

Unacem Corp S.A.A. and Subsidiaries

UNAUDITED Consolidated interim
financial information as of June 30,
2022, and December 31, 2021



UNION ADINA DE CEMENTOS S.A.A. AND SUBSIDIARIES
Statement of Financial Position
For the periods ended June 30, 2022 and December 31, 2021
(In thousands of Soles)

	Notes	As of June 30, 2022	As of December 31, 2021
Assets			
Current Assets			
Cash and cash equivalents	5	356,572	399,755
Other Financial Assets		3,803	3,886
Trade Accounts Receivable and other accounts receivable		700,224	647,538
Trade Accounts Receivable , net	6	567,482	530,009
Other Accounts Receivable , net	6	75,666	62,990
Accounts Receivable from Related Companies	6	18,169	31,500
Advanced payments	6	38,907	23,039
Inventories	7	756,971	675,556
Biological Assets		-	-
Assets by Income Taxes	6	15,597	14,109
Other Non-Financial Assets		49,107	23,418
Total Current Assets different than assets or groups of assets for its classified as held for sale or for distribution to owners		1,882,274	1,764,262
Non-current assets or groups of assets for disposal Classified as Held for Sale		-	-
Non-current assets or groups of assets for its classified as held for distribution to owners		-	-
Non-current assets or groups of assets for disposal Classified as Held for Sale or Held for distribution to owners		-	-
Total Current Assets		1,882,274	1,764,262

Non-Current Assets			
Other Financial Assets		-	-
Investments in subsidiaries, joint ventures and associates		22,646	20,961
Trade Accounts Receivables and other accounts receivables		83,614	89,260
Trade Accounts Receivable		-	-
Other Accounts Receivable	6	82,506	86,968
Accounts Receivable from Related companies		-	-
Advanced payments	6	1,108	2,292
Biological Assets		-	-
Investment Property		-	-
Property, Plant and Equipment , net	9	7,322,308	7,491,629
Intangible Assets , net	10	215,769	226,091
Assets Deferred Income Tax	14	199,007	206,404
Surplus value	11	1,175,878	1,178,802
Other Assets		144,306	145,889
Total Non-current Assets		9,163,528	9,359,036

TOTAL ASSETS 11,045,802 11,123,298

	Notes	As of June 30, 2022	As of December 31, 2021
Liabilities and Stockholders' Equity			
Current Liabilities			
Other Financial Liabilities	12	874,853	700,255
Trade accounts payable and other payable accounts		874,482	858,575
Trade Accounts Payable	13	572,225	556,438
Other Accounts Payable	13	260,450	281,547
Accounts payable to related companies	13	20,410	19,583
Deferred Income		21,397	1,007
Provision for Employee Benefits		-	-
Other provisions		45,540	88,814
Income tax liabilities		101,925	117,085
Other non-financial liabilities		8,219	8,554
Total Current Liabilities different of Liabilities included groups of assets for disposal Classified as Held for Sale		1,905,019	1,773,283
Liabilities included in asset groups classified as held for sale		-	-
Total Current Liabilities		1,905,019	1,773,283

Non-Current Liabilities			
Other Financial Liabilities	12	2,936,200	3,227,779
Trade accounts payable and other payable accounts		31,530	37,950
Trade Accounts Payable		-	-
Other Accounts Payable	13	31,530	37,950
Accounts payable to related companies		-	-
Deferred Income		-	-
Provision for Employee Benefits		-	-
Other provisions		70,468	70,489
Liabilities Deferred Income Taxes	14	594,967	594,623
Other non-financial liabilities	8(b)y24.A	22,223	48,867
Total Non-Current Liabilities		3,655,388	3,979,708
Total Liabilities		5,560,407	5,752,991

Stockholders' Equity			
Capital Issued	15	1,818,128	1,818,128
Issuance Premiums	15	-38,019	-38,019
Investment shares		-	-
Treasury Shares in portfolio	15	-22,882	-11,610
Other Capital Reserves	15	363,626	363,626
Accrued Results	15	2,712,770	2,556,053
Other Equity Reserves	15	338,475	406,540
Shareholders' equity attribute to the owners of the Parent		5,172,098	5,094,718
Non Controlling interest		313,297	275,589
Total Stockholders' Equity		5,485,395	5,370,307

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY 11,045,802 11,123,298



UNION ANDINA DE CEMENTOS S.A.A. Y SUBSIDIARIAS

Income Statement

For the periods ended June 30, 2022 and 2021

(In thousands of Soles)

	Notes	For the specific quarter from April 1, to June 30, 2022	For the specific quarter from April 1, to June 30, 2021	For the cumulative period from January 1st to June 30, 2022	For the cumulative period from January 1st to June 30, 2021
Incomes from ordinary activities	16	1,429,573	1,193,129	2,803,866	2,280,088
Cost of Sales	17	-1,055,955	-883,708	-2,012,587	-1,626,910
Profit (Loss) Gross		373,618	309,421	791,279	653,178
Selling Expenses and distribution		-30,070	-27,818	-54,365	-48,247
Administrative expenses	18	-95,408	-79,802	-191,780	-147,140
Profit (Loss) in the write-off of financial assets carried at amortized cost		-	-	-	-
Other Operating Income	19	15,085	7,025	22,481	106,201
Other Operating Expenses		-26,392	-10,888	-32,875	-26,708
Other profit (loss)		-	-	-	-
Profit (Loss) from operating activities		236,833	197,938	534,740	537,284
Financial Income		328	9,919	6,411	11,953
Financial Expenses	20	-47,392	-53,351	-93,903	-113,665
Exchange differences, net		-18,526	-17,016	23,578	-37,028
Share of Profit (Loss) in net results from Equity-Accounted Joint Ventures and related companies		1,228	-414	1,709	1,279
Profit (Loss) arising from the difference between the previous book value and fair value of Reclassified financial assets accounted at fair value		-	-	-	-
Difference between the book value of the distributed assets and the book value of the divided payable		-	-	-	-
Gains before Income tax		172,471	137,076	472,535	399,823
Income tax expenses	14(a)	-61,641	-48,977	-170,257	-98,092
Profit (Loss) Net of Continued Operations		110,830	88,099	302,278	301,731
Profit (loss) net of the tax to the profit from discontinued operations		-	-	-	-
Profit (loss) net of the year		110,830	88,099	302,278	301,731
Profit (Loss) net, attributable to :					
Owners of the Parent		76,467	62,925	251,204	264,276
Non-controlling interest		34,363	25,174	51,074	37,455
Net Profit (Loss) of the Year		110,830	88,099	302,278	301,731



UNION ANDINA DE CEMENTOS S.A.A. AND SUBSIDIARIES
Statement of Comprehensive Income
For the periods ended June 30, 2022 and 2021
(In Thousands of Soles)

Notes	For the specific quarter from April 1, to June 30, 2022	For the specific quarter from April 1, to June 30, 2021	For the cumulative period from January 1st to June 30, 2022	For the cumulative period from January 1st to June 30, 2021
Net Profit (Loss) of the year	110,830	88,099	302,278	301,731
Components of other comprehensive income:				
Net Change for Cash Flow Hedges	-	-	-	-
Hedges of a Net Investment in a Foreign Operation	-	-	-	-
Profit (Loss) in equity instrument investments at fair value	-	-	-	-
Exchange difference on translation of Foreign Operations	-	-	-	-
Net variation of non-current assets or groups of assets held for sale	-	-	-	-
Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	-	-	-	-
Revaluation Surplus	-	-	-	-
Actuarial Gain (Loss) on defined benefit pension plans	-	-	-	-
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	-	-	-	-
Other Comprehensive Income Pre Tax	-	-	-	-
Income tax relating to components of other comprehensive income				
Net Change for Cash Flow Hedges	9,866	1,609	21,458	4,636
Hedges of a Net Investment in a Foreign Operation	-	-	-	-
Profit (Loss) in equity instrument investments at fair value	-	-	-	-
Exchange difference on translation of Foreign Operations	30,954	33,663	-89,924	91,420
Net variation of non-current assets or groups of assets held for sale	-	-	-	-
Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	-	-	-	-
Revaluation Surplus	-	-	-	-
Actuarial Gain (Loss) on defined benefit pension plans	-	-	-	-
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	-	-	-	-
Sum of Income Tax-Related Components of other comprehensive income	40,820	35,272	-68,466	96,056
Other Comprehensive Income	40,820	35,272	-68,466	96,056
Total Comprehensive Income for the period , net of income tax	151,650	123,371	233,812	397,787
Comprehensive Income attributable to:				
Owners of the Parent	117,170	97,919	183,139	358,862
Non-controlling interest	34,480	25,452	50,673	38,925
Total Comprehensive Income of the Year, net	151,650	123,371	233,812	397,787



UNION ANDINA DE CEMENTOS S.A.A. AND SUBSIDIARIES

Statement of Cash Flow

Direct Method

For the periods ended June 30, 2022 and 2021

(In thousands of Soles)

	Notes	As of January 1st, 2022 to June 30, 2022	As of January 1st, 2021 to June 30, 2021
Operating activities cash flows			
Types of cash collections from operating activities			
Sale of Goods and Services		3,158,924	2,655,165
Royalties, fees, commissions and other income from ordinary activities		-	-
Contracts held for brokering or trading purposes		-	-
Lease and subsequent sales of such assets		-	-
Other Cash Receipts Related to Operating Activity		-	2,821
Types of cash collections from operating activities			
Suppliers of goods and services		-1,869,812	-1,535,663
Contracts held for brokering or trading purposes		-	-
cash payments to and on behalf of employees		-417,040	-325,193
Elaboration or acquisition of assets to be leased and other assets held for sale		-	-
Other Cash Payments Related to Operating Activity		-232,460	-183,452
Cash flows and cash equivalents from (used in) Operating Activities		639,612	613,678
Interests received (not included in the Investment Activities)		-	-
Interests paid (not included in the Investment Activities)		-83,970	-104,073
Dividends Received (not included in the Investment Activities)		-	-
Dividends Paid (not included in the Investment Activities)		-	-
Income tax (paid) reimbursed		-180,572	-74,959
Other cash collections (payments)		-	-
Cash flows and cash equivalents from (used in) Operating Activities		375,070	434,646
Cash flows from Investment activities			
Type of cash collections from investment activities			
Reimbursement of loan repayment and loans granted to third parties		-	-
Loss of control of subsidiaries or other businesses		-	-
Sale of Equity-related Financial Instruments or debt of other entities		-	-
Derivatives contracts (Futures, Forwards or Options)		-	-
Sales of Interest in Joint Ventures, Net of the expropriated cash		-	-
Sale of Property, Plant and Equipment		10,130	3,331
Sale of intangible assets		-	-
Sale of other long- term assets		-	-
Government Subventions		-	-
Interests received		-	-
Dividends received		4	20,603
Type of cash payments from investment activities		-	-
Advances and loans granted to third parties			
Controlling interest of subsidiaries and other businesses		-	-
Purchase of Financial Instruments of equity or debt of other entities		-	-
Derivatives contracts (Futures, Forwards or Options)		-	-
Purchase of Subsidiaries, Net of cash acquired		-	-
Purchase of Joint Venture shares, Net of the cash acquired		-	-
Purchase of Property, Plant and Equipment	9(b)	-151,343	-115,439
Purchase of intangible assets		-2,458	-1,726
Purchase of other long- term assets		-	-
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to Investment activities		-3,585	23,925
Cash flows and cash equivalents from (used in) Investing activities		-147,252	-69,306
Cash flows from Financing activities			
Type of cash collections from financing activities			
Loan securing		650,174	1,558,467
Changes to the subsidiaries ownership interest not resulting in the loss of control		-	-
Share issuance		-	-
Issuance of other Equity Instruments		-	-
Government Subventions		-	-
Type of cash payments from financing activities			
Loan Amortization or Repayment		-719,137	-1,577,282
Leasing liabilities		-4,994	-6,610
Changes to the subsidiaries ownership interest not resulting in the loss of control		-48	-2,152
Redemption or repurchase of the entities' shares (Shares in the portfolio)		-11,272	-
Acquisition of other equity interest		-	-
Interests paid		-	-
Dividends paid		-174,727	-47,171
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to financing activities		-38	3,455
Cash flows and cash equivalents from (used in) financing activities		-260,042	-71,293
Increase (Decrease) in Net Cash and cash equivalents, before Changes in Foreign Exchange Rates		-32,224	294,047
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		-10,959	-1,377
Increase (Decrease) in Net Cash and Cash Equivalents		-43,183	292,670
Cash and cash equivalents at beginning of year		399,755	561,120
Cash and cash equivalents at end of year	5	356,572	853,790



UNION ANDINA DE CEMENTOS S.A.A. AND SUBSIDIARIES
Statement of change in Stockholder's Equity
 For the periods ended June 30, 2022 and 2021
 (In Thousands of Soles)

Other Equity Reserves

	Capital Issued	Issuance Premiums	Investment shares	Treasury Shares in Portfolio	Other Capital Reserves	Accrued Results	Cash Flow Hedges	Investment Hedges, net of foreign businesses	Investments in equity instruments accounted at fair value	Exchange difference on translation of Foreign Operations	Non-current assets or groups of assets held for sale	Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	Revaluation Surplus	Actuarial Profit (Loss) on defined benefit pension plans	Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	Subtotal	Shareholders' equity attribute to the owners of the Parent	Non-controlling interest	Total Stockholders' Equity
Balance as of January 1, 2021	1,818,128	-38,019	-	-	363,626	2,253,019	-35,871	-	-	287,923	-	-	-	-	-	252,052	4,648,806	203,484	4,852,290
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Restated Initial Balance	1,818,128	-38,019	-	-	363,626	2,253,019	-35,871	-	-	287,923	-	-	-	-	-	252,052	4,648,806	203,484	4,852,290
4. Changes in Stockholders' Equity:																			
5. Comprehensive Income:																			
6. Gain (Loss) for the year						264,276											264,276	37,455	301,731
7. Other Comprehensive Income:							4,994			89,592						94,586	94,586	1,470	96,056
8. Comprehensive Income - Total year						264,276	4,994			89,592						94,586	358,862	38,925	397,787
9. Cash Dividends Declared						-83,634											-83,634	-3,707	-87,341
10. Equity Issuance (reduction)																			
11. Reduction or amortization of Investment shares																			
12. Increase (decrease) in Other Contributions by Owners																			
13. Decrease (Increase) for Other Distributions to Owners																			
14. Increase (Decrease) due to changes in the subsidiaries ownership interest not resulting in the loss of control						-2,835											-2,835	683	-2,152
15. Increase (decrease) for transactions with Treasury Shares in Portfolio																			
16. Increase (Decrease) for Transfer and other Equity Changes						838											838	1	839
Total Equity Increase (decrease)						178,645	4,994			89,592						94,586	273,231	35,902	309,133
Balance as of June 30, 2021	1,818,128	-38,019	-	-	363,626	2,431,664	-30,877	-	-	377,515	-	-	-	-	-	346,638	4,922,037	239,386	5,161,423
Balance as of January 1, 2022	1,818,128	-38,019	-	-11,610	363,626	2,556,053	-23,660	-	-	430,200	-	-	-	-	-	406,540	5,094,718	275,589	5,370,307
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Restated Initial Balance	1,818,128	-38,019	-	-11,610	363,626	2,556,053	-23,660	-	-	430,200	-	-	-	-	-	406,540	5,094,718	275,589	5,370,307
4. Changes in Stockholders' Equity:																			
5. Comprehensive Income:																			
6. Gain (Loss) for the year						251,204											251,204	51,074	302,278
7. Other Comprehensive Income:							18,364			-86,429						-68,065	-68,065	-401	-68,466
8. Comprehensive Income - Total year						251,204	18,364			-86,429						-68,065	183,139	50,673	233,812
9. Cash Dividends Declared						-90,396											-90,396	-9,786	-100,182
10. Equity Issuance (reduction)																			
11. Reduction or amortization of Investment shares																			
12. Increase (decrease) in Other Contributions by Owners																			
13. Decrease (Increase) for Other Distributions to Owners																			
14. Increase (Decrease) due to changes in the subsidiaries ownership interest not resulting in the loss of control						-91											-91	43	-48
15. Increase (decrease) for transactions with Treasury Shares in Portfolio																	-11,272		-11,272
16. Increase (Decrease) for Transfer and other Equity Changes						-4,000											-4,000	-3,222	-7,222
Total Equity Increase (decrease)				-11,272		156,717	18,364			-86,429						-68,065	77,360	37,708	115,088
Balance as of June 30, 2022	1,818,128	-38,019	-	-22,882	363,626	2,712,770	-5,296	-	-	343,771	-	-	-	-	-	338,475	5,172,098	313,297	5,485,395

1. Corporate Background

A. Background and Economic Activity

UNACEM Corp S.A.A. (formerly Unión Andina de Cementos S.A.A. and hereinafter "the Company" or "UNACEM Corp") was incorporated in December 1967.

As of June 30, 2022, and December 31, 2021, the Company is a subsidiary of Inversiones JRPR S.A. (hereinafter the Parent Company, the ultimate controlling party of the group). It holds 42.22 percent of the direct and indirect shares of its share capital. The Parent Company has power to govern the financial and operating policies of the Company.

The registered office of the Company is located at Av. Atocongo 2440, Villa María del Triunfo, Lima, Peru.

The Company and its Subsidiaries (hereinafter the Group) are mainly engaged in the production and sale of all types of cement, clinker and concrete in Peru, United States, Ecuador, and Chile, as well as the sale of energy and power in Peru.

The consolidated financial statements of the Company and subsidiaries (hereinafter "The Group") for the second quarter of 2022 have been issued and approved by Management. The consolidated financial statements of 2021 were approved at the Board Meeting held on March 22, 2022.

Reorganization and change in name and corporate purpose

The General Shareholders' Meeting, held on December 14, 2021, approved the simple reorganization of the Company, effective on January 1, 2022.

The reorganization plan aimed to set aside three equity blocks contributed by the Company to three wholly owned subsidiaries: UNACEM Peru S.A., Minera Adelaida S.A. and Inversiones Nacionales y Multinacionales Andinas S.A.(INMA), without changes in the Company's share capital or in the control.

The business unit UNACEM Peru S.A. is the new company specialized in the production and sale of clinker and cement in the country and to export. Consequently, all assets and liabilities related to this economic activity were transferred to such entity. Mining concessions not related to the main economic activity of UNACEM Perú S.A. were transferred to Minera Adelaida S.A. The real estate properties not related to the main economic activity of UNACEM Perú S.A. were transferred to INMA.

Therefore, the Company will develop strategic guidelines for the generation of long-term value for shareholders and will facilitate the alignment of its operating business units, focusing on the development of human talent, the performance of operations and sustainable finances, as well as in the transformation process of the Group, capitalizing on the knowledge gathered in its more than 100 years as the cement market leader in the country.

Likewise, at the aforementioned shareholders' meeting, the change of name and corporate purpose of the Company was approved, being the new name UNACEM Corp S.A.A. As of June 02, 2022, these changes were registered with the Peruvian National Superintendence of Public Registries (SUNARP).

The simple reorganization has no effect on the consolidated financial statements since it involves a distribution of assets and liabilities between UNACEM Corp and its subsidiaries.

UNACEM Corp S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

As of June 30, 2022, and December 31, 2021

B. Acquisitions 2021

B.1 UNACEM Chile S.A. (previously Cementos la Unión S.A. or CLU Chile)

On December 11, 2020, the Company entered into a share purchase agreement with Cementos la Unión S.A., Áridos Jativa S.L. and Inversiones Mel 20 Ltda. (the Sellers) to purchase all the shares of Cementos la Unión S.A. and all the ownership interests of Inversiones Mel 20 Ltda. (note 1.B.2) under the fulfillment of certain conditions, including the approval of the acquisition by the National Economic Prosecutor of Chile (FNE, for its Spanish acronym). Through Resolution FNE F-257-2020, dated February 23, 2021, the FNE approved the acquisition. On March 19, 2021, the Company obtained control of Cementos la Unión S.A.

On June 25, 2021, Cementos la Unión S.A. changed its corporate name to UNACEM Chile S.A.

Consequently, the Group acquired all the direct and indirect shares of UNACEM Chile S.A., an entity based in Chile that is engaged in the manufacturing and sale of cement.

UNACEM Chile S.A. owns the San Juan plant located in the port of San Antonio, Valparaíso, that has a cement production capacity (grinding and dispatch) of 300,000 t/yr.

The acquisition amounted to US\$ 23,131,000 (equivalent to S/ 83,688,000). It comprises the purchase price for US\$ 3,000 (equivalent to S/ 10,000) and a loan from UNACEM Chile S.A. for US\$ 23,128,000 (equivalent to approximately S/ 83,678,000), which was guaranteed by the Company.

Furthermore, on December 29, 2021, the Company capitalized an account receivable from UNACEM Chile S.A. for US\$ 23,128,000 (equivalent to S/ 91,992,000 at the capitalization) and made an additional capital contribution for US\$ 7,672,000, increasing the share capital of UNACEM Chile by S/ 122,367,000. UNACEM Chile S.A. used this contribution to enter into a sale and purchase agreement with Cementos Bío Bío S.A. and its subsidiaries Bio Bio Cementos S.A. and Minera Rio Teno S.A. (unrelated parties) to purchase all the assets of the San Antonio cement grinding plant located in the District of San Antonio, Valparaíso, that has a cement production capacity (grinding and dispatch) of 300,000 t/yr, and the exploitation rights, mining concessions or properties over the pozzolan deposit called "Popeta 1 to 30" with an area of 300 hectares.

B.2 Inversiones Mel 20 Ltda. (MEL20)

Under the agreement, dated March 19, 2021 (note 1.B.1), UNICON Chile S.A. entered into an assignment agreement with the Sellers. Consequently, UNICON Chile S.A. obtained control of Inversiones Mel 20 Ltda. on that date. The acquisition amounted US\$ 1,000. It was fully paid by UNICON Chile S.A.

Therefore, the Group acquired all the direct and indirect shares of Inversiones Mel 20 Ltda., an entity based in Chile that is engaged in the transformation of cement-based materials, manufacturing, purchase, sale of ready-mix concrete, and rendering of construction activities.

Inversiones Mel 20 Ltda. owns two ready-mix concrete plants located in Santiago, Chile, that have a production capacity of 336,000 m³/yr., and a fleet of concrete mixer trucks.

The Group acquired UNACEM Chile S.A. and Inversiones Mel 20 Ltda. as part of its strategy to consolidate and diversify its business activities (cement, concrete, and precast concrete). Likewise, it seeks to create synergies, optimize costs and share engineering experience between countries.

From the acquisition date to December 31, 2021, the acquirees contributed revenue for S/ 86,864,000 and a net loss for S/ 9,976,000 to the Group's profit or loss. According to management, if the acquisition had occurred on January 1, 2021, revenue would have amounted to S/ 5,188,057,000 and net profit or loss would have amounted to S/ 563,159,000. In determining these amounts, management assumed that the adjustments to fair value on the acquisition date would have been the same if the acquisition had occurred on January 1, 2021.

UNACEM Corp S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

As of June 30, 2022, and December 31, 2021

2. Information on the structure of the Subsidiaries

As of June 30, 2022, and December 31, 2021, the Company's consolidated statements include the following subsidiaries (figures according to IFRS and before eliminations for consolidation purposes):

In thousands of soles	Entity	Economic Activity	2022		2021		Asset		Liabilities		Net Equity		Profit (loss) (vi)	
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	2022	2021	2022	2021	2022	2021	2022	2021
Country of Constitution(vii)														
Peru	UNACEM Perú S.A. -UNACEM Perú (see note 1.A)	Production and sale of cement	99.99	0.01	99.99	0.01	4,570,975	10	2,246,200	-	2,324,775	10	218,130	-
Perú/Ecuador	Inversiones Imbabura S.A. and Subsidiaries (i)	Production and sale of cement	100.00	-	100.00	-	2,060,783	2,176,107	462,685	487,172	1,598,098	1,688,935	23,508	60,308
United States	Skanon Investments Inc. and Subsidiaries (ii)	Production and sale of cement and concrete	95.80	-	95.80	-	1,906,795	1,878,389	800,398	754,667	1,106,397	1,123,722	31,985	14,279
Peru	Compañía Eléctrica el Platanal S.A. and Subsidiaries (iii)	Sale of energy and power	90.00	-	90.00	-	1,171,859	1,206,068	347,535	419,554	824,324	786,514	50,687	20,535
Peru/Chile	Inversiones en Concreto y Afines S.A. and Subsidiaries (iv)	Sale of concrete and premixed	93.38	-	93.38	-	950,945	930,363	546,137	520,459	404,808	409,904	(1,003)	20,658
Chile	Unacem Chile S.A. and Subsidiaries (1.B)	cement and concrete	99.89	0.11	99.89	0.11	243,567	256,578	147,866	133,171	95,701	123,407	(14,715)	(5,255)
Peru	Inversiones Nacionales y Multinacionales S.A. – INMA	Real estate business	99.77	0.23	90.90	9.10	115,302	18,268	21,664	4,936	93,638	13,332	(374)	4
Chile	Prefabricados Andinos S.A.- PREANSA Chile	Production and sale of Precast concrete	50.00	-	50.00	-	94,156	98,197	86,488	84,864	7,668	13,333	(4,411)	(783)
Peru/Colombia	Prefabricados Andinos Perú S.A.C. and Subsidiaries (v)	Production and sale of Precast concrete	50.00	-	50.00	-	63,258	65,487	53,076	53,397	10,182	12,090	(430)	(3,033)
Peru	ARPL Tecnología Industrial S.A.- ARPL	Technical support services	100.00	-	100.00	-	48,398	54,260	7,982	7,611	40,416	46,649	4,762	(1,805)
Peru	Generación Eléctrica de Atocongo S.A. - GEA	Power plant operation services	99.85	0.15	99.85	0.15	31,560	36,762	30,477	35,933	1,083	829	254	(549)
Peru	Minera Adelaida S.A.- MINERA	Holding	99.99	-	99.99	-	27,555	359	14	3	27,541	356	(40)	(183)
Peru	Vigilancia Andina S.A. – VASA	Surveillance services	55.50	44.50	55.50	44.50	13,737	13,055	6,213	5,944	7,524	7,111	609	469
Peru	Depósito Aduanero Conchán S.A.– DECOA	Surveillance services	99.99	-	99.99	-	2,163	1,963	1,159	1,040	1,004	923	81	(81)
Peru	Transportes Lurín S.A. – TRANSLUR	Services:	99.99	-	99.99	-	1,165	1,032	141	-	1,024	1,032	(8)	(4,481)
Peru	Naviera Conchán S.A.- NAVIERA	Holding	100.00	-	100.00	-	14	12	9	-	5	12	(9)	(5)

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- (i) The subsidiaries of Inversiones Imbabura S.A. (IMBABURA) are: UNACEM Ecuador S.A. (UNACEM Ecuador) and Canteras y Voladuras S.A. (CANTYVOL) and UNICON Ucue Cia. Ltda. (UNICON Ecuador).

At the General Shareholders' Meeting, held on May 10, 2021, Unión de Concreteras S.A. approved the sale of all its shares in Unión de Concreteras UNICON Ucue Cia. Ltda. to Inversiones Imbabura S.A. for S/ 51,114,000 (equivalent to US\$ 13,000,000). On June 29, 2021, the transfer of shares was registered at the Companies Registry of Ecuador. The General Shareholders' Meeting, held on July 9, 2021, approved the merger of UNACEM Ecuador S.A. (acquirer) and Unión de Concreteras UNICON Ucue Cia. Ltda. (Acquiree). On August 12, 2021, the public deed of statutory merger was presented to the Superintendency of Companies of Ecuador for its review and approval. At the reporting date, the deed is pending approval.

- (ii) The subsidiaries of Skanon Investments Inc. are: Drake Cement LLC, Sunshine Concrete & Materials Inc., Maricopa Ready Mix LLC, Ready Mix Inc., Desert Ready Mix LLC and Staten Island Company Inc., which controls the subsidiaries: Staten Island Holding LLC, Staten Island Terminal LLC, and Desert Aggregates LLC.

On May 17, 2021, the Company contributed its shares in Staten Island Co. LLC and its subsidiaries to Skanon Investments Inc. for S/ 52,637,000 (equivalent to US\$ 16,031,000). Consequently, Skanon Investments Inc. controls the Skanon subsidiary. On June 28, 2021, the Company purchased the shares of Skanon Investments Inc. (equivalent to 8.68% of the share capital of Skanon Investments Inc.) from its subsidiaries Inversiones en Concreto y Afines S.A. for S/ 66,868,000, Transportes Lurín S.A. for S/34,120,000 and ARPL Tecnología Industrial S.A. for S/ 23,230,000 (equivalent to US\$ 24,000,000, US\$11,944,000, and US\$ 6,869,000, respectively). Therefore, the Company holds 95.80% of the shares of Skanon Investments Inc.

- (iii) The subsidiaries of Compañía Eléctrica El Platanal S.A. are: Ambiental Andina S.A.C., Celepsa Renovables S.R.L. (CERE) and Ecorer S.A.C.
- (iv) The subsidiary of Inversiones en Concreto y Afines S.A.(INVECO) is Unión de Concreteras S.A., which controls the subsidiaries: Concremax S.A., UNICON Chile S.A. and Entrepisos Lima S.A.C.
- (v) The subsidiary of Prefabricados Andinos Perú S.A.C. is: Prefabricados Andinos Colombia S.A.S.
- (vi) Balances as of June 30, 2022, compared to balances as of June 30, 2021.
- (vii) The subsidiaries and other affiliated companies have as their main domicile where they carry out their activities, the country where they are incorporated.

3. Summary of significant accounting policies

A. Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), effective as of June 30, 2022, and December 31, 2021.

The consolidated financial statements have been prepared on a historical cost basis, excluding hedging instruments, retirement and termination benefits and dividends receivable that are measured at fair value. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The interim consolidated financial statements provide comparative information for earlier periods, however, does not include all information and disclosures required in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated audited report as of and for the year ended on December 31, 2021.

The Group prepared the consolidated financial statements on a going concern basis. In making its assessment,

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management considers events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern. The Group's Management has considered all future available information obtained after the reporting date up to the date of approval and issuance of the consolidated financial statements.

B. Basis of consolidation

The interim consolidated financial statements include the financial statements of the Company and its subsidiaries as of June 30, 2022, and December 31, 2021.

The control criteria that the Group considers are described in the notes to the annual consolidated financial statements as of December 31, 2021.

C. Significant accounting policies

The accounting policies adopted in the preparation of these interim consolidated financial statements are consistent with the policies considered in the preparation of the audited consolidated financial statements as of December 31, 2021.

4. Standards issued but not yet effective

The Group has not yet early adopted any standards, interpretations or amendments issued, which is not yet effective.

5. Cash and Cash Equivalents

This item is made up as follows:

<i>In thousands of soles</i>	As of June 30, 2022	As of December 31, 2021
Checking and savings accounts (a)	242,558	245,201
Term deposits (b)	112,491	153,159
Petty cash fund	1,523	1,395
	356,572	399,755

- (a) Current accounts are denominated in local and foreign currency, deposited in local and foreign banks with a high credit rating and are freely available. These deposits earn interest at market rates.
- (b) Correspond to term deposits held in local and foreign financial entities, mainly in local and foreign currency, which accrue interest at market rates and have original maturities of less than three months.

6. Trade and other Accounts Receivable, Net

This item is made up as follows:

<i>In thousands of soles</i>	<i>Note</i>	Current		Non-current	
		As of June 30, 2022	As of December 31, 2021	As of June 30, 2022	As of December 31, 2021
Trades:					
Receivable invoices and letters (a)		545,127	513,329	19,059	18,574
Provision of bills receivable		40,210	36,095	-	-
		585,337	549,424	19,059	18,574
Related parties:					
Accounts receivable from related parties	21(b)	18,169	31,500	-	-
Various:					
Advances to suppliers		38,907	23,039	1,108	2,292
Claims to Tax Administration (b)		17,319	8,155	72,761	73,632
Staff loans		10,197	7,680	4,023	8,176
Claims to third parties		7,265	7,437	-	-
Derivative financial instruments	24.A.i.	-	-	2,128	1,422
Other accounts receivable		13,705	18,508	2,733	2,919
		87,393	64,819	82,753	88,441
Taxes					
Payments on account of tax on Profits		15,597	14,109	-	-
Tax credit for general tax on sales		34,005	28,068	861	819
		49,602	42,177	861	819
		740,501	687,920	102,673	107,834
Less – Expected credit loss (c)		(24,680)	(26,273)	(19,059)	(18,574)
		715,821	661,647	83,614	89,260

- (a) Trade receivables are mainly denominated in local and foreign currency, have current maturities and do not earn interest. The bills receivable have a current maturity and accrue interest calculated at prevailing market rates.
- (b) As of June 30, 2022, and December 31, 2021, the balance corresponds to claims submitted to the Tax Administration mainly related to mining royalties, fines for payments on account, claims for payment of interest, among others, see note 23.D.

In the Group's Management opinion and its legal advisors, it is estimated that there are sufficient legal arguments to obtain the favorable recovery of the claims classified in the short and long term.

- (c) In the Group's Management opinion, the estimate of expected credit loss adequately covers the risk of uncollectibility as of June 30, 2022, and December 31, 2021.
- (d) As of June 30, 2022, and December 31, 2021, the Group evaluated the exposure to credit risk in trade accounts receivable, see note 24.B.

7. Inventories, Net

This item is made up as follows:

<i>In thousands of soles</i>	As of June 30, 2022	As of December 31, 2021
Replacement parts and supplies	310,530	291,295
Raw materials and auxiliary materials	219,365	176,413
Work-in-progress	193,339	202,151
Packaging	46,755	25,557
Finished goods	41,605	38,958
Goods in transit	10,138	3,583
	821,732	737,957
Provision for inventory obsolescence (a)	(64,761)	(62,401)
	756,971	675,556

- (a) In the Group's Management opinion, the estimate for inventory impairment reasonably covers the risk of impairment as of June 30, 2022, and December 31, 2021.

8. Right-of-use Assets and Lease Liabilities, Net

- (a) Movement in the right-of-use assets is as follows:

<i>In thousands of soles</i>	Note	As of June 30, 2022	As of December 31, 2021
Cost			
Initial balance		60,737	46,732
Additions		2,863	10,484
Acquisition of subsidiaries	1 B.	-	10,854
Withdrawals and others		(3,464)	(6,928)
Effects of translation		(2,450)	(405)
Final Balance		57,686	60,737
Accumulated depreciation			
Initial balance		36,480	24,173
Depreciation of the period (c)		4,728	11,773
Acquisition of subsidiaries	1 B.	-	5,000
Withdrawals and others		(3,484)	(4,224)
Effects of translation		(1,388)	(242)
Final balance		36,336	36,480
Net carrying amount		21,350	24,257

- (b) The movement of lease liabilities for the following periods is detailed below:

<i>In thousands of soles</i>	Note	As of June 30, 2022	As of December 31, 2021
Initial balance		24,840	22,978
Additions		2,957	10,805
Acquisition of subsidiaries	1.B	-	6,005
Lease payments		(4,994)	(15,876)
Others		238	687
Difference in exchange rate		(1,199)	241
Final balance		21,842	24,840
Classification according to maturity			
Current		8,219	8,345
Non-current		13,623	16,495
		21,842	24,840

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- (c) The depreciation charge for the year has been recorded in the following items of the consolidated statement of income:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Sales cost	17	4,337	5,913
Administration expenses	18	363	370
Selling expenses		28	14
		4,728	6,297

- (d) As of June 30, 2022, and December 31, 2021, the Group only has fixed-payment lease contracts.

9. Mining Concessions and Property, Plant and Equipment, Net

This caption comprises the following:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of December 31, 2021
Cost			
Initial balance		12,000,990	11,208,243
Additions (b)		180,701	433,965
Acquisition of subsidiaries(c)	1 B.	-	151,773
Withdrawals, sales and others		(27,163)	(59,273)
Effects of translation		(177,383)	266,282
Final Balance		11,977,145	12,000,990
Accumulated depreciation			
Initial balance		4,509,361	3,947,849
Depreciation of the period (e)		226,378	453,128
Acquisition of subsidiaries(c)	1 B.	-	57,214
Withdrawals and others		(18,734)	(44,686)
Effects of translation		(62,168)	95,856
Final balance		4,654,837	4,509,361
Net carrying amount		7,322,308	7,491,629

- (a) As of June 30, 2022, the book value of the assets acquired through lease and finance leaseback contracts amounts to approximately S/ 92,590,000 (S/ 102,397,000 as of December 31, 2021). Leased assets guarantee finance lease liabilities, see note 12.A(b).
- (b) The additions during the year 2022 correspond mainly to:
- i. Additions of UNACEM Peru subsidiary for projects of new packaging line 6 and palletizers, pre-assembly and assembly in hydraulic turbine of Carpapata 1, change of reducer in roller press, dedusting of the cooler system of kiln 3, modernization of the substations of Carpapata 1 and 2, clays calcined in kiln 1; corresponding to the Condorcocha plant. Likewise, disbursements made for the projects of new packaging machine line 8 and palletizers, structural reinforcement and modification of chamber 2 of the multisilo, change of top and change of crossbar in the primary crusher, change of trunnion in cement mill 3; corresponding to the Atocongo plant for a total of approximately S/37,498,000.
 - ii. Additions of Drake Cement subsidiary for a comprehensive mill project and improvements to the crude mill and mechanical workshop for approximately US\$ 9,056,000 (equivalent to S/34,594,000).
 - iii. Additions of Sunshine Concrete & Materials Inc subsidiary for the acquisition of equipment to produce aggregates for approximately US\$ 1,506,000 (equivalent to S/ 5,754,000).

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- iv. Additions to works in progress of UNACEM Ecuador subsidiary for projects of the Mill spare reducer of Cement 2, increased production capacity of Kiln 1 and Biomass conditioning fuel for approximately US\$1,937,000 (equivalent to S/ 7,402,000).
- v. Additions of PREANSA Chile subsidiary for a mobile plant project for the construction of an industrial bridge for approximately S/ 6,623,000.
- vi. Additions of UNICON Peru subsidiary for acquisitions of mixer trucks and front loaders for S/6,450,000 and overhaul of trucks for approximately S/ 4,310,000.
- vii. Additions of UNICON Chile for acquisitions of mixer trucks for S/ 3,739,000 and overhaul of trucks for approximately S/ 2,580,000.
- viii. Additions of Concremax subsidiary for overhaul of trucks and machinery and equipment for approximately S/ 2,061,000.

The additions during the year 2021 correspond mainly to:

- i. Projects of the dedusting of the cooler system, migration of the control system and modernization of the Cenit and Pillard system, carried out on kiln 2; In addition, the modernization of the substations in the hydroelectric power plant of Carpapata 1 and 2, and conditioning in the kiln 1, corresponding to the Condorcocha plant. Likewise, disbursements made for the projects to change the shell of the cement mill, structural reinforcement and modification of chamber No. 1 of the multisilo, improvement in the electronic variator system of rotary kiln 1, corresponding to the Atocongo plant for a total of approximately S/ 74,415,000.
 - ii. Additions of Drake Cement subsidiary for construction projects of a new warehouse, comprehensive mill project and improvements to the crude mill for approximately US\$ 7,407,000 (equivalent to S/ 29,444,000).
 - iii. Additions of Desert Ready Mix subsidiary for: i) acquisition of machinery and equipment for approximately US\$ 1,438,000 (equivalent to S/ 5,718,000) and ii) acquisition of mixer trucks and other transport units for approximately US\$ 8,274,000 (equivalent to S/ 32,889,000).
 - iv. Additions of Desert Aggregates subsidiary for the acquisition of machinery, equipment and truck loaders for approximately US\$ 598,000 (equivalent to S/ 2,375,000).
 - v. Additions of works in progress of UNACEM Ecuador subsidiary for Biomass conditioning project to increase Fuel for approximately US\$ 797,000 (equivalent to S/ 3,169,000).
 - vi. Additions of UNICON Peru subsidiary for i) acquisitions of front-end loaders for approximately S/5,714,000, ii) acquisitions of mixer trucks for S/ 4,996,000, iii) work in progress for truck repairs for approximately S/ 6,711,000 and iv) work in progress for repairs and enabling of mixing plants for approximately S/ 2,751,000.
 - vii. Additions of Concremax subsidiary i) plant construction project for the new dry mixture of bagged for approximately S/ 8,849,000 and ii) overhaul of trucks and machinery and equipment for approximately S/ 5,222,000.
 - viii. Additions of CELEPSA subsidiary for the acquisition of the Andritz runners for S/ 2,197,000.
- (c) They correspond to the assets from the companies UNACEM Chile S.A. and MEL 20 Limited.
- (d) On 2021, it mainly includes asset write-offs made by: i) UNICON Peru subsidiary for sales of mixer trucks and front-end loaders, whose cost and accumulated depreciation amounted to approximately S/

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14,883,000 and S/ 14,777,000 and ii) the DRM subsidiary for sales of mixer trucks, whose cost and accumulated depreciation amounted to approximately S/ 24,070,000 and S/ 23,168,000.

- (e) Depreciation has been distributed as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Sales cost	17	216,964	210,012
Administration expenses	18	7,304	6,556
Selling expenses		360	377
Other expenses		1,750	1,542
Inventories		-	54
		226,378	218,541

- (f) In 2021, interest was capitalized for S/ 4,348,000. The amount of borrowing costs eligible for capitalization shall be determined by applying a capitalization rate to the outlays on that asset. As of December 31, 2021, the rate used to determine the amount of borrowing costs eligible for capitalization was 4.1%. In 2022 no interest was capitalized.

- (g) Skanon Investments Inc. subsidiary has security agreements on plants, transport units and equipment located in the United States, which guarantee loans, see note 12.A(b).

On the other hand, Unión de Concreteras S.A. subsidiary has a mortgage on the Ancieta and Villa El Salvador plants for up to S/ 100,000,000 issued by Scotiabank Peru to guarantee the loan granted by this bank, see note 12.A(b).

Likewise, UNACEM Chile S.A. subsidiary has a mortgage on the San Juan plant for approximately US\$23,000,000 issued by Banco de Crédito e Inversiones (BCI) to guarantee the loan granted by this bank, see note 12.A (b).

- (h) In Management's opinion, the Group has insurance policies that sufficiently cover all of its fixed assets.

10. Intangible Assets, Net

This caption comprises the following:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of December 31, 2021
Cost			
Initial balance		373,566	352,303
Additions		3,138	8,310
Withdrawals and others		7	(2,328)
Effects of translation		(7,595)	15,281
Final Balance		369,116	373,566
Accumulated depreciation			
Initial balance		147,475	132,744
Amortization of the period (a)		6,363	14,053
Withdrawals and others		5	265
Effects of translation		(496)	413
Final balance		153,347	147,475
Net carrying amount		215,769	226,091

(a) The amortization of intangibles has been distributed as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Sales cost	17	2,683	2,863
Administration expenses	18	2,598	1,413
Selling expenses		1,038	1,147
Other expenses		44	1,637
		6,363	7,060

11. Goodwill

As of June 30, 2022, and December 31, 2021, the balance of goodwill is mainly composed of the higher amount paid for the acquisition of UNACEM Ecuador, which amounts to S/1,023,795,000.

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12. Other Financial Liabilities

This item is made up as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022			As of December 31, 2021		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bonds and bank loans	12.A	576,362	2,936,200	3,512,562	360,721	3,227,779	3,588,500
Promissory notes (a) & (b)		298,191	-	298,191	315,546	-	315,546
Overdrafts (c)		300	-	300	23,988	-	23,988
		874,853	2,936,200	3,811,053	700,255	3,227,779	3,928,034

- (a) It corresponds to working capital loans at a fixed interest rate ranging from 4.13% and 6.66% annually and in dollars at 3.42%. They do not have specific collaterals and are renewed based on the Group's working capital requirements. As of June 30, 2022 and December 31, 2021, the balance by bank is made up as follows:

<i>In thousands of soles</i>	Original currency	Maturity date	As of June 30, 2022	As of December 31, 2021
Financial entities				
Banco de Crédito del Perú	S/ & US\$	Between April 2022 and June 2023	238,191	315,546
Scotiabank del Perú	S/	August 2022	60,000	-
			298,191	315,546

- (b) As of June 30, 2022, and December 31, 2021, interest payable on bank promissory notes amounted to approximately S/ 1,466,000 and S/ 389,000, respectively, and are recorded in the caption "Commercial and miscellaneous accounts payable" in the statement consolidated statement of financial position, see note 13. As of June 30, 2022, and 2021, interest expenses amounted to approximately S/ 5,014,000 and S/ 2,220,000, respectively and are included in the caption "Borrowing cost" of the consolidated statement of income, see note 20.
- (c) As of June 30, 2022, the overdrafts correspond mainly to obligations of PREANSA Chile with a financial entity in local currency for a total of S/ 300,000. As of December 31, 2021, overdrafts correspond mainly to Skanon's obligations with different financial entities in US dollars for a total of US\$ 6,000,000 (equivalent to S/ 23,988,000).

A. Bonds and Bank Loans

This caption comprises long-term bonds and debts with banking entities, which do not have associated guarantees:

<i>In thousands of soles</i>	As of June 30, 2022	As of December 31, 2021
Corporate bonds (a)	449,381	467,533
Bank loans (b)	3,063,181	3,120,967
Total	3,512,562	3,588,500
Less: Current portion	576,362	360,721
Non-current portion	2,936,200	3,227,779

(a) As of June 30, 2022, and December 31, 2021, the balance of corporate bonds are as follows:

<i>In thousands of soles</i>	Effective annual interest rate %	Maturity date	As of June 30, 2022	As of December 31, 2021
Bonds				
Bonds of Arizona (i)	Between 1.6 and 1.95 + variable interest rate	September 2035	440,450	459,770
Corporate bonds of Peru	5.16	March 2023	18,815	18,815
			459,265	478,585
Amortized cost			(9,884)	(11,052)
			449,381	467,533

(i) On November 18, 2010, Drake Cement LLC obtained a loan by issuing of bonds from the Yavapai County Industrial Development Authority, Arizona, United States, to finance part of the investment in the cement plant for up to US\$ 40,000,000. It matures in September 2035 and is subject to a monthly interest payment based on a variable interest rate (Securities Industry and Financial Markets Association Index) plus 1.6% against a maximum interest rate of 12%. The bonds are guaranteed by a letter of credit, see note 23.A(ii).

On July 30, 2015, Drake Cement LLC obtained a new loan by issuing bonds to finance the construction of the cement plant and the acquisition of assets, materials and facilities for up to US\$ 75,000,000. It matures in September 2035 and is subject to a monthly interest payment based on a variable interest rate (Securities Industry and Financial Markets Association Index) plus 1.95% against a maximum interest rate of 12%. The bonds are guaranteed by a letter of credit, see note 23.A(ii).

The bonds have the following conditions:

- Drake Cement LLC Subsidiary cannot increase its debt for more than US\$ 5,000,000 of the outstanding balance at the issuance of bonds, excluding debt refinancing.
- Maintain an interest coverage ratio of more than or equal to 1.0.

In management's opinion, Drake Cement LLC has complied with the restrictive consideration and the covenant required by the Yavapai County as of June 30, 2022, and December 31, 2021.

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(b) The balance of bank loans are as follows:

<i>In thousands of soles</i>	Maturity date	Original amount	Currency	Use of funds	Warranties	As of June 30, 2022	As of December 31, 2021
Bank loans							
	October 2024, March 2025 and						
Scotiabank del Perú	January 2027	671,547	S/	Refinancing of financial liabilities	No collateral	659,047	671,547
BBVA Perú	January 2027	533,357	S/	Refinancing of financial liabilities	No collateral	533,357	533,357
Banco de Crédito del Perú	October 2026	502,500	S/	Redemption – overseas	No collateral	502,500	502,500
Banco Internacional del Perú	January 2027	228,385	S/	Refinancing of financial liabilities	No collateral	228,385	228,385
Citibank N.A. (i)	October 2025	50,000	US\$	Refinancing of financial liabilities	No collateral	153,200	199,900
Santander S.A. (i)	November 2023	45,000	US\$	Refinancing of financial liabilities	No collateral	172,350	179,910
Santander S.A.	April 2023	35,000	US\$	Working capital and investments	No collateral	134,050	139,930
Banco de Crédito del Perú (12.A.c. (iii))	March 2027	34,000	US\$	Refinancing of financial liabilities	No collateral	123,709	135,932
Banco Internacional del Perú	May 2027	26,900	US\$	Refinancing of financial liabilities	No collateral	103,027	-
Bank of Nova Scotia (i)	September 2025	30,000	US\$	Partial redemption – overseas	No collateral	74,685	89,955
Banco de Crédito e Inversiones (Chile)	June 2024	-	CLP	-	Real estate collateral, see note 9(g)	70,115	79,192
Scotiabank del Perú	April 2025	72,000	S/	Acquisition loan to purchase UNICON Chile	Real estate collateral, see note 9(g)	43,200	50,400
BBVA Perú	December 2024	28,773	S/	-	No collateral	25,111	28,773
Citibank N.A. (New York)	July 2024	-	US\$	-	No collateral	22,820	27,487
Banco Scotiabank (Chile) (i)	August 2022	4,000	US\$	-	Letter of credit, see note 23.A) (i)	15,522	15,887
BBVA Banco Continental (i)	December 2023	-	COP	-	Letter of credit, see note 23.A) (i)	10,758	11,857
Banco Internacional del Perú (ii)	Between March 2023 and September 2023	34,387	S/	Working capital	Reactiva Peru program	5,519	17,379
Less than S/ 10,000,000	-	-	-	-	-	50,662	65,776
						2,928,017	2,978,167
Amortized cost						(8,838)	(10,577)
Total						2,919,179	2,967,590
Sale and leaseback transactions							
Scotiabank (Chile)	March 2024	-	CLP	Leased assets	-	1,679	2,283
						1,679	2,283
Finance leases							
Consorcio Transmanto S.A. (Perú)	July 2039	-	US\$	Leased assets	-	58,057	60,920
Scotiabank del Perú	Between July 2022 and May 2025	-	-	Leased assets	-	24,555	25,549
Bok Financial Corporation	Between December 2025 and December 2026	-	US\$	Leased assets	-	21,237	24,445
Less than S/ 10,000,000						34,307	34,061
						138,156	144,975
Debt factoring							
						4,167	6,119
Total						3,063,183	3,120,967

UNACEM Corp S.A.A. and Subsidiaries

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- (i) The Group entered into swap contracts to reduce the risk of the variable interest rate related to these loans, see note 24.A.i.
 - (ii) As of June 30, 2022, and December 31, 2021, the Group has a balance of long-term loans for approximately S/ 5,519,000 and S/ 17,379,000 from different local banks under the loan guarantee scheme (Reactiva Peru program), a scheme created through Legislative Decree 1457 to provide loans to entities in response to the COVID-19 crisis. As of June 30, 2022, such loans accrue interest between 0.98% to 1.18% annually, mature between March 2023 and September 2023 and include a grace period of 12 months.
- (c) Management monitors covenants applicable to local financial liabilities on a quarterly, semiannual and annual basis and must be calculated based on i) separate financial information of the Company and its subsidiaries, ii) combined financial information of the Company and the subsidiary UNACEM Peru (as if the simple reorganization had not been carried out) and iii) consolidated financial information; the same ones that must consider the calculation methodologies required by each financial entity.
- (i) As of June 30, 2022, the main covenants calculated based on the separate financial statements are the following:

UNACEM Perú S.A.

- Maintain a debt-to-equity ratio of less than or equal to 1.5.
- Maintain a debt-service coverage ratio of more than or equal to 1.2.
- Maintain a net debt-to-EBITDA ratio of less than 3.5.

UNACEM Ecuador S.A.

- Maintain a debt-service coverage ratio of more than or equal to 1.2.
- Maintain a net debt-to-EBITDA ratio of less than or equal to 3.75.

Unión de Concreteras S.A.

- Maintain a debt-service coverage ratio of more than or equal to 1.2.
- Maintain a net debt-to-EBITDA ratio of less than or equal to 2.5.

Concremax S.A.

- Maintain a debt-service coverage ratio of more than or equal to 1.25.
- Maintain a net debt-to-EBITDA ratio of less than or equal to 2.5.

UNICON Chile S.A.

- Maintain a debt-service coverage ratio of more than or equal to 1.0.
- Maintain a debt-to-equity ratio of less than or equal to 1.8.
- Maintain a net debt-to-EBITDA ratio of less than or equal to 3.5.

Compañía Eléctrica el Platanal S.A.

- Maintain a debt-to-equity ratio of less than or equal to 3.0.
- Maintain a debt-service coverage ratio of more than or equal to 1.2.

UNACEM Corp S.A.A. and Subsidiaries

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- (ii) As of June 30, 2022, the main financial statements based on the combined financial information of the Company and UNACEM Peru are the following:
- Maintain a debt-to-equity ratio of less than or equal to 1.5.
 - Maintain a debt-service coverage ratio of more than or equal to 1.2.
 - Maintain a debt or financial debt/EBITDA coverage ratio of less than 4.0 times for the year 2022 and 3.75 times from the year 2023 onwards.
- (iii) As of June 30, 2022, the main covenants calculated based on the consolidated financial statements are the following:

Unión Andina de Cementos S.A.A. and Subsidiaries

- Maintain a debt-to-equity ratio of less than or equal to 1.5.
- Maintain a debt-service coverage ratio of more than or equal to 1.20.
- Maintain a net debt-to-EBITDA ratio of less than or equal to 4.0 for the year 2022, and 3.75 for the year 2023 onwards.

Skanon Investments Inc. and Subsidiaries

- Maintain a debt-to-equity ratio of less than or equal to 1.

The debt related to the consolidated covenant was paid in full as of June 30, 2022 by UNACEM Peru and was transferred to Skanon.

In the Group's Management opinion, the Company and subsidiaries have complied with the financial covenants, with the exception of UNACEM Ecuador and UNICON Chile as of June 30, 2022, whose obligations expire in the short term. As of December 31, 2021, the Company and subsidiaries have complied with the financial covenants, with the exception of UNICON Chile and PREANSA Peru, which expire in the short term. These breaches have no effect on the other obligations of the Company and its Subsidiaries.

- (d) As of June 30, 2022, and December 31, 2021, interest payable on medium- and long-term bonds and debt amounted to approximately S/ 19,965,000 and S/ 19,435,000, respectively. It is recognized in 'trade and other accounts receivable' in the consolidated statement of financial position, see note 13.

The interest on bonds and bank loans as of June 30, 2022, and 2021, amounted to approximately S/ 73,733,000 and S/ 86,433,000, respectively. It is recognized in "Borrowing cost" in the consolidated statement of profit or loss, see note 20.

- (e) As of June 30, 2022, the Group has bank loans in local currency (soles) at effective annual interest rates ranging from 2.26% to 7.91%. Bank loans in foreign currency (U.S. dollars) are at a variable interest rate (3-month LIBOR and 1-month LIBOR plus a margin) ranging from 1.22% to 2.60% and a fixed interest rate ranging from 0.85% to 12%.

As of December 31, 2021, the Group has bank loans in local currency (soles) at effective annual interest rates ranging from 2.52% to 8.06%. Bank loans in foreign currency (U.S. dollars) are at a variable interest rate (3-month LIBOR and 1-month LIBOR plus a margin) ranging from 1.22% to 2.60% and a fixed interest rate ranging from 0.85% to 12%.

13. Trade and Other Accounts Payable

This item is made up as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of December 31, 2021
Trade accounts payable (a)		572,225	556,438
Compensation and holidays payable		94,236	56,101
Customer advances		64,042	41,398
Taxes, social security contributions payable		22,228	25,381
Interest payable	<i>16(b) & 16.A(d)</i>	21,431	19,824
Accounts payable to related parties	<i>21(b)</i>	20,410	19,583
Sales tax payable		20,142	11,977
Accounts payable from acquisition of property, plant and equipment		19,538	22,746
Community commitments		13,890	16,855
Payment of dividends	<i>15(f)</i>	13,425	87,846
Loans payable to third parties		9,718	9,356
Compensation to Board of Directors		3,849	6,439
Interest on financial instruments payable		1,396	2,474
Other accounts payable		8,085	19,100
		884,615	895,518
Classification by maturity:			
Current		853,085	857,568
Non-current		31,530	37,950
		884,615	895,518

- (a) Trade accounts payable arise mainly from the acquisition of goods and services intended for the development of the Group's operations and correspond to invoices payable to local and foreign suppliers. They have current maturities, do not generate interest and have not been granted collaterals for these obligations.

Unión de Concreteras S.A. and Concremax S.A. offer suppliers a payment plan for invoices through financial entities. This plan allows suppliers to sell their accounts receivable to financial entities, according to an agreement between a supplier and a financial entity. Such agreement enables suppliers to improve cash flow management and the Group to reduce payment processing costs. Such subsidiaries do not have direct financial interest on these transactions.

The obligations to suppliers, including accounts payable, remain in place according to contractual terms. As of June 30, 2022, and December 31, 2022, accounts payable amount to S/ 84,769,000 and S/96,271,000, respectively.

14. Income Tax

Movement in the deferred tax liabilities is as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of December 31, 2021
Deferred tax assets			
Initial balance		387,786	358,170
Effects on consolidated statement of profit or loss (a)		(15,954)	14,979
Debit to other comprehensive income		(6,332)	(6,018)
Acquisition of subsidiaries	1 B.	-	3,016
Others		2,288	(49)
Effects of translation		(10,869)	17,688
Final Balance		356,919	387,786
Deferred tax liabilities			
Initial balance		(776,005)	(775,928)
Effects on consolidated statement of profit or loss (a)		19,013	22,988
Acquisition of subsidiaries	1 B.	-	(13,659)
Others		(2,287)	-
Effects of translation		6,400	(9,406)
Final balance		(752,879)	(776,005)
Total deferred tax assets, net		(395,960)	(388,219)

- (a) Expenses for the provision for income tax presented in the consolidated statement of profit or loss are as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Current		(170,549)	(114,635)
Deferred tax		3,059	11,068
Others		(2,767)	5,475
		(170,257)	(98,092)

15. Net equity

A. Issued capital

As of June 30, 2022, and December 31, 2021, the subscribed and paid-in capital is represented by 1,818,127,611 ordinary shares at a face value of S/ 1 each. The Company's ordinary shares are listed in the Lima Stock Exchange.

	As of June 30, 2022	
	Number of shares	Interests (%)
Shareholders		
Inversiones JRPR S.A.	456,669,897	25.12
Nuevas Inversiones S.A.	459,129,497	25.25
AFP's	472,442,116	25.99
Others	429,886,101	23.64
	1,818,127,611	100.00

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	As of December 31, 2021	
	Number of shares	Interests (%)
Shareholders		
Inversiones JRPR S.A.	456,669,897	25.12
Nuevas Inversiones S.A.	459,129,497	25.25
AFP's	476,657,910	26.22
Others	425,670,307	23.41
	1,818,127,611	100.00

As of June 30, 2022, the share price of each ordinary share was S/ 1.51 (S/ 2.40 as of December 31, 2021).

B. Additional capital

It corresponds to changes in the capital increase made in the year 2019 due to the merger of the Company with Sindicato de Inversiones y Administración S.A., Inversiones Andino S.A. and Inmobiliaria Pronto S.A. and equity.

C. Treasury shares

The Board of Directors' Meeting, held on August 20, 2021, approved a shares buyback program for up to S/36,400,000, without exceeding 2% of issued shares the same that was extended in Board meetings of December 22, 2021, and June 28, 2022, extending the term of the program until December 31, 2022.

The acquired shares are held in the portfolio for a maximum period of two years. While they are held in the portfolio, rights inherent to the shares are suspended. The term may be extended and/or modified by the Company's Board of Directors.

As of June 30, 2022, the Company holds 12,573,000 treasury shares equivalent to S/ 22,882,000 (7,289,000 treasury shares equivalent to S/ 11,610,000, as of December 31, 2021).

D. Legal reserve

According to the Companies Act, the Group shall allocate not less than 10% of its profits distributed in each period, less income tax. This allocation is required until such reserve equals 20% of capital. The legal reserve may be used to offset losses, but it shall be restored. As of June 30, 2022, and December 31, 2021, the legal reserve reached a maximum of 20% of the issued capital.

E. Unrealized gains and losses

It corresponds to changes in the fair value, net of tax effects, of hedging instruments, see note 24.A.i.

F. Dividend distribution

This caption comprises the following information of the years 2022 and 2021:

2022 dividends

<i>In thousands of soles</i>	Dividends declared and paid	Date of payment	Dividends per ordinary share
Date of Board of Directors' Meeting			
January 26, 2022	36,194	28.01.2022	0.020
April 27, 2022	54,202	30.05.2022	0.030
	90,396		

2021 dividends

<i>In thousands of soles</i>	Dividends declared and paid	Date of payment	Dividends per ordinary share
Date of Board of Directors' Meeting			
February 24, 2021	23,636	30.03.2021	0.013
April 23, 2021	23,636	12.05.2021	0.013
June 21, 2021	36,362	23.07.2021	0.020
October 27, 2021	36,362	30.11.2021	0.020
December 14, 2021 (*)	72,449	18.01.2022	0.040
	192,445		

(*) It was approved at the General Shareholders' Meeting of UNACEM S.A.A., held on December 14, 2021.

The General Shareholders' Meeting, held on December 14, 2021, agreed to replace the dividend policy approved by the General Shareholders' Meeting, held on March 31, 2015, with a new dividend policy. It consisted of the quarterly distribution of dividends in cash (soles or U.S. dollars) from US\$ 0.005 to US\$ 0.010 per share issued by the Group. They are charged to 'retained earnings, starting with the oldest and ending with the most recent.

In 2022, UNACEM Ecuador subsidiaries, CELEPSA and Desert Ready Mix distributed dividends to their non-controlling shareholders for approximately S/ 710,000, S/ 1,222,000, and S/ 7,854,000, respectively. In 2021, UNACEM Ecuador subsidiaries, Entrepisos, Inveco and Ambiental Andina distributed dividends to their non-controlling shareholders for approximately S/286,000, S/2,536,000, S/ 3,990,000 and S/ 206,000, respectively.

As of June 30, 2022, the Group maintains a balance pending payment of dividends for approximately S/13,425,000 (S/ 87,846,000 as of December 31, 2021), see note 13.

G. Gains or losses on translation

It corresponds to the exchange differences arising on translating foreign currency of subsidiaries into the Group's presentation currency.

In 2021 and 2022, the effects of exchange differences attributable to non-controlling interests recognized in the consolidated statement of comprehensive income resulted in gains and losses for approximately S/86,429,000 and S/ 142,277,000, respectively.

H. Unpaid dividends

It corresponds to prior year dividends distributed to certain shareholders of the subsidiaries, which have not been paid in more than three years.

16. Net Sales

This item is made up as follows:

<i>In thousands of soles</i>	As of June 30, 2022	As of June 30, 2021
Operating segments		
Cement	1,585,984	1,304,958
Concrete	1,084,444	874,630
Power and energy	124,677	91,879
Other services	8,761	8,621
	2,803,866	2,280,088
Timing of transfer of goods or services		
Goods transferred at a point in time	2,624,703	2,135,376
Services transferred at a point in time	179,163	144,712
	2,803,866	2,280,088

17. Cost of Sales

This item is made up as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Beginning inventory of finished goods and work-in-progress	7	241,109	193,421
Production costs			
Use of raw materials		468,970	360,565
Fuel		329,832	243,958
Personnel expenses		324,422	292,774
Depreciation	9(e)	216,964	210,012
Maintenance costs		166,316	115,909
Transport costs and import duties		86,137	74,973
Electric power		73,782	53,359
Use of packaging		66,515	49,420
Site preparation (quarries)		5,463	5,023
Depreciation of right-of-use assets	8(c)	4,337	5,913
Provision for inventory obsolescence		4,148	(3,153)
Depreciation of stripping activity assets		3,187	3,346
Amortization	10(a)	2,683	2,863
Acquisition of subsidiaries	1.B	-	10,345
Other production costs		253,666	217,701
Ending inventory of finished goods and work-in-progress	7	(234,944)	(209,519)
		2,012,587	1,626,910

18. Administrative Expenses

This item is made up as follows:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of June 30, 2021
Personnel expenses		106,466	77,094
Third-party services		39,163	34,253
Taxes		9,834	8,720
Donations		8,279	10,231
Depreciation	9(e)	7,304	6,556
Wide range of Load management		6,895	3,391
Amortization	10(a)	2,598	1,413
Estimate for expected credit loss		1,042	647
Depreciation of right-of-use assets	8(c)	363	370
Others		9,836	4,465
		191,780	147,140

19. Other Income

As of June 30, 2021, because of the acquisition of UNACEM Chile, the Group recognized a negative goodwill for approximately S/ 58,317,000, which was adjusted as of December 31, 2021, to S/ 9,447,000.

20. Borrowing Costs

As of June 30, 2022, and 2021, this item is mainly composed of interest on bonds issued and debts with banks for S/ 78,747,000 and S / 88,653,000, respectively (see note 12 (b) and 12.A(d)).

21. Related Party Transactions

(a) The main transactions with related entities as of June 30, 2022, and 2021 were as follows:

<i>In thousands of soles</i>	<i>Note</i>	2022	2021
Revenue			
Sale of cement			
La Viga S.A.		292,682	236,401
Asociación UNACEM		78	61
Dividends earned			
Ferrocarril Central Andino S.A.		-	18,879
Master Builders Solutions Perú S.A.		-	1,716
Costs and/or expenses			
Donations			
Asociación UNACEM		6,973	10,742
Purchase of additives			
Master Builders Solutions Perú S.A.		26,925	23,537
Fees and import duties for sale of cement			
La Viga S.A.		15,413	13,744
Other expenses			
Master Builders Solutions Perú S.A.		1,635	2,356
Other expenses			
Master Builders Solutions Perú S.A.		1,352	502
Asociación UNACEM		96	127
La Viga S.A.		104	103

(b) As a result of these and other minor transactions, the Group has the following balances with its related parties:

<i>In thousands of soles</i>	<i>Note</i>	As of June 30, 2022	As of December 31, 2021
Accounts receivable			
La Viga S.A.	6	16,846	30,252
Master Builders Solutions Perú S.A.		261	302
Others		1,062	946
		18,169	31,500
Accounts payable			
Master Builders Solutions Perú S.A.	13	17,550	16,151
La Viga S.A.		2,838	3,415
Others		22	17
		20,410	19,583

- (c) The Group conducts its operations with related entities under the same conditions as those made with third parties, therefore there is no difference in pricing policies or the settlement of tax base, in relation to the payment, and they do not differ with the policies issued to third parties.
- (d) The total remuneration paid to Group's directors and key members of management as of June 30, 2022, is amounting to approximately S/8,739,000 (as of June 30, 2021 for approximately S/12,735,000 as of June 30, 2021), which include short-term benefits and compensation for time served.
- (e) As of June 30, 2022, and December 31, 2021, there were no changes in the Parent Company, Nuevas Inversiones S.A., or in the ultimate controlling party, Inversiones JRPR S.A.

22. Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of outstanding shares during the period.

The following table shows the calculation of the diluted and basic earnings per share.

<i>In thousands of soles</i>	As of June 30, 2022	As of June 30, 2021
Numerator		
Profit or loss attributable to ordinary equity holders	251,204	264,276
Denominator		
Weighted average number of outstanding shares (ordinary shares)	1,818,128	1,818,128
Net basic and diluted earnings per share	0.138	0.145

As of June 30, 2022, the Company held 12,573,000 treasury shares. As of June 30, 2021, there was no acquisition of treasury shares.

23. Contingencies and Commitments

A. Financial and purchase commitments

- (i) As of June 30, 2022, the subsidiaries maintain the following current letters of guarantee:
- A letter of guarantee issued for UNACEM Perú by Banco de Crédito del Perú S.A. on behalf of MINEM to ensure the execution of the mine closure plan of its mining concessions for US\$ 1,884,000, equivalent to S/ 7,216,000, maturing in January 2023, in order to ensure compliance of the Mine Closure of its mining concessions.
 - A letter of guarantee issued for UNACEM Perú by Banco de Crédito del Perú S.A. on behalf of the Ministry of Production, by a total approximate of S/4,220,000 equivalent to S/16,163,000 with a maturity on January 2023, in order to ensure compliance of the Mine Closure of its mining concessions.
 - A letter of guarantee issued for UNACEM Perú on behalf of third parties for a total of S/ 680,000 due in March 2023.
 - Letters of guarantee issued by financial institutions on behalf of Unión de Concreteras S.A. and Concremax S.A. to ensure the supply of concrete to customers for approximately S/ 93,198,000.
 - Letters of guarantee issued by financial institutions on behalf of Entrepisos to ensure the supply of slabs and precast concrete products to customers, for approximately S/ 3,585,000.
 - Letters of guarantee issued by financial institutions on behalf of Depósito Aduanero Conchán S.A. To ensure the fulfillment of obligations related to customs warehousing in accordance with the General Customs Law, regulations, and other applicable administrative provisions. They amount to US\$ 100,000, equivalent to S/ 383,000.
 - A letter of guarantee issued by Scotiabank Perú and granted by CELEPSA on behalf of Consorcio Transmantaro S.A. for US\$ 3,000,000 to ensure the fulfillment of contractual obligations related to the energy conversion contract for the complementary transmission system. It matures in July 2022.

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- On September 23, 2016, Scotiabank Chile approved a credit facility of up to US\$ 4,000,000 on behalf of PREANSA Chile, which is secured by a letter of credit of PREANSA Peru. issued by Scotiabank Perú. It matures in September 2022.
 - On December 13, 2016, BBVA Colombia approved a credit facility of up to US\$ 3,550,000 on behalf of PREANSA Colombia, which is secured by a letter of credit of PREANSA Perú issued by BBVA Peru. It matures in January 2023.
 - Vigilancia Andina S.A. has letters of guarantee issued by financial institutions to ensure the fulfillment of payment obligations related to salaries of employees under fixed-term employment contracts for approximately S/ 2,792,000.
- (ii) The Group has the following letters of credit:
- Letter of credit US\$ 40,447,000, dated November 18, 2010, and amended on November 10, 2020, between Banco de Nova Scotia US Operations (issuer) and US Bank National Association (trustee), the latter entity dated November 1, 2010, entered into a trust agreement with the Yavapai County Industrial Development Authority (authority). Likewise, on November 10, 2020, the letter of credit was renewed for an additional 5 years, see note 12.A.(a)i.
 - A letter of credit dated July 30, 2015, for US\$ 75,838,000 between Drake Cement LLC and Skanon Investments, Inc. (guarantors) and Bank of Nova Scotia, New York Agency (issuer) so that the issuer directly pays the credit by Drake Cement LLC on behalf of U.S. Bank National Association (trustee). The trustee entered into a trust agreement with the Yavapai County Industrial Development Authority (authority). On June 1, 2020, the letter of credit was renewed for a five-year term, see note 12.A.(a)i.
- (iii) Letter of indemnity
- Skanon Investments Inc. subsidiary establishes indemnification provisions under agreements with other entities—i.e., trading partners, customers, property owners, lenders, and lessors in the normal course of business. Under such provisions, Skanon Investments Inc. generally indemnifies and holds harmless the indemnified party in respect of any loss or damage suffered by the indemnified party because of its activities or, in some cases, as a result of the indemnified party's activities. The maximum amount of future payments that Skanon Investments Inc. could make under the provisions is unlimited. Skanon Investments Inc. did not incur material costs to defend claims or settle claims related to the indemnification provisions. Accordingly, Skanon Investments Inc. considers that the fair value of these provisions is low. As of June 30, 2022, and December 31, 2021, the Group's Management has no liabilities recorded under the indemnification provisions.
- (iv) Purchase option
- In accordance with the third addendum to the limited liability company operating agreement, dated September 1, 2007, Skanon has the option to purchase non-controlling interests in Drake Cement. From January 1, 2009, Skanon has the option, but not the obligation, to purchase non-controlling interests at any time at fair value. The fair value will be measured by mutual agreement at the General Shareholders' Meeting. As of June 30, 2022, and December 31, 2021, Drake Cement did not exercise the option.

B. Finance leases

The following table shows the minimum lease payments and sale and leaseback transactions:

	As of June 30, 2022		As of December 31, 2021	
	Minimum lease payments	Present value of lease payments	Minimum lease payments	Present value of lease payments
<i>In thousands of soles</i>				
In 1 year	47,683	37,148	48,398	35,876
Between one to more years	211,809	102,687	229,088	111,382
Total, payments to be done	259,492	139,835	277,486	147,258
Less: Borrowing costs	(119,657)	-	(130,228)	-
Present value of minimum lease payments	139,835	139,835	147,258	147,258

C. Tax situation

- (i) The subsidiaries of the Group are subject to the tax laws of the country in which they operate and to taxes separately based on their non-consolidated income. As of June 30, 2022, and December 31, 2021, the income tax rates of the countries in which the Group operates are as follows:

In percentages	Tax rates	
	2022	2021
Peru	29.5	29.5
Ecuador	25.0	25.0
United States (*)	21.0 and 4.9	21.0 and 4.9
Chile	27.0	27.0

(*) In accordance with the laws of the United States and Arizona, the subsidiary is subject to a federal tax rate of 21% and a state tax rate of 4.9%.

- (ii) In determining income tax, transfer pricing with related parties and entities domiciled in territories with low or zero taxation shall be supported with documents and information on the valuation techniques and the criteria used for the pricing.

Based on the business analysis, it is the opinion of management and its legal advisors that no significant contingencies will arise as of June 30, 2022, and December 31, 2021 from the application of such regulations.

- (iii) The Tax Authorities of each country are entitled to audit and, if applicable, to correct the income tax calculated by the Company and its Subsidiaries. The affidavits of income tax are open to inspection by the Tax Authority as follows:

	Period subject to tax assessments
In Peru -	
UNACEM Corp S.A.A.	2013 and 2017 – 2021
UNACEM Perú S.A.	2021
Compañía Eléctrica el Platanal S.A.	2016 – 2021
Celepsa Renovables S.R.L.	2017 – 2021
Generación Eléctrica Atocongo S.A.	2017 – 2021
Unión de Concreteras S.A.	2017 – 2021
Concremax S.A.	2017 – 2021
Inversiones en Concreto y Afines S.A.	2017 – 2021
Prefabricados Andinos Perú S.A.C.	2017 – 2021
Transportes Lurín S.A.	2017 – 2021
Depósito Aduanero Conchán S.A.	2017 – 2021
Inversiones Imbabura S.A.	2017 – 2021

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	Period subject to tax assessments
Inversiones Nacionales y Multinacionales Andinas S.A.	2017 – 2021
ARPL tecnología Industrial S.A.	2017 – 2021
Vigilancia Andina S.A.	2017 – 2021
Entrepisos Lima S.A.C.	2017 – 2021
In Ecuador	
UNACEM Ecuador S.A.	2018 – 2021
Unión de Concreteras UNICON UCUE Cía. Ltda.	2018 – 2021
In Chile	
Prefabricados Andinos S.A.	2018 – 2021
UNACEM Chile S.A.	2018 – 2021
Inversiones MEL20 Limitada	2018 – 2021
UNICON Chile S.A.	2018 – 2021
In Colombia	
Prefabricados Andinos Colombia S.A.S.	2017 – 2021
In The United States	
	2017 – 2021

Due to the possible interpretations of the applicable laws by the Tax Authorities, it is not possible to determine, to date, whether a future tax assessment will result in liabilities for the Group. Therefore, any major tax or surcharge that might arise from eventual tax assessments would be applied to profit or loss when they are determined. It is the opinion of management and its legal advisors that any possible additional settlement of taxes would not be significant for the consolidated financial statements as of June 30, 2022, and December 31, 2021.

- (iv) As of June 30, 2022, and December 31, 2021, tax loss carryforwards of subsidiaries are as follows:

<i>In thousands of soles</i>	2022	2021
Skanon Investments Inc. and Subsidiaries (a)	2,229,834	2,320,311
Compañía Eléctrica El Platanal S.A. and Subsidiaries (b)	234,645	274,926
Prefabricados Andinos S.A.– PREANSA Chile(c)	45,867	42,707
Prefabricados Andinos Perú S.A.C. – PREANSA Perú (b)	15,572	16,172
Prefabricados Andinos Colombia S.A.S (c)	8,464	9,160
UNICON Chile S.A. (c)	4,025	4,547
Depósito Aduanero Conchán S.A. (b)	1,816	1,854
Generación Eléctrica de Atocongo S.A.(b)	1,670	-
Transportes Lurín S.A. (b)	499	489
Inversiones Imbabura S.A. (b)	-	1,013
Other minor Peruvian subsidiaries(b)	1,175	414

- (a) The tax loss carries forwards of subsidiaries domiciled in the United States amount to US\$583,726,000 (equivalent to S/ 2,229,833,000). According to management, the federal and state losses for US\$ 312,474,000 and US\$ 271,252,000, respectively (equivalent to S/1,193,651,000 and S/ 1,036,183,000, respectively).

In accordance with the laws of the United States, the subsidiaries domiciled in the United States are subject to a federal tax rate of 21% and a state tax rate of 4.9%, respectively, on taxable profits.

- (b) Management of each subsidiary domiciled in Peru with tax loss carryforwards chose the option to offset tax losses up to 50% of the taxable profits generated in each year, indefinitely, as well as the option to offset tax losses within four years from the date in which they are generated.
- (c) The tax loss carryforwards of subsidiaries domiciled in Chile and Colombia will be offset against

the future taxable profits of subsidiaries in accordance with applicable tax laws.

- (v) As of June 30, 2022, the net outstanding balance, net of income tax, amounts to approximately S/86,328,000 (as of December 31, 2021, amounted to S/ 102,976,000).

D. Contingencies

In the normal course of business, the Group had various tax, legal (labor and administrative) and regulatory claims, which are recognized and disclosed in accordance with IFRSs.

Peru

i. Tax assessments

As a result of the tax assessments, the Group received various resolutions related to alleged failure to meet tax payments from the Tax Authorities. In some cases, the Group filed claims before higher courts since it did not consider that such resolutions are compliance with the laws and, in others, it paid the objections under protest. The tax proceedings are related to:

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- Income tax for the years 2000 and 2001
- Income tax for the years 2004 and 2005
- Income tax for the years 2009
- Fines for income tax for the year 2013
- Fines for interest on down payments of income tax for the year 2014
- Contribution to the retirement fund for mining, metallurgical and steel workers for the years from 2013 to 2016
- Mining royalties of Former Cementos Lima for the years 2008 and 2009
- Mining royalties of Former Cementos Andino for the year 2008

As of June 30, 2022, and December 31, 2021, the Company has accounts receivable from such tax proceedings, see note 6(b). It is the opinion of management and its legal advisors that the Group will obtain a favorable outcome.

CONCREMAX

- Income tax for the year 2012

As of June 30, 2022, and December 31, 2021, the Group has accounts receivable from such tax proceedings, see note 6(b). It is the opinion of management and its legal advisors that the Group will obtain a favorable outcome.

E. Environmental commitments

The Group's activities are subject to the environmental regulations. This tax rules are the same as those described in the notes to the annual consolidated financial statements as of December 31, 2021.

24. Financial Risk Management

It includes the management of the main risks that the Group faces due to the nature of its operations, these are: credit, liquidity, and market risk.

A. Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments fluctuates as a result of changes in the market rates. Market risks involve interest rate risk, exchange rate risk, commodity price risk and other price risks. Financial instruments affected by market risk are bank deposits, trade and other accounts receivable, other financial liabilities and hedging instruments.

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The sensitivity analyses included in the following notes are related to the consolidated financial statements as of June 30, 2022, and December 31, 2021.

The Group prepared sensitivity analyzes based on the assumption that the variables (net debt, fixed and variable interest rates of debt and hedging instruments, and financial instruments in foreign currency) are held constant as of June 30, 2022 and December 31, 2021.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments fluctuates as a result of changes in the interest rates. The Group's exposure to interest rate risk mainly arises from long-term variable-rate debt instruments.

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▪ **Hedging instruments**

The Group has three interest rate swaps designated as cash flow hedges and measured at fair value. Hedging instruments are as follows:

As of June 30, 2022						
Borrower	Currency	Benchmark amount (000)	Maturity date	Receives variable rate at:	Fixed-rate	Fair value (000)
Liabilities						
Citibank N.A.	US\$	50,000	October 2025	3-month LIBOR + 1.75%	5.700%	3,666
Santander S.A.	US\$	45,000	November 2023	3-month LIBOR + 1.85%	5.030%	340
Banco Scotiabank (Chile)	US\$	4,000	August 2022	1-month LIBOR + 1.22%	3.200%	13
Total						4,019
Asset						
Banco de Crédito e Inversiones (BCI) (Chile)	CLP	2,692,424	November 2027	6.78%	3.377%	1,204
Banco Scotiabank (Chile)	US\$	3,355	October 2023	1-month LIBOR + 1.85%	5.550%	880
Bank of Nova Scotia	US\$	30,000	September 2025	3-month LIBOR + 2.60%	5.660%	44
Total						2,128
As of December 31, 2021						
Borrower	Currency	Benchmark amount (000)	Maturity date	Receives variable rate at:	Fixed-rate	Fair value (000)
Liabilities						
Citibank N.A.	US\$	50,000	October 2025	3-month LIBOR + 1.75%	5.700%	13,210
Santander S.A.	US\$	45,000	November 2023	3-month LIBOR + 1.85%	5.030%	8,499
Bank of Nova Scotia	US\$	30,000	September 2025	3-month LIBOR + 2.60%	5.660%	3,719
Banco Scotiabank (Chile)	US\$	4,000	August 2022	1-month LIBOR + 1.22%	3.200%	219
Banco Scotiabank (Chile)	US\$	1,883	March 2022	1-month LIBOR + 1.94%	5.400%	64
Total						25,711
Asset						
Banco Scotiabank (Chile)	US\$	3,355	October 2023	1-month LIBOR + 1.85%	5.550%	896
Banco de Crédito e Inversiones (BCI) (Chile)	CLP	2,692,424	November 2027	6.78%	3.377%	526
Total						1,422

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The effective portion of changes in the fair value of financial instruments that qualify as hedges is recognized as assets or liabilities and with impact on equity. As of June 30, 2022 and December 31, 2021, the Group has recognized under "Unrealized net profit" on hedging financial derivative instruments" in the statement of changes in equity, a positive and negative change in fair value of approximately S/ 15,719,000 and S/12,347,000, which is presented net of the effect on the income tax, respectively.

Likewise, as of June 30, 2022, and 2021 the Group recognized an expense on these derivative financial instruments amounting to approximately S/ 6,234,000 and S/ 7,018,000 respectively, whose amounts were actually paid during the year and are presented as "Borrowing Costs" in the consolidated statement of income.

Sensitivity to interest rate

The Group does not show the sensitivity to a reasonably possible change in interest rates on the portion of the loans, after the impact of hedge accounting.

ii. Exchange rate risk

Exchange rate risk is the risk that the fair value or future cash flows of financial instruments fluctuates as a result of changes in the exchange rates. The Group's exposure to foreign exchange risk relates, firstly, to the Group's operating activities (when revenues and expenses are denominated in a currency other than the Group's functional currency).

The management of each company monitors this risk through the analysis of the country's macroeconomic variables.

The result of maintaining balances in foreign currency for the Group as of June 30, 2022, resulted in a net gain of approximately S/ 23,578,000 (net loss of and S/ 37,028,000 as of June 30, 2021), which are presented in the caption "Exchange difference, net" of the consolidated income statement.

As of June 30, 2022, the Group maintains a liability for a derivative financial instrument corresponding to a "Cross Currency Interest Rate Swap" amounting to S/ 4,581,000 in favor of the BBVA Peru bank (S/ 6,870,000 as of December 31, 2021, in favor of the banks, BBVA Peru and Banco Internacional del Peru), in order to cover their risks of fluctuation in the exchange rate. These instruments were designated as held for trading.

As of June 30, 2022, and 2021, variations in fair value are recognized as an expense or income. As of June 30, 2022, the effect corresponds to a net financial income of approximately S/ 2,289,000 (net financial expense of S/ 2,772,000 as of June 30, 2021) and is presented as part of the caption "Borrowing cost" and "Financial income" of the consolidated income statement.

Likewise, as of June 30, 2022, and 2021, a financial expense was recognized, net for these derivative financial instruments amounting to approximately S/ 515,000 and S/ 340,000, respectively, the amounts of which have been effectively paid during the year and are presented as part of the caption "Financial expenses" and "Financial income", net of the consolidated income statement.

Sensitivity to exchange rates

Foreign currency transactions are entered into at the free-market exchange rates published by the Banking, Insurance and Private Pension Plan Agency (Superintendencia de Banca, Seguros y AFP - SBS). As of June 30, 2022, the weighted average of free-market exchange rates used in foreign currency transactions (U.S. dollars) were S/ 3.820 (buy rate) and S/ 3.830 (sell rate) (S/ 3.975 (buy rate) and S/ 3.998 (sell rate) as of December 31, 2021), respectively.

As of June 30, 2022, and December 31, 2021, the Group's assets and liabilities are held in U.S. dollars. The following table shows the foreign currency assets and liabilities:

<i>In thousands of dollars</i>	2022	2021
Asset		
Cash and Cash Equivalents	28,645	26,106
Trade and other payables	93,604	91,674
	122,249	117,780
Liabilities		
Other financial payables	(146,703)	(179,726)
Trade and other payables	(51,710)	(64,093)
	(198,413)	(243,819)
Derivative financial instrument in foreign currency	(1,196)	(1,718)
Net liability position	(77,360)	(127,757)

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group's profit before income tax (due to changes in the fair value of monetary assets and liabilities, including derivative financial instruments in foreign currency not classified as hedge).

<i>In thousands of soles</i>	Impact on profit before income tax	
	As of June 30, 2022	As of June 30, 2021
Changes in exchange rates (U.S. dollars)		
%		
+5	(14,876)	(35,862)
+10	(29,751)	(71,724)
-5	14,876	35,862
-10	29,751	71,724

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, including trade accounts receivable, as well as financing activities, including deposits at banks and financial institutions, foreign currency transactions and other financial instruments. The maximum credit risk of the components of the financial statements as of June 30, 2022, and December 31, 2021, is represented by the amount of the captions cash and cash equivalents, trade and other accounts receivable.

The Group's Management continuously monitors the credit risk of these items and periodically evaluates those debts that show impairment to determine the provision required for uncollectibility.

C. Liquidity risk

The Group monitors its risk of shortage of funds using a recurring liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the open use of bank accounts and other financial obligations.

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The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

<i>In thousands of soles</i>	As of June 30, 2022			
	From 1 to 12	From 4 to more		Total
	months	From 1 to 3 years	years	
Trade and other payables (*)	747,016	23,932	7,255	778,203
Other financial liabilities				
Amortization of capital	874,853	1,482,363	1,453,837	3,811,053
Flow of interest payments	165,084	228,438	225,506	619,028
Lease liabilities				
Amortization of capital	8,219	9,982	3,641	21,842
Flow of interest payments	376	614	1,979	2,969
Total liabilities	1,795,548	1,745,329	1,692,218	5,233,095

<i>In thousands of soles</i>	As of December 31, 2021			
	From 1 to 12	From 4 to more		Total
	months	From 1 to 3 years	years	
Trade and other payables (*)	783,141	21,035	12,586	816,762
Other financial liabilities				
Amortization of capital	700,255	1,523,344	1,704,435	3,928,034
Flow of interest payments	154,045	262,221	216,412	632,678
Lease liabilities				
Amortization of capital	8,345	12,760	3,735	24,840
Flow of interest payments	623	771	2,154	3,548
Total liabilities	1,646,409	1,820,131	1,939,322	5,405,862

(*) As of June 30, 2022, and December 31, 2021, it does not include customer advances, taxes, contributions and labor contributions and general sales tax for approximately S/ 106,412,000 and S/ 78,756,000, respectively.

D. Capital management

No changes were made in the objectives, policies or processes for managing capital during the years ended on June 30, 2022, and December 31, 2021.

25. Fair value

A. Financial instruments measured at fair value using the fair value hierarchy

The following table shows an analysis of financial instruments measured at fair value at the reporting date, including the level of the fair value hierarchy:

<i>In thousands of soles</i>	Level 2	Total
As of June 30, 2022		
Financial assets		
Derivative financial instruments	2,128	2,128
Financial liabilities		
Derivative financial instruments	8,600	8,600
Total financial liabilities, net	6,472	6,472
As of December 31, 2021		
Financial assets		
Derivative financial instruments	1,422	1,422
Financial liabilities		
Derivative financial instruments	32,581	32,581
Total financial liabilities	31,159	31,159

Fair value of financial instruments measured at amortized cost

Below are the other financial instruments measured at amortized cost and their fair value categorized within different levels of the fair value hierarchy.

Level 1

- Cash and cash equivalents are not significantly exposed to credit or interest rate risks. Therefore, the carrying amount is a reasonable approximation of fair value.
- Accounts receivable are net of loss allowance and have current maturities. In management's opinion, the carrying amount does not differ materially from the fair value.
- Due to their current maturity, the carrying amount of trade and other accounts payable is a reasonable approximation of fair value.

Level 2

- The fair value of financial liabilities is measured comparing market interest rates at initial recognition and current market rates related to similar financial instruments. The following table compares the carrying amount and the fair value of these financial instruments:

<i>In thousands of soles</i>	As of June 30, 2022		As of December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Other financial liabilities (*)	3,512,562	3,096,777	3,588,500	3,357,810

() As of June 30, 2022 and December 31, 2021 it does not include promissory notes and overdrafts, see note 12.*

26. Segment information

For management purposes, the Group's business activities are organized on the basis of products and services. Accordingly, it identified three operating segments:

- Production and sale of cement.
- Production and sale of Concrete.
- Generation and sale of electric power from water resources.

The Group did not include other operating segments other than those described above.

Management of each subsidiary reviews the operating results to make decisions about resources to be allocated to the segment and assess its performance.

The performance of the operating segments is assessed based on profit or loss and is measured using segment profit or loss in the consolidated financial statements.

The inter-segment transfer pricing with independent parties is agreed similarly to the pricing agreed with third parties.

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The following table shows financial information by reportable segment, net of eliminations:

<i>In thousands of soles</i>	As of June 30, 2022						
	Cement	Concrete	Electric power	Others	Total segments	Adjustment and eliminations	Consolidated
Revenue							
Third-party customers	1,585,984	1,084,444	124,677	8,761	2,803,866	-	2,803,866
Inter segments	180,845	60,201	54,998	297,177	593,221	(593,221)	-
Total revenues	1,766,829	1,144,645	179,675	305,938	3,397,087	(593,221)	2,803,866
Gross profit	583,690	115,426	84,503	271,039	1,054,658	(263,379)	791,279
Operating income (expenses)							
Administration expenses	(123,670)	(35,468)	(10,382)	(37,240)	(206,760)	14,980	(191,780)
Selling expenses	(36,490)	(15,022)	(2,853)	-	(54,365)	-	(54,365)
Other operating income (expenses), net	(65,388)	(11,109)	562	(799)	(76,734)	66,340	(10,394)
Operating profit	358,142	53,827	71,830	233,000	716,799	(182,059)	534,740
Other income (expenses)							
Participation in associates	-	1,559	-	-	1,559	150	1,709
Financial Income	3,375	1,060	109	3,700	8,244	(1,833)	6,411
Borrowing Costs	(45,997)	(11,636)	(7,225)	(30,878)	(95,736)	1,833	(93,903)
Exchange difference, net	24,080	(6,767)	7,813	(1,548)	23,578	-	23,578
Income before income tax	339,600	38,043	72,527	204,274	654,444	(181,909)	472,535
Income Tax	(106,818)	(4,852)	(21,840)	(31,451)	(164,961)	(5,296)	(170,257)
Net income for segment	232,782	33,191	50,687	172,823	489,483	(187,205)	302,278
Income before tax for segment	382,222	47,060	79,643	231,302	740,227	(267,692)	472,535
Operating assets	7,735,985	1,476,542	1,154,520	454,005	10,821,052	224,750	11,045,802
Operating liabilities	515,384	488,334	79,462	58,758	1,141,938	4,418,469	5,560,407

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<i>In thousands of soles</i>	As of June 30, 2021					Adjustment and	
	Cement	Concrete	Electric power	Others	Total segments	eliminations	Consolidated
Revenue							
Third-party customers	1,304,958	874,630	91,879	8,621	2,280,088	-	2,280,088
Inter segments	125,091	57,285	53,281	34,831	270,488	(270,488)	-
Total revenues	1,430,049	931,915	145,160	43,452	2,550,576	(270,488)	2,280,088
Gross profit	441,069	140,469	65,053	13,056	659,647	(6,469)	653,178
Operating income (expenses)							
Administration expenses	(112,674)	(32,427)	(7,348)	(8,573)	(161,022)	13,882	(147,140)
Selling expenses	(33,099)	(12,832)	(2,316)	-	(48,247)	-	(48,247)
Other operating income (expenses), net	86,624	10,393	45	(17,843)	79,219	274	79,493
Operating profit	381,920	105,603	55,434	(13,360)	529,597	7,687	537,284
Other income (expenses)							
Participation in associates	-	1,290	(11)	-	1,279	-	1,279
Financial Income	3,074	10,420	25	779	14,298	(2,345)	11,953
Borrowing Costs	(84,911)	(14,768)	(10,794)	(5,537)	(116,010)	2,345	(113,665)
Exchange difference, net	(31,128)	3,452	(12,504)	3,152	(37,028)	-	(37,028)
Income before income tax	268,955	105,997	32,150	(14,966)	392,136	7,687	399,823
Income Tax	(72,414)	(12,171)	(11,615)	(1,892)	(98,092)	-	(98,092)
Net income for segment	196,541	93,826	20,535	(16,858)	294,044	7,687	301,731
Income before tax for segment	350,792	109,055	42,930	(10,208)	492,569	(92,746)	399,823
	As of December 31, 2021						
						Adjustment and	
	Cement	Concrete	Electric power	Others	Total segments	eliminations	Consolidated
Operating assets	7,948,310	1,508,634	1,200,587	238,837	10,896,368	226,930	11,123,298
Operating liabilities	468,604	554,173	117,253	51,284	1,191,314	4,561,677	5,752,991

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Eliminations and Reconciliation

The finance income and borrowing costs and gains and losses from changes in the fair value of financial assets are not allocated to separate segments, since the underlying instruments are managed centrally.

The current and deferred tax assets and liabilities and certain financial assets and liabilities are not allocated to the segments, since they are also managed centrally.

<i>In thousands of soles</i>	As of June 30, 2022	As of June 30, 2021
Reconciliation of profit or loss		
Profit before tax by operating segment before adjustments and eliminations	740,227	492,569
Finance income	6,411	11,953
Borrowing Costs	(93,903)	(113,665)
Net interests in associates	1,709	1,279
Eliminations of related party transactions	(181,909)	7,687
Income before tax for segment	472,535	399,823
<i>In thousands of soles</i>	As of June 30, 2022	As of December 31, 2021
Reconciliation of assets		
Segment assets	10,821,052	10,896,368
Deferred tax assets	199,007	206,404
Hedging instruments	2,128	1,422
Other assets	23,615	19,104
Operating assets of the Group	11,045,802	11,123,298
Reconciliation of liabilities		
Segment operating liabilities	1,141,938	1,191,314
Other financial payables	3,811,053	3,928,034
Trade payables to Directors	3,849	6,439
Deferred tax assets	594,967	594,623
Derivative financial instruments	8,600	32,581
Operating liabilities of the Group	5,560,407	5,752,991

Geographical information

The Group reports geographical information on revenue from external customers and non-current assets as follows:

<i>In thousands of soles</i>	As of June 30, 2022	As of June 30, 2021
Income of customers		
Peru	1,807,850	1,572,435
United States	473,783	254,566
Ecuador	299,616	302,635
Chile	212,924	139,720
Colombia	9,693	10,732
Total revenue under consolidated statement of profit or loss	2,803,866	2,280,088

UNACEM Corp S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
As of June 30, 2022, and December 31, 2021

<i>In thousands of soles</i>	As of June 30, 2022	As of December 31, 2021
Non-current assets		
Peru	6,403,908	6,513,777
United States	1,614,419	1,657,841
Ecuador	819,825	859,158
Chile	298,395	298,563
Colombia	26,981	29,697
Total non-current assets under consolidated statement of financial position	9,163,528	9,359,036

27. Subsequent events

In a non-face-to-face Board Meeting held on July 26, 2022, the Company approved the distribution of a dividend for approximately S/ 36,111,007.20 on a total of 1,805,550,360 shares representing the Share Capital (nominal value S/ 1.00 each, excluding the 12,577,251 shares held in treasury to date), charged to Retained Earnings as of December 31, 2014.