



ELEMENTIA ANNOUNCES THIRD QUARTER 2020¹ RESULTS





Mexico City, October 28, 2020 - Elementia, S.A.B. de C.V. (BMV: ELEMENT*) (“the Company”, or “Elementia”) announced today its financial and operating results for the third quarter (“3Q20”). Figures in this report are unaudited and have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Figures are stated in Mexican pesos (\$).

Main Highlights

- During 3Q20, Elementia reported increases in consolidated revenues and EBITDA of 15% and 24%, respectively vs 3Q19. For the first nine months of 2020 vs 2019, revenues increased 4% while EBITDA decreased 7%.
- During 3Q20, Cash increased by 111% when compared to the close of 2019 due the implementation of the following initiatives:
 - \$1,114 million for the optimization of working capital and efficiencies in operating costs and expenses
 - \$525 million of inventory optimization, mainly in Metals and Building Systems USA
 - \$454 million from negotiations with creditors on grace periods for debt and interest payments
 - \$99 million in new financing
- The sale of our cement assets in Pennsylvania remains under review by the anti-trust authorities and we expect to have their response in the fourth quarter.
- Since June, there has been a gradual market recovery in the countries in which we operate and only Bolivia’s operations remains closed.
- Leverage ratio for 3Q20 was 4.41x and the interest coverage ratio was 2.58x.

¹ Elementia’s 3Q20 earnings conference call will take place on October 29, 2020. Dial-in information can be found in the annexes of this document. The report, transcript and audio of the results can be downloaded at www.elementia.com.

The Company's strategy for 2020 is to maximize the resources available to focus on profitability and cash flow generation under the following objectives:

- | | | |
|--|--|---|
| 1) Increase inventory rotation | <ul style="list-style-type: none"> • Reduction of 34 thousand tons (close to 24%) in the number of rotation days in Building Systems (primarily in the U.S.) and 2.4 thousand tons in Metals (close to 30%) |  |
| 2) Cement U.S. – sustained growth | <ul style="list-style-type: none"> • Advances according to plan: EBITDA up 58% vs 3Q19 |  |
| 3) Metal Products – return to profitability and cash flow generation | <ul style="list-style-type: none"> • Although sales declined 4% vs 3Q19, there was a solid improvement in EBITDA of 55% due to the focus on profitability and changes to the commercial and operating strategies of the business. |  |
| 4) Building Systems U.S. – growth and cash flow generation | <ul style="list-style-type: none"> • In process: negative EBITDA affected mainly by the pandemic and some non-recurring expenses |  |

Operating and financial highlights

| MXN millions | Third quarter | | | January - September | | |
|---|---------------|-----------|---------|---------------------|-----------|----------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Consolidated Cement BU volume | 1,414,905 | 1,315,243 | 8% | 3,932,295 | 3,847,002 | 2% |
| Consolidated Metal products BU volume | 10,821 | 13,164 | (18%) | 32,884 | 41,228 | (20%) |
| Consolidated Building systems BU volume | 205,880 | 191,618 | 7% | 533,771 | 555,431 | (4%) |
| Net Sales | 7,670 | 6,670 | 15% | 20,576 | 19,855 | 4% |
| Cost of sales | 5,700 | 5,121 | 11% | 15,997 | 15,312 | 4% |
| Gross profit | 1,970 | 1,549 | 27% | 4,579 | 4,543 | 1% |
| % of net sales | 26% | 23% | 2.5 pp | 22% | 23% | (0.6 pp) |
| Operating expenses | 1,265 | 1,081 | 17% | 3,684 | 3,357 | 10% |
| Operating income | 705 | 468 | 51% | 895 | 1,186 | (25%) |
| % of net sales | 9% | 7% | 2.2 pp | 4% | 6% | (1.6 pp) |
| EBITDA | 1,245 | 1,007 | 24% | 2,596 | 2,797 | (7%) |
| % of net sales | 16% | 15% | 1.14 pp | 13% | 14% | (1.5 pp) |
| Comprehensive financing result, net | (248) | (359) | (31%) | (671) | (1,020) | (34%) |
| Income before income taxes | 457 | 109 | 319% | 224 | 166 | 35% |
| Income tax | 141 | 101 | 40% | 404 | 229 | 76% |
| Income (loss) from continued operations | 316 | 8 | 3850% | (180) | (63) | 186% |
| Loss from discontinued operations | | | 0% | | | 0% |
| Net Income (loss) | 316 | 8 | 3850% | (180) | (63) | 186% |
| Working Capital | 4,557 | 4,429 | 3% | | | |
| Receivables, net | 3,711 | 3,095 | 20% | | | |
| Inventories, net | 4,609 | 5,228 | (12%) | | | |
| Payables | 3,763 | 3,894 | (3%) | | | |
| Free Cash Flow | 3,530 | (537) | 757% | | | |
| Operating | 3,994 | 1,863 | 114% | | | |
| Investments | (635) | (878) | (28%) | | | |
| Financing | 171 | (1,522) | 111% | | | |
| Cash and cash equivalents | 4,158 | 1,966 | 111% | | | |
| Total Debt | 18,125 | 15,380 | 18% | | | |
| Employees | 5,734 | 6,310 | (9%) | | | |

Net sales

Net sales per business unit

| | MXN millions | 3Q20 | 2Q20 | 3Q19 | Δ% Q/Q | Δ% Year/Year |
|--------------------------------|--------------|-------|-------|-------|--------|-----------------|
| Cement Mexico | | 1,613 | 1,248 | 1,150 | 29% | 40% |
| Cement United States | | 1,621 | 1,558 | 1,305 | 4% | 24% |
| Cement Central America | | 105 | 114 | 103 | (8%) | 2% |
| Metal Products | | 1,848 | 1,695 | 1,935 | 9% | (4%) |
| Building Systems United States | | 1,136 | 1,048 | 999 | 8% | 14% |
| Building Systems LatAm | | 1,191 | 693 | 998 | 72% | 19% |
| Total Elementia ¹ | | 7,514 | 6,356 | 6,490 | 18% | 16% |

¹) Does not include holding and eliminations

Net sales per destination

| | MXN millions | 3Q20 | 2Q20 | 3Q19 | Δ% Q/Q | Δ% Year/Year |
|------------------------------|--------------|-------|-------|-------|--------|-----------------|
| United States | | 3,306 | 3,183 | 2,874 | 4% | 15% |
| Mexico | | 3,252 | 2,568 | 2,669 | 27% | 22% |
| Central America | | 256 | 288 | 360 | (11%) | (29%) |
| South America | | 763 | 420 | 668 | 82% | 14% |
| Rest of the World | | 93 | 65 | 99 | 43% | (6%) |
| Total Elementia ¹ | | 7,670 | 6,524 | 6,670 | 18% | 15% |

¹) Include holding and eliminations

Consolidated net sales for 3Q20 reached \$7,670 million which represents an increase of 15% compared to \$6,670 million in 3Q19. The increase in sales stemmed mainly from Cement with 31% growth versus the previous year. In addition, LatAm improved significantly with 19% growth compared to 3Q19.

Operating Income

In 3Q20, operating income was \$705 million, representing an increase of 51% compared to \$468 million reported in 3Q19 due mainly to higher volume and efficiencies in cost of sales, which had a direct impact on the profitability of the businesses. In addition, there has been a gradual recovery in demand within the LatAm markets.

EBITDA per business unit

| MXN millions | 3Q20 | 2Q20 | 3Q19 | Δ% Q/Q | Δ% Year/Year |
|--------------------------------|-------|------|------|--------|--------------|
| Cement Mexico | 653 | 539 | 521 | 21% | 25% |
| Cement United States | 316 | 207 | 200 | 53% | 58% |
| Cement Central America | 31 | 34 | 27 | (9%) | 15% |
| Metal Products | 115 | 55 | 74 | 109% | 55% |
| Building Systems United States | (14) | (18) | 43 | 22% | (133%) |
| Building Systems LatAm | 184 | (71) | 122 | 359% | 51% |
| Total Elementia ¹ | 1,285 | 746 | 987 | 72% | 30% |

1) Does not include holding and eliminations

Consolidated EBITDA increased by 30% in 3Q20 vs. 3Q19, mainly due to higher sales volume and lower cost of sales. The EBITDA margin rose slightly to remain at 16% in 2020.

Financing Result

| MXN millions | Third quarter | | | January - September | | |
|---|---------------|------|-------|---------------------|-------|-------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Interest income | (30) | (9) | 233% | (51) | (27) | 89% |
| Interest expense | 304 | 349 | (13%) | 888 | 1,046 | (15%) |
| Bank commissions | 17 | 14 | 21% | 53 | 42 | 26% |
| Net exchange loss (profit) | (43) | 5 | 960% | (219) | (41) | 434% |
| Total comprehensive financing cost, net | 248 | 359 | (31%) | 671 | 1,020 | (34%) |

Integral cost of financing net as of September 30, 2020 registered a 34% decline compared to the same period of 2019, as a result of exchange rate volatility and lower financing costs.

Net Income/Loss

In 3Q20 we reported net income of \$316 million vs \$8 million in 3Q19, mainly due to changes in the operating and commercial strategies of the Building Systems and Metals Divisions, as well as a recovery in demand that is reflected in higher sales volume and the optimization of costs and expenses which is exhibited in the profitability levels of the businesses.

Free Cash Flow

| MXN millions | January - September | | |
|--|---------------------|--------------|-------------|
| | 2020 | 2019 | Δ% |
| EBITDA | 2,596 | 2,797 | (7%) |
| Change in working capital | (128) | (757) | (83%) |
| Cash taxes | (363) | (381) | (5%) |
| Interest, net | (950) | (1,144) | (17%) |
| Bank commissions | (53) | (42) | 26% |
| Cash flow before Capex | 1,102 | 473 | 133% |
| % of EBITDA | 42% | 17% | 25.5 pp |
| CAPEX | (631) | (849) | (26%) |
| Free cash flow before financing | 471 | (376) | 225% |
| Incurring (paid) debt | 1,381 | (234) | 690% |
| Others | (168) | (107) | 57% |
| Sale (buy) stock buyback | (43) | (9) | 378% |
| Free cash flow | 1,641 | (726) | 326% |

Key highlights:

- \$1,114 million from working capital optimization and efficiencies in operating costs and expenses
- \$525 million in inventory optimization, mainly in Metals and Building Systems U.S.
- \$454 million from the negotiation with creditors regarding grace periods for capital and interest payments
- \$99 million in new financing

Balance Sheet

| Balance Sheet | MXN millions | Sep 2020 | Dec 2019 | Δ% |
|--|--------------|---------------|---------------|------------|
| Cash and cash equivalents | | 4,158 | 1,966 | 111% |
| Receivables, net | | 3,711 | 3,095 | 20% |
| Inventories, net | | 4,609 | 5,228 | (12%) |
| Other receivables and currents assets | | 5,797 | 4,818 | 20% |
| Current assets | | 18,275 | 15,107 | 21% |
| Other receivables, net | | | 15 | (100%) |
| Investment in associated companies and others | | 3 | 3 | 0% |
| Property, plant and equipment, net | | 27,592 | 26,609 | 4% |
| Right of use asset | | 756 | 795 | (5%) |
| Intangible assets, net | | 4,586 | 4,343 | 6% |
| Deferred assets Tax | | 750 | 1,188 | (37%) |
| Other assets | | 131 | 206 | (36%) |
| Non- current assets | | 33,818 | 33,159 | 2% |
| Total assets | | 52,093 | 48,266 | 8% |
| Short term debt | | 2,319 | 1,961 | 18% |
| Payables | | 3,763 | 3,894 | (3%) |
| Other current liabilities | | 2,606 | 2,558 | 2% |
| Current liabilities | | 8,688 | 8,413 | 3% |
| Long term debt | | 15,806 | 13,419 | 18% |
| Deferred taxes | | 2,789 | 2,918 | (4%) |
| Other long term liabilities | | 2,436 | 2,114 | 15% |
| Long term liabilities | | 21,031 | 18,451 | 14% |
| Total liabilities | | 29,719 | 26,864 | 11% |
| Shareholders' Equity | | 22,374 | 21,402 | 5% |
| Equity attributable to owners of the Entity | | 21,199 | 20,327 | 4% |
| Capital stock | | 8,725 | 8,725 | 0% |
| Additional paid-in capital | | 7,579 | 7,579 | 0% |
| Retained earnings | | 4,207 | 4,346 | (3%) |
| Other comprehensive income | | 688 | (323) | (313%) |
| Non- controlling interest | | 1,175 | 1,075 | 9% |
| Total liabilities and shareholders' equity | | 52,093 | 48,266 | 8% |

Current assets in 3Q20 increased 21% mainly due to the strong cash flow generation as well as improvements in consolidated working capital driven by higher sales.

In addition, current assets are benefitted from the exchange revaluation of the assets in the cement plant in Pennsylvania presented as part of the other current assets line.

Long-term and short-term debt registered an 18% increase mainly from the exchange rate volatility and the obtaining of an uncommitted credit line aimed largely at improving the cost of financing of the Metals factoring strategy. Furthermore, we obtained two loans totaling \$99 million at our operations in the Andean Region as part of the stimulus plans implemented by the governments of Bolivia and Peru.

Debt Profile

| MXN millions | Sep 2020 | Dec 2019 |
|---------------------------|-----------------|-----------------|
| Short-term debt | 2,319 | 1,961 |
| Long-term debt | 15,806 | 13,419 |
| Total debt | 18,125 | 15,380 |
| Cash and cash equivalents | 4,158 | 1,966 |
| Net debt | 13,967 | 13,414 |
| Net financial expense | 837 | 1,411 |
| EBITDA LTM | 3,167 | 3,368 |
| Leverage ratio | 4.41x | 3.98x |
| Interest coverage ratio | 2.58x | 2.39x |

| | Third quarter | |
|------------------------------|----------------------|-------------|
| | 2020 | 2019 |
| Currency denomination | | |
| MXN | 55.06% | 56.00% |
| USD | 44.40% | 44.00% |
| PEN | 0.34% | |
| BOB | 0.20% | |
| Interest rate | | |
| Fixed | 71.89% | 75.00% |
| Variable | 28.11% | 25.00% |

As of 3Q20, Elementia's total debt increased by \$2,745 million mainly due to: (i) FX effects, (ii) the addition of new debt, and (iii) the payment of an unsecured loan for \$286 million. The leverage ratio was 4.41x (down 0.42x vs the level in 2Q20) and the interest coverage ratio was 2.58x.

87% of total debt is long-term with a comfortable maturity schedule, and 72% is at fixed rates.

Results by Business Unit

Cement Business Unit – Mexico

| MXN millions | Third quarter | | | January - September | | |
|------------------|---------------|-------|----------|---------------------|-------|----------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 1,613 | 1,150 | 40% | 4,074 | 3,677 | 11% |
| Operating income | 484 | 375 | 29% | 1,221 | 1,172 | 4% |
| % of net sales | 30% | 33% | (2.6 pp) | 30% | 32% | (1.9 pp) |
| EBITDA | 653 | 521 | 25% | 1,693 | 1,597 | 6% |
| % of net sales | 40% | 45% | (4.8 pp) | 42% | 43% | (1.9 pp) |

The cement business in Mexico reported outstanding results during 2020 with net sales and EBITDA growth of 40% and 25%, respectively. The growth is explained by higher volumes and lessened effects from the pandemic on the informal sector, which is the market segment we are focused on. It is worth highlighting that there was also a positive effect from incremental volume from the construction of government infrastructure works, which helped neutralize the negative effects of COVID-19.

Cement Business Unit – United States

| MXN millions | Third quarter | | | January - September | | |
|-------------------------|---------------|-------|--------|---------------------|-------|---------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 1,621 | 1,305 | 24% | 4,307 | 3,481 | 24% |
| Operating income (loss) | 162 | 5 | 3140% | 80 | (300) | 127% |
| % of net sales | 10% | 0% | 9.6 pp | 2% | (9%) | 10.5 pp |
| EBITDA | 316 | 200 | 58% | 560 | 272 | 106% |
| % of net sales | 19% | 15% | 4.2 pp | 13% | 8% | 5.2 pp |

During the third quarter of 2020, our operations in the U.S. improved significantly with greater volume and sales prices as well as efficiencies in operating and administrative expenses. This was reflected in sales and EBITDA growth of 24% and 58%, respectively when compared to the same quarter of the previous year.

Cement Business Unit – Central America

| MXN millions | Third quarter | | | January - September | | |
|------------------|---------------|------|--------|---------------------|------|--------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 105 | 103 | 2% | 324 | 315 | 3% |
| Operating income | 27 | 24 | 13% | 81 | 75 | 8% |
| % of net sales | 26% | 23% | 2.4 pp | 25% | 24% | 1.2 pp |
| EBITDA | 31 | 27 | 15% | 93 | 82 | 13% |
| % of net sales | 30% | 26% | 3.3 pp | 29% | 26% | 2.7 pp |

Despite the contractions in the economy and the sector, the Cement Division in Central America registered an increase of 2% in sales volume and 15% in EBITDA vs 2019, resulting from the focus on profitability and lower cost of sales per ton produced.

Metal Products Business Unit

| MXN millions | Third quarter | | | January - September | | |
|-------------------------|---------------|-------|--------|---------------------|-------|----------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 1,848 | 1,935 | (4%) | 5,385 | 6,070 | (11%) |
| Operating income (loss) | 46 | (16) | 388% | (77) | (10) | 670% |
| % of net sales | 2% | (1%) | 3.3 pp | (1%) | (0%) | (1.3 pp) |
| EBITDA | 115 | 74 | 55% | 224 | 259 | (14%) |
| % of net sales | 6% | 4% | 2.4 pp | 4% | 4% | (0.1 pp) |
| EBITDA en USD / TON | 481 | | | 313 | | |
| Δ% in sales volume | (18%) | | | (20%) | | |
| Δ% in average price | 16% | | | 11% | | |

The Metals business strategy is focused on maximizing profitability of the business and is reflected in a 55% increase in EBITDA when compared to the same quarter of the previous year. Furthermore, we are seeking to improve the operating model as well as the pricing model.

Demand has not yet recovered and drove a decline in sales volume of 18% during the same period.

Building Systems Business Unit – U.S.

| MXN millions | Third quarter | | | January - September | | |
|-------------------------|---------------|------|----------|---------------------|-------|----------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 1,136 | 999 | 14% | 3,237 | 2,850 | 14% |
| Operating income (loss) | (76) | (3) | 2433% | (206) | 89 | (331%) |
| % of net sales | (7%) | (0%) | (6.4 pp) | (6%) | 3% | (9.5 pp) |
| EBITDA | (14) | 43 | (133%) | (17) | 206 | (108%) |
| % of net sales | (1%) | 4% | (5.5 pp) | (1%) | 7% | (7.8 pp) |
| Δ% in sales volume | 1% | | | 1% | | |
| Δ% in average price | 12% | | | 12% | | |

Although the slowdown in demand has significantly impacted the U.S., our Building Systems operations posted volume and sales growth of 1% and 14%, respectively. However, despite this, the increase in fixed costs and non-recurring expenses due to COVID-19 resulted in a decline in EBITDA of 133%.

Building Systems Business Unit – LatAm

| MXN millions | Third quarter | | | January - September | | |
|-------------------------|---------------|------|--------|---------------------|-------|----------|
| | 2020 | 2019 | Δ% | 2020 | 2019 | Δ% |
| Net sales | 1,191 | 998 | 19% | 2,783 | 2,877 | (3%) |
| Operating income (loss) | 104 | 69 | 51% | (80) | 133 | (160%) |
| % of net sales | 9% | 7% | 1.8 pp | (3%) | 5% | (7.5 pp) |
| EBITDA | 184 | 122 | 51% | 158 | 347 | (54%) |
| % of net sales | 15% | 12% | 3.2 pp | 6% | 12% | (6.4 pp) |
| Δ% in sales volume | 5% | | | (15%) | | |
| Δ% in average price | 13% | | | 13% | | |

The change in business strategy and the focus on improving working capital have been the keys to our EBITDA generation in LatAm, which had an outstanding increase of 51% during the third quarter of 2020 versus 2019.

Although the recovery in demand has been gradual in all the countries in which we operate, we achieved net sales growth of 19% compared to 2019.

We maintain our focus on driving higher sales, optimizing our operations and remaining financially prudent with the goal of mitigating the negative impact that the pandemic caused on our plants as a result of the temporary shutdown of operations.

Relevant Events

- On October 1, 2020, our BB-rating was reaffirmed and our revision watch was removed.
- On September 18, 2020, we announced the inauguration of our new cement plant in Progreso, in the State of Yucatan, in line with our expansion strategy for the Cement Division. The investment totaled US\$25 million and initiated with a line that has 250 thousand tons of capacity per year. The inauguration was attended by the Governor of the State of Yucatan, Mauricio Vila Dosal and the CEO of Elementia, Jaime Rocha Font.

Through this project, Elementia aims to participate in the growth of the Peninsula and Southern Mexico. The Progreso Plant contains the latest technology and is 100% eco-friendly; it will produce the highest quality cement with the goal of becoming the preferred brand of the market.

- On September 17, 2020, we announced that as of September 1st, Mr. Eduardo Gonzalez Arias had taken over the role of Chief Legal Counsel of Elementia.
- On July 31, 2020, we announced changes to our management team, in which Juan Francisco Sanchez Kramer was leaving the company and Maria de Lourdes Barajas Flores was named as the new Chief Financial Officer of Elementia. In addition, Iris Josselin Fernandez Cruz was named Head of Investor Relations.
- On July 17, 2020, we announced that Tim Kuebler was named CEO of Elementia USA, heading up GIANT and Allura, our cement and fiber cement businesses, respectively.


Analyst Coverage

- BBVA
- HSBC
- Morgan Stanley
- Santander
- Bank of America Merrill Lynch
- Citi
- UBS

Annexes

| MXN millions | January - September | | |
|---|---------------------|----------------|--------------|
| | 2020 | 2019 | Δ% |
| Net loss | (180) | (63) | 186% |
| Depreciation, amortization and impairment | 1,701 | 1,611 | 6% |
| Gain on disposal of fixed assets | 15 | 40 | (63%) |
| Interest income | (51) | (27) | 89% |
| Interest expense | 887 | 1,046 | (15%) |
| Exchange loss (gain) | 1,912 | (25) | 7748% |
| Other items | (16) | 276 | (106%) |
| Non cash figures | 4,268 | 2,858 | 49% |
| Net cash flow provided used in working capital | (274) | (995) | (72%) |
| Increase in accounts receivable | (616) | (355) | 74% |
| Decrease (increase) in inventories | 619 | (299) | 307% |
| Increase in other receivables and other current assets | (369) | 456 | (181%) |
| Decrease in trade accounts payable | (131) | (102) | 28% |
| Increase (decrease) in other liabilities | 223 | (695) | 132% |
| Net cash flow provided by operating activities | 3,994 | 1,863 | 114% |
| Acquisition of property, machinery and equipment | (631) | (849) | (26%) |
| Other assets | (4) | (29) | 86% |
| Net cash flow used in investing activities | (635) | (878) | (28%) |
| Incurred (paid) debt | 1,381 | (234) | 690% |
| Increase stock buyback | (43) | (9) | 378% |
| Bank loans and others, net | (1,167) | (1,279) | (9%) |
| Net cash by (used in) financing activities | 171 | (1,522) | 111% |
| Net increase (decrease) in cash and cash equivalents | 3,530 | (537) | 757% |
| Effects differences on translating foreign operations | (1,338) | (40) | 3245% |
| Cash and cash equivalents at the beginning of the period | 1,966 | 2,116 | (7%) |
| Cash and cash equivalents at the end of the period | 4,158 | 1,539 | 170% |

Earnings Conference Call Details



Thursday, October 29, 2020
ELEMENTIA (BMV: ELEMENT*)
 3Q20 Earnings Conference Call
 9:00 a.m. (Mexico City) / 11:00 a.m. (EST)

HOSTED BY:

Jaime Rocha Font
Chief Executive Officer

Maria de Lourdes Barajas Flores
Chief Financial Officer

A Q&A session will follow the presentation.
 Participants will be able to ask questions via telephone.

Dial-in Number:
1-877-830-2576 (USA)
+1-785-424-1726 (International)
Conference ID: ELEMENTIA



Webcast

<https://webcasts.eqs.com/elementia20201029/en>


Participants are requested to connect 15 minutes prior to the call

Elementia will release its 3Q20 results on
Wednesday, October 28, 2020


A replay of this call will be available on October 29, 2020
 at 2:00 p.m. EST for 7 days, and will also be available at
www.elementia.com in the Investor Relations section

October 29, 2020
 Conference Replay:


 1 (844) 488-7474 (USA)
 +1 (862) 902-0129 (International)


Conference Replay ID:

 12450928


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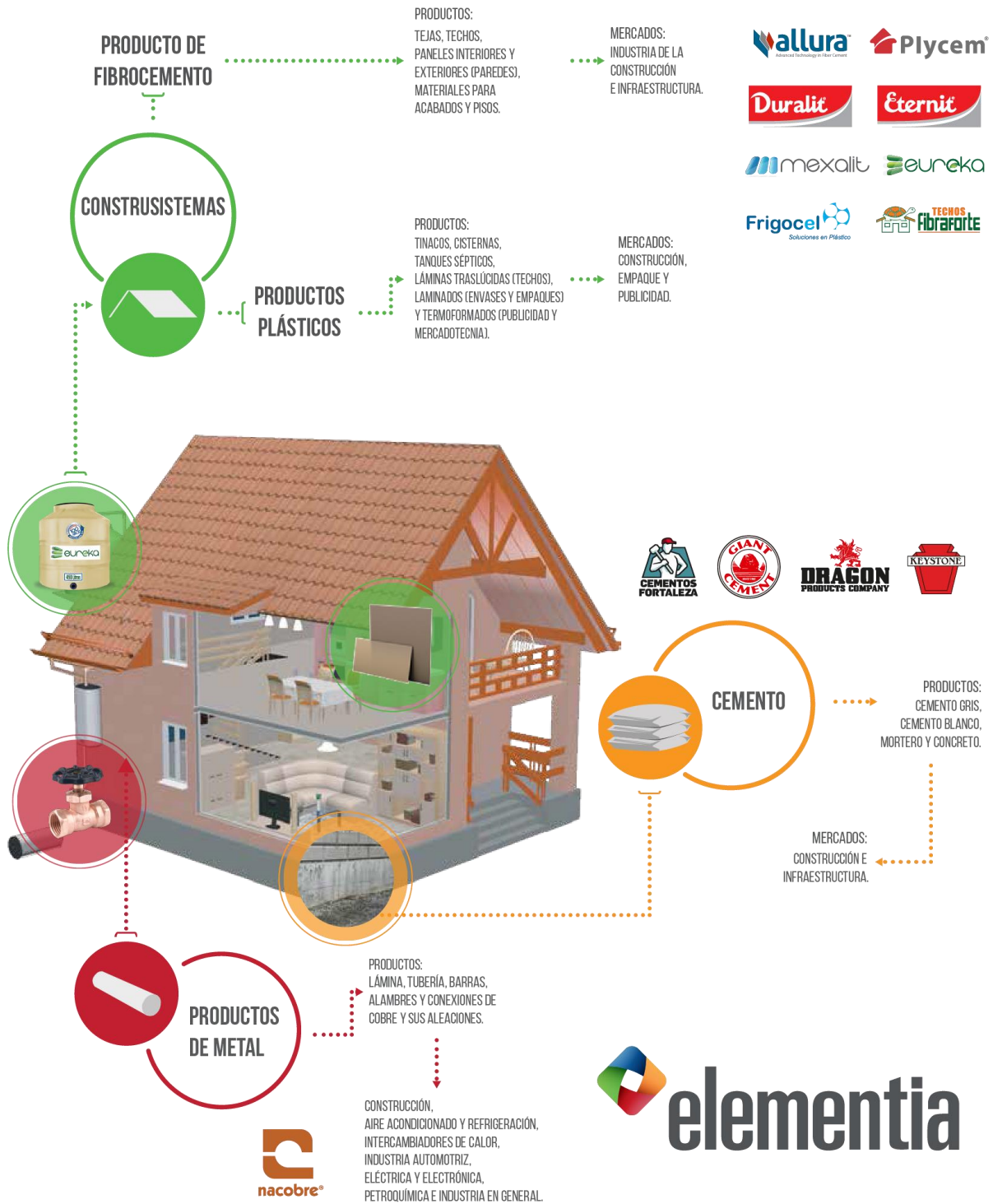
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Disclaimer on forward-looking statements

Figures are stated in nominal Mexican pesos (\$) and all comparisons are made against the same period of the previous year, unless otherwise specified. Figures are stated in nominal Mexican pesos (\$) in accordance to IFRS. As a result of figures roundup, totals may not exactly match the sum of the figures presented. The Audit Committee and the Board of Directors are aware about modification of the IFRS (IFRS9 and IFRS 16) reflected in the figures.

This document contains certain forward-looking statements and information related to Elementia, S.A.B. Of C.V. ("Elementia") that reflect the vision and / or expectations of Elementia and its management team in relation to its performance, business and future events. Forward-looking statements may include, but are not limited to, statements that could predict, project, indicate or imply certain future results, performance or achievements, and may include words "anticipate", "believe," "estimate," "expect", "project", "plan", "predict", "foresee", "forecast", "reach" or any other word or phrase with a similar meaning, which may be given orally or in writing.

The presented results may materially differ from those projected as a result of factors beyond Elementia's control. These factors may include, but are not limited to: economy in general; political and business conditions in Mexico and other markets where we operate; international capital and securities markets performance, as well as economic crises; our ability to refinance our financial obligations; if necessary; competition in the sector and markets; management's expectations and estimates in regards to the Company's future financial performance and financing plans / programs; limited access to financing sources with competitive terms, and compliance with clauses to which we are bound to; our ability to meet debt obligations; our investment plans; currency fluctuations, interest rates or inflation, as well as currency conversion; changes in government legislation and regulation, including environmental regulation, and obligations arising therefrom, and judicial or administrative judgments against us; procurement policies and interpretations; increase in insurance premiums; changes in market prices, customer demand and preference, and competitive conditions; cyclicity and seasonality in our operating results; our ability to implement the corporate strategy; increase in prices of goods and / or services supplied to us, and fluctuations in the prices of the raw material; the imposition of price controls on the products we sell; trade barriers; technological innovation; costs uncertainty and regulation applicable to company mergers and acquisitions or strategic alliances; our ability to make acquisitions for regulatory or other issues, and successfully integrate the operations of the acquired businesses; liability claims including claims related to health, safety and environmental protection issues, as well as claims arising from joint lawsuits in Mexico or other jurisdictions in which we operate; failures in our information obtained from our technology systems, including data and communication systems; the impact by changes in accounting principles, new legislation, actions by regulatory authorities, government announcements and monetary or fiscal policy in Mexico, or in other markets in which we operate; decrease in the sale of our products by independent distributors; our ability to retain qualified personnel and rehire key personnel; our ability to extract synergies from our business mergers and acquisitions activities; delays by suppliers or lack of ability to obtain, under conditions acceptable to us, inputs required by us to produce the products we sell; investigations by federal authorities; and other risk factors.

Forward-looking statements and statements included in this document are subject to various risks, uncertainties and assumptions. In any circumstance these statements only refer to their date of elaboration and Elementia has no obligation to update or revise any of them, whether for new information, future events, among others, unless required by law. Therefore, caution should be exercised when using future projections. The document and its contents belong to the Company and may not be reproduced or distributed as a whole or as part of without prior written consent by Elementia.

About Elementia

Elementia is a unique platform that manufactures and commercializes building materials for the construction industry and adds value to all stages of this industry. The Company has grown, both organically and through strategic mergers and acquisitions, consolidating operations in 9 countries in the Americas, showing strong growth in its Cement business unit, while maintaining its leadership in the Metals business, and through our Building Systems unit, we offer lightweight construction products, which is the main building trend in the market. This has been possible thanks to the passion and dedication of its more than 7,000 employees and leadership of its main brands, including: Cementos Fortaleza®, Giant®, Keystone® and Dragon®; Nacobre®; Allura®, Mexalit®, Plycem®, Eternit®, Duralit® y Fibrarforte®.