

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

A. Directors and Senior Management

Not applicable.

B. Advisers

Not applicable.

C. Auditors

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

A. Offer Statistics

Not applicable.

B. Method and Expected Timetable

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business faces significant risks. You should consider carefully the risks described below and all other information contained in this annual report. If any of the following risks were to occur, our business, financial condition and results of operations would likely be materially adversely affected. In that event, the trading price of our ordinary shares or American Depositary Shares, or ADSs, would likely decline and you might lose all or part of your investment. The following risks are not the only risks that we face; we are subject to various risks mainly resulting from changing economic, environmental, political, industry, business, financial and climate conditions. Our results could materially differ from those anticipated in these forward-looking statements, as a result of certain factors including the risks described below and elsewhere in this report and our other SEC filings. See also "Cautionary Statement with Respect to Forward-Looking Statements".

For purposes of this section, the indication that a risk, uncertainty or problem may or will have a "material adverse effect on us" or that we may experience a "material adverse effect" means that the risk, uncertainty or problem could have a material adverse effect on our business, financial condition or results of operations and/or the market price of our ordinary shares or ADSs, except as otherwise indicated or as the context may otherwise require. You should view similar expressions in this section as having a similar meaning.

Risks Relating to Argentina

Most of our operations, property and customers are located in Argentina and a portion of our liabilities and assets are denominated in foreign currency. Consequently, the quality of our assets, property status and our results of operations depend on the macroeconomics, regulatory, social and political conditions of Argentina and on the exchange rates between the peso and foreign currencies, in particular, the U.S. dollar. These conditions include growth rates, inflation rates, exchange rates, taxes, foreign exchange controls, changes in the interest rates, changes of the state policies, social instability and other domestic and international political and economic events that may take place in Argentina or may affect it.

Investing in a developing economy such as Argentina entails certain inherent risks.

Argentina is a developing economy and investing in such markets generally carries risks. These risks include political, social and economic instability that may affect Argentina's economic condition. In the past, instability in Argentina was caused by many different factors, including the following:

- aggravation of a financial crisis in several countries in the region;
- abrupt changes in the monetary and fiscal policies of countries with prominent economies due to macroeconomic conditions;
- increase in public expenses affecting the economy and fiscal deficits;
- inconsistent fiscal and monetary policies;
- uncertainty with respect to the Argentine public sector's payment capacity and the potential for obtaining international financing;
- low levels of investment;
- changes in governmental economic or tax policies;
- high levels of inflation;
- abrupt changes in currency values;
- high interest rates;
- wage increases and price controls;
- exchange and capital controls;
- political and social unrest;
- the growing effects of labor unions;
- the significant price drop of main commodities exported by Argentina;
- fluctuations in the BCRA reserves;
- widespread illnesses or epidemics, including the COVID-19; and
- restrictions on exports and imports.

Any of the above factors either individually or taken together, could have material adverse effects on the Argentine economy and on our business, results of operations and financial condition.

The Argentine economy has experienced extreme volatility in the recent decades, with uneven periods of economic growth, high inflation and devaluation of the peso against the U.S. dollar. Therefore, our business and operations may be affected by the economic and political events that may affect the Argentine economy, such as: price controls, foreign exchange controls, currency devaluations, high interest rates, increase in public expenses, tax increase or other regulatory initiatives that increase the Argentine government's intervention in the economy.

On September 1, 2019 the Argentine government reintroduced strong restrictions and exchange controls, which, among other things, significantly restricted access to the exchange markets by individuals and entities and that remain effective as of the date of this report. See "Item 10.-D) Exchange Controls".

The Social Solidarity and Productive Reactivation Law No. 27,541, enacted in December 2019, and its regulatory Decree No. 99/2019 (the "Solidarity Law"), as amended from time to time, declared the public emergency in economic, financial, fiscal, administrative, social security, tariff, energy, health and social matters and delegated legislative powers to the Argentine Executive Branch until December 31, 2024, and introduced important additional foreign exchange restrictions and tax modifications. It should be noted that according to Decree of Necessity and Urgency No. 867/2021 the public emergency in health was extended until December 31, 2022.

Since December 2019, upon the outbreak of the COVID-19, the global economy has been negatively impacted, causing the disruption of the financial markets and international trade. In spite of the fact that, according to INDEC, during 2021 there was a recovery of the economic activity reflected in the 10.3% GDP growth, there is uncertainty about the following years due to possible new strains of COVID-19.

To contain the escalation of the currency exchange rate, the Argentine Central Bank has been selling its reserves of U.S. dollars, which has resulted in a decrease in the Argentine Central Bank's international reserves from US\$65.7 billion as of December 31, 2018 to US\$43.24 billion as of April 17, 2022. However, the actual net liquid international reserves of the Argentine Central Bank would be substantially lower, as reported by private sources. Moreover, the Argentine government has been financing all economic assistance related to the COVID-19 pandemic with a significant issuance of currency, which has also contributed to increase inflation, the demand for U.S. dollars and the devaluation of the peso. In spite of that, as mentioned above, the Argentine economy has recovered from 2020's drop, with an increase of 10.3% in the GDP. While consumption, investment and exports have rebounded strongly, the scarcity of reserves to finance growth and exchange rate instability remain an ongoing concern.

Since May 2018, following the rate increase in the United States and the taxation of financial income from foreign residents, and until August 2018, the Peso depreciated 110.3% with respect to the U.S. Dollar. The Argentine government reacted by consecutively raising interest rates in pesos from 27.25% to 60% annually.

As a way to alleviate the ensuing crisis, in June 2018, Argentina and the IMF agreed to a stand-by loan for US\$50.0 billion with duration of 36 months with the IMF (the "Stand-By Agreement") to back up the economic program, and which was extended to US\$57.1 billion in September 2018. The IMF requested the Argentine government to implement the following measures: (i) reduce the primary deficit to 1.3% in 2019 and achieve the primary fiscal balance by 2020; and (ii) strengthen the autonomy of the BCRA. The reduction of the deficit implied a cut in public spending, reduction of energy and transportation subsidies, reduction of public works, transfers to the provinces, among other measures.

As of the date of this annual report, the IMF disbursed an aggregate of US\$44.70 billion under the Stand-By Agreement. As of December 2021, the Argentine government has repaid approximately US\$3.8 billion of principal under the Stand-By Agreement and has negotiated the restructuring of the Stand-By Agreement into an extended fund facility program with the IMF in connection with payments that mature in 2022. On January 28, 2022, the IMF and the Argentine Government reached an understanding to restructure the current debt with the IMF through a Staff-Level Agreement which was approved by the IMF's executive board on March 3, 2022 and approved by the Argentine Congress on March 17, 2022. Ultimately, the Staff-Level Agreement was approved definitively by the IMF's executive board on March 25, 2022. The Staff-Level Agreement seeks to continue creating the necessary stability conditions to address existing structural challenges and to strengthen the foundations for sustainable and inclusive growth. In accordance to the Staff-Level Agreement, Argentina will be paying its debt from 2026 to 2034.

To prevent shortage of goods, the Secretary of Domestic Commerce issued Resolution No. 237/2021 by means of which it created the Information System for the Implementation of Economic Reactivation Policies ("Sistema Informativo para la Implementación de Políticas de Reactivación Económica" or "SIPRE"), in which certain companies, including our company, must report monthly the prices of their products, quantities sold and stocks of final and intermediate goods.

Despite all these measures adopted by the Argentine government, according to the INDEC, Argentina's real GDP continues to decrease by 2.2% in 2019. In addition, in 2020 the general macroeconomic conditions worsened as a result of the COVID-19 pandemic. According to INDEC, during 2020 GDP declined by 9.9%. However, according to INDEC, the Argentine economy has recovered in 2021, with an increase of 10.3% in the GDP.

A decline in international demand for Argentine products, a lack of stability and competitiveness of the peso against other currencies, a decline in confidence among consumers and foreign and domestic investors, a higher rate of inflation and future political uncertainties, among other factors, may continue to adversely affect the development of the Argentine economy, which could lead to a reduced demand for our products and services and adversely affect our business, financial condition and results of operations.

If current levels of fiscal deficits are not reduced, the Argentine economy could be adversely affected, negatively impacting our business and results of operation.

In the past, Argentina has had important macroeconomic imbalances, including frequent and critical fiscal deficits. Since 1961, the Argentine government has had yearly fiscal deficit in approximately 90% of the time (47 years out of 53), which has led to very vulnerable macroeconomic conditions. The Argentine government has financed its fiscal deficit mainly in two ways: (i) by issuing foreign debt, which has historically led to rapid increments in national debt levels; and (ii) by monetary emission through the BCRA, which has led to periods of high inflation and, even in some cases, hyperinflation. The fiscal deficit reached 5.2% of GDP in 2018, 4.9% of GDP in 2019, 8.5% of GDP in 2020 and 4.5% in 2021.

Failing to reduce fiscal deficits could lead to growing levels of uncertainty regarding Argentina's macroeconomic conditions. In particular, it could lead to growing inflation rates and unanticipated foreign exchange depreciation and balance of payments crisis, higher local vulnerability to international credit crisis or geopolitical shocks, higher interest rates and erratic monetary policies, a reduction in real salaries and as a consequence, in private consumption, and a reduction in growth rates. This level of uncertainty, over which we have no control, may adversely affect our financial condition or results of operations.

If the current levels of inflation do not decrease, the Argentine economy could be adversely affected, negatively impacting our results of operations and margins.

Historically, inflation has materially undermined the Argentine economy and the Argentine government's ability to create conditions for long-term economic growth. In recent years, Argentina has experienced high inflation rates.

Since 2008, the Argentine economy has been subject to strong inflationary pressures that, according to private sector analysts, reached an average annual rate of 28.2% between 2010 and 2015. In December 2015, the new administration suspended the publication of indexes and statistics and, after implementing certain methodological reforms and adjusting certain macroeconomic statistics, resumed its publication of the CPI in June 2016. Based on the new and revised information provided by INDEC, inflation reached an annual rate of 53.8% in 2019, 36.1% in 2020 and 50.9% in 2021. In the first quarter of 2022, the inflation reached rates of 16.1%.

In the past, the Argentine government has implemented programs to control inflation and monitor prices for essential goods and services, including attempts to freeze the price of certain supermarket products by means of price support arrangements between the government and the private sector. These programs, however, did not address the structural causes for Argentina's inflation and, consequently, failed to reduce inflation.

The government reported a primary fiscal deficit of 3.8% of GDP in 2018, 1.7% GDP in 2019, 6.5% GDP in 2020 and 3% in 2021. However, one of the principal aims of the Staff-Level Agreement is a gradual reduction of the fiscal deficit. It includes a strategy with the objective of reaching a primary fiscal deficit of 2.5% of GDP in 2022, and expect it to be reduced to 1.0% of GDP in 2023 and 0.9 of GDP in 2024.

Since December 2019, the new administration has not adopted measures to control inflation, other than the execution of an agreement with the United Association of Supermarkets in January 2020, to control the prices of 336 basic products (which was extended in January 2021 and expanded to include 260 additional products), and the enactment of the Products Display Law No. 27,545 and Resolution No. 926/2021, which regulates the offer and display of products in supermarkets and also provides certain conditions that must be fulfilled in the commercial relationship between the commercialization centers and their suppliers, including compliance with the good commercial practices' code which is also created by the law. In April 2022, the Secretary of Domestic Commerce renewed the list of prices controls on 1763 basic products until July 7, 2022, and the government adopted a series of measures to increase the fiscalization of prices and increase the offering of products in the domestic market by restricting exports and regulating the access of small and medium companies' products in supermarkets, among others.

Controlling inflation remains a challenge for Argentina. If the Argentine government continues adopting mere control and restriction measures but continues failing to address Argentina's structural inflationary imbalance, the current levels of inflation may continue to rise, which may have an adverse effect on Argentina's economy.

High inflation rates affect Argentina's foreign competitiveness, increase social and economic inequality, negatively impact employment, consumption and the level of economic activity, and undermine confidence in Argentina's banking system, which could further limit the availability of and access by local companies to domestic and international credit.

Inflation in Argentina has contributed to a material increase in our costs of operation, in particular labor costs; it also enables a reduction in the purchasing power of the population, thus increasing the risk of a lower level of product consumption from our customers in Argentina, which could negatively impact our financial condition and results of operations. Inflation rates could continue to grow in the future, and there is uncertainty regarding the effects that any measures adopted by the government could have to control inflation.

Our financial statements are required to apply inflationary adjustments.

IAS 29 (Financial Reporting in Hyperinflationary Economies) requires that financial statements of any entity, whose functional currency is the currency of a hyperinflationary economy, whether based on the historical cost method or on the current cost method, be stated in terms of the measuring unit current at the end of the reporting period.

Similarly, Argentine Generally Accepted Accounting Principles (“**Argentine GAAP**”) (Technical Resolutions No. 17, 39 and 41 (“**TR 17**”) also requires the adjustment of financial statements to reflect the changes in general price index in the context of hyperinflation.

In June 2018, the International Practices Task Force of the Centre for Quality, which monitors “highly inflationary countries”, categorized Argentina as a hyperinflationary economy and on September 2018, the Argentine Federation of Economic Sciences Professionals Bodies (*Federación Argentina de Consejos Profesionales de Ciencias Económicas*), also stated that the adjustment to reflect inflation should be applied to all Argentine companies’ financial statements for periods ending on or after July 1, 2018. Therefore, Argentine companies using IFRS are required to apply IAS 29 to their financial statements for periods ending since July 1, 2018.

Adjustments to reflect inflation, such as those required by IAS 29 was prohibited by law No. 23,928. Additionally, Decree No. 664/03, issued by the Argentine government, instructed regulatory authorities, such as the CNV, to accept only financial statements that comply with the prohibition set forth by the Law 23,928. However, on December 4, 2018, Law 27,468 abrogated Decree No. 664/03 and amended Law 23,928 eliminating the prohibition of indexation on financial statements. According to the foregoing, on December 26, 2018, the CNV admitted the adjustments to reflect inflation under IAS 29 for the periods ending on and after December 31, 2018. For purposes of the determination of the indexation for tax purposes, Law 27,468 substituted the Wholesale Price Index for the CPI, and modified the standards for triggering the tax indexation procedure. During the first three years as from January 1, 2018, the tax indexation will be applicable if the variation of the CPI exceeds 55% in 2019, 30% in 2020 and 15% in 2021. According to applicable law and if no additional tax reform is passed, for fiscal years beginning on or after January 1, 2021, 100% of the tax inflation adjustment (negative of positive) would be allocated by fiscal year.

In 2019 and 2020 the tax indexation procedure was triggered; however, the Law No. 27,541 established that the income or loss arising from the tax indexation procedure corresponding to fiscal periods 2019 and 2020 must be proportionally allocated in a six-year period.

As a result, beginning with the period ending on December 31, 2018, we and our Argentine subsidiaries prepare financial statements in compliance with IFRS or Argentine GAAP, adopting IAS 29 and TR 17 for regulatory purposes in Argentina. See “*Item 5 Operating and Financial Review and Prospects—A. Operating Results—Principal Factors Affecting Our Results of Operations—Inflation*”.

We cannot predict the full future impact that the application of IAS 29 and the eventual future application of the tax indexation procedure and related adjustments will have on our and our Argentine subsidiaries’ financial statements or the effects on our business, results of operations and financial condition.

Devaluation of the peso may adversely affect our results of operations, our capital expenditure program and the ability to service our liabilities and transfers of funds abroad.

Argentina has a history of high volatility in its foreign exchange markets, including sharp and unanticipated devaluations, tight foreign exchange controls and severe restrictions on foreign trade. The devaluation of the peso may have a negative impact on the ability of certain Argentine businesses to pay their foreign currency denominated debt. It could also lead to higher inflation rates, significantly reduce real wages and jeopardize our business, which depends on domestic market demand.

After several years of moderate variations in the nominal exchange rate, in 2011 the depreciation of the peso commenced to accelerate again and in response the Argentine government further strengthened the foreign exchange restrictions and controls. This provoked the development of an unofficial U.S. dollar trading market at which the U.S. dollar exchange rate was substantially higher than in the official foreign exchange market (the “FX Market”).

After the results of the primary elections were announced on August 11, 2019, the markets reacted negatively, and the dollar price jumped from Ps.45.2 to Ps.59 at the exchange rate published by the BCRA as of August 15, 2019. Consequently, the shares of Argentine companies in the New York stock exchange and the value of national bonds dropped.

Given the political and economic landscape, the administration of former President Macri re-introduced rigid restrictions and foreign exchange controls in September 1, 2019, which among other things, significantly curtailed access to the FX Market by individuals and entities. See item 10.D "Additional Information-Exchange Controls". Despite the measures adopted by the Argentine government to try to control the increasing depreciation of the peso, in 2021 the peso accumulated a depreciation of 22,11 % against the U.S. dollar, based on the official exchange rates published by the Argentine Central Bank and several parallel U.S. dollar trading markets developed in which the Argentine peso-U.S. dollar exchange rate differ substantially from the official Argentine peso-U.S. dollar exchange rate. See item 10.D "Additional Information - Exchange Controls".

Despite the positive effects of the depreciation of the peso on the competitiveness of certain sectors of the Argentine economy, including our business, it has also had a negative impact on the financial condition of many Argentine businesses and individuals. The devaluation of the Peso has had a negative impact on the ability of certain Argentine businesses to honor their foreign currency-denominated debt, and has also led to very high inflation initially and significantly reduced real wages. The devaluation has also negatively impacted businesses whose success is dependent on domestic market demand, and adversely affected the Argentine government's ability to honor its foreign debt obligations. If the peso is significantly depreciated, the Argentine economy and our business could be adversely affected.

Additional volatility, appreciation or depreciation of the peso, or reduction in the BCRA's international reserves due to currency interventions could adversely affect the Argentine economy, which in turn may have an adverse effect on our financial conditions and results of operations. Any further devaluation of the peso could have material adverse effects on the Argentine economy, which could have a material adverse effect on our results of operations and financial condition.

Given the economic and political conditions in Argentina, we cannot predict whether, and to what extent, the value of the peso may depreciate or appreciate against the U.S. dollar, the euro or other foreign currencies. We cannot predict how these conditions will affect our capital expenditure program, the consumption of products we provide to local customers or our ability to meet our liabilities denominated in currencies other than the peso. Furthermore, our ability to transfer funds abroad and our ability to pay dividends to shareholders located abroad may be jeopardized if high exchange rate volatility continues and exchange controls are increased in Argentina. Finally, we cannot predict whether the Argentine government will further modify its monetary, fiscal or exchange rate policy in the future.

Government measures, as well as pressure from labor unions, could require private companies to implement salary increases or provide workers with additional benefits, all of which could increase our operating costs.

In the past, the Argentine government has enacted laws and regulations requiring private companies to maintain certain wage levels and provide added benefits to their employees. Additionally, both public and private sector employers have been subject to strong pressure from the workforce and trade unions to grant salary increases and certain additional benefits.

Labor relations in Argentina are governed by specific legislation, such as Labor Law No. 20,744 and Collective Bargaining Law No. 14,250, which, among other things, dictate how salary and other labor negotiations are to be conducted. Every industrial or commercial activity in Argentina is regulated by a specific collective bargaining agreement, or CBA, that groups companies together according to industry sector and trade union. Although the process of negotiation is standardized, each chamber of industrial or commercial activity separately negotiates the increases of salaries and labor benefits with the relevant trade union covering such commercial or industrial activity. In the cement industry, salaries are established on an annual basis through negotiations between the chambers that represent the cement producers and the cement industry employees' trade union. The National Labor Ministry mediates between the parties and ultimately approves the annual salary increase to be applied in the cement industry. Parties are bound by the final decision once it is approved by the labor authority and must observe the established salary increases for all employees that are represented by the cement union and to whom the collective bargaining agreement applies.

Argentine employers, in both the public and private sectors, have experienced significant pressure from their employees and labor organizations to increase wages and to provide additional benefits. Since June 2017, the minimum salary was raised from Ps.19,000 to Ps.30,000, as of the date of this report (in nominal terms without adjustment for inflation). Due to high levels of inflation, both public and private sector employers experience significant pressure from unions and their employees to further increase salaries. In 2015, the INDEC published the Coeficiente de Variación Salarial (Salary Variation Index), an index that shows the evolution of salaries. The Salaries Index showed an increase in registered private sector salaries of approximately 30.4% in 2018, 44.3% in 2019, 34.4% in 2020 and 55,3% in 2021. During this period, the average wages in the cement industry increased in line with the average of private sector salaries, according to the Argentine Ministry of Labor, Employment and Social Security.

On March 31, 2020, due to the COVID-19 pandemic, the Argentine government issued Decree No. 329/2020, which prohibits dismissals without cause, dismissals due to force majeure or lack or decrease work and suspensions based on lack or reduction of work and/or force majeure during the next 60 days from the date of publication of the decree. After several extensions, the prohibition was extended until December 31, 2021. Such prohibition was not applicable to employees hired after December 13, 2019. As of the date of this annual report, the abovementioned prohibition is not in force. Notwithstanding, according to Decree 886/2021, employees dismissed without cause that were hired before December 13, 2019 are entitled to receive, in addition to the regular severance package, the following increase: (a) 75% of the severance package (if the dismissal is performed between January 1, 2022 and February 28, 2022);

(b) 50% of the severance package (if the dismissal is performed between March 1, 2022 and April 30, 2022), and (c) 25% of the severance package (if the dismissal is performed between May 1, 2022 and June 30, 2022). The increase is gradually reduced until its termination effective as from July 1, 2022. The increase is capped at Ps.500,000 and does not apply to employees hired after December 13, 2019.

On August 2021, by means of Circular No. 220, AOMA (Asociación Obrera Minera Argentina) established in the Cement Division of the mining activity a "State of Alert" by alleging lack of response from the company in the framework of the salary negotiations 2021 related to the Collective Bargaining Agreements No. 53 and 54/89.

On October 2021 Minerar our main third party contractor reached an agreement with AOMA, after a strike initiated by the Union at the L'Amali plant in Olavarria (due to a union framing conflict). As of reaching such agreement there were no further claims from AOMA in that regard

On November 2021, AOMA Olavarria denounced that Loma Negra did not pay correctly the relevant 13th salary and that it excluded some employees from the payment of a "Covid Award". On March 2022, we received a fine by the Ministry of Labor. We appealed in April, 2022, and the appeal is pending as of the date of this annual report.

The Argentine Government may adopt new measures that determine salary increases or additional benefits for workers, and workers and their unions can press employers to comply with such measures or obtain other benefits. Any salary increase or additional benefit could result in an increase in costs and a decrease in the results of the operations of Argentine companies, including those of Loma Negra.

The implementation of new exchange controls and restrictions on capital inflows and outflows could limit the availability of international credit and could threaten the financial system, adversely affecting the Argentine economy and, as a result, our business.

Due to the foreign exchange crisis generated in August 2019 and the continued reduction of the BCRA's foreign currency reserves, since September 1, 2019 the Argentine government imposed rigid exchange controls and transfer restrictions, substantially limiting the ability to obtain foreign currency or make certain payments or distributions out of Argentina See "Item 18.D Additional Information-Exchange Controls".

In response to the re-imposed foreign exchange restrictions, an unofficial U.S. dollar trading market developed again in which the Peso-U.S. dollar exchange rate differed substantially from the official Peso-U.S. dollar exchange rate in the FX Market.

In addition, access to foreign currency and its transfer out of Argentina can also be obtained through capital markets transactions denominated Blue-Chip Swaps, subject to certain restrictions, which is significantly more expensive than acquiring foreign currency in the FX Market.

In the past, the Argentine government also imposed informal restrictions on the ability of entities and individuals to purchase foreign currency, consisting in de facto measures as those described in the first paragraph. Notwithstanding the measures adopted by the Argentine government in the recent years, in the future the Argentine government could reinstate further exchange controls, transfer restrictions, restrictions on the free movement of capital, and may implement other measures in response to capital flight or a significant depreciation of the peso, which could further limit our ability to access the international capital markets and impair our ability to make interest, principal or dividend payments abroad. Such measures could lead to renewed political and social tensions, and could undermine the Argentine government's public finances, which could adversely affect Argentina's economy and prospects for economic growth and, consequently, adversely affect our business and results of operations, and could further impair our ability to make dividend payments to holders of the ADSs, which may adversely affect the market value of the ADSs.

Argentina's current account and balance of payment imbalances could lead to a depreciation of the Peso, and as a result, affect our results of operations, our capital expenditure program and our ability to pay our foreign currency liabilities.

Inflation continues to be a challenge for Argentina given its persistent nature in recent years.

In August 2018, the government of former President Macri announced the following measures to reduce public expenditure: a) Decrease of subsidies. The decrease in public expenditures through the decrease of subsidies, reduction of public works and lower expenses in political structure; b) Further cuts for the Administration; c) Approval of new rates of export duties; and d) Reduction of employee contributions, in other words, the reduction of the non-taxable minimum of said contributions.

The government of President Alberto Fernandez, among other, enacted the Solidarity Law, see "Risk Factors - Risks Relating to Argentina - Argentina's growth and stability may not be durable" and "Additional Information - Taxation".

According to INDEC, Argentina's structural current account deficit reached US\$4.0 billion in 2019 and US\$27.1 billion in 2018. In 2020 the current account accumulated a surplus of US\$3.0 billion, although the fourth quarter of 2020 registered a deficit of US\$1.4 billion year over year. The surplus in 2020 originated in the reduction of net expenses due to a decrease of imports of goods and services and international travels, among others. Finally, in 2021 there was also a surplus of US\$3.287 million.

During the former Macri administration, the account deficit was financed with external debt issuances in the international debt markets.—In addition, the settlement of the disputes over the 2001 defaulted debt crisis has allowed several provinces of Argentina and certain Argentine private companies to issue new debt securities in foreign markets.

Because foreign direct investment remains stagnant in Argentina, Argentina and its provinces may not be able to fulfill their debts obligations in the future, since Argentina's foreign currency needs would severely overcome its foreign currency sources. If this level of uncertainty prevails on international investors, Argentina may suffer a "sudden stop" event, when investors stop lending money to Argentinean institutions. This, in turn, may result in large capital outflows that could lead the Argentine government to default on its debt and cause a rapid and unanticipated depreciation of the peso, an increase in local interest rates and a banking system crisis if bank deposits are largely withdrawn following social unrest.

These events have already taken place in recent decades in Argentina, and the impact of new governmental measures on the Argentine economy as a whole cannot be predicted. As of the date of this report, the results of the measures already implemented and the Argentine government's measures related to the outbreak of COVID-19, impacted the primary and financial deficit in 2020, that reached 6.5% of GDP, as a result of the income and expenses measures that the Argentine government implemented to face the pandemic. Alberto Fernández's government measures aims to stabilize state accounts, but in principle they intend to maintain expansive policies that would mean initially even more increases in public spending, financed through the expansion of currency issuance.

The failure to reduce fiscal deficits could increase the level of uncertainty regarding the macroeconomic conditions in Argentina. In particular, it could lead to an increase in the inflation index, devaluation of the Peso with respect to foreign currencies and a subsequent crisis in the balance of payments, greater local vulnerability to the international credit crisis or geopolitical shocks, rising rates of interest, erratic monetary policies, reduction in real wages and, as a consequence, in private consumption and reduction in growth rates. This level of uncertainty, over which we have no control, can affect our financial condition or the results of operations.

If a balance of payments crisis were to occur, a large depreciation of the Peso against the U.S. dollar could adversely affect our ability to meet our foreign currency obligations. Furthermore, the negative effect such a crisis could have on the growth rates of the Argentine economy and its consumption patterns could have a material adverse effect on our business, financial condition and result of operations.

The Argentine government's ability to obtain financing from international markets may be limited, which may negatively impact our financial condition and our ability to grow.

The Argentine government's ability to obtain financing from international markets has been limited.

The Argentina's sovereign default in 2001 limited Argentina's ability to access to international financing. Through exchange offers conducted between 2005 and 2010, Argentina restructured over 92% of the sovereign defaulted debt. However, holdout holders declined to participate in the restructuring commenced litigation against Argentina. The Argentine government settled US\$9.2 billion outstanding principal amount of the untendered debt held by some of these holdout holders in April 2016 with the proceeds from a US\$16.5 billion international bonds offering.—Although the size of the outstanding claims has decreased significantly, as of the date of this report, litigation initiated by bondholders that have not accepted Argentina's settlement offer continues in several jurisdictions. However, after the settlement with the holdouts and offering Argentina regained access to the international capital markets.

Additionally, foreign shareholders of several Argentine companies, including those of our controlling shareholder, have filed claims before the International Center for Settlement of Investment Disputes or the ICSID alleging that the emergency measures adopted by the Argentine government since the crisis in 2001 and 2002 differ from the just and equal treatment standards set forth in several bilateral investment treaties to which Argentina is a party. The ICSID has ruled against Argentina with respect to many of these claims.

On January 28, 2022, the IMF and the Argentine government reached an understanding; and the final agreement was approved by the IMF's executive board on March 3, 2022. On March 17, 2022 the Argentine Congress approved this agreement, which allowed, among others, to avoid defaulting again. Ultimately, the Staff-Level Agreement was approved definitively by the IMF's executive board on March 25, 2022.

The Staff-Level Agreement aims at lowering the fiscal deficit, the inflation, subsidies, among others, in consistent with continue creating the necessary stability conditions to address existing structural challenges and to strengthen the foundations for sustainable and inclusive growth.

We cannot be sure of the effects of the Staff-Level Agreement or how it will be implemented in practice, but it is important that Argentina has not fallen back into default.

Lack of access to international or domestic financial markets or increase in the costs of such financing could affect the projected capital expenditures for our operations in Argentina, which, in turn, may have an adverse effect on our financial condition or the results of our operations.

Government intervention may adversely affect Argentine economy, Argentine companies and, as a result, our business and results of operations.

During recent years, the federal government has exercised substantial control over the Argentine economy.

Since taking office in December 2019, the Fernández Administration implemented several measures that increased the government intervention, for example: i) the Solidarity Law ; ii) the Price Control Program announced on January 7, 2020; iii) the Law of Sustainability of Public Debt under Foreign Law, published on February 13, 2020; iv) the Supermarkets' Shelf Law published on March 17, 2020; and v) Decree No. 690/2020, which was published on August 22, 2020, and regulated certain services tariffs.

Among other things, the Solidarity Law froze the electricity and natural gas tariff rates until December 31, 2020 and instructed the relevant regulatory agencies to pursue a mandatory renegotiation of those rates. As of this annual report, a tariff renegotiation is in process and public hearings are expected.

Effective January 1, 2021, the National Telecommunications Agency approved the rendering of universal basic mandatory services for fixed and mobile telephone services and internet services and fixed a maximum fee increase of 5% on the telecommunications services for January 2021. The National Telecommunication Agency further approved an additional maximum fee increase of 7.5% for February 2021, and 2.5% for March 2021, for mobile telephone services only.

Pursuant to Resolution No. 415/2020, published on September 28, 2020, the Secretary of Domestic Commerce approved a sample agreement with companies that commercialize or produce construction materials, to cap price increases of construction materials. In this regard, we entered into an agreement with the Secretary of Domestic Commerce pursuant to which Loma Negra agreed to sell certain products to one of the biggest retail establishments of Argentina at a maximum price depending on the region of the country. The prices shall be subject to a quarterly review. The agreement was in force until September 1, 2021. On September 6, 2021, the Secretariat of Domestic Commerce announced the renewal of this agreement on its official website, which will be valid for one year

Furthermore, on 17 June 2021, the Secretariat of Domestic Commerce submitted a new Programme with companies that commercialize construction materials to establish prices for construction inputs in stockyards. It should be noted that this Programme is complementary to the other agreement mentioned above and will be in force for one year.

In addition, on March 17, 2021, the Secretary of Domestic Commerce issued Resolution No. 237/2021 by means of which it created SIPRE, in which certain companies, including our company, must report monthly the prices of their products, quantities sold and stocks of final and intermediate goods.

Furthermore, through Resolutions No. 204/2021 and No. 862/2021, the National Agency of Telecommunications approved additional maximum fee increases in their retail prices as of March 2021 and as of July 2021, respectively, for certain Internet Access Value Added Services licensees, Subscription Radio Broadcasting Services by Physical or Radioelectric link licensees and Subscription Broadcasting Services through Satellite link (DTH or Satellite TV) licensees, subject to certain specific plans and amount of total accesses.

Since September 1, 2019, the Argentine Executive Branch reinstated strong exchange controls and restrictions limiting the access to the FX Market for purchases and transfers outside Argentina of foreign currency. See *"Item 10.D Additional Information-Exchange Controls"*

Interventions by the Argentine government similar to those described above can have an adverse impact on the level of foreign investment in Argentina, the access of Argentine companies to the international capital markets and Argentina's commercial and diplomatic relations with other countries and, consequently, could adversely affect our business, financial condition and results of operations.

As of the date of this annual report it is not possible to predict whether the current administration will promote additional actions related to price controls of products elaborated by us. In case it does, we cannot predict how these measures will affect our results of operations. Please bear in mind that due to the COVID-19 pandemic the Federal Government intervention on economic, trade and regulatory matters has increased substantially.

Expropriations and other interventions by the Argentine government similar to those described above can have an adverse impact on the level of foreign investment in Argentina, the access of Argentine companies to the international capital markets and Argentina's commercial and diplomatic relations with other countries and, consequently, could adversely affect our business, financial condition and results of operations.

The Argentine economy could be adversely affected by economic developments in other markets and by more general "contagion" effects.

Weak, flat or negative economic growth in any of Argentina's major trading partners, such as Brazil, could adversely affect Argentina's balance of payments and, consequently, economic growth.

The Argentine economy may also be affected by conditions in developed economies, such as the United States, that are significant trading partners of Argentina or have influence over world economic cycles and over short-term evolution of commodity prices. If interest rates increase significantly in developed economies, including the United States, Argentina and its developing economy trading partners, such as Brazil, could find it more difficult and expensive to borrow capital and refinance existing debt, which could adversely affect economic growth in those countries. Decreased growth from Argentina's trading partners could have a material adverse effect on the markets for Argentina's exports and, in turn, adversely affect economic growth. Any of these potential risks to the Argentine economy could have a material adverse effect on our business, financial condition and result of operations.

The economy of Brazil, Argentina's largest export market and the principal source of imports, is currently experiencing heightened negative pressure due to the uncertainties stemming from ongoing political crisis. After the economic crisis of 2015 and 2016, the Brazilian economy is slowly recovering. The real growth per capita has recovered 10% in 2021, but is still 15% down from 2019 figures. As of December 31, 2021, the unemployment rate is 11.9%, as compared to 15.0% at the end of 2020. On January 1, 2019, Jair Bolsonaro assumed office as a neoliberal and conservative politician. Brazil faces general elections in 2022 that could imply a substantial change in the conservative policies of the Bolsonaro administration, or a ratification of his government. While the impact of Brazil's downturn on Argentina cannot be predicted, we cannot exclude the possibility that the Brazilian political and economic crisis could have a further negative impact on the Argentine economy.

On November 3, 2020, political elections took place in the U.S. and on January 20, 2021 Joe Biden took office. As of the date of this report, it is still unknown how the policies to be implemented by President Biden will impact on emerging market economies, including Argentina. Changes in social, political, regulatory and economic conditions in the United States, or in laws and policies governing foreign trade, could create uncertainty in the international markets and could have a negative impact on emerging market economies, including the Argentine economy, which in turn could have a negative impact on our business, results of operations and financial condition.

Jerome H. Powell the chair of the U.S. Federal Reserve has expressed the intention to continue with the policies of the Federal Reserve to gradually rise the interest rates as the economic conditions of the U.S. improve or due to inflation.

On February 24, 2022, Russian military forces launched a major assault against Ukraine, which led to a conflict that is ongoing as of the date of this annual report. Trade disruptions caused by the conflict and economic sanctions have caused instability and increases in the prices of energy and raw materials, which may affect the price and demand for our products.

In addition, Argentina is highly dependent on the export of certain commodities, such as soy, which has made the Argentine economy more vulnerable to fluctuations in the commodities prices. If international commodity prices decline, the Argentine economy could be adversely affected. In addition, adverse weather conditions can affect the production of commodities by the agricultural sector, which account for a significant portion of Argentina's export revenues.

All these circumstances could have a negative impact on the levels of government revenues, available foreign exchange and the government's ability to manage its sovereign debt, and could either generate recessionary or inflationary pressures, depending on the government's reaction. Either of these results would adversely impact Argentina's economic growth and, therefore, our financial condition and results of operations.

The Argentine banking system may be subject to instability, which may affect our operations.

The Argentine banking system has experienced several crises in the past, and even collapsed in 2001 and 2002. In recent years, the Argentine financial system grew significantly with a marked increase in loans and private deposits, showing a recovery of the credit activity. Such recovery has been severely impacted by the COVID-19 pandemic. Although the financial system's deposits continue to grow in nominal terms, these deposits are mostly short-term and the sources of medium and long-term funding for financial institutions are currently limited. In 2021, nominal private deposits in Pesos increased 59.5% year-over-year and during the same period, private deposits in U.S. dollars declined by 1.3%.

Financial institutions are subject to significant regulation from multiple regulatory authorities, all of whom may, among other things, establish limits on commissions and impose sanctions on financial institutions. The lack of a stable regulatory framework could impose significant limitations on the activities of the financial institutions and could induce uncertainty with respect to the financial system stability.

A new crisis or the consequent instability of one or more of the larger banks, public or private, could have a material adverse effect on the prospects for economic growth and political stability in Argentina, resulting in a loss of consumer confidence, lower disposable income and fewer financing alternatives for consumers. These conditions would have a material adverse effect on us by resulting in lower sales of products and the possibility of a higher level of uncollectible accounts or increase the credit risk of the counterparties regarding our investments in local financial institutions.

Exchange controls and restrictions on transfers abroad and capital inflows have limited, and could continue limiting, the availability of international credit. The continued limitation of international credit could have a material adverse impact on our financial condition, results of operations and cash flows.

The measures taken or to be implemented by the Argentine government in response to the COVID-19 pandemic have had and may continue to have an adverse effect on our business and operations.

On March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. This pandemic, as well as the reality or fear of any other adverse public health developments, is having and will likely continue to have a negative and material effect on, among other things, our manufacturing and supply chain operations, including due to the reduction or closure of our production units and the interruption of the supply of raw materials. The local, national and international response to the pandemic continues to rapidly evolve. Responses have included voluntary and, in some cases, mandatory quarantines as well as shutdowns and other restrictions on travel and commercial, social and other activities.

Since the beginning of the pandemic, the Argentine Government has implemented certain measures aimed at limiting the advance and spread of the Coronavirus COVID-19 among the population, some of which are still in force. In such context, on March 19, 2020, the National Executive Branch issued the Decree of Necessity and Urgency (DNU) No. 297/20 (and complementary) which provided for the preventive and mandatory social isolation initially effective from March 20 to March 31, 2020 inclusive, which was later extended in successive opportunities, with different measures and scopes. Subsequently, and by means of DNU 875/20 and due to the disparity in the spread and concentration of the virus in the different geographical areas of the country, the National Government ordered for certain areas, including the Metropolitan Area of Buenos Aires, the change of the isolation to a measure of social distancing, initially effective from November 9 to November 29, 2020, which was later extended in successive opportunities, the last extension of which was approved by DNU No. 867/21, until December 31, 2022.

Decree 867/2021 extended the scope of Decree No. 260/2020 -which extended the public health emergency established by Law No. 27,541- until December 31, 2022, maintaining, in general terms, the prevention guidelines established by Decree 678/2021. In this sense, the obligation of compulsory isolation is established for those who are "suspected cases", "confirmed cases" and "close contacts" according to the definition provided by the national health authority; the obligation to have a complete vaccination schedule for non-resident foreigners at least 14 days prior to their entry into the country is established, as well as the obligation to have proof of a non-detectable RT-PCR test for COVID-19 no more than seventy-two (72) hours prior to the trip; the general preventive measures for the population are maintained and the following activities are established as having a higher epidemiological and sanitary risk: group trips of graduates, students, retired persons or similar; activities in discotheques, dance halls, party halls or similar that take place in closed spaces; activities in party halls for dances, balls or similar that take place in closed spaces; massive events of more than 1000 persons that take place in open, closed or open-air spaces.

The measures to control the COVID-19 pandemic have negatively impacted the global economy, disrupted financial markets and international trade, resulted in increased unemployment levels and significantly impacted global supply chains, all of which have had an adverse impact in Argentina's economy and may negatively materially impact our industry and our business in the future in case a new strain of COVID-19 emerges.

See risk factor "Public health threats or outbreaks of communicable diseases, including the COVID-19, have had and may continue to have an adverse effect on our operations and financial results" for more detailed information.

The Argentine government has imposed certain conditions in the granting of work and production assistance and benefits in response to the COVID-19 pandemic that may have effects in us and/or some of our Argentine subsidiaries.

Pursuant to Decree 332/2020, the Argentine Executive Branch created an emergency work and production assistance program available until December 31, 2020 to all employers (excluding those rendering services deemed essential, except under exceptional circumstances) that comply with any of the following requirements (or the ATP Program): i) perform activities critically affected by the geographical areas where they are carried out; and/or ii) have a significant number of employees infected with COVID 19 or subject to mandatory isolation or work exemption; and/or iii) have suffered a significant reduction of their sales after March 12, 2020.

Benefits of the ATP Program included: i) extension of the expiration for the payment of employers' contributions to the Argentine Social Security System or a reduction of up to 95% on employers' contributions to the Argentine Social Security System; ii) the payment by the Social Security Authority (ANSES) of a complementary salary to all or a portion of the beneficiary's workers in an amount equal to 50% of the workers' net salary as of February 2020 provided that it could not be lower than the minimum salary nor higher than two minimum salaries or the total of the net salary for that month, to be computed on account of the full remuneration owed to the worker; and iii) subsidized interest rate loans.

On April 5, 2020 the Argentine Executive Branch created the Committee for the Evaluation and Monitoring of the ATP Program. Pursuant to the Committee's decisions and recommendations, beneficiaries of the ATP Program with more than 800 workers as of February 29, 2020 are banned from: i) distributing dividends for the fiscal years ending since November 2019; ii) re-purchasing, directly or indirectly, their own shares; iii) purchasing securities with Pesos for their settlement in foreign currency or their transfer outside Argentina; and iv) making any payments to persons with residence in "non-cooperative jurisdictions" or other jurisdictions subject to low or no taxation at all. These restrictions apply during the fiscal year when the benefits were granted and the following 12 or 24 months depending on the benefit granted and the number of workers.

On November 12, 2020, the Ministry of Work, Employment and Social Security created the Program for the Productive Recovery II (*Programa de Recuperación Productiva - REPRO- II*), which provided for the payment of a fixed amount of 9,000 pesos to each of the workers of the beneficiary on account of the salaries to be paid by such beneficiary for two months. However, the beneficiaries could re-register for the benefit within the second month of the benefit; and the number of employees subject to the benefit are determined on the basis of the number of beneficiaries, the economic and financial situation of each beneficiary, the general economic conditions and the program's budget. Pursuant to Resolution No. 57/2021, the Ministry of Work, Employment and Social Security approved new amounts of the benefit depending on the sector of the workers for 9,000 pesos for non-critical sectors workers, 12,000 pesos for critical sectors workers and 18,000 pesos for health sector workers.

Our subsidiary Ferrosur applied for, and was granted, the following benefits under the ATP Program: i) the payment of the complementary salary during April and May 2020; and ii) the extension of the expiration for the payment of the employees' contributions to the Argentine Social Security System due in May 2020 until August 2020. Therefore, Ferrosur is subject to the restrictions described above until December 31, 2022.

We cannot assure that neither we nor any of our Argentine subsidiaries will not be in a position to need to request these or any other assistance or benefits under these or other measures and aid programs issued by the Argentine government in response to the COVID-19 pandemic and/or under which conditions.

Risks Relating to Our Indirect Controlling Shareholder

Adverse events affecting affiliates of our indirect controlling shareholder, Mover Participações S.A., including with respect to the involvement by a subsidiary of Mover Participações S.A. in the so-called Operation Car Wash investigation in Brazil ("Operação Lava Jato"), may have a material adverse effect on our reputation and on the trading price of our ordinary shares and ADSs.

Construções e Comércio Camargo Corrêa S.A., or CCCC, a construction and engineering subsidiary of Mover Participações S.A. (formerly named Camargo Corrêa S.A.) and certain of its former senior management and employees have been the subjects of a Brazilian Federal Police investigation referred to as Operation Car Wash, which is an investigation into widespread allegations of corruption, including the Brazilian federal government controlled national oil company Petróleo Brasileiro S.A.-Petrobras, where certain of its employees accepted bribes from a number of construction companies, including CCCC.

In connection with the Operation Car Wash investigation and comprehensive internal investigations undertaken by CCCC with the assistance of external experts, CCCC and certain of its former senior management and employees entered into leniency and plea bargain agreements with the Brazilian authorities pursuant to which they admitted to violations of Brazilian antitrust and anti-corruption laws and agreed to pay compensation totaling more than 1,400 million Brazilian reais, which included fines and other indemnification, and committed to continue to cooperate with Brazilian authorities. In addition, CCCC continues to conduct internal investigations on an ongoing basis regarding its anti-corruption compliance.

The news of Operation Car Wash also had repercussions in other Latin America countries where CCCC operates besides Brazil, including Peru, Argentina and Venezuela. According to certain media reports, government investigations are underway in those countries for alleged acts of corruption involving Brazilian construction companies. CCCC's management has conducted internal investigations with the help of external experts and to date has not identified evidence of any wrongdoing performed by CCCC in these countries.

Any additional violations of anti-corruption and/or antitrust laws involving CCCC may result in additional fines and/or indemnification obligations. In addition, any additional adverse events or developments could have a material adverse impact on CCCC and the Mover investment portfolio, which may subject us to reputational damage and could materially adversely affect the trading price of our ordinary shares and ADSs. Moreover no assurances can be given that affiliates of CCCC will not also be found to be liable for any such violations of law.

Risks Relating to Our Business and Industry

The cyclical nature of the cement industry may lead to decreases in our revenues and profit margin.

The cement industry is cyclical and sensitive to changes in supply and demand that are, in turn, affected by political and economic conditions in Argentina and elsewhere. This cyclicity may decrease our profit margin. In particular:

- downturns in general business and economic activity may cause demand for our products to decline;
- when demand falls, we may be under competitive pressure to lower our prices; and
- if we decide to expand our plants or construct new plants, we may do so based on an estimate of future demand that may never materialize or may materialize at levels lower than we predicted.

The prices we are able to obtain for cement depend in large part on prevailing market prices. Cement is subject to price fluctuations resulting from production capacity, inventories, the availability of substitutes and other factors relating to the market such as the level of activity in residential construction markets, and, in some cases, government intervention. If the price of cement were to decline significantly from current levels, it could have a material adverse effect on us and our profit margin.

We are subject to the possible entry of domestic or international competitors into our market, which could decrease our market share and profitability.

The cement market in Argentina is competitive and is currently served by four principal groups which together supply substantially all of the cement consumed in the country. In the cement industry, the location of a production plant tends to limit the market that a plant can serve because transportation costs are high, reducing profit margins. Historically, we have been a relevant player with presence across all regions in the country. However, competition could intensify if other players decide to try to enter our market.

We may face increased competition from the other cement manufacturers, despite incremental freight costs, decide to increase their existing capabilities (whether greenfield or brownfield) in the manufacturing and/or distribution ends of the cement market. Certain of our local competitors executed investments to expand their production capacity levels in Argentina. According to available public information, Holcim Argentina S.A. expanded the "Malagueño" plant, located in the province of Córdoba. In the case of Avellaneda S.A., a similar expansion in the "El Gigante" plant in the province of San Luis has been finished in late 2020 and is operating.

We also face the possibility of competition in Argentina from the entry into our market of imported clinker, cement or other materials (such as slag) or products from foreign manufacturers, particularly as the effects of the COVID-19 pandemic decrease, which may have significantly greater financial resources than us.

We may not be able to maintain our market share if we cannot match our competitor's prices or keep pace with the development of new products. If any of these events were to occur, our business, financial condition and results of operations could be adversely affected.

Demand for our cement products is highly related to residential and commercial construction in Argentina and is depends on public infrastructure developments.

Cement consumption is highly correlated to construction levels. Demand for our cement products depends, in large part, on residential and commercial construction and infrastructure developments. Residential and commercial construction, in turn, is highly correlated to prevailing economic conditions. As a result, decline in economic conditions would reduce household disposable income, reduce residential construction and potentially delay infrastructure projects, which would lead to a decrease in demand for cement. As a result, a deterioration in the economic conditions would have a material adverse effect on our financial performance. We cannot assure you that Argentina's GDP will grow or that the share of Argentina's GDP dedicated to construction and the infrastructure sectors, will maintain current levels or increase.

A reduction in private or public construction projects in Argentina could have an adverse effect on our business, financial condition and results of operations.

Significant interruptions or delays in, or the termination of, private or public construction projects may adversely affect our business, financial condition and results of operations. Private and public construction levels in our market depend on investments in the region which, in turn, are affected by economic conditions.

We cannot assure you that the Argentine government will execute the infrastructure plans as communicated. A reduction in public infrastructure spending in the markets in which we operate or delay in the execution of these projects could have an adverse effect on the general growth of the economy and, therefore, could adversely affect our business, financial condition and results of operations.

Changes in the cost or availability of raw materials supplied by third parties may adversely affect our business, financial condition and results of operations.

We use certain raw materials in the production of cement, such as gypsum, slag, iron ore, steel slabs, clay, sand and pozzolana that we obtain from third parties. Our cost of raw materials supplied by third parties as a percentage of our total cost of sales was 10.5%, 10.1% and 9.9% in 2021, 2020 and 2019, respectively. Should existing suppliers cease operations or reduce or eliminate production of these by-products, sourcing costs for these materials could increase significantly or require us to find alternative sources for these materials, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

The interest rates of our revolving credit facilities are principally priced using a spread over LIBOR, such that, if we borrow a significant amount under these facilities, the discontinuation of LIBOR could adversely affect our indebtedness and borrowing costs.

LIBOR, the London Interbank Offered Rate, is the basic rate of interest used in lending between banks on the London interbank market and is widely used as a reference for setting the interest rate on loans globally. If we were to borrow a significant amount of debt under our revolving credit facilities, we would be exposed to LIBOR-based financial instruments, because we use LIBOR as a reference rate in the facilities to calculate the interest due to our lenders.

The LIBOR reference rate is subject to ongoing international, national and other regulatory guidance and proposals for reform. In 2017, the Chief Executive of the U.K Financial Conduct Authority (the "FCA"), which regulates the LIBOR administrator, announced that it would no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. Subsequently, on March 5, 2021, the FCA and LIBOR's administrator, ICE Benchmark Administration, Limited, announced that the publication of the most common tenors (overnight, one-month, three-month, six-month and 12-month U.S. dollar LIBOR) would cease immediately following publication of such interest rates on June 30, 2023, and moreover, that publication of all other currency and tenor variants would cease immediately after December 31, 2021. The FCA and other regulators have stated that they welcome the LIBOR administrator's action, and issued supervisory guidance emphasizing that, despite any continued publication of U.S. dollar LIBOR through June 30, 2023, no new contracts using U.S. dollar LIBOR should be entered into after December 31, 2021.

An extended cessation date for most U.S. dollar LIBOR tenors would mean that many legacy U.S. dollar LIBOR contracts would terminate before related LIBOR rates cease to be published and will allow for more time for existing contracts to mature and provide additional time to continue to prepare for the transition from LIBOR. Although this extension provides some sense of timing, it is unclear if new methods of calculating LIBOR will be established such that it continues to exist or if replacement conventions will be developed. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index calculated by short-term repurchase agreements, backed by Treasury securities ("SOFR"). SOFR is observed and backward-looking, which stands in contrast with LIBOR under the current methodology, which is an estimated forward-looking rate and relies, to some degree, on the expert judgment of submitting panel members. Given that SOFR is a secured rate backed by government securities, it would not take into account bank credit risk (as is the case with LIBOR). Therefore, the SOFR rate, if adopted, would likely be lower than LIBOR rates and is less likely to correlate with the funding costs of financial institutions.

Whether or not SOFR attains market traction as a LIBOR replacement tool remains in question. As such, the future of LIBOR is uncertain. At this time, due to a lack of consensus existing as to what rate or rates may become accepted alternatives to LIBOR, it is impossible to predict the effect of any such alternatives on our liquidity or interest expense, to the extent we borrow a material amount of debt under our revolving credit facilities. If LIBOR ceases to exist, and we have such significant borrowings at that time, we may need to renegotiate these facilities to replace LIBOR with the new standard that is established.

Energy accounts for a significant portion of our total cost of sales, and higher energy prices or governmental regulations that restrict energy available for our operation could materially adversely affect our operations and financial condition.

We consume substantial amounts of energy in our cement production processes and currently rely on third-party suppliers for a significant portion of our total energy needs. During the year ended December 31, 2021, in Argentina, thermal energy cost and electricity cost represented approximately 13.7% and 9.8% of our total cost of sales, respectively, and in 2020 and 2019, thermal energy cost and electricity cost represented approximately 11.1% and 9.3% and 15.7% and 18.0% of our total cost of sales, respectively. Our results of operations may be adversely affected by higher costs of electricity or unavailability or shortages of electricity, or an interruption in energy supplies.

Electricity shortages have occurred in Argentina in the past and could occur again in the future, and there can be no assurance that power generation capacity will grow sufficiently to meet our demand. In recent years, the condition of the Argentine electricity market has provided little incentive to generators to further invest in increasing their generation capacity, which would require material long-term financial commitments. As a result, Argentine electricity generators are currently operating at near full capacity and could be required to ration supply in order to meet a national energy demand that exceeds the current generation capacity.

In addition, the 2001 economic crisis and the resulting emergency measures had a material adverse effect on other energy sectors, including oil and gas companies, which led to a significant reduction in natural gas supplies to generation companies that use this commodity in their generation activities. In an attempt to address this situation, in January 2016, the Argentine Government unified and increased wholesale energy prices for all consumption in Argentina. As a result of this and other measures implemented by the Argentine government, investments have been made in conventional and renewable energy, increasing the installed capacity more than 4,200 MW in the last four years. This increase in capacity has occurred both in thermal and renewable energy (wind and solar), the latter being enhanced by the renewable energy tenders, reaching 13% of the Argentine generation matrix in 2021.

On December 21, 2019, the National Congress approved the Solidarity Law (*Ley de Solidaridad Social y Reactivación Productiva*). This law grants powers to the national government to intervene the Electricity Regulating Entity (ENRE) and the National Gas Regulatory Entity (ENARGAS). Moreover, the national government has the power to maintain electricity and natural gas tariffs that are under federal jurisdiction and to initiate a comprehensive tariff revision process or to initiate a review of an extraordinary nature, aiming at a reduction of the real tariff load on households, businesses and industries by 2020. On March 2020, by means of an executive decree, the national government declared the government intervention of ENRE and ENARGAS. Finally, on December 23, 2021, pursuant to Decree No. 871/2021, the Fernandez administration extended these interventions until December 31, 2022.

Regarding energy prices, it should be noted that substantial increases for residential and industrial users are expected in 2022. These increases could be even higher due to (i) the commitments assumed by Argentine government with the IMF which included, among other matters, a reduction of subsidies in the energy sector and (ii) the Russia-Ukraine war conflict, that may have an impact on price levels (particularly, in the price of the natural gas used for generating electricity). In addition, if the Russia-Ukraine war conflict continues over time there could be a shortage of gas during the winter and this could have an impact on industrial use.

Electricity generators may still not be able to guarantee the supply of electricity to distribution companies, which, in turn, could prevent these companies from experiencing continued growth in their businesses and could lead to failures to provide electricity to customers; and we may not have access to the gas necessary to maintain our cement production processes. Shortages and government efforts to respond to or prevent shortages may materially adversely impact the cost and supply of energy for our operations, which could materially adversely affect our operations and financial condition.

Moreover, all of the locomotives we operate for our railroad segment are diesel-powered, and our fuel expenses are significant. If increases in fuel prices cannot be passed on to our customers through our tariffs, our operating margins could be materially and adversely affected. Fuel prices have historically been volatile and may continue to be volatile in the future. Fuel prices are subject to a variety of factors that are beyond our control, including, but not limited to, consumer demand for, and the supply of, oil, processing, gathering and transportation availability, price and availability of alternative fuel sources, weather conditions, natural disasters and political conditions.

Public health threats or outbreaks of communicable diseases, including the COVID-19, have had and may continue to have an adverse effect on our operations and financial results

We may face risks related to public health threats or outbreaks of communicable diseases. The outbreak of communicable diseases could result in a widespread health crisis that could adversely affect the global economy and our ability and our business partners' ability to conduct business in Argentina for an indefinite period of time.

Since the COVID-19 outbreak in March 2020, the Argentine government adopted a series of measures to control the spread of the virus, including quarantine measures, border closures and other travel restrictions, causing unprecedented commercial disruption. See *"The measures taken or to be implemented by the Argentine government in response to the COVID-19 pandemic have had and will likely continue to have an adverse effect on our business and operations"*. This outbreak has resulted in a global economic slowdown and a temporary shutdown of production and supply chains and disrupt international trade, all of which has negatively impacted our industry and our business. In addition, the COVID-19 pandemic poses risks that our employees, contractors, suppliers, customers and other business partners may be prevented from conducting business activities for an indefinite period of time, including shutdowns that have been requested or mandated by governmental authorities, which have had and will likely continue to have a material adverse effect on our results of operations, financial condition and liquidity.

To date, the outbreak of the COVID-19 has caused significant social and market disruption. The long-term effects to the global and the Argentine economy and to us of the on-going COVID-19 pandemic are difficult to assess or predict, and may include a further decline in the market prices of our ordinary shares and ADSs, risks to employee health and safety, risks to our production process and operations and reduced sales in geographic locations impacted.

These and other responses could impact the ability to market our products, the availability of those who make the decision to purchase our products and the ultimate demand for our products. In the event the number of infected patients increases in the markets in which we operate, it is possible that these disruptions would affect the economy and the financial markets, consequently affecting our financial condition and results of operations. On a business level, this could mean that our or other companies' operations may be suspended.

In response to the outbreak and business disruption, first and foremost, we have prioritized the health and safety of our employees and we have developed and implemented a plan covering several preventive measures required to minimize the effects of the pandemic.

Including the definition of staggered home office rotation for all employees since March 17, 2020. In compliance with the Mandatory Isolation Regime we undertook the following measures: (i) suspension of production and dispatch of cement, concrete and aggregates, (ii) temporary suspension of the construction of the second line of L'Amali plant in Olavarría, Province of Buenos Aires, Argentina, and (iii) home-office for all of our administrative staff.

According to Decree 297 and Administrative Decision No. 450/2020, certain activities and services were declared essential and exempted from compliance with the Mandatory Isolation Regime (including the construction of public works and the sale of building material depots). See *"Item 3.D Risk Factors-Risks Relating to Argentina-The measures taken or to be implemented by the Argentine government in response to the COVID-19 pandemic have had and will likely continue to have an adverse effect on our business and operations."*

This situation caused a decline on the demand of our products, mainly in the cement bulk sales. Over time, these measures had a negative impact on our activities including our revenue, supply and profitability but also on the recoverability of our receivables and long-lived assets. In light of this situation and in addition to the measures above mentioned, we initiated proactive cost management strategies and an action plan focused on liquidity and liability management, which consists mainly of securing our working capital needs, tightening our fixed cost structure, including labor costs, and reformulating our priorities regarding maintenance capital expenditure needs.

We may also be affected by a decline in the demand of our products due to significant interruptions or delays in, or the termination of, private or public construction projects, or the need to further implement additional policies limiting our production or limiting the efficiency and effectiveness of our operations, including home office policies for a prolonged period of time. Furthermore, it is not possible to measure impacts on the health of our employees, even if the appropriate measures have been taken. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Additionally, we cannot predict the duration of the pandemic, how the disease will evolve (and potentially, spread) in Argentina, or anticipate any additional protective measures or restrictions the Argentine government may impose. Given the uncertainty around the extent and timing of the potential future spread or mitigation and around the imposition or relaxation of protective measures, we cannot reasonably estimate the impact to our future results of operations, cash flows or financial condition. However, COVID-19 virus is having and will likely continue to have, for so long as the health crisis and the virus impact continue, a negative impact on our activities, the demand of our products and our results of operations, financial position and cash flows.

The deterioration of Argentine and global economic conditions could, among other things:

- further negatively impact demand for cement, concrete and aggregates, or further lower market prices for our products, which could result in a continued reduction of our sales, operating income and cash flows;
- make it more difficult or costly for us to obtain financing for our operations or investments or to refinance our debt in the future;
- cause us to experience an increase in costs as a result of our emergency measures, delayed payments from our customers and uncollectable accounts;
- impact our liquidity position and cost of and ability to access funds from financial institutions and capital markets;
- cause delays and disruptions in the supply chain resulting in disruptions in the commercial operation dates of certain construction projects;
- cause delays and disruptions in the construction of new cement facilities and the expansion of our existing facilities;
- impair the financial condition of some of our customers, suppliers or counterparties, thereby increasing customer bad debts or nonperformance by suppliers or counterparties;
- decrease the value of certain of our investments; and
- cause other unpredictable events.

There is still uncertainty on the reinstatement of a strict lockdown or any other government intervention or other measures, or the possibility of other economic effects on the stock market, foreign exchange rates and otherwise. Any such negative impact could result in a material adverse effect on our business, liquidity, financial conditions and results of operations as well as our ability to achieve our previously disclosed expectations for the year of 2021. The extent to which COVID-19 could impact our business depends on future developments, which are highly uncertain and cannot be predicted and are outside of our control, including new information which may quickly emerge concerning the severity of the virus, the scope of the outbreak and the actions to contain the virus or treat its impact, among other developments.

We may be materially adversely affected if our transportation, storage and distribution operations are interrupted or are more costly than anticipated.

Our operations are dependent upon the uninterrupted operation of transportation, storage and distribution of our cement products. Transportation, storage or distribution of our cement products could be partially or completely shut down, temporarily or permanently, as the result of any number of circumstances that are not within our control, such as:

- disasters or catastrophic events;
- extreme weather conditions;
- hostilities or political uncertainty;
- strikes or other labor difficulties;
- acts of terrorism;
- widespread illnesses or epidemics, including the COVID-19 pandemic; and
- other disruptions in means of transportation.

In addition, we rely on third-party services providers for the transportation of our products to our customers. Our ability to service our customers at reasonable costs depends, in many cases, upon our ability to negotiate reasonable terms with carriers, including trucking companies. To the extent that third-party carriers were to increase their rates, we may be forced to pay these higher rates before we are able to pass such increases onto our customers, if at all.

Any significant interruption at these facilities or an inability to transport our products to or from these facilities or to or from our customers for any reason would materially adversely affect us.

Our business strategies require substantial capital and long-term investments, which we may be unable to fund competitively.

To continue expanding our cement production capacity and distribution network, our business strategies require substantial capital investments, which we may finance through additional debt and/or equity financing. However, adequate financing may not be available or, if available, may not be available on satisfactory terms, including as a result of adverse macroeconomic conditions. We may be unable to obtain sufficient additional capital in the future to fund our capital requirements and our business strategy at acceptable costs. If we are unable to access additional capital on terms that are acceptable to us, we may not be able to fully implement our business strategy, which may limit the future growth and development of our business. If our need for capital were to arise due to operating losses, these losses may make it more difficult for us to raise additional capital to fund our expansion projects.

The implementation of our growth strategies depends on certain factors that are beyond our control, including changes in the conditions of the markets in which we operate, actions taken by our competitors and laws and regulations in force in Argentina. Our failure to successfully implement any part of our strategy may have a material adverse impact on us.

Management's plans to obtain sufficient funds to settle current liabilities may not be accomplished and hence we may continue to have negative working capital in the near future.

Our board of directors has the ultimate responsibility for liquidity risk management and has established an appropriate framework allowing our management to handle financing requirements for the short-, medium- and long-term.

Weaker economic conditions could adversely affect our business, results of operations and financial condition. In addition, if we are unable to access the capital markets to finance our operations in the future, this could adversely affect our ability to obtain additional capital to grow our business.

We are subject to risks related to litigation and administrative proceedings that could adversely affect our business and financial performance in the event of an unfavorable ruling.

The nature of our business exposes us to litigation relating to product liability claims, labor, health and safety matters, environmental matters, regulatory, tax and administrative proceedings, governmental investigations, tort claims and contract disputes, among other matters. In the past, we have been subject to antitrust and tax proceedings or investigations including by the Argentine Antitrust Commission, or the CNDC (see "Item 8. Financial Information—Legal Proceedings—Antitrust Proceedings"). Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome of actual or potential litigation. Although we establish provisions as we deem necessary, the amounts that we reserve could vary significantly from any amounts we actually pay due to the inherent uncertainties in the estimation process. We cannot assure you that these or other legal proceedings will not materially affect our ability to conduct our business, financial condition and results of operations in the event of an unfavorable ruling.

In 2018, two investors who purportedly purchased our ADSs pursuant and/or traceable to our initial public offering, or IPO, commenced two different putative class actions before US courts on behalf of all persons and/or entities who purchased or otherwise acquired our ADSs pursuant and/or traceable to our prospectus and registration statement issued in connection with the IPO and, in the case of the Federal Class Action (defined below), on behalf of all persons and/or entities who purchased our ADSs on the open market between November 2, 2017 and May 23, 2018, inclusive. Loma Negra, its directors and some members of its senior management at the time of the IPO and Loma Negra Holding GmbH (now InterCement Trading e Inversiones S.A.) are named as defendants in both actions. On April 27, 2020, the United States District Court for the Southern District of New York issued an opinion granting defendants' motion to dismiss in respect of the Federal Class Action. On July 17, 2020, the plaintiff voluntarily dismissed the appeal filed against the Federal Court's opinion. Therefore, the favorable opinion for our company and the other defendants is final and the Federal Class Action is

over. However, the State Class Action (defined below) is still ongoing and a class has been certified. We cannot assure you that our position will prevail. If our position does not prevail, the case may have substantial adverse effects on our business, financial condition and results of operations. See “Item 8.A. Consolidated Statements and Other Financial Information—Legal Proceedings—Securities Complaints Commenced Against Loma Negra under US Jurisdiction.”

We are subject to anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Argentina and the United States and our internal policies and procedures might not be sufficient to ensure compliance with such laws and regulations.

The United States Foreign Corrupt Practices Act (FCPA), the Argentine Anti-Money Laundering Law (Ley de Prevención del Lavado de Activos), the Argentine Corporate Criminal Liability Law (Ley de Responsabilidad Penal Empresaria) and other applicable anti-corruption laws prohibit companies and their intermediaries from offering or making improper payments (or giving anything of value) to government officials and/or persons in the private sector for the purpose of influencing them or obtaining or retaining business and require companies to keep accurate books and records and maintain appropriate internal controls. In particular, the Argentine Corporate Criminal Liability Law provides for the criminal liability of corporate entities for criminal offences against public administration and transnational bribery committed by, among others, its attorneys-in-fact, directors, managers, employees, or representatives. In this sense, a company may be held liable and subject to fines and/or suspension of its activities if such offences were committed, directly or indirectly, in its name, behalf or interest, the company obtained or may have obtained a benefit therefrom, and the offence resulted from a company's ineffective control.

Although we have a Compliance Program with internal policies and procedures designed to ensure compliance with applicable laws and regulations, potential violations of anti-corruption laws could be identified on occasion as part of our compliance and internal control processes. In case such issues arise, we plan to attempt to act promptly to learn relevant facts and take any appropriate remedial action to address the risk. Given the size of our operations and the complexity of the production chain, there can be no assurance that our internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our employees, directors, officers, partners, agents and service providers or that such persons will not take actions in violation of our policies and procedures (or otherwise in violation of the relevant anti-corruption laws and sanctions regulations) for which we or they may be ultimately held responsible.

If we or individuals or entities that are or were related to us are found to be liable for violations of applicable anti-corruption laws (either due to our own acts or our inadvertence, or due to the acts or inadvertence of others), we or other individuals or entities could face civil and criminal penalties or other sanctions, which in turn could have a material adverse impact on our reputation and business. Further, litigations or investigations relating to alleged or suspected violations of anti-corruption laws and sanctions regulations could be costly.

Climate change and climate change legislation or regulations may adversely affect our business.

The risks that climate change poses through chronic environmental changes and acute, weather-related events continues to attract considerable public and scientific attention in the EU, the United States and other parts of the world. A number of governmental bodies have finalized, proposed, or are contemplating legislative and regulatory changes in response to the potential effects of climate change. In addition, companies and their stakeholders, including shareholders and non-governmental organizations, are seeking ways to reduce GHG emissions through private ordering. Any future laws or regulations addressing greenhouse gases, or GHG, emissions would likely have a negative impact on our business or results of operations, because of factors such as the imposition of limitations on raw material, production and fuel-use or the imposition of carbon taxes emission or reductions.

The cement manufacturing process requires the combustion of large amounts of fuel and creates carbon dioxide as a by-product of the calcination process. Therefore, efforts to address climate change through federal, state, regional, EU and international laws and regulations requiring reductions in GHGs can create economic risks and uncertainties for our business. Such risks could include the cost of purchasing allowances or credits to meet GHG emission caps, the cost of installing equipment to reduce emissions to comply with GHG limits or required technological standards, decreased profits or losses arising from decreased demand for our goods and higher production costs resulting directly or indirectly from the imposition of legislative or regulatory controls. To the extent that financial markets view climate change and GHG emissions as a financial risk, this could have a material adverse effect on our cost of and access to capital. Given the uncertain nature of the actual or potential statutory and regulatory requirements for GHG emissions at the federal, state, regional, EU and international levels, we cannot predict the impact on our operations or financial condition or make a reasonable estimate of the potential costs to us that may result from such requirements. However, the impact of any such requirements, whether individually or cumulatively, could have a material economic impact on our operations.

Climate change legislation and regulation concerning GHGs if implemented could have a material adverse effect on our financial condition, results of operations and liquidity. Climate change legislation and regulation may also adversely affect energy and electricity costs. There are ongoing international efforts to address GHG emissions. The United Nations and certain international organizations have taken action against activities that may increase the atmospheric concentration of greenhouse gases. Such measures may result in increased costs to us for installation of new controls aimed at reducing greenhouse gas emissions, purchase of credits or

licenses for atmospheric emissions, and monitoring and registration of greenhouse gas emissions from our operations. These measures, if adopted in Argentina, could adversely affect our business, financial condition and results of operations. Changes in the investing and financing markets with respect to issuers with significant GHG emissions could also have such adverse effects.

Climate change may include physical effects that may adversely affect our operations, such as disruption in production and product distribution as a result of major storm events and shifts in regional weather patterns and intensities. Production and shipment levels for our businesses correlate with general construction activity, most of which occurs outdoors and, as a result, is affected by erratic weather patterns, seasonal changes, and other unusual or unexpected weather-related conditions, which can significantly affect our businesses.

Environmental, health and safety regulation may adversely affect our business.

The pollutants generated by cement producers are mainly dust and gas emissions from the use of fossil fuels. Our operations often involve the use, handling, disposal and discharge of hazardous materials into the environment and the use of natural resources. Most of our operations are subject to extensive environmental, health and safety regulations.

In Argentina, regulations regarding gas emissions and air quality are enacted at both the national and provincial levels. We are required to obtain permits and licenses from governmental authorities for many aspects of our operations, and we may be required to purchase and install expensive pollution control equipment or to make operational changes to limit the actual or potential environmental, health and safety impacts of our operations to the environment and our employees. The Province of Buenos Aires, where our principal plants are located, requires that all production facilities have an environmental compliance certificate issued by the Ministry of Environment (former Provincial Organism for Sustainable Development), and similar certifications or approvals are required by relevant municipal or provincial authorities in the other jurisdictions in which we operate. As part of these requirements, local environmental authorities ordinarily make information requests to each of our plants relating to their compliance with environmental laws and regulations and, in the ordinary course of our business, we collaborate with such national and provincial environmental authorities in the conduct of their regulatory activities.

We could be subject to administrative and criminal sanctions, including warnings, fines and closure orders for our failure to comply with these environmental regulations, which, among other things, limit or prohibit emissions or spills of toxic substances that we emit in connection with our operations. We also may be required to modify or retrofit our facilities at substantial cost in order to comply with waste disposal and emissions regulations. We are subject to inspection by environmental agencies in the various jurisdictions that we operate, which may impose fines, restrictions on our operations or other sanctions. In addition, we are subject to environmental laws that may require us to incur significant costs to mitigate any damage that a project may cause to the environment, which costs may adversely impact the viability or projected profitability of the projects that we intend to implement. Moreover, any damage caused to the environment may oblige our company to pay compensation for damages.

In addition, as a result of possible changes to environmental regulations, the amount and timing of our future environmental compliance expenditures may vary substantially from those we currently anticipate. Certain environmental laws impose liability on us for any and all consequences arising out of exposure to hazardous substances or the generation of environmental damage. We cannot assure you that the costs we incur to comply with existing current and future environmental, health and safety laws, and liabilities that we may incur from past or future releases of, or exposure to, hazardous substances will not materially and adversely affect us.

Compliance with Resolution 54/2018 of the Secretary of Commerce could adversely affect our operations and profitability.

Pursuant to Resolutions 54/2018 of the former Ministry of Production and Labor Law – which establishes the technical quality and safety requirements for all types and classes of cements used in construction – cement sold in bags must have a maximum net content of 25 kilograms. Therefore, our cement bags must be reduced from 50 kilograms to 25 kilograms. This requirement shall be enforceable as from October 3, 2022. However, the main cement companies through the AFCP have requested an extension of the effective date and are working with the administrative authorities regarding the implementation of this new regulation as well as a potential timeline. This implementation could adversely impact our results of operation and financial condition and we will need to incur in capital expenditures to adapt our bags productions lines and packaging.

Compliance with mining regulations or the revocation of our authorizations, licenses and concessions could adversely affect our operations and profitability.

We engage in certain mining operations as part of our cement production processes. These activities depend on authorizations and concessions granted by the Argentine governmental authorities or regulatory agencies. The extraction, mining and mineral processing activities are also subject to applicable laws and regulations, which change from time to time. Although we believe that we are in substantial compliance with applicable laws relating to these activities as well as the terms of our current authorizations and concessions, the effect of any future applicable regulatory changes regarding such matters on our mining activities or mining rights cannot presently be determined. In addition, if our authorizations and licenses are revoked, we may be unable to maintain or improve our cement production levels, which could adversely impact our results of operation and financial condition.

Governmental agencies or other authorities may adopt new laws or regulations that are more stringent than existing laws or regulations or may seek to more stringently interpret or enforce existing laws and regulations that would require us to expend additional funds on environmental or other regulatory compliance or delay or limit our ability to operate as we intend. In addition, these actions could increase the costs associated with the renewal of our existing licenses and permits or the cost of seeking new licenses or permits. We cannot assure you that these additional costs will not be material or that our existing permits will be renewed.

Our railway concession operates in a regulated environment, and measures taken by public authorities may impact our activities.

Our transportation operation take place in a regulated environment. The Argentine federal government has the legal authority to regulate rail activities in the country (by means of the enactment of applicable laws and regulations). Therefore, actions taken by the public administration in general may affect the services rendered by us.

Law No. 27,132 in effect since May 20, 2015, provides for important changes in the regulatory framework of the railway system and empowered Argentina's federal government to renegotiate and, if necessary, terminate concessions currently in force.

Pursuant to Decree No. 158/2020, published on March 12, 2021, the National Government imposed an update mechanism pursuant to which Ferrosur would have to substantially increase the amount of the performance guarantee it had originally posted according to the concession contract (and updated in 2018 voluntarily). Ferrosur has filed an administrative appeal against such Decree before the Executive Branch not only because the update is considered unreasonable but also because the National Government does not have the right to unilaterally modify the concession contract.

We cannot be certain of the effects on the terms of our concession or any changes to the current regulatory framework that the competent authorities of the federal government may issue and whether these changes will adversely affect our results of operations.

The early termination of our railway concession may have a material adverse effect on our business.

Argentina's railway concessions are subject to early termination in certain circumstances, including the competent authorities' decision to reassume control of the service or to terminate the concession for breach of contract. Upon termination of a concession, the leased or operated assets must revert to the federal government. The amount of the compensation may not be sufficient to cover all the losses suffered by us as a result of such early termination. In addition, certain creditors may have priority with regards to such compensation. Likewise, upon termination, the competent authority may claim compensation alleging a purported breach in the concession contract.

In addition, Law No. 27,132 (passed in April in 2015), inter alia, established that the Argentine Executive Branch must adopt all necessary measures to recover the administration of railways infrastructure, provide for open access for the Freight Railroad Transportation system and empowers the Ministry of Transport to terminate and to renegotiate the railways concession contracts. It also provided that the Executive Branch would create a National Registry of Railroad Operators. Such registry was created by Decree No. 1924/15, within the purview of the National Commission of Transport Regulation (CNRT). The full implementation of the open access scheme entails the re-assumption by the Government of the administration of the railways infrastructure and, once in place, would be a significant change in the Argentine railway system. This regulatory change may benefit those sectors which are interested in operating railways in Argentina, as well as those that wish to transport commodities and other products through them.

On November 2018, Decree No. 1027/2018 was enacted. Decree No.1027/2018 regulates several provisions of Law No. 27,132. On the one hand, it establishes that the renegotiation processes of the current railways concession contracts may allow for an extension of their terms for up to ten years and, inter alia, regulate the investments to be made by the concessionaires. On the other hand, Decree No. 1027/2018 establishes that the open-access scheme will be fully implemented once all the current railway concession agreements have expired, including, if it were the case, the term of their extension.

On March 8, 2018, Ferrosur Roca duly filed before the Ministry of Transport a request for an extension of the term of validity of the concession for ten more years. On March 20, 2019, the Ministry responded, informing Ferrosur Roca that the Special Commission created by Decree No. 1027/2018 would be in charge of the renegotiation of the concession agreement and that such process would include analysis of the concession term extension in order to enable the implementation of the open access scheme (as explained above).

By the end of 2018, the Ministry of Transport issued Resolution No. 1112/18 through which it appointed new members of the Special Commission. During 2019 Ferrosur Roca participated in two preliminary meetings between the railway transport companies and the Special Commission. In the first days of December 2019, the members of the Special Commission submitted their resignation. The new members took a large part of 2020 to analyze the background and records of the concession.

On May 8, 2020, the board of directors of Ferrosur decided to make the term extension request conditional on the renegotiation of certain terms and conditions of the concession contract, in order to mitigate certain issues that affect the our business and alter the balance of the concession contract. Moreover, the Board decided that, in case no agreement is reached during such renegotiation, then Ferrosur Roca would reserve its right to withdraw the concession's term extension request. In such sense, on May 13, 2020, Ferrosur Roca filed a note with the Ministry of Transport, the Special Commission and the CNRT informing the board of director's decision in accordance with the abovementioned.

On November 3, 2020, the Ministry of Transport issued the Resolution No. 248/2020 to remove the Lobos-Boliviar railway branch of the General Roca line in the province of Buenos Aires (from km. 98,760 to km. 330,457) from the scope of the railway concession granted to Ferrosur Roca in 1992.

By the end of 2020 the Special Commission requested Ferrosur to ratify the representatives of the company that would interact with the Special Commission, which the company duly complied with. In January 2021, Ferrosur Roca made a new filing before the Special Commission requesting the prompt resumption of the negotiations.

In addition, on March 29, 2021, through Resolution No. 219/2021, the CNRT approved the Rules for the National Registry of Railroad Operators, and granted such capacity to Ferrosur and the other current railway concessionaires, among others. Pursuant to these rules, once the open access scheme is in force, any registered railroad operator will be allowed to provide railroad services regardless of who holds the ownership or possession of the facilities of the loading point or destination. In this sense, the National Government must adopt the necessary measures in order to resume the full administration of the railway infrastructure. The registration is subject to the compliance of certain requirements depending on the type of service (transport of people or goods), the filing of the information required by the CNRT, the compliance with any other regulations issued by the CNRT and the applicable law, and the compliance with the payment of a registration fee and annual fee. The obligations of the operators under this Registry includes the notification to the CNRT of any changes in its corporate structure, the sale of its equity and/or any circumstance adversely affecting the railroad services or the compliance with the requirements and conditions pursuant to which the registration was granted, among others; and the filing of its annual financial statements. The rules also created a set of provisions for determining the regime of violations to the rules and provide that the CNRT will prepare an annual report on each operator's performance and compliance with the rules and other applicable law.

In accordance with Resolution No. 211/2021, published in the Official Gazette on June 28, 2021, the Ministry of Transport rejected the extension of the term of the concession requested by different companies such as Ferrosur Roca. In that sense, Ferrosur Roca's concession will expire in March 2023.

Furthermore, pursuant to Disposition No. 122/2022, published in the Official Gazette on February 25, 2022, the CNRT approved the registration of Ferrosur Roca as "Railway Operator" in the National Register of Railway Operators (ReNOF, as per its acronym in Spanish).

Based on certain meetings held with Belgrano Cargas y Logística S.A., Administración de Infraestructura Ferroviaria S.E. (ADIF) and the Ministry of Transport, it could be construed that a public tender process will be passed for the exploration and operation of the railroad, the lease of rolling stock (*material rodante*) and the payment of certain fees, all of which will be included in an operational agreement to be entered with the tender winner.

As of the date of this annual report, we cannot guarantee that the Argentine authorities will not terminate our railway concessions prior to their stated terms or that they will extend the term of the railway concession upon the current expiration fixed on March 2023. Furthermore, we cannot guarantee that the Argentine authorities will actually implement the open access scheme nor the mechanism and terms in which the rolling stock will be leased. Any such action by the Argentine authorities could have a material adverse effect on our business, financial condition and results of operations.

For additional information related to Ferrosur Roca's railway concession, See "Item 4.B Information on the Company-Business Overview-Ferrosur Roca".

Our estimates of the volume and grade of our limestone deposits could be overstated, and we may not be able to replenish our reserves.

Our limestone reserves described in this annual report constitute our estimates based on evaluation methods generally used in our industry and on assumptions as to our production. Our proven and probable reserve estimates are based on estimated recoverable tons. We did not employ independent third-parties to review reserves over the five-year period ended December 31, 2021. Our mineral reserves data are prepared by our engineers and geologists and are subject to further review by our corporate staff. There are numerous uncertainties inherent in estimating quantities of reserves and in projecting potential future rates of mineral production, including many factors beyond our control. Reserve engineering involves estimating deposits of minerals that cannot be measured precisely, and the

accuracy of any reserve estimate is a function of the quality of available data, as well as engineering and geological interpretation and judgment. As a result, we cannot assure investors that our limestone reserves will be recovered or that they will be recovered at the rates we anticipate. We may be required to revise our reserve and mine life estimates based on our actual production and other factors. If our limestone reserves are lower than our estimates, this may have a material adverse effect on us, particularly if as a result we have to purchase limestone from third-party suppliers.

Our business is subject to a number of operational risks, which may adversely affect our business, financial condition and results of operations.

Our cement business is subject to several industry-specific operational risks, including accidents, natural disasters, labor disputes and equipment failures. Such occurrences could result in damage to our production facilities, and equipment and/or the injury or death of our employees and others involved in our production process. Moreover, such accidents or failures could lead to environmental damage, loss of resources or intermediate goods, delays or the interruption of production activities and monetary losses, as well as damage to our reputation. Any prolonged and/or significant disruption to our production facilities, whether due to repair, maintenance or servicing, industrial accidents, unavailability of raw materials such as energy, mechanical equipment failure, human error, natural disasters or otherwise, will disrupt and adversely affect our operations.

Additionally, any major or sustained disruptions in the supply of utilities such as water or electricity or any fire, flood or other natural calamities or communal unrest or acts of terrorism or disease outbreaks may disrupt our operations or damage our production facilities or inventories and could adversely affect our business, financial condition and results of operations. Our insurance may not be sufficient to cover losses from these events, which could adversely affect our business, financial condition and results of operations.

Our rail transportation and handling of cargo also exposes us to risks of catastrophes, mechanical and electrical failures, collisions and loss of assets. Fires, explosions, fuel leaks and other flammable products as well as other environmental events, cargo loss or damage, railroad, cargo loading and unloading terminal, accidents, business interruptions due to political events as well as labor claims, strikes, adverse weather conditions and natural disasters, such as floods, may result in the loss of revenues, assumption of liabilities or cost increases. Moreover, our operations may be periodically affected by landslides and other natural disasters.

We typically shut down our facilities to undertake maintenance and repair work at scheduled intervals. Although we schedule shutdowns such that not all of our facilities are shut down at the same time, the unexpected shut down of any facility may nevertheless affect our business, financial condition and results of operations from one period to another. In addition, key equipment at our facilities, such as our mills and kilns, may deteriorate sooner than we currently estimate. Such deterioration of our assets may result in additional maintenance or capital expenditures, and could cause delays or the interruption of our production activities. If these assets do not generate the cash flows we expect, and we are not able to procure replacement assets in an economically feasible manner, our business, financial condition and results of operations may be materially and adversely affected.

Our insurance coverage may not cover all the risks to which we may be exposed.

We face the risks of loss and damage to our products, property and machinery due to fire, theft and natural disasters such as floods. Such events may cause a disruption to or cessation of our operations. Our insurance may not be sufficient to cover losses from these events, which could adversely affect our business, financial condition and results of operations. We also face risks related to cyber security threats, however, as of December 31, 2021, our insurance does not cover losses associated with cyber security risks.

Our success depends on key members of our management.

Our success depends largely on the efforts and strategic vision of our executive management team. The loss of the services of some or all of our executive management could have a material adverse effect on our business, financial condition and results of operations.

The execution of our business plan also depends on our ongoing ability to attract and retain additional qualified employees. For a variety of reasons, particularly with respect to the competitive environment and the availability of skilled labor, we may not be successful in attracting and retaining the personnel we require. If we are unable to hire, train and retain qualified employees at a reasonable cost, we may be unable to successfully operate our business or capitalize on growth opportunities and, as a result, our business, financial condition and results of operations could be adversely affected.

The introduction of substitutes for cement in the markets in which we operate and the development of new construction techniques could have a material adverse effect on us.

Materials such as plastic, aluminum, ceramics, glass, wood and steel can be used in construction to substitute cement. In addition, other construction techniques, such as the use of dry wall, could decrease the demand for cement and concrete. In addition, new construction techniques and modern materials may be introduced in the future. The use of substitutes for cement could cause a significant reduction in the demand and prices for our cement products and have a material adverse effect on us.

We are subject to restrictions due to our non-controlling interests in certain of our consolidated subsidiaries.

We conduct some of our business through subsidiaries. In some cases, other shareholders hold non-controlling interests in these subsidiaries. Non-controlling shareholders' interests may not always be aligned with our interests and, among other things, could result in our inability to implement organizational efficiencies and transfer cash and assets from one subsidiary to another in order to allocate assets most effectively.

Changes in labor laws and in case law interpretations of labor laws in Argentina that tend to favor employees could negatively affect our results of operations.

In the past, the Argentine government has introduced laws, regulations and decrees requiring private companies to maintain certain minimum wage standards and provide specific benefits to employees. The Argentine government may implement again such policies in the future. We cannot guarantee that the Argentine government will not take measures that will increase wages or require us to provide additional benefits. This would result in an increase in our costs and expenses, which could have a material adverse effect on our financial condition and results of operations.

In addition to our own employees, we require third-party contractors to perform certain activities that are part of our business. Therefore, we maintain strict control policies on the compliance of these contractors with their activities. However, due to changes in the interpretation of labor laws made by case law that tend to favor employees, our labor and social security obligations to our employees and to the employees of its third-party contractors have increased significantly. As a result, the risk of being required to pay severance to our employees and to the employees of our third-party contractors has increased. Consequently, our labor and social security costs could increase to the extent that our severance costs and labor-related liabilities are increased by future changes in the interpretation of labor laws, adversely affecting our operating results.

Failures in our information technology systems and information security (cybersecurity) systems can adversely impact our operations and reputation.

Our operations are to a certain extent dependent on information technology and automated operating systems to manage or support our operations. The proper functioning of these systems is critical to the efficient operation and management of our business. In addition, these systems may require modifications or upgrades as a result of technological changes or growth in our business. These changes may be costly and disruptive to our operations and could impose substantial demands on outage time. Our systems may be vulnerable to damage, disruption or intrusion caused by circumstances beyond our control, such as physical or electronic break-ins, catastrophic events, power outages, natural disasters, computer system or network failures, viruses or malware, unauthorized access and cyberattacks. We are constantly implementing new technologies and solutions to assist in the prevention of potential and attempted cyber-attacks, as well protective measures and contingency plans in the event of an existing attack. We analyze the risks we face on an ongoing basis and, accordingly, strengthen our information technology infrastructure, update our policies, and raise awareness among our employees, to enhance our ability to prevent and respond to such risks. Although we take actions to secure our systems and electronic information and also have disaster recovery plans in case of incidents that could cause major disruptions to our business, these measures may not be sufficient.

We have not detected, and our third-party service providers have not informed us of, any relevant event that has materially damaged, disrupted or resulted in an intrusion of our systems. Any significant information leakages or theft of information could affect our compliance with data privacy laws and damage our relationship with our employees, customers and suppliers, and also adversely impact our business, financial condition and results of operation. As of December 31, 2021, our insurance does not cover any risk associated with any cyber security risks. In addition, any significant disruption to our systems could adversely affect our business, financial condition and results of operations.

Risks Relating to Our Ordinary Shares and the ADSs

The market price of our ADSs may fluctuate significantly, and you could lose all or part of your investment.

Volatility in the market price of our ADSs may prevent you from being able to sell your ADSs at or above the price you paid for them. The market price and liquidity of the market for our ADSs may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. The market price of our ADSs declined by 21% and increased 8% in 2020 and 2021, respectively. This variation in value has been largely attributed to Argentina's most recent macroeconomic crisis. Other factors include:

- actual or anticipated changes in our results of operations, or failure to meet expectations of financial market analysts and investors;

- investor perceptions of our prospects or our industry;
- operating performance of companies comparable to us
- increased competition in our industry;
- new laws or regulations or new interpretations of laws and regulations applicable to our business;
- general economic trends in Argentina;
- departures of management and key personnel;
- catastrophic events, such as earthquakes and other natural disasters;
- widespread illnesses or epidemics, including the COVID-19 pandemic; and
- developments and perceptions of risks in Argentina and in other countries.

Market fluctuations, as well as general political and economic conditions in the markets in which we operate, such as recession or currency exchange rate fluctuations, may also adversely affect the market price of our ordinary shares and the ADSs. Although our ADSs listed on the New York Stock Exchange are U.S. dollar-denominated securities, they do not eliminate the currency risk associated with an investment in an Argentine company. Following periods of volatility in the market price of a company's securities, that company may often be subject to securities class-action litigation. This kind of litigation may result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on our business, results of operations and financial condition.

The relative volatility and illiquidity of the Argentine securities markets may substantially limit your ability to sell shares underlying the ADSs at the price and time you desire.

Investing in securities that trade in emerging markets, such as Argentina, often involves greater risk than investing in securities of issuers in the United States. The Argentine securities market is substantially smaller, less liquid, more concentrated and can be more volatile than major securities markets in the United States and is not as highly regulated or supervised as some of these other markets. There is also significantly greater concentration in the Argentine securities market than in major securities markets in the United States. Accordingly, although you are entitled to withdraw the shares underlying the ADSs from the ADR facility, your ability to sell such shares at a price and time at which you wish to do so may be substantially limited. Furthermore, new capital controls imposed by the Argentine Central Bank could have the effect of further impairing the liquidity of the BYMA by making it unattractive for non-Argentines to buy shares in the secondary market in Argentina. See "Item 10.D Additional Information—Exchange Controls".

Interpretation of Argentine tax laws may adversely affect the tax treatment of our ordinary shares and the ADSs.

Argentine income tax law provides that the income resulting from the sale, exchange or other transfer of shares and other securities is subject to tax at a rate of 15% for Argentine resident individuals or a sliding scale from 25% to 35%, depending on the accumulated net income obtained during the given year, for Argentine companies; in addition, dividend distributions to Argentine resident individuals or non-Argentine residents are subject to a 7% additional tax, as per the amendment to the Income Tax Law by Law No. 27,630. These corporate rates and the tax on dividends is applicable for fiscal years starting as from January 1, 2021.

Argentine residents are exempted from the tax derived from the sale, exchange or other transfer of shares in case of shares issued by Argentine companies which are listed in capital markets authorized by the CNV and have authorization for public offering by the CNV as long as such transactions are carried out through stock exchanges or stock markets authorized by the CNV.

Income obtained by non-Argentine residents from the sale, exchange or other transfer of shares is subject to income tax rate of 15% of the net income or 13.5% of the gross consideration, to the extent such non-Argentine residents do not reside, and the funds invested do not derive from, a non-cooperative jurisdiction as defined by the Income Tax Law and the "black list" included in its regulatory decree; otherwise, the applicable withholding rates would be 35% of the net income or 31.5% of the gross consideration. In case of a sale or other transfer between two non-Argentine residents, the Law No. 27,430, or the Tax Reform, as well as other relevant regulations, established that the income tax must be paid by the seller by means of the following mechanisms: (a) if the seller has a legal representative in Argentina, or appoints someone in Argentina for purposes of paying the tax, then such representative or appointed party must pay the tax; and (b) if the seller does not have a legal representative in Argentina and does not appoint someone, then the seller itself must pay the tax through an international wire transfer.

The Tax Reform also exempted non-Argentine residents from the payment of the income tax on the sales, exchanges or other transfers of shares issued by Argentine companies which are listed in capital markets authorized by the CNV and have authorization for public offering by the CNV as long as such transactions are carried out through stock exchanges or stock markets authorized by the CNV and to the extent that the seller does not reside in, and the funds invested do not come from, non-cooperative jurisdictions, as defined by the Income Tax Law and the “black list” included in its regulatory decree.

Also, non-residents are exempt from the income tax deriving from the sale or other kind of disposition regarding ADSs which underlying security are shares issued by Argentine companies that comply with the requirements described above.

The Argentine Congress approved Law 27,630 which modified as of January 1, 2021: (i) the corporate tax rate for Argentine entities, through the application of a sliding scale from 25% to 35%, depending on the cumulative net income earned during the given year; and (ii) regardless of the tax rate applicable to corporate income tax, in all cases, dividends or profits are subject to a tax rate of 7% when paid to Argentine resident individuals or non-Argentine residents, as described above.

The holders of our ordinary shares and the ADSs are encouraged to consult with their tax advisers as to the particular Argentine income tax consequences of owning our ordinary shares and ADSs. See “Item 8. Financial Information—Dividends and Dividend Policy” and “Item 10.E Additional Information—Taxation—Material Argentine Tax Considerations”.

Restrictions on transfers of foreign exchange and the repatriation of capital from Argentina may impair your ability to receive dividends and distributions on, and the proceeds of any sale of, the shares underlying the ADSs.

On September 1, 2019, the Argentine government issued Executive Decree No. 609/19 (as amended) which, inter alia, reinstated certain foreign currency exchange restrictions, most of which had been progressively repealed as from 2015. Decree No. 609/19 was further regulated, amended and complemented by several regulations issued by the BCRA (included, but not limited to, Communication “A” 6844, as further amended, supplemented and restated). Since then, the Argentine government implemented monetary and foreign exchange control measures that included restrictions on the transfer of funds abroad, including dividends, without prior approval by the BCRA or fulfillment of certain requirements.

However, starting on January 17, 2020, local companies may transfer funds abroad in order to pay annual dividends only to foreign shareholders and the depositary for the benefit of the American Depositary Shares, or ADS holders, in an amount that (including the amount of the payment being made at the time of the access) does not exceed 30% of the value of new capital contributions of foreign direct investments. These contributions must be made to the local company and must be transferred to Argentina and sold for Pesos through the foreign exchange market as from such date. Access to the foreign exchange market for the payment of dividends in cases not above contemplated will require prior approval of the BCRA.

In addition to the formal exchange controls and regulations, the Argentine Central Bank has exercised in the past a de facto prior approval power for certain foreign exchange transactions otherwise authorized to be carried out under the applicable regulations, such as dividend payments or repayment of principal of intercompany loans as well as the import of goods, by means of regulating the amount of foreign currency available to financial institutions to conduct such transactions.

Payments of cash dividends and distributions, if any, will be made in pesos, although we reserve the right to pay in other currency to the extent permitted by applicable law. Subject to applicable law, the ADS depositary will convert such dividends received in pesos into U.S. dollars and pay such amount to holders of ADSs, net of any dividend distribution fees, ADS depositary’s fees and expenses, currency conversion expenses and taxes or governmental charges, if any. In the event that the ADS depositary is unable to convert immediately the amount in pesos received as cash dividends into U.S. dollars, the amount of U.S. dollars payable to holders of ADSs may be adversely affected by depreciation of the peso.

Since the foreign exchange controls were reinstated, the depositary for the ADSs is prevented from converting pesos it receives in Argentina into U.S. dollars for the account of the ADS holders. Since the conversion is not practicable, the deposit agreement allows the depositary to distribute the foreign currency only to those ADS holders to whom it is practicable to do so. If the exchange rate fluctuates significantly during a time when the depositary cannot convert the foreign currency, you may lose some or all of the value of the dividend distribution.

Your voting rights with respect to the shares are limited.

Holders may exercise voting rights with respect to the shares underlying ADSs only in accordance with the provisions of the deposit agreement. There are no provisions under Argentine law or under our by-laws that limit ADS holders’ ability to exercise their voting rights through the depositary with respect to the underlying shares. However, there are practical limitations upon the ability of ADS holders to exercise their voting rights due to the additional procedural steps involved in communicating with such holders. For

example, Law No. 26,831 requires us to notify our shareholders by publications in certain official and private newspapers of at least 20 and no more than 45 days in advance of any shareholders' meeting. ADS holders will not receive any notice of a shareholders' meeting directly from us. In accordance with the deposit agreement, we will provide the notice to the depositary, which will in turn, as soon as practicable thereafter and subject to legal limitations, provide to each ADS holder upon the terms of the deposit agreement:

- the notice of such meeting;
- voting instruction forms; and
- a statement as to the manner in which instructions may be given by holders (including an express indication that such instructions may be deemed given upon the terms specified below).

To exercise their voting rights, ADS holders must then provide instructions to the depositary how to vote the shares underlying ADSs. Because of the additional procedural step involving the depositary, the process for exercising voting rights will take longer for ADS holders than for holders of shares.

If we timely request the depositary to distribute voting materials to the ADS holders and the depositary does not receive timely voting instructions from an ADS holder on or before the date established by the depositary for such purpose, the depositary shall deem such ADS holder to have instructed the depositary to give a discretionary proxy to a person designated by our board of directors with respect to the deposited securities represented by the holder's ADSs. The cutoff time for ADS holders to provide voting instructions to the depositary bank is typically up to two business days prior to the cut-off date to vote shares in Argentina so as to enable the depositary bank to tally the ADS voting instructions received from ADS holders and to provide the corresponding voting instructions at the share level in Argentina through the custodian of the shares represented by ADSs.

Except as described in this annual report, holders will not be able to exercise voting rights attaching to the ADSs.

Holders of ADSs who wish to propose matters or vote on any matters directly should cancel their ADSs and withdraw their underlying ordinary shares to attend and vote at the shareholders meetings.

If we do not file or maintain a registration statement and no exemption from the Securities Act registration is available, holders of ADSs may be unable to exercise preemptive rights with respect to our ordinary shares.

Under the Argentine General Companies Law, if we issue new shares as part of a capital increase, our shareholders will generally have the right to subscribe for a proportional number of shares to maintain their existing ownership percentage, which is known as preemptive rights. However, pursuant to the Law No. 26,831, known as the Capital Markets Law (*Ley de Mercados de Capitales*), or LMC, our shareholders will not be entitled to the right to subscribe for the unsubscribed shares at the end of a preemptive rights offering, known as accretion rights. We may not be able to offer our ordinary shares to holders of ADSs residing in the U.S., or U.S. holders, pursuant to preemptive rights granted to holders of our ordinary shares in connection with any future issuance of our ordinary shares unless a registration statement under the Securities Act is effective with respect to these shares and preemptive rights, or an exemption from the registration requirements of the Securities Act is available. We are not obligated to file or maintain a registration statement relating to any preemptive rights offerings with respect to our ordinary shares, and we cannot assure you that we will file or maintain any such registration statement. If we do not file and maintain a registration statement and there is no exemption from registration, the depositary for our ADSs, may attempt to sell the preemptive rights and provide holders of our ADSs with their pro rata share of the net proceeds from any such sale. However, these preemptive rights may expire if the depositary does not sell them on a timely basis, and holders of ADSs will not receive any benefit from such preemptive rights. Even if a registration statement were effective, we may decide to not extend any preemptive or subscription rights to U.S. Persons (as defined in Regulation S under the Securities Act) that are holders of our ordinary shares and holders of ADSs. Furthermore, the equity interest of holders of shares or ADSs located in the United States may suffer dilution of their interest in us upon future capital increases.

We are entitled to amend and supplement the deposit agreement and to change the rights of ADS holders under the terms of such agreement, without the prior consent of the ADS holders.

We are entitled to amend and supplement the deposit agreement and to change the rights of the ADS holders under the terms of such agreement, without the prior consent of the ADS holders. Any amendment or supplement that imposes or increases any fees or charges (other than charges in connection with foreign exchange regulations and taxes and other governmental charges, delivery and other expenses) or that otherwise materially prejudice any substantial rights of holders of ADSs will not become effective until the expiration of 30 days after notice of such amendment or supplement has been given to holders of outstanding ADSs. Any other amendments and supplements may be effective prior to the expiration of the 30-day period.

The substantial share ownership position of our controlling shareholder will limit your ability to influence corporate matters.

Our controlling shareholder beneficially owns approximately 51.04% of our outstanding ordinary shares as of the date of this annual report. As such, our controlling shareholder has the ability to determine the outcome of substantially all matters submitted for a vote to our shareholders and thus exercise control over our business policies and affairs, including, among others, the following:

- the composition of our board of directors and, consequently, any determinations of our board with respect to our business direction and policy, including the appointment and removal of our executive officers;
- determinations with respect to mergers, other business combinations and other transactions, including those that may result in a change of control;
- whether dividends are paid or other distributions are made and the amount of any such dividends or distributions;
- cause us to issue additional equity securities;
- whether we limit the exercise of preemptive and accretion rights to holders of our ordinary shares in the event of a capital increase to the extent and terms permitted by the applicable law;
- sales and dispositions of our assets; and
- the amount of debt financing that we incur.

Furthermore, our controlling shareholder's interests may conflict with your interests as a holder of ordinary shares or ADSs, and it may take actions that might be desirable to it but not to other shareholders and may be able to prevent other shareholders, including you, from blocking these actions or from causing different actions to be taken. Also, our controlling shareholder may prevent change of control transactions that might otherwise provide you with an opportunity to dispose of or realize a premium on your investment in our ADSs. We cannot assure you that our controlling shareholder will act in a manner consistent with your interests.

Our status as a "foreign private issuer" and as a "controlled company" allows us to follow alternate standards to the corporate governance standards of the NYSE, which may limit the protections afforded to investors.

The NYSE's rules require domestic listed companies that are not "controlled companies" to have, among other requirements, a majority of their board of directors be independent and to have independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a "foreign private issuer", we are permitted to, and we will, follow home country practice in lieu of the above requirements.

Argentine law, the law of our home country, does not require that a majority of our board consist of independent directors or the implementation of a compensation committee or nominating/corporate governance committee. In addition, under the NYSE rules, a "controlled company" in which over 50% of the voting power is held by an individual, a group or another company is also not required to have a majority of its board of directors be independent directors and to have a compensation committee or a nominating/corporate governance committee, or to have such committees be composed entirely of independent directors.

We currently follow certain Argentine practices concerning corporate governance and intend to continue to do so. As a "controlled company", we are eligible to, and, in the event we no longer qualify as a "foreign private issuer", we intend to, elect not to comply with certain of the NYSE corporate governance standards, including the requirement that a majority of directors on our board of directors are independent directors and the requirement to maintain a compensation and a nominating/corporate governance committee consisting entirely of independent directors. Accordingly, holders of our ADSs will not have the same protections afforded to shareholders of companies that are subject to all NYSE corporate governance requirements and our status as a "foreign private issuer" and a "controlled company" may adversely affect the trading price for our ADSs. For more information, see "Item 166. Corporate Governance".

We are an "emerging growth company" and we cannot be certain whether the reduced requirements applicable to emerging growth companies will make our ADSs less attractive to investors.

We are an "emerging growth company", as defined in the JOBS Act, and we may take advantage of certain exemptions from various requirements that are applicable to other publicly-listed companies that are not "emerging growth companies". For so long as we remain an "emerging growth company", we will not be subject to the provision of Section 404(b) of the Sarbanes-Oxley Act that requires our independent registered public accounting firm to provide an attestation report on the effectiveness of our internal control over financial reporting. This may increase the risk that we fail to be aware of and remedy any material weaknesses or significant deficiencies in our internal control over financial reporting. We have irrevocably elected not to avail ourselves of the election to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

Nevertheless, as a foreign private issuer that is an emerging growth company, we are not required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act for up to five fiscal years after the date of completion of the offering on October 31, 2017. We will remain an emerging growth company until the earliest of: (a) the last day of our fiscal year during which we have total annual gross revenues of at least US\$1.07 billion; (b) the last day of our fiscal year following the fifth anniversary of the completion of the offering on October 31, 2017; (c) the date on which we have, during the previous three-year period, issued more than US\$1.07 billion in non-convertible debt; or (d) the date on which we are deemed to be a "large accelerated filer" under the Exchange Act, with at least US\$700 million of equity securities held by non-affiliates. When we are no longer deemed to be an emerging growth company, we will not be entitled to the exemptions provided in the JOBS Act.

We cannot predict if investors will find our ADSs less attractive as a result of our reliance on exemptions under the JOBS Act. If some investors find our ADSs less attractive as a result, there may be a less active trading market for our ADSs and our ordinary share price may be more volatile.

We are subject to ongoing costs and risks associated with determining whether our existing internal controls over financial reporting systems are compliant with Section 404 of the Sarbanes-Oxley Act, and if we fail to achieve and maintain adequate internal controls it could have a material adverse effect on our stated results of operations and harm our reputation.

We are required to comply with the internal control, evaluation, and certification requirements of Section 404 of the Sarbanes-Oxley Act and the Public Company Accounting Oversight Board. We will be required to obtain an auditor attestation as to the effectiveness of our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act for our internal control over financial reporting as of December 31, 2022.

The process of determining whether our existing internal controls over financial reporting systems are compliant with Section 404 and whether there are any material weaknesses or significant deficiencies in our existing internal controls has required and will continue to require the investment of substantial time and resources, including by our Chief Financial Officer and other members of our senior management. This determination and any remedial actions required could divert internal resources and take a significant amount of time and effort to complete and could result in us incurring additional costs that we did not anticipate, including the hiring of outside consultants. We could experience higher than anticipated operating expenses and higher independent auditor fees during and after the implementation of these changes.

Irrespective of compliance with Section 404, any failure of our internal controls could have a material adverse effect on our stated results of operations and harm our reputation. If we are unable to implement any of the required changes to our internal control over financial reporting effectively or efficiently or are required to do so earlier than anticipated, it could adversely affect our operations, financial reporting and/or results of operations and could result in an adverse opinion on internal controls from our management and, once we lose our emerging growth company status, our independent auditors. Further, if our internal control over financial reporting is not effective, the reliability of our financial statements may be questioned and our share price may suffer.

Under Argentine corporate law, shareholder rights and obligations may be fewer or less well defined than in other jurisdictions.

Our corporate affairs are governed by our by-laws and by the Argentine corporate law, as amended, which differ from the legal principles that would apply if we were incorporated in a jurisdiction in the United States (such as Delaware or New York), or in other jurisdictions outside Argentina. Thus, your rights or the rights of holders of our ordinary shares or ADSs under the Argentine corporate law to protect your or their interests relative to actions by our board of directors may be fewer and less well defined under Argentine corporate law than under the laws of those other jurisdictions. Although insider trading and price manipulation are illegal under Argentine law, the Argentine securities markets are not as highly regulated or supervised as the U.S. securities markets or markets in some other jurisdictions. In addition, rules and policies against self-dealing and regarding the preservation of shareholder interests may be less well defined and enforced in Argentina than in the United States, or other jurisdictions outside Argentina, putting holders of our ordinary shares and the ADSs at a potential disadvantage.

The protections afforded to minority shareholders in Argentina are different from and more limited than those in the United States and may be more difficult to enforce.

Under Argentine law, the protections afforded to minority shareholders are different from, and much more limited than, those in the United States. For example, the legal framework with respect to shareholder disputes, such as derivative lawsuits and class actions, is less developed under Argentine law than under U.S. law as a result of Argentina's short history with these types of claims and few successful cases. In addition, there are different procedural requirements for bringing these types of shareholder lawsuits. As a result, it may be more difficult for our minority shareholders to enforce their rights against us or our directors or controlling shareholder than it would be for shareholders of a U.S. company.