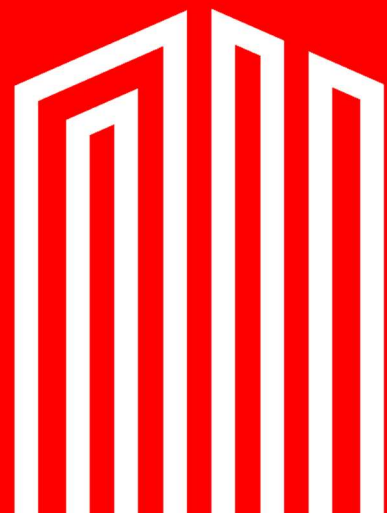




MANAGEMENT COMMENTS



UNACEM CORP S.A.A.

Management Comments

Third Quarter, as of September 30, 2022

1. RELEVANT EVENTS

■ SIMPLE REORGANIZATION

The General Shareholders' Meeting of UNACEM Corp S.A.A. (formerly Unión Andina de Cementos S.A.A) held on December 14, 2021, approved the Simple Reorganization Project, which entered into force on January 1, 2022. Said project was timely approved by the Committee of Independent Directors and by the Board of Directors.

The simple reorganization involved the segregation of 3 equity blocks that were transferred 100% to 3 subsidiaries of UNACEM Corp: UNACEM Peru S.A., Minera Adelaida S.A. and Inversiones Nacionales y Multinacionales Andinas S.A.

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. All the assets and liabilities related to the cement business, such as the production plant, the operation of the port terminal, the mining operation, the hydroelectric plants, and the thermal plant passed to UNACEM Perú S.A.

Minera Adelaida S.A. received through transfer; mining concessions not related to the economic activity of UNACEM Perú S.A. On the other hand, Inversiones Nacionales y Multinacionales Andinas S.A. received by transfer the properties not related to the main economic activity of UNACEM Perú S.A.

The simple reorganization did not imply changes in the capital stock or in the shareholding structure of UNACEM Corp. The creation of this holding allows the consolidation of UNACEM Group through a management more focused on creating value for investors and all its shareholders.

Therefore, UNACEM Corp will develop strategic guidelines for the portfolio of companies seeking to generate long-term value for shareholders and will facilitate synergies and alignment of its operating business units, focusing on the development of human talent, on the performance of operations and sustainable finances, as well as in the

transformation process of UNACEM Group, capitalizing on the knowledge gathered in its more than 100 years as the cement market leader in the country.

■ CREDIT RATING

On September 27, 2022, Class & Asociados S.A ratified the rating of AAA.pe category for the Corporate Bonds of the Second Program for the issuance of debt instruments. from UNACEM Corp. Likewise, the rating agency reaffirmed the 1.pe category for common shares (UNACEMC1). Due to the above, UNACEM Corp maintains a stable outlook.

This rating is supported by the Company's leadership in its operations and sustainable participation in the market, since through its subsidiary UNACEM Perú S.A. it leads the cement market in Lima and the central zone of the country. Additionally, the productive capacity of the subsidiaries that generate synergies between them, contribute with the generation of flows that allow the group to continue its investment plans, distribution of dividends, and maintaining debt at the appropriate levels are highlighted. On top of these, the Company has the backing, experience, and track record of the controlling group of UNACEM Group, both in the local and regional market.

2. FINANCIAL INFORMATION

The presentation of the separate financial information as of the 2022 financial year reflects the financial reality of a holding company.

- ▶ The separate statement of financial position reports in assets the portfolio of investments in the different business units (subsidiaries) of UNACEM Group, including the investment in UNACEM Peru because of the simple Reorganization. The liabilities report UNACEM Corp's debt associated with investments in subsidiaries.
- ▶ The separate income statement of UNACEM Corp record two types of sources: income from royalties and dividends from the business units; likewise, the administrative and other expenses of UNACEM Corp. are indicated.

For the analysis of the information in the separate statement of financial position, the balances as of September 30, 2022, are considered versus January 1, 2022, the effective date of the Simple Reorganization. For the separate income statement, the information is presented as of September 30, 2022, versus the same period of the previous year; however, the figures are not comparable since as of this year UNACEM Corp is a holding company that manages an investment portfolio.

For the analysis of the performance of the main business units, the information is presented as of September 30, 2022, versus the same period of 2021.

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.

■ LIQUIDITY

As of September 30, 2022, the Company's capacity to meet short-term obligations reaches 0.50 for each sol of debt (as of January 1, 2022, it was 0.79), this lower ratio is the result of the higher payment of dividends net of collections and payments for commercial operations pending at the end of 2021 (operations carried out before the simple reorganization).

■ INVESTMENT AND FINANCING

The simple reorganization implied that UNACEM Corp became a holding company for a portfolio of investments in cement, concrete, energy, and services and we have presence through the following companies:

- ▶ Cement: UNACEM Peru, UNACEM Ecuador, UNACEM Chile and Drake Cement (USA).
- ▶ Concrete: UNICON Perú, UNICON Ecuador, UNICON Chile, CONCREMAX (Perú), Desert Ready Mix (EE. UU.), PREANSA Perú, PREANSA Chile and PREANSA Colombia.
- ▶ Energy: Compañía Eléctrica El Platanal S.A., and Celepsa Renovables S.R.L. (CERE), all in Peru.
- ▶ Services: ARPL Industrial Technology S.A. and Vigilancia Andina S.A., both in Peru.

The gross financial debt totaled as of December 31, 2021, amounted to S/ 2,663.9 million. As a result of the separation of equity blocks by the simple reorganization, UNACEM Corp's gross debt as of September 30, 2022, is S/ 1,103.7 million (as of January 1, 2022, it was S/ 1,102.9 million). It is worth mentioning that the total debt at the end of the period is in soles. Likewise, 10.9% of the total debt is held in the short term (2.0% as of January 1, 2022). The debt structure is made up of 98.3% bank loans and 1.7% bonds.

■ RELEVANT CHANGES IN THE FINANCIAL SITUATION

The main changes in the separate statement of financial position of the Company as of September 30, 2022, compared to January 1, 2022, are described below:

STATEMENT OF FINANCIAL POSITION
(In thousands of Soles)

	As of 30.09.2022	As of 01.01.2022	As of 31.12.2021	Variation S/	%
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	2,158	54,588	54,588	(52,430)	-96.0%
Trade Accounts Receivable and other accounts receivable	112,097	279,412	287,499	(167,315)	-59.9%
Inventories	4	-	435,516	4	-
Other Non-Financial Assets	2,502	1,523	3,831	979	64.3%
Total Current Assets	116,761	335,523	781,434	(218,762)	-65.2%
INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES	6,069,706	6,057,206	3,792,826	12,500	0.2%
TRADE ACCOUNTS RECEIVABLES AND OTHER ACCOUNTS RECEIVABLES	96,946	94,699	105,078	2,247	2.4%
INTANGIBLE ASSETS, NET	21,888	23,550	26,796	(1,662)	-7.1%
PROPERTY, PLANT AND EQUIPMENT	71	133	3,777,673	(62)	-46.5%
DEFERRED INCOME TAX	9,836	3,060	-	6,776	221.4%
DEFERRED STRIPPING COST	-	-	102,528	-	-
ADDED VALUE	-	-	9,746	-	-
TOTAL ASSETS	6,315,208	6,514,170	8,596,082	(198,962)	-3.1%

- ▶ Decrease in "Trade accounts receivable and other accounts receivable" by S/ 167.3 million, mainly due to the collection of dividends and commercial operations for the cement and clinker sale at the end of 2021.

	As of 30.09.2022	As of 01.01.2022	As of 31.12.2021	Variation S/	%
LIABILITY AND EQUITY					
CURRENT LIABILITY					
Other financial liabilities	120,744	21,911	383,635	98,833	451.1%
Trade and other payables	109,219	293,360	355,465	(184,141)	-62.8%
Current Income Tax	2,445	71,663	71,663	(69,218)	-96.6%
Provisions	369	35,211	41,358	(34,842)	-99.0%
Total Current Liability	232,777	422,145	852,120	(189,368)	-44.9%
OTHER FINANCIAL LIABILITIES	982,953	1,081,018	2,280,272	(98,065)	-9.1%
DEFERRED INCOME TAX LIABILITIES	-	-	401,849	-	-
PROVISIONS	-	-	25,405	-	-
FINANCIAL INSTRUMENTS	-	-	25,428	-	-
TOTAL LIABILITY	1,215,730	1,503,163	3,585,074	(287,433)	-19.1%
TOTAL EQUITY	5,099,478	5,011,008	5,011,008	88,470	1.8%
TOTAL LIABILITY AND EQUITY	6,315,208	6,514,170	8,596,082	(198,962)	-3.1%

- ▶ Decrease in "Trade accounts payable and other accounts payable" by S/ 184.1 million, mainly due to payment to suppliers, related companies, and dividends to shareholders.
- ▶ Increase in Equity of S/ 88.5 million, due to the net effect of the result of the period and the declaration of dividends to shareholders.

■ FINANCIAL PERFORMANCE

The main items of the separate income statement as of September 30, 2022, are described below; the information is not comparable with the same period of the previous year since the year 2022 UNACEM Corp reflects the financial reality of a holding company:

- ▶ Income from ordinary activities, for S/ 333.3 million corresponding to royalties and dividends received from the UNACEM Group companies.
- ▶ Administrative expenses, for S/ 39.8 million, mainly for staff compensation, Board fees and consulting services.
- ▶ Other operating expenses (income), for S/ 2.2 million, includes income net of costs for clinker export operations by UNACEM Corp on an exceptional basis during the first quarter of the year and other operations carried out.
- ▶ Net financial expenses for S/ 40.3 million, mainly due to interest on bank loans.
- ▶ The provision for income tax of the year was determined based on the accounting results for the period.

3. PERFORMANCE OF THE MAIN BUSINESS UNITS

PERU

- ▶ UNACEM Peru: Cement dispatch volumes during the quarter reached 1,737 thousand tons, 5.2% higher than in the 3Q21, with revenues of S/ 744.3 million (13.9% higher). These growths are explained by a higher average sales price, and higher volume sold, explained by a solid performance of self-construction in the quarter. These resulted in an EBITDA of S/244.0 million. For the coming quarter, we expect a change in market dynamics as we foresee our competition importing clinker and cement once again.
- ▶ UNICON Peru and Concremax: Ready-mix concrete dispatch volumes reached 640 thousand m³, slightly higher by 6.4% compared to 3Q21, with revenues of S/295.3 million (9.7% higher) and an EBITDA of S/18.7 million. We expect to maintain these volumes in the last quarter of the year as the development of the infrastructure works already contracted resumes.
- ▶ Celepsa: Sales volumes during 3Q22 reached 497 GWh (15.7% higher than 3Q21), thanks to the acquisition of new clients, with revenues of USD24.5 million and an EBITDA of USD7.2 million. During the quarter, the company sold 30% of its contracted power to UNACEM Peru.

ECUADOR

- ▶ Unacem Ecuador: In 3Q22, cement dispatches volumes recovered with respect to the 2Q22 and were 10.6% higher than 3Q21, reaching 381 thousand t, with revenues of USD43.5 million (12.9% higher than 3Q21) and EBITDA of USD12.1 million. Likewise, EBITDA was 23.5% below 3Q21, mainly due to higher fuel costs.

EE.UU.

- ▶ Skanon considerably recovered its sales volumes in the quarter compared to 3Q21: cement 168 thousand tons (25.4% higher), ready-mix concrete 230 thousand m³ (25.0% higher) and aggregates 802 thousand tons (24.1% higher), which allowed it to reach revenues of USD65.4 million and an EBITDA of USD8.0 million in the quarter. Market trends indicate robust demand for our area of influence for the remainder of the year supported by an attractive real estate market in Arizona relative to other states.

CHILE

- ▶ In 3Q22, UNACEM Chile had cement dispatches of 118 thousand tons, with revenues of CLP10,615.0 million and an EBITDA of CLP189.0 million; the information is not comparable with 2021 since the operations were integrated into the UNACEM Group only this year. The dispatches of UNACEM Chile during this quarter were higher by 11.7% compared to 2Q22. These results are particularly positive given the tepid market environment thanks to the launch of our new mill in San Antonio back in April which has enabled us to gain market share.
- ▶ UNICON Chile, in 3Q22, registered dispatches of 231 thousand m³ of ready-mix concrete (0.7% lower than 3Q21), revenues reached CLP16,922 million (23.8% higher), the results of 2022 consider the incorporation of MEL20 operations.

4. MAIN RISKS AND UNCERTAINTIES

Within the UNACEM Group, internal control plays a fundamental role. It is designed to provide reasonable guarantees to management regarding the reliability of financial and commercial information, the protection of assets, compliance with regulations and internal rules and procedures, as well as the effectiveness and relevance of management and control of the operations of each entity. The responsibility for the establishment, implementation and continuous management of internal control processes falls on the management of each Business Unit with the transversal supervision of UNACEM Corp. These processes include the maintenance of an adequate control environment, the evaluation of general and financial risks, the finalization of the controls. The internal audit carries out an independent evaluation of internal control processes and supervises the implementation of its recommendations at the level of each entity of the UNACEM Group. All our collaborators and directors must cooperate with the people who carry out internal

controls or audit procedures and respond correctly to possible requests for information. In addition, they are prohibited from hindering internal control and auditing processes in any way, including those carried out by external auditors, or hiding any information in this regard.

Change of those responsible for the preparation and review of the financial information (8300)

No changes have been made in the General Management or General Accounting in the last two years.

5. INFORMATION RELATED TO THE MARKET OF THE SECURITIES REGISTERED IN THE STOCK MARKET PUBLIC REGISTRY. (10100)

The following is a summary of stock information, all figures are in current soles per share:

YEAR 2022					
COMMON SHARE					
Year - Month	Opening	Closure	Highest	Lowest	Average Price
2022 - 01	2.36	2.48	2.49	2.36	2.42
2022 - 02	2.48	2.34	2.64	2.34	2.52
2022 - 03	2.37	2.16	2.45	2.15	2.25
2022 - 04	2.20	2.00	2.20	1.77	2.01
2022 - 05	1.95	1.58	1.95	1.55	1.65
2022 - 06	1.60	1.51	1.68	1.50	1.59
2022 - 07	1.53	1.71	1.71	1.53	1.60
2022 - 08	1.74	1.65	1.80	1.61	1.72
2022 - 09	1.53	1.68	1.68	1.53	1.60

YEAR 2021					
COMMON SHARE					
Year - Month	Opening	Closure	Highest	Lowest	Average Price
2021 - 01	1.53	1.75	1.81	1.53	1.67
2021 - 02	1.74	1.84	1.90	1.70	1.82
2021 - 03	1.84	1.72	1.86	1.65	1.79
2021 - 04	1.73	1.53	1.75	1.24	1.53
2021 - 05	1.50	1.47	1.60	1.42	1.51
2021 - 06	1.41	1.34	1.55	1.17	1.31
2021 - 07	1.32	1.22	1.35	1.20	1.27
2021 - 08	1.17	1.40	1.40	1.00	1.16
2021 - 09	1.39	1.46	1.48	1.39	1.44

**6. DIVIDEND POLICY APPROVED IN THE GENERAL MEETING OF SHAREHOLDERS DATED
DECEMBER 14, 2021**

As of December 14, 2021, a new dividend policy is established consisting on the distribution of quarterly dividends in cash, in soles or in US dollars, within a range between USD 0.005 and USD 0.01 per share issued by the Company, with charge to retained earnings, starting with the oldest and ending with the most recent.

Powers are delegated to the Board of Directors to agree on the distribution of quarterly dividends in cash, in soles or in US dollars, charged to accumulated profits and within the previously established range, provided that the Company's business situation allows it and has sufficient resources to do so, being able to distribute a lower dividend, if deemed necessary.

The dividend policy is permanently informed through the SMV website:

<https://www.smv.gob.pe/ConsultasP8/temp/Pol%c3%adtica%20de%20dividendos.pdf>

And on the UNACEM website:

<https://www.unacem.com.pe/wp-content/uploads/2021/12/Hdl-Acuerdo-Junta-General-de-Accionistas-VF.pdf>