cement Outlook

<sup>&</sup>lt;sup>2</sup>Source: PCA Market Intelligence, Regional Analysis (July 2020)

LEADING TO A
POSITIVE OUTLOOK,
DRIVEN BY AN
EXPECTED INCREASE
IN INFRASTRUCTURE
SPENDING



### U.S. CEMENT DEMAND WILL OUTPACE SUPPLY BY 2024, IMPORTS WILL BE A CRITICAL SOURCE OF SUPPLY

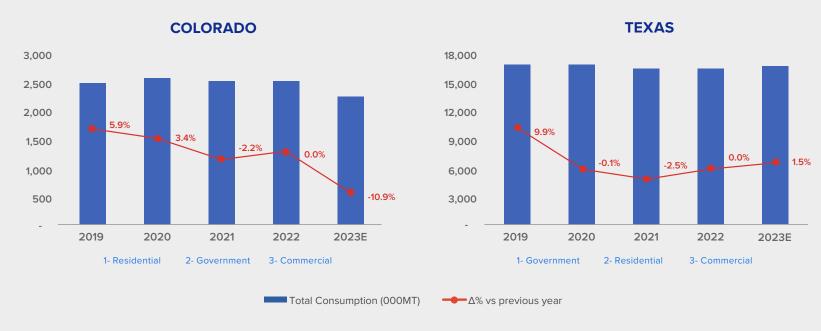


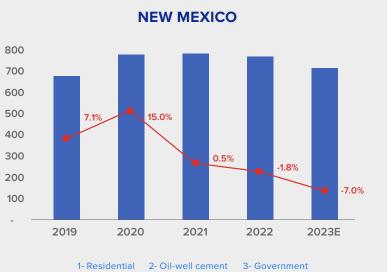
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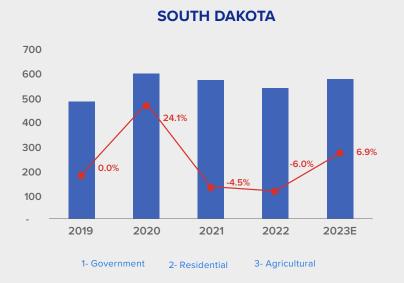


## PORTLAND CEMENT ASSOCIATION (PCA) FALL 2023 FORECAST AND MAIN CONSUMERS

# WITH A SOLID OUTLOOK IN KEY STATES









### **BIDEN INFRASTRUCTURE PLAN**



- The Infrastructure Investment and Jobs Act is a \$1.2 trillion infrastructure package. Included in the package is roughly \$550 billion in new surface transportation spending. The plan will take 5-years and combines transformational efforts in roads, bridges, railroads, and domestic building, among others, all requiring cement. Over \$280 billion was announced as of 3Q23
- 83% of GCC's EBITDA is driven by cement

# U.S. INFRASTRUCTURE PLAN WILL BOOST THE CEMENT INDUSTRY





- PCA estimates that the plan will result in an increase in cement consumption of 35 million metric tons
- Cement consumption is expected to increase 7% annually over 2020 levels (excluding organic growth)
- Projects will start to materialize in 2024

### LIMITED AVAILABILITY



- Cement availability pressured by high demand due limited supply
- GCC is well positioned to meet U.S. demand with Mexico cement plants and the Rapid City cement plant expansion
- Odessa plant expansion to be completed in 2025 to capture plan-related demand

### **PRICE INCREASES**

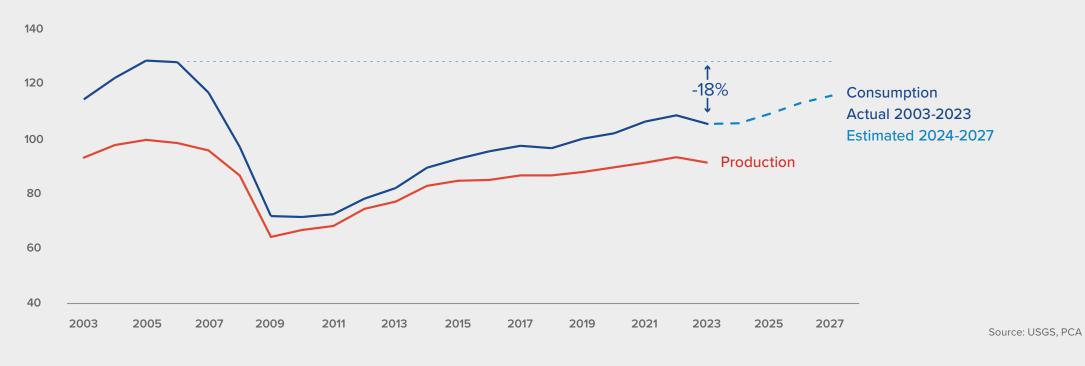


- In 2024, we have increased cement prices one time
- In 2023, we increased cement prices two times, which represents an average of 8% increase
- Market dynamic could potentially drive the increase in cement prices













- 2023 U.S. apparent consumption is still 18% below 2005 peak (23 MMT)
- Import share is about 25% of consumption, compared to 23% share in 2006

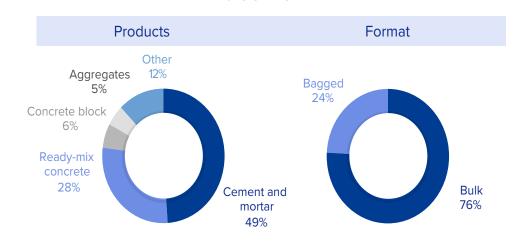
## **♦**GCC

# GCC IS THE LEADING PRODUCER IN THE STATE OF CHIHUAHUA, WITH SIGNIFICANT EXPORT CAPACITY

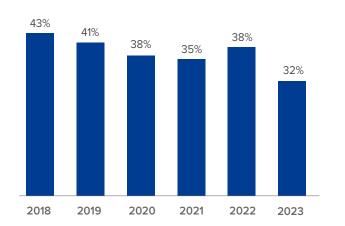


- GCC is sole producer of cement and the leading producer of ready-mix concrete in Chihuahua
- Close economic ties between Chihuahua and the U.S.
  - Cyclical recovery benefit
  - Foreign direct investment target
- Demand growth driven by private sector
- Flexibility to supply Texas and New Mexico demand from Samalayuca and Juarez plants
- Chihuahua plant supporting oil-well cement demand in Texas

#### **2023 SALES MIX**

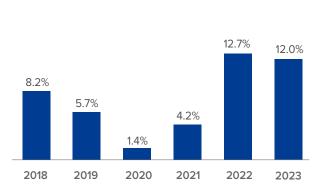


#### **EXPORT SHARE OF MEXICO'S VOLUME SALES**



#### **CEMENT DOMESTIC PRICING TRENDS**

(% CHANGE YEAR-ON-YEAR)<sup>1</sup>



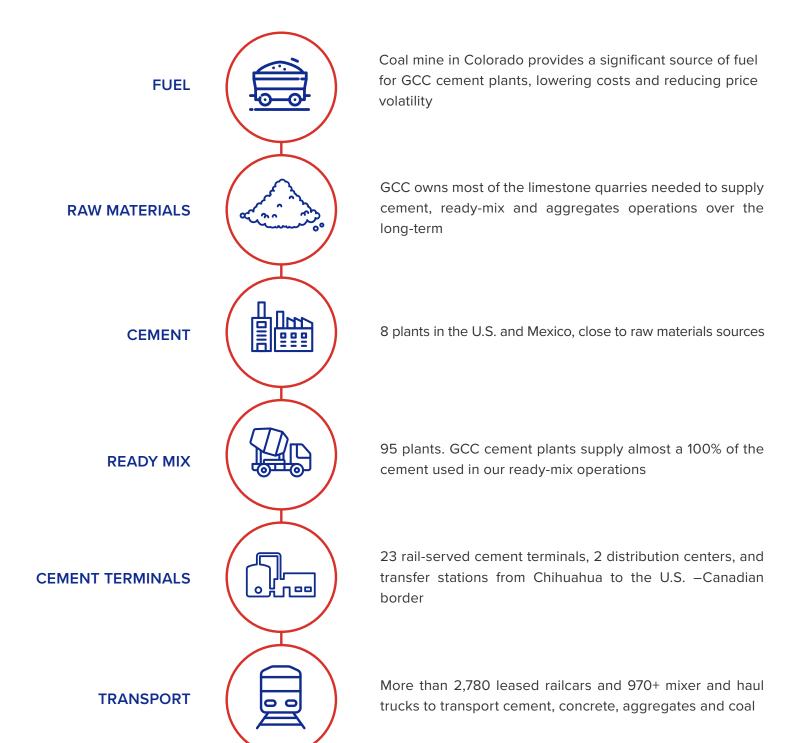
<sup>&</sup>lt;sup>1</sup> Price changes in local currency



VERTICALLY INTEGRATED

**OPERATIONS** 

GCC IS PRESENT AT ALL STAGES OF THE CEMENT AND READY-MIX SUPPLY CHAIN



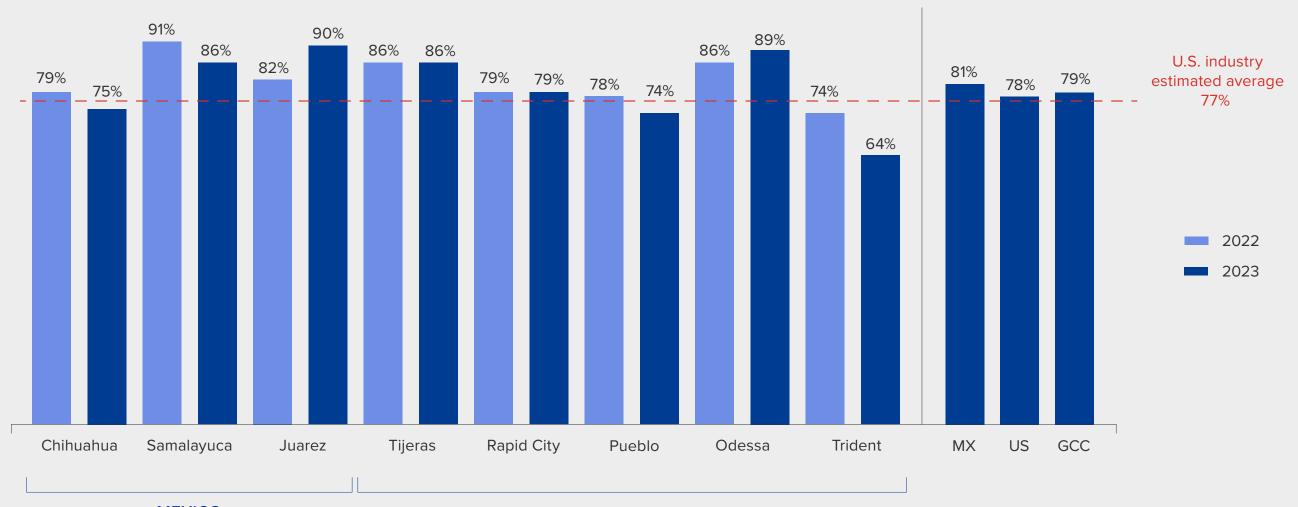


WITH STATE
OF THE ART
PRODUCTION
FACILITIES



# OPERATING AT NEAR-OPTIMAL CAPACITY UTILIZATION LEVELS





MEXICO UNITED STATES

LINKED BY SOPHISTICATED **DISTRIBUTION NETWORK THAT LEVERAGES** CONTIGUOUS **MARKET FOOTPRINT** 

### **ROBUST LOGISTICS PLATFORM STRETCHES** FROM NORTHERN MEXICO TO THE U.S. **BORDER WITH CANADA**

- Operational flexibility
- Cost efficiency
- Faster delivery time
- Advanced logistics
- Reduced supply disruption risk
- Hard to replicate
- Brand loyalty and client trust
- Redundancy



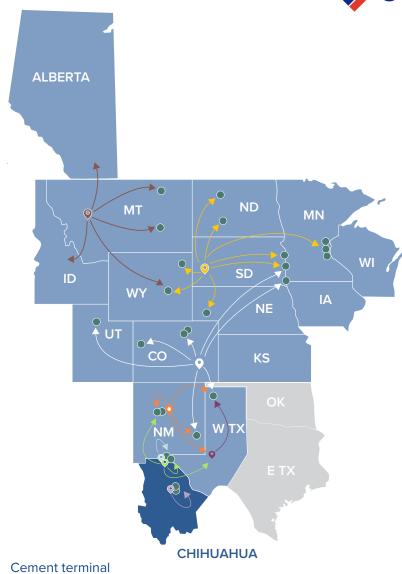
23 cement terminals, 2 distribution centers, and transfer stations



+2,780 leased rail cars



95 ready-mix plants, 970+ mixer and haul trucks





Cement plants

Illustrates sale of cement from origin state to destination state



RECENT
DEVELOPMENTS
ENHANCE
GCC'S VALUE
PROPOSITION

**EBITDA** Growing +150% EBITDA growth since 2016 34.6% 2023 margin

Cement Capacity
Growing

+514k mt
Odessa in 2016
acquisition

+440k mt
Rapid City in 2018
expansion

+315k mt
Trident in 2018
acquisition

+200k mt
Samalayuca in 2023
debottlenecking

+1.1m mt
Odessa ongoing
expasion

Debt Falling and Refinancing

-0.99x Net leverage

BBB-Investment grade Fitch rating

**BBB-**S&P rating

\$500 mm Sustainability-linked bond Increased free float and liquidity

46% of total shares on BMV

**+23%**Free Float

**S&P/BMV IPC**Index inclusion

FTSE Index inclusion

FTSE BIVA Index inclusion



### BOND AND BANK DEBT REFINANCING STRENGHTEN

FINANCIAL

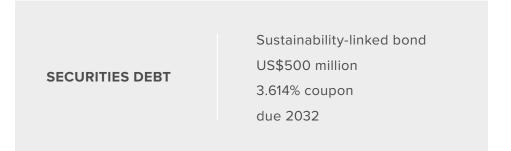
**POSITION** 

### REDUCTION OF INTEREST COUPON BY 1.636 PERCENTAGE POINTS

- Fitch and S&P upgraded GCC's rating to investment grade (Q1-21)
- Bond interest coupon decreased to 3.614% from 5.250% (January 2022)
- Undrawn ~US\$270mm revolving credit facility to support liquidity

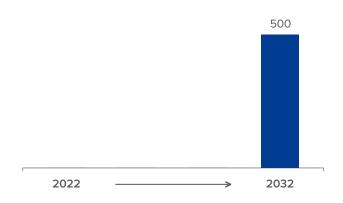
AGENCY	RATING	OUTLOOK	DATE
FITCH	BBB-	Positive	12/23
S&P	BBB-	Stable	06/23

### **DEBT COMPOSITION**



### **MATURITY PROFILE**

(US\$ million)



### **DEBT RATIOS**

(December 31, 2023)

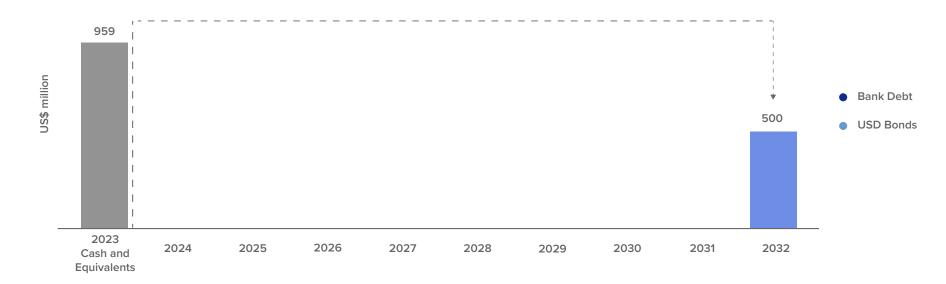


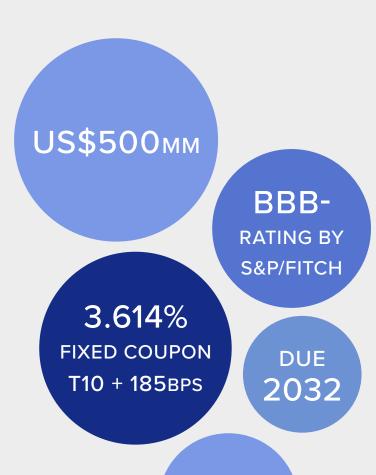
### SUSTAINABILITY LINKED BOND



### FIRST ISSUANCE AS AN INVESTMENT GRADE COMPANY

- Largest USD SLB by a cement company ever
- 2.8x oversubscribed orderbook
- Drove a 25bps compression from IPTs to launch
- GCC hosted conference calls with over 75 accounts, over a 4-day marketing exercise, while simultaneously leveraging an electronic roadshow that was viewed by more than 200 unique accounts
- Extends GCC debt maturity profile
- Fund the full call redemption of the US\$260 million 5.250% notes due 2024
- Refinance upcoming bank debt maturities





75<sub>BPS</sub> STEP-UP

### SUSTAINABILITY LINKED BOND



### REINFORCING GCC'S COMMITMENT TO DECARBONIZATION

First SLB from a cement company in the Americas, positioning GCC at the forefront of the industry's decarbonization strategy

### SUSTAINABILITY PERFORMANCE TARGET

Carbon Intensity Reduction, measured as specific gross kilograms of CO2 (Scope 1) emissions emitted per ton of cementitious material

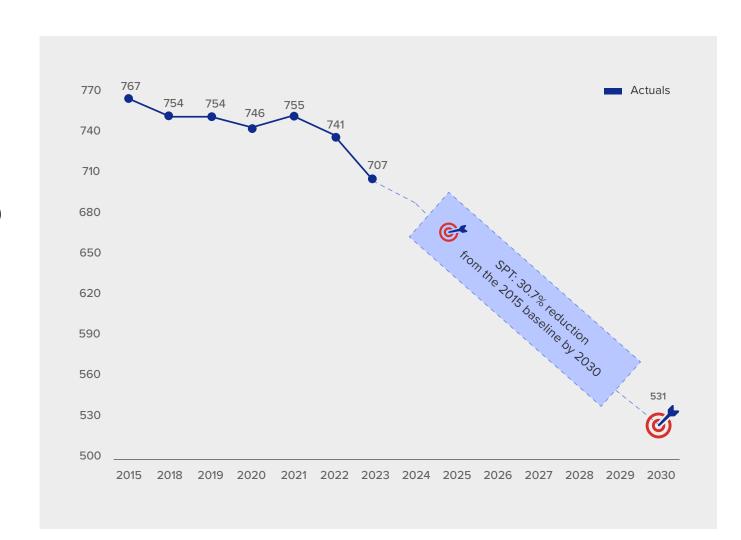
Target validated by the Science-Based Target initiative (SBTi) and aligned with the well below 2°C curve

30.7% reduction from the 2015 baseline by year-end 2030

Emissions validated by third party

### **FACTORS THAT SUPPORT OUR TARGET**

- Increase production of blended cements to reduce clinker ratio
- Increase use of alternative fuels in kilns, especially the biomass fuel
- Optimize use of thermal energy in kilns
- Upgrade kiln equipment in cement plants
- Switch fuels between coal and natural gas
- Research carbon capture to adopt technology





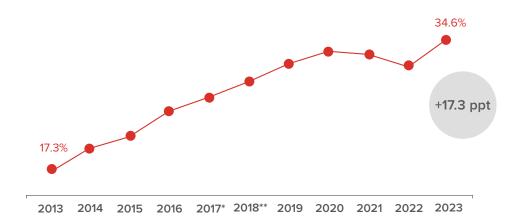


GCC has engaged ISS to provide a Second Party Opinion (SPO) of the Framework, available in the ISS website

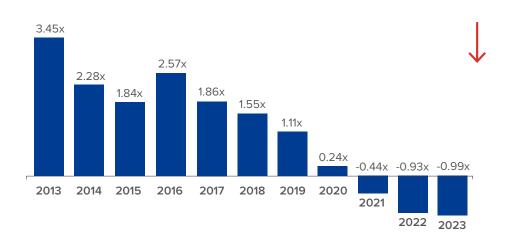
# DEBT AND CAPITAL EFFICIENCY INDICATORS STEADILY IMPROVING



### **EBITDA MARGIN**



### NET LEVERAGE RATIO (Net Debt / EBITDA)



### WORKING CAPITAL (Based on sales)

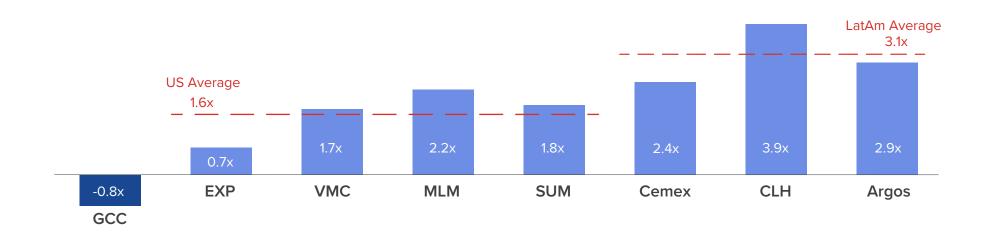


<sup>\*</sup> Proforma after asset swap

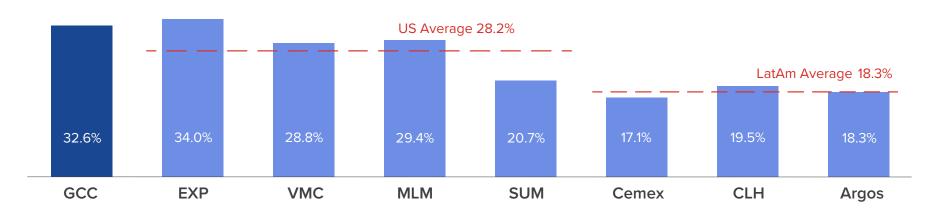
# STRENGTHENED MARGINS AND LOWER INDEBTEDNESS THAN MOST OF OUR PEERS



### 2023 estimated Net Debt/EBITDA multiples\*



### 2023 estimated EBITDA margins\*



# CAPITAL MARKETS TRANSACTIONS INCREASED SHARE FLOAT AND LIQUIDITY; VALUATION REMAINS ATTRACTIVE



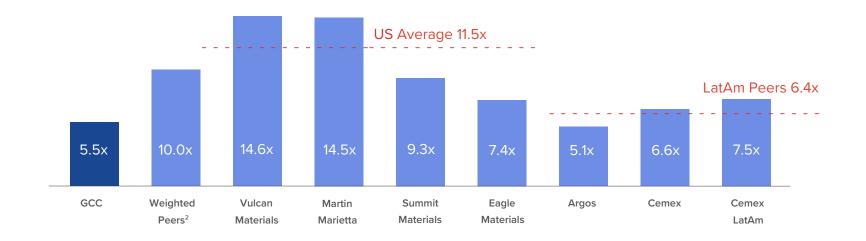
### TRANSACTIONS BENEFIT PUBLIC MARKET SHAREHOLDERS

- Transparent control group shareholdings
- Float increased to 49% of shares
- Increased liquidity

### SHARES STILL TRADE BELOW PEER GROUP MULTIPLES

- Even after 100% price increase since 2017
- Trading at a 45% discount to weighted peers<sup>2</sup>
- 52% discount to U.S. average
- 14% discount to LatAm average

### 2023 ESTIMATED EV/EBITDA MULTIPLES<sup>1</sup>



<sup>&</sup>lt;sup>1</sup> Source: J.P. Morgan (March 2023) and Morgan Stanley (March 2023) estimates

<sup>&</sup>lt;sup>2</sup> Weighted peers implies: 72% US peers + 28% LatAm peers

## LIQUIDITY HAS INCREASED SIGNIFICANTLY AS A RESULT OF CORPORATE DEVELOPMENTS AND STOCK MARKET POSITIONING



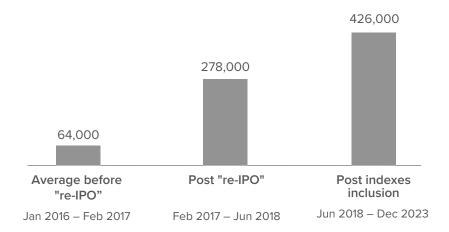
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# LIQUIDITY ENHANCING EVENTS

- "Re-IPO," February 2017
- IPC Index inclusion, September 2018
- FTSE Index inclusion, March 2019

	Coverage	Rating
1	Actinver	Outperform
2	Bank of America	Buy
3	Banorte	Buy
4	Citigroup	Buy
5	Data Based Analysis	Not Authorized
6	GBM	Outperform
7	Itaú	Market perform
8	JP Morgan	Overweight
9	Morgan Stanley	Overweight
10	Santander	Neutral
11	Scotiabank	Outperform
12	UBS	Neutral
13	Ve por Más	Buy
	Average	Buy

### AVERAGE DAILY TRADING VOLUME, SHARES1



Indexes FTSE BIVA
S&P/BMV IPC

1 Source: BMV; GCC calculations

### GCC IS MEMBER OF THE GLOBAL CEMENT AND CONCRETE ASSOCIATION

Sustainable Development Performance Targets



### MAIN GOALS

2020 🗸

**REDUCE NET CO2 EMISSIONS BY 9%** 

2030

**REDUCE NET CO2 EMISSIONS BY 30.7%** 

2050

**COLLECTIVE AMBITION** FOR CARBON NEUTRAL CONCRETE











### **SUSTAINABLE DEVELOPMENT GOALS**

**Climate & Energy** 

**Circular Economy** 

**Health & Safety** 

**Environment & Nature** 

**Social Responsibility** 

Concrete

Triple Bottom Line - Growth & Profitability

Strategy & Execution

HOW?

**Energy efficiency** 

Alternative fuels

Blended cements

New carbon capture technology

CO2 emissions reductions are compared to our 2015 baseline

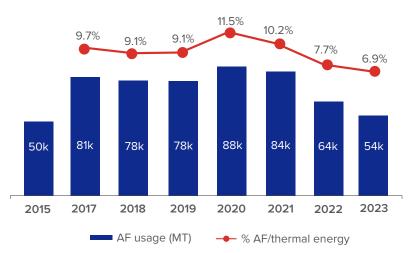
# SUPPORTED BY SUSTAINABILITY INITIATIVES RESULTING IN DIRECT ECONOMIC AND ENVIRONMENTAL BENEFITS



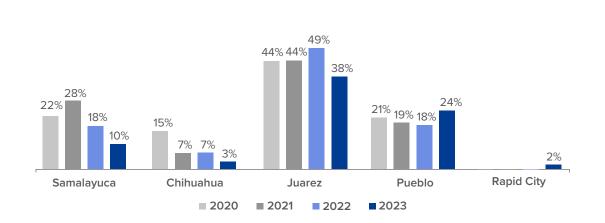




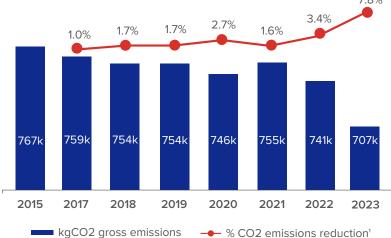
### ALTERNATIVE FUELS (AF) USAGE



#### AF USAGE BY PLANT



### CO2 EMISSIONS



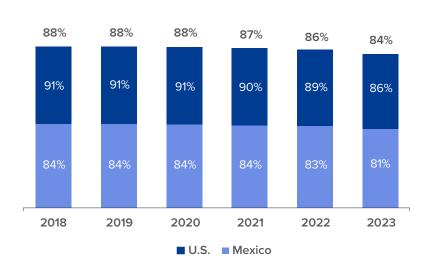
### AF PROVIDE SIGNIFICANT COST ADVANTAGES

- GCC saved more than US\$12 million using AF in 2023
- AF provided 6.9% of 2023 total thermal energy
- Pueblo plant had a record of 24% AF usage in 2023
- Rapid City plant began to use AF in 2023
- GCC expanded the Samalayuca plant's AF capability in 2023
- GCC received permit to co-process AF at Rapid City (2019)
- GCC expanded the Pueblo plant's AF capability (2018)

# SUPPORTED BY SUSTAINABILITY INITIATIVES RESULTING IN DIRECT ECONOMIC AND ENVIRONMENTAL BENEFITS



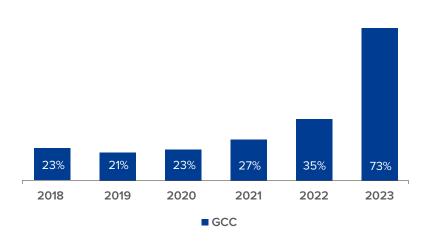
#### % CLINKER RATIO



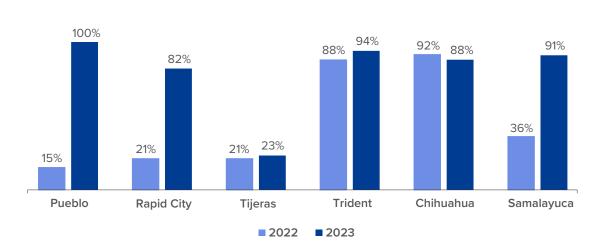
#### LOWER CLINKER RATIO TRANSLATES INTO LOWER CO2 EMISSIONS

- GCC reduced clinker factor to an record 84% in 2023
- Blended cement represented a record 73% of cement production in 2023
- Chihuahua and Samalayuca plants began to use pozzolans in 2023
- Pueblo was fully converted to PLC in 2022
- Trident and Rapid City can produce PLC since 2022
- Samalayuca plant produces and exports PLC to the U.S. since 2022
- According with the ASTM Standard specifications for blended cements

### **BLENDED CEMENT¹ PRODUCTION**



#### **BLENDED CEMENT PRODUCTION BY PLANT**







# LATEST ESG ACHIEVEMENTS

- GCC was awarded a "B" rating in Carbon Disclosure Project (CDP) climate rating in 2023
- GCC was awarded a "C" rating in CDP water in 2023
- Pueblo and Rapid City cement plants earned the 2023 EPA Energy Star certification since 2018 and 2020,
   respectively
- Tijeras plant won the PCA's Safety Innovation Award for pyroprocessing
- Odessa plant won the PCA's Chairman's Safety Performance Award
- Mexico Division was certified as a Great Place to Work® since 2015
- U.S. Division was certified as a Great Place to Work® since 2019
- GCC was awarded by the Mexican Center for Philanthropy since 2005
- CO2 emissions reduction targets (aligned to WB2C) were validated by the Science Based Targets initiative since 2023
- Our Scope 1 and 2 emissions data have been validated by a third party (KPMG) since 2022
- GCC released its first Task Force on Climate-related Financial Disclosures (TCFD) Report in 2023
- GCC's CO2 emissions decreased to 707 kg CO2 in 2023 from 741 kg CO2 in 2022; a 4.6% record reduction
- 100% and 40% of the electricity consumed at the Odessa and Rapid City plants, respectively, comes from renewable sources in 2023
- GCC's CEO, Enrique Escalante, was elected to GCCA's board of directors in 2022
- GCC is part of GCCA's research network, Innovandi











# EXPERIENCED MANAGEMENT TEAM, WITH SOUND CORPORATE GOVERNANCE





**ENRIQUE ESCALANTE, CEO**GCC since 1999; 24 years in the industry



MAIK STRECKER, CFO GCC since 2020; 23 years in the industry



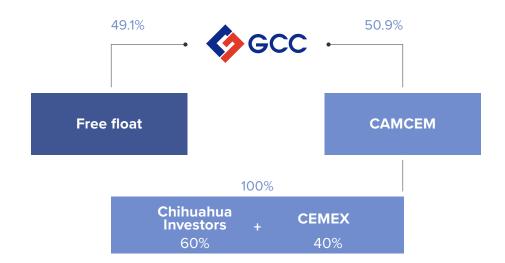
RON HENLEY, U.S. DIVISION PRESIDENT GCC since 2012; 37 years in the industry



MARCOS RAMÍREZ, MEXICO DIVISION PRESIDENT GCC since 1990; 33 years in the industry

GCC's senior management team averages ~30 years cement industry experience

Note that GCC currently has an ownership threshold of 3% or more of GCC's total outstanding shares; a position greater than 3% requires prior autorization by GCC's Board





### **COMPENSATION PLAN**



### GOAL: CLOSELY ALIGN PAY WITH PERFORMANCE AND VALUE CREATION OVER THE SHORT AND LONG-TERM

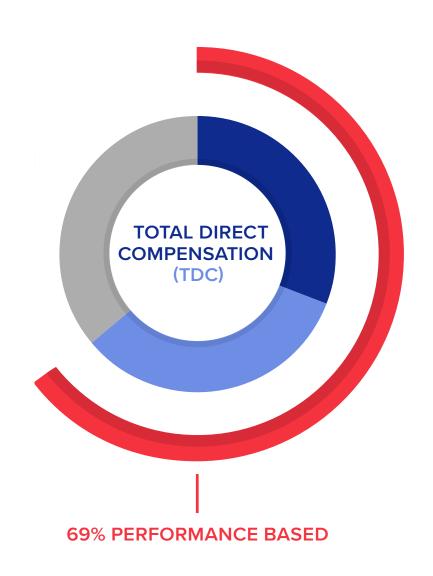
### **FIXED PAY**

### **BASE SALARY**

Smallest component of target TDC

**CEO**: ~ 31%

Key executives: 40% - 62%



### **VARIABLE PAY**

### **ANNUAL INCENTIVE**

### Based on EBITDA:

- Budgeted growth
- EBITDA margin

Pays out between 0% and 205% of target

**CEO**: ~ 33%

Key executives: 18% - 28%

### **LONG-TERM INCENTIVE**

Largest component of target TDC

Restricted stock

Based on ROIC

5 year vesting period

**CEO**: ~ 36%

Key executives: 15% - 34%

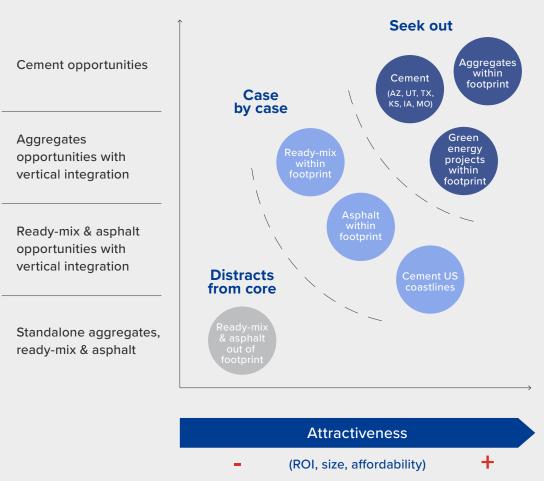
# WITH A DISCIPLINED APPROACH TO ACQUISITION AND GROWTH INVESTMENTS



### **FRAMEWORK**

 Increase market share Vertical integration Increase presence in existing markets Value-added products Efficient investment strategy Expand and scale capacity Increase productivity in a disciplined manner • Improve distribution network utilization Continue successful U.S. expansion Enter new markets Focus on synergistic contiguous markets Analyze opportunities that generate shareholder value Value accretive M&A Apply successful experience in integrating acquisitions to add synergies

# STRATEGIC PRIORIZATION AND EVALUATION OF ALTERNATIVES



### REINFORCING A POSITIVE 2024 OUTLOOK





### **UNITED STATES**

Volumes

Cement

Concrete

Low-single digit

Prices

Cement

Concrete

Mid-single digit



### **MEXICO**

Volumes

Cement

Concrete

Low-single digit

Prices

Cement

Mid-single digit

Concrete

### **CONSOLIDATED**

• EBITDA growth Mid-single digit

• FCF Conversion Rate > 60%

Total CAPEX
 Growth
 US\$470 million
 US\$400 million

Maintenance US\$70 million

Net Debt / EBITDA, year-end

Negative

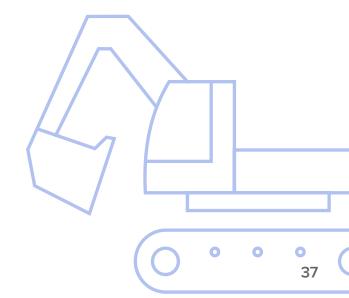




ENRIQUE
ESCALANTE
CEO Q4 2023 QUOTE

Enrique Escalante, GCC's Chief Executive Officer, commented: "GCC had an outstanding performance during 2023, achieving year-on-year growth in both top and bottom-line. Our record-breaking financial performance was driven by strong client relationships and operational excellence."

**Enrique continued,** "Looking forward, our focus on executing strategic initiatives and enhancing competitive advantages will fortify our margins, aligning our vision for continued success with our commitment to sustainability."





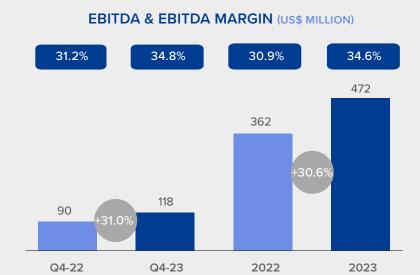
### Q4 & FY 2023 RESULTS

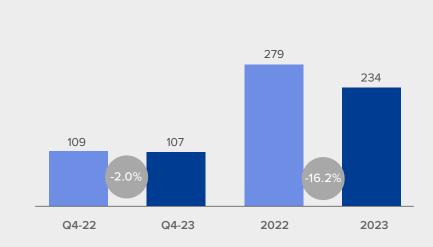


1,364 1,168 1,168 1,168

2022

2023



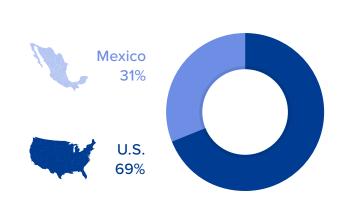


FREE CASH FLOW (US\$ MILLION)1



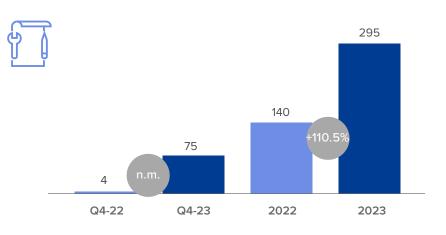
Q4-23

Q4-22





### NET INCOME (US\$ MILLION)







Millions of dollars	Q4-23	Q4-22	Var	2023	2022	Var
Net sales	339.9	288.6	17.8%	1,363.9	1,168.3	16.7%
Operating income before other expenses	98.4	68.2	44.4%	383.1	268.3	42.8%
EBITDA	118.2	90.2	31.0%	472.4	361.6	30.6%
EBITDA Margin	34.8%	31.2%		34.6%	30.9%	
Consolidated net income	75.0	4.5	n.m.	295.3	140.3	110.5%

- Consolidated net sales increased 17.8% year-on-year, to US\$339.9 million
- U.S. sales grew 19.6% as cement and concrete prices rose 8.4% and 9.6%, respectively
- U.S. cement and concrete volumes increased 5.3% and 7.8%, respectively
- Mexico sales increased 13.8% reflecting an 8.2% and 12.5% increase in cement and concrete prices, respectively
- Mexico sales excluding the appreciation of the Mexican peso increased by 1.7%

- EBITDA increased 31% to US\$118.2 million with a 34.8% EBITDA margin
- Free cash flow totaled US\$107.1 million with a 90.6% free cash flow conversion rate
- Cash and equivalents totaled US\$958.7 million
- Net leverage (net debt/EBITDA) ratio totaled -0.99x as of December 2023

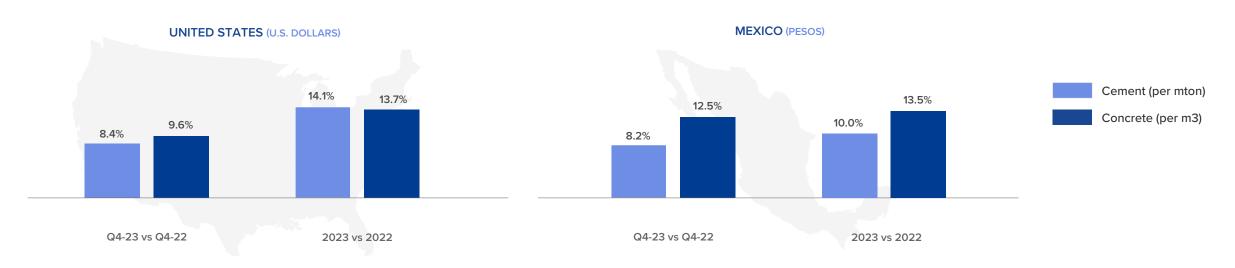
### SALES VOLUMES AND PRICES



	Q4-23 vs Q4-22	2023 vs 2022
Cement volumes		
U.S.	5.3%	-5.1%
Mexico	-7.2%	2.2%
Concrete volumes	3	
U.S.	7.8%	5.9%
Mexico	-4.2%	5.2%

- Favorable price environment in both countries
- Oil-well cement demand remained strong
- The most dynamic U.S. market segments during the quarter were oil and gas sector
- Mexico sales during the quarter were primarily driven by demand related to industrial maquiladora plants and warehouse construction

### GCC AVERAGE SELLING PRICES, % CHANGE







Million dollars	Q4-23	Q4-22	Var	2023	2022	Var
Consolidated	339.9	288.6	17.8%	1,363.9	1,168.3	16.7%
U.S.	237.2	198.3	19.6%	938.3	840.6	11.6%
Mexico	102.7	90.2	13.8%	425.6	327.7	29.9%

### **U.S. SALES**

Favorable weather conditions boosted sales in Q4

Positive price environment across product lines

Oil-well cement demand remained strong

### **MEXICO SALES**

High demand for industrial real estate construction continues

Positive market trends with a successful pricing strategy

Benefit from the Mexican peso's appreciation against the U.S. dollar



## INCOME STATEMENT (MILLION DOLLARS)

	Q4-23	Q4-22	Var	2023	2022	Var
Net Sales	339.9	288.6	17.8%	1,363.9	1,168.3	16.7%
U.S.	237.2	198.3	19.6%	938.3	840.6	11.6%
Mexico	102.7	90.2	13.8%	425.6	327.7	29.9%
Cost of sales	210.1	194.0	8.3%	861.4	803.8	7.2%
SG&A expenses	31.3	26.4	18.5%	119.4	96.1	24.2%
Other expenses, net	2.3	50.1	-95.4%	6.6	50.6	-86.9%
Operating Income	96.1	18.0	433.1%	376.5	217.7	72.9%
Operating margin	28.3%	6.2%		27.6%	18.6%	
Net financing (expenses)	7.4	(O.1)	n.m.	25.3	(18.3)	n.m.
Earnings in associates	0.1	0.8	-89.7%	2.2	3.3	-33.5%
Income taxes (benefit)	28.6	14.2	101.4%	108.7	62.5	74.0%
Consolidated net income	75.0	4.5	n.m.	295.3	140.3	110.5%
EBITDA	118.2	90.2	31.0%	472.4	361.6	30.6%
EBITDA margin	34.8%	31.2%		34.6%	30.9%	

### FREE CASH FLOW (MILLION DOLLARS)



	Q4-23	Q4-22	Var	2023	2022	Var
Operating income before other expenses	98.4	68.2	44.4%	383.1	268.3	42.8%
Depreciation and amortization	19.7	22.0	-10.3%	89.2	93.2	-4.3%
EBITDA	118.2	90.2	31.0%	472.4	361.6	30.6%
Interest income (expense)	6.3	(6.3)	n.m.	36.9	(5.2)	n.m.
Decrease (increase) in working capital	30.0	47.4	-36.8%	(63.0)	25.2	n.m.
Taxes	(14.7)	(9.6)	51.9%	(73.5)	(19.9)	269.1%
Prepaid expenses	(3.1)	1.9	n.m.	(1.3)	0.4	n.m.
Accruals and other accounts	(9.2)	(5.5)	68.1%	(60.9)	(33.3)	82.9%
Operating Leases (IFRS 16 effect)	(3.0)	(2.6)	14.3%	(12.1)	(14.9)	-19.2%
Operating cash flow	124.5	115.4	7.9%	298.5	313.8	-4.9%
Maintenance CapEx*	(17.4)	(6.2)	182.0%	(64.8)	(34.9)	85.8%
Free cash flow	107.1	109.3	-2.0%	233.7	278.9	-16.2%
Strategic & Growth CapEx	(21.4)	(17.6)	21.4%	(98.6)	(61.5)	60.4%
Share repurchase (net)	1.2	(5.9)	n.m.	(13.2)	(26.4)	-50.0%
Debt amortizations net	0.0	0.0	0.0%	0.0	(40.0)	-100.0%
Dividends paid	0.0	0.0	0.0%	(24.6)	(19.1)	28.7%
FX effect	14.5	8.5	70.8%	35.2	11.4	208.9%
Initial cash balance	857.3	732.0	17.1%	826.2	683.0	21.0%
Final Cash balance	958.7	826.2	16.0%	958.7	826.2	16.0%
FCF conversion rate	90.6%	121.2%		49.5%	<b>77.1</b> %	

- Higher working capital requirements
- Higher maintenance CapEx
- Higher cash taxes
- Higher EBITDA generation
- Higher interest income

### Decreased free cash flow in 2023 reflects:

- Higher working capital requirements
- Higher cash taxes
- Higher maintenance CapEx
- Higher EBITDA generation
- Higher interest income

Decreased free cash flow in Q4-23 reflects:

<sup>\*</sup> Excludes growth and strategic capital expenditures

<sup>\*\*</sup> Free cash flow conversion rate = free cash flow after maintenance CapEx / EBITDA

### **BALANCE SHEET (MILLION DOLLARS)**



	Dec-23	Dec-22	Var
Total Assets	2,780.7	2,433.8	14.3%
Current Assets	1,299.7	1,107.4	17.4%
Cash	958.7	826.2	16.0%
Other current assets	340.9	281.2	21.3%
Non-current assets	1,481.0	1,326.5	11.7%
Plant, property, & equipment	1,148.7	1,002.3	14.6%
Goodwill and intangibles	263.1	270.0	-2.6%
Other non-current assets	69.3	54.1	28.0%
Total Liabilities	1,016.4	1,010.0	0.6%
Current Liabilities	268.4	289.5	-7.3%
Short-term debt	0.0	0.0	0.0%
Other current liabilities	268.4	289.5	-7.3%
Long-term liabilities	748.1	720.5	3.8%
Long-term debt	497.0	496.7	0.1%
Other long-term liabilities	77.4	71.3	8.5%
Deferred taxes	173.7	152.5	13.9%
Total equity	1,764.3	1,423.8	23.9%

- Net leverage (net debt/EBITDA) ratio totaled
   -0.99x as of December 2023
- Cash and equivalents totaled US\$958.7 million
- Based on the last twelve months of sales, as of December 2023, net working capital increased from 27 to 38 - a total increase of 11 days
- Earnings per share increased 112.4% year-on-year to US\$0.9029 for the full year
- GCC repurchased shares in the net amount of US\$13.2 million in 2023



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