

## Investor Conference 2021. **Online**

 CredicorpCapital

September 21 - 23, 2021



Atocongo Plant, Lima

## ***Agenda***

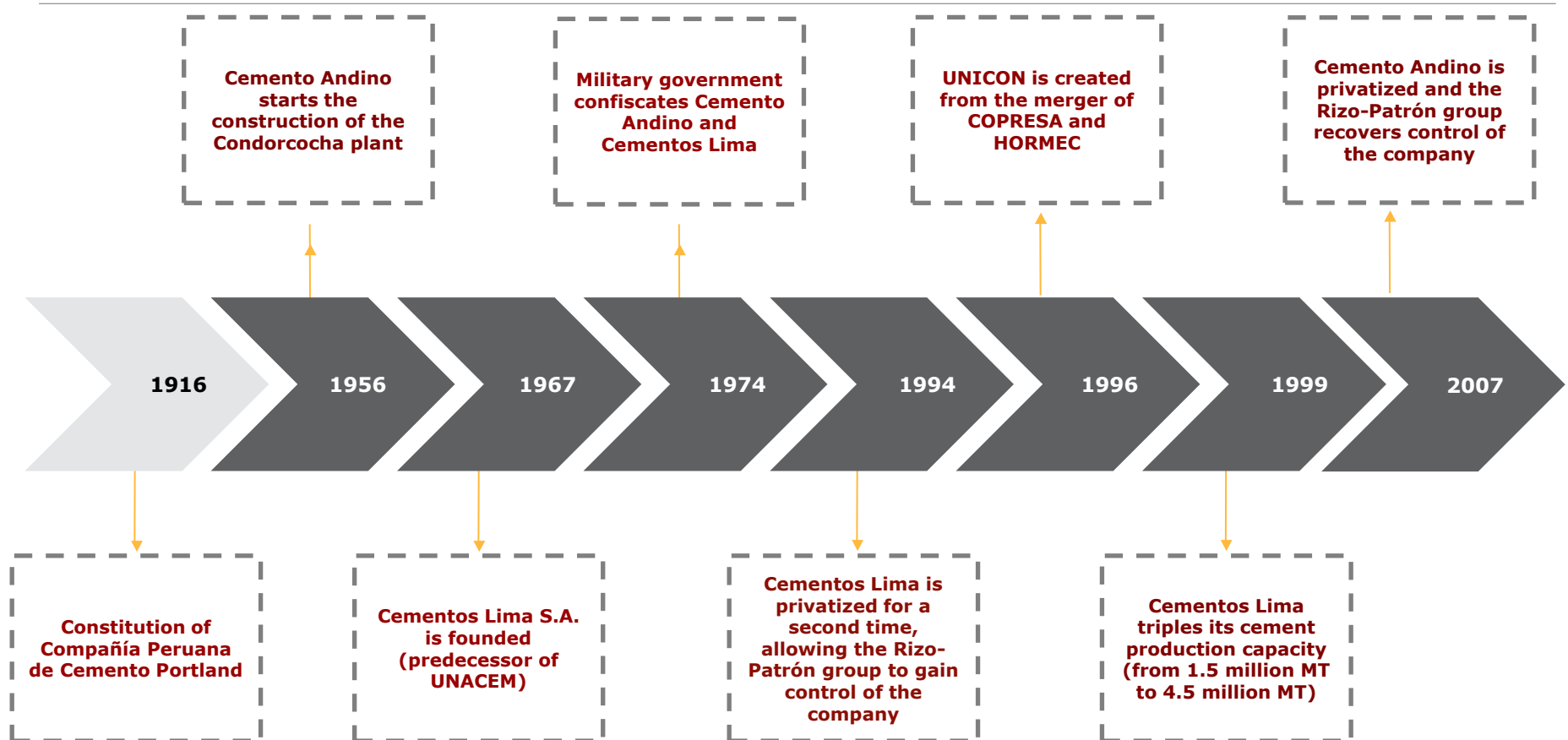
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- 1. Overview***
  - 2. Fundamentals***
  - 3. Recent Events***
  - 4. UNACEM Peru***
  - 5. Unicon and Concremax***
  - 6. Celepsa***
  - 7. Skanon / Drake***
  - 8. UNACEM Ecuador***
  - 9. Preansa***
  - 10. Consolidated Financial Highlights***
- Appendix***

# 1. Overview

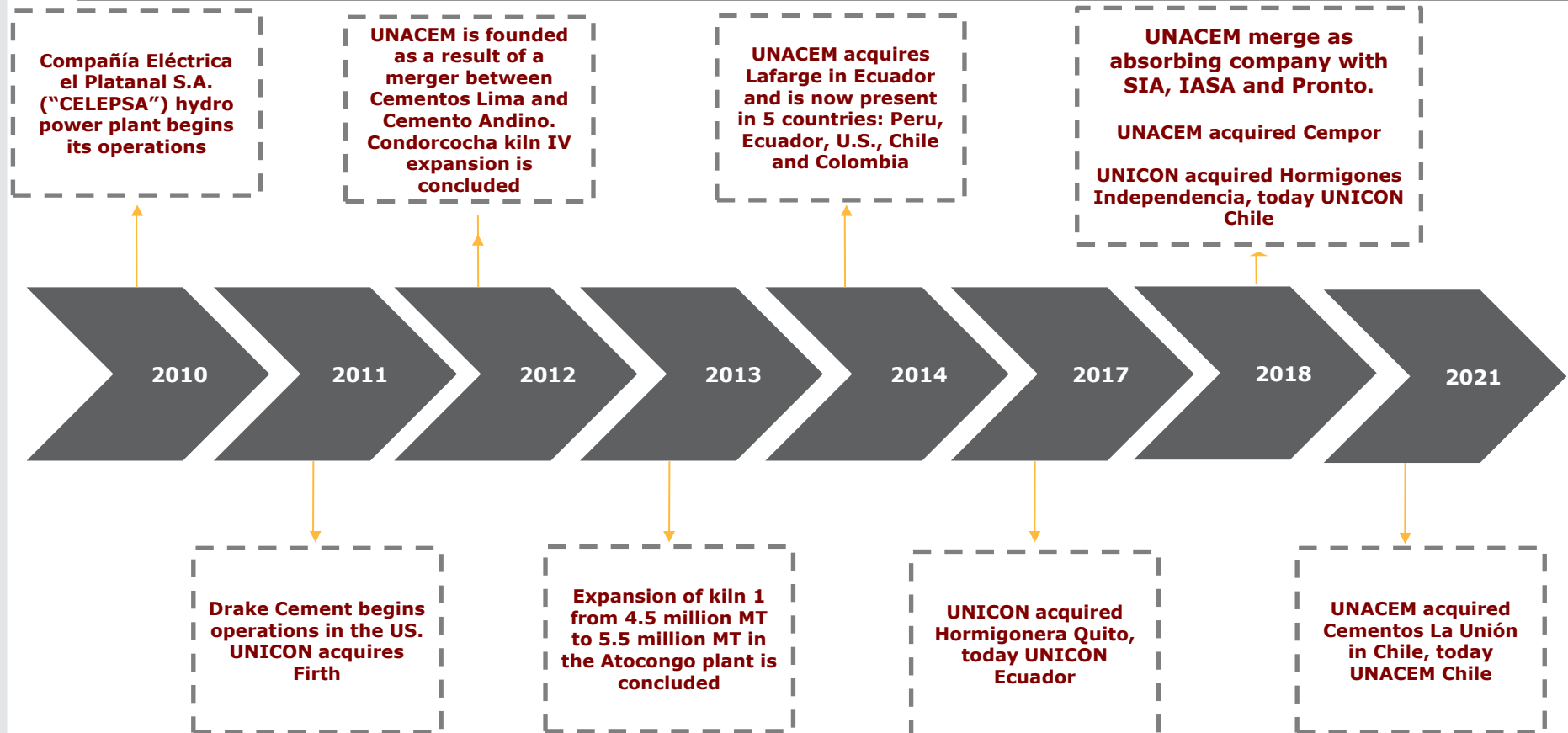


## History



***UNACEM has almost 100 years of successful operations in the Peruvian market...***

## History (cont.)



***...developing new business segments and entering new markets in the region***

## UNACEM structure



**Cement**

- UNACEM CONSTRUYENDO OPORTUNIDADES
- DRAKE CEMENT
- UNACEM CONSTRUYENDO OPORTUNIDADES ECUADOR
- UNACEM CHILE

*Recent*

**Concrete**

- UNICON PERU
- PREANSA Perú - Chile - Colombia
- CONCREMAX
- BASF The Chemical Company
- UNICON ECUADOR
- UNICON CHILE

**Energy**

- celepsa
- celepsa | Renovables
- Ambiand
- GEA

**Services**

- ARPL Tecnología Industrial S.A. (Engineering)
- VIGIANDINA SEGURIDAD PRIVADA (Security)
- Inversiones Nacionales y Multinacionales S.A. (Real Estate Assets)

UNACEM S.A.A. is listed in the Lima Stock Exchange (BVL) with a Market Cap of USD 640.2 million, as of September 20, 2021.  
 FX Rate: PEN 4.1182 - 1,818,127,611 Common shares

**ESG is at the core of our culture ....**

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Our purpose:

**"Growing together to build a sustainable world"**

Our strategic management focuses on sustainability based on 5 pillars:





## *With ambitious long-term aspirations with the environment*



This is in line with:



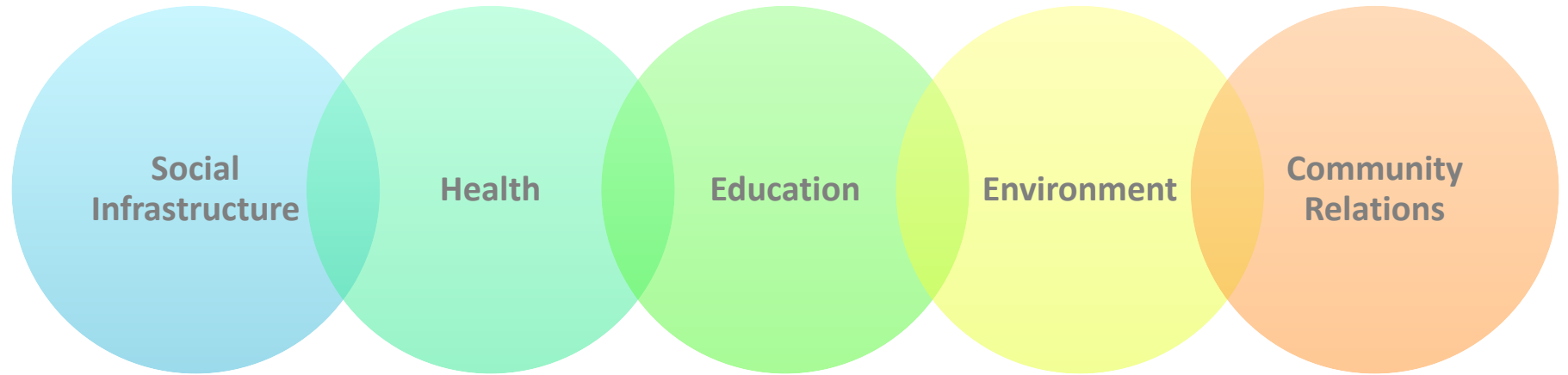
CO<sub>2</sub> route map  
Inter-American Cement  
Federation



Climate goal  
Global Cement and  
Concrete Association



Our social development approach works in 5 lines of action



## Aligned with the UN Sustainable Development Goals

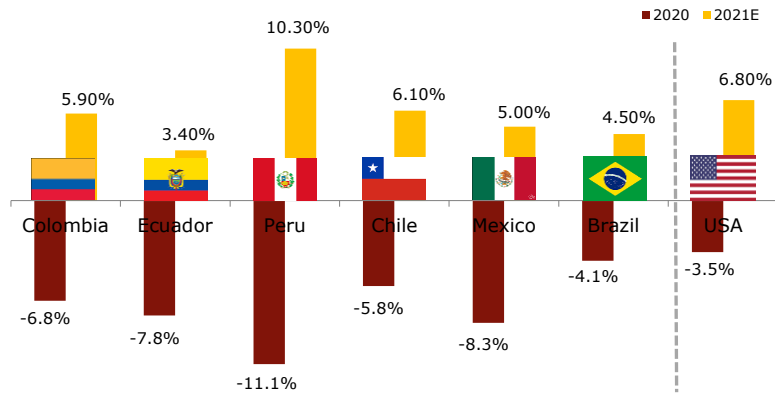


## 2. *Fundamentals*

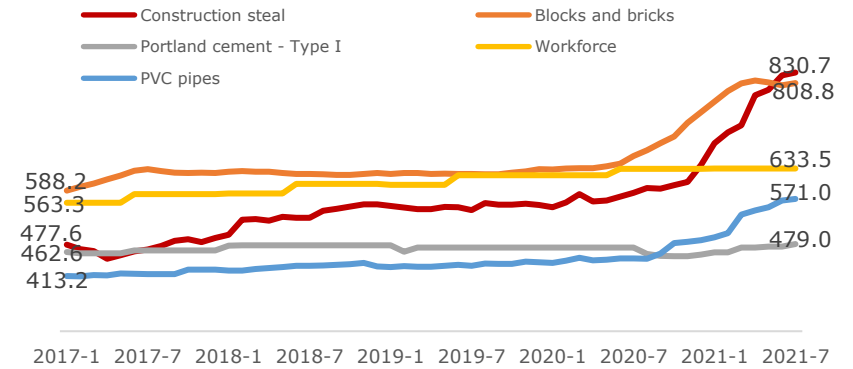


## Macroeconomic fundamentals have been affected by COVID-19

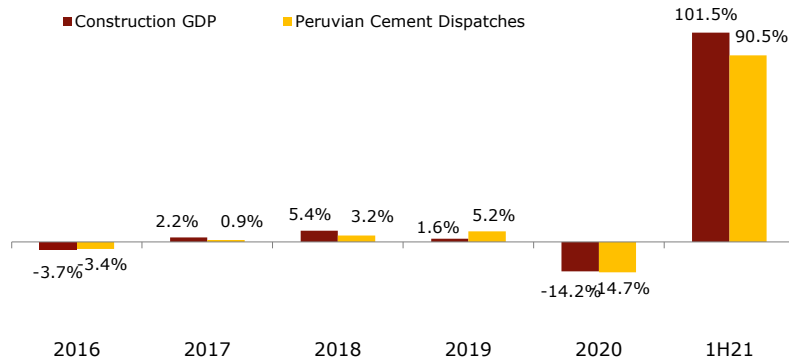
**Latam GDP Growth**  
(Annual variation %)



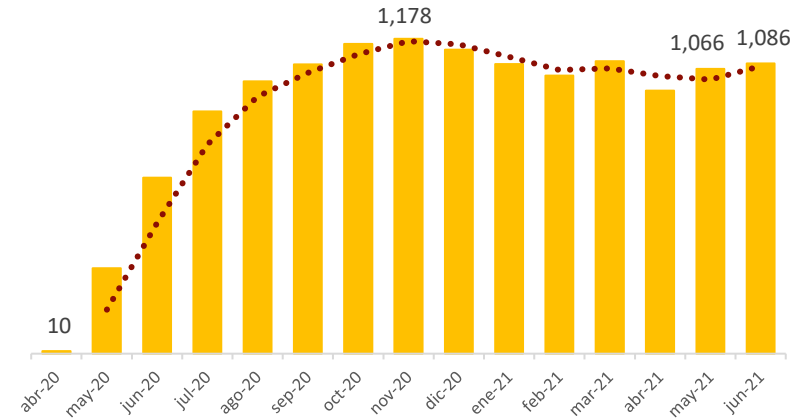
**Construction materials index**



**Peru Construction GDP vs. Cement Dispatches**  
(Growth %)

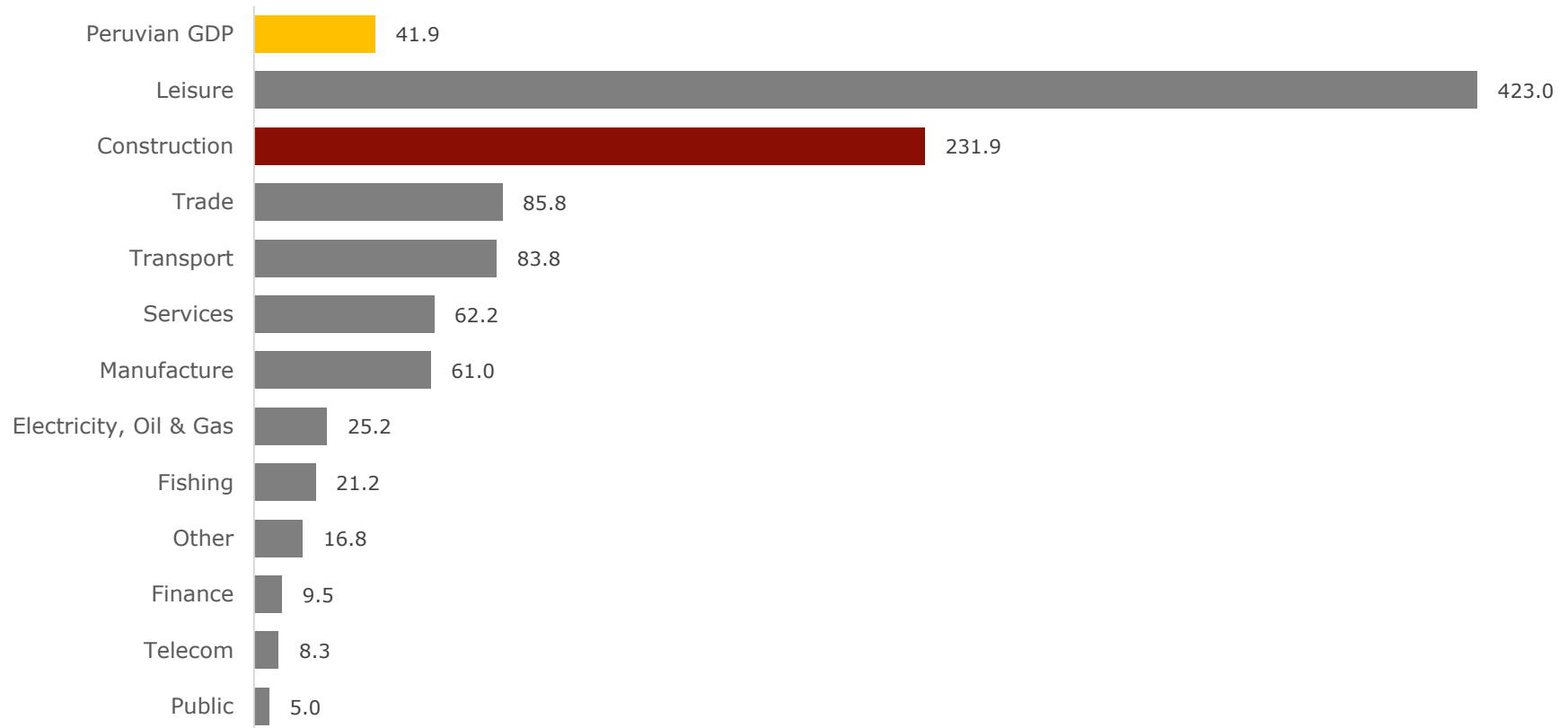


**Cement Dispatches**  
(Monthly TM, thousands)



## The construction sector has the strongest recovery in 2Q2021...

Peru GDP (YTD 2Q2021, % Growth)



*... with G2G agreements to lead the execution of public works ...*

**Reconstruction Agreement**

- Government of the United Kingdom of Great Britain and Northern Ireland
- Budget: PEN 7,000 million
- Term: 2 years



**Works to be executed**



17 rivers and 5 river creeks



7 drains

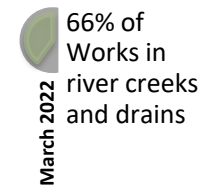
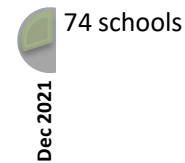
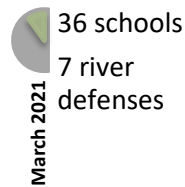


15 health centers



74 schools

**Timeline**





### ... and we can focus on the pipeline of granted projects

#### LINE 2 – METRO OF LIMA

Metro de Lima - Línea 2      USD 5,658 MM



#### TRANSPORTATION INFRASTRUCTURE

Jorge Chavez Airport Expansion      USD 1,500 MM

Chancay Port      USD 1,100 MM

Muelle Norte - Etapas 1 y 2 - Callao Port      USD 370 MM

Mineral Terminal - Callao Port      USD 150 MM

Pisco Airport Expansion      USD 107 MM

**TOTAL      USD 3,227 MM**



#### ROADS

Red Vial 4      USD 380 MM

Rutas Nuevas de Lima      USD 590 MM

Amp. Red Vial 5      USD 100 MM

Amp. Red Vial 6      USD 300 MM

Ambo- Oyon - I      USD 140 MM

**TOTAL      USD 1,510 MM**



#### WATER AND SANITATION

Water and Sanitation in Lima (Sedapal)      USD 166 MM

Pichanaki Hospital up-grade (Junin)      USD 79 MM

**TOTAL      USD 245 MM**





### ***3. Recent Events***



Atocongo Plant - Lima

## ***Shares buyback program***

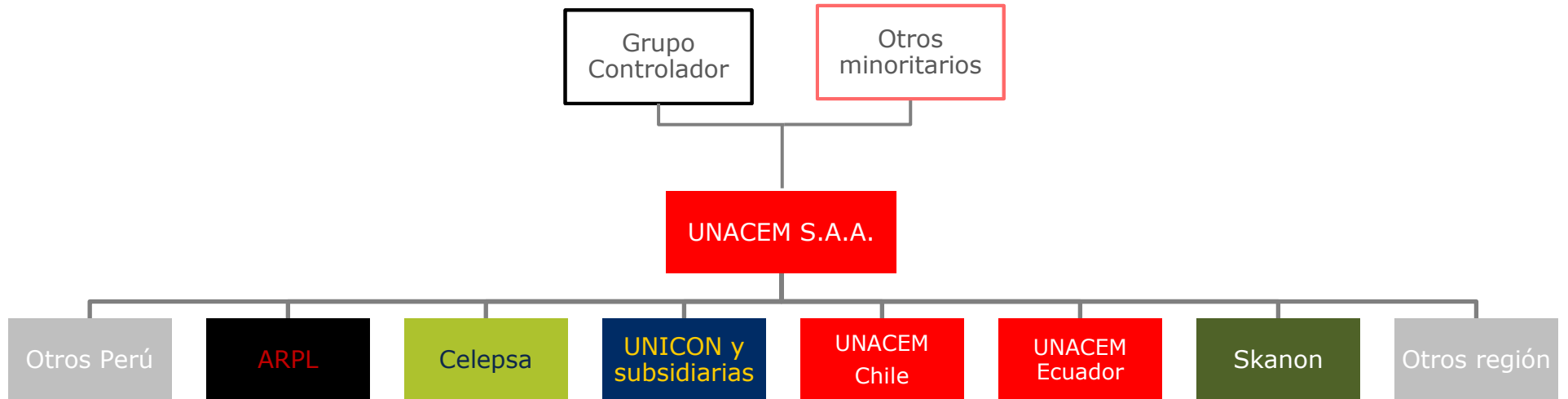
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On August 20th, 2021 the Board aproved UNACEM's shares buyback program at the Lima Stock Exchange:

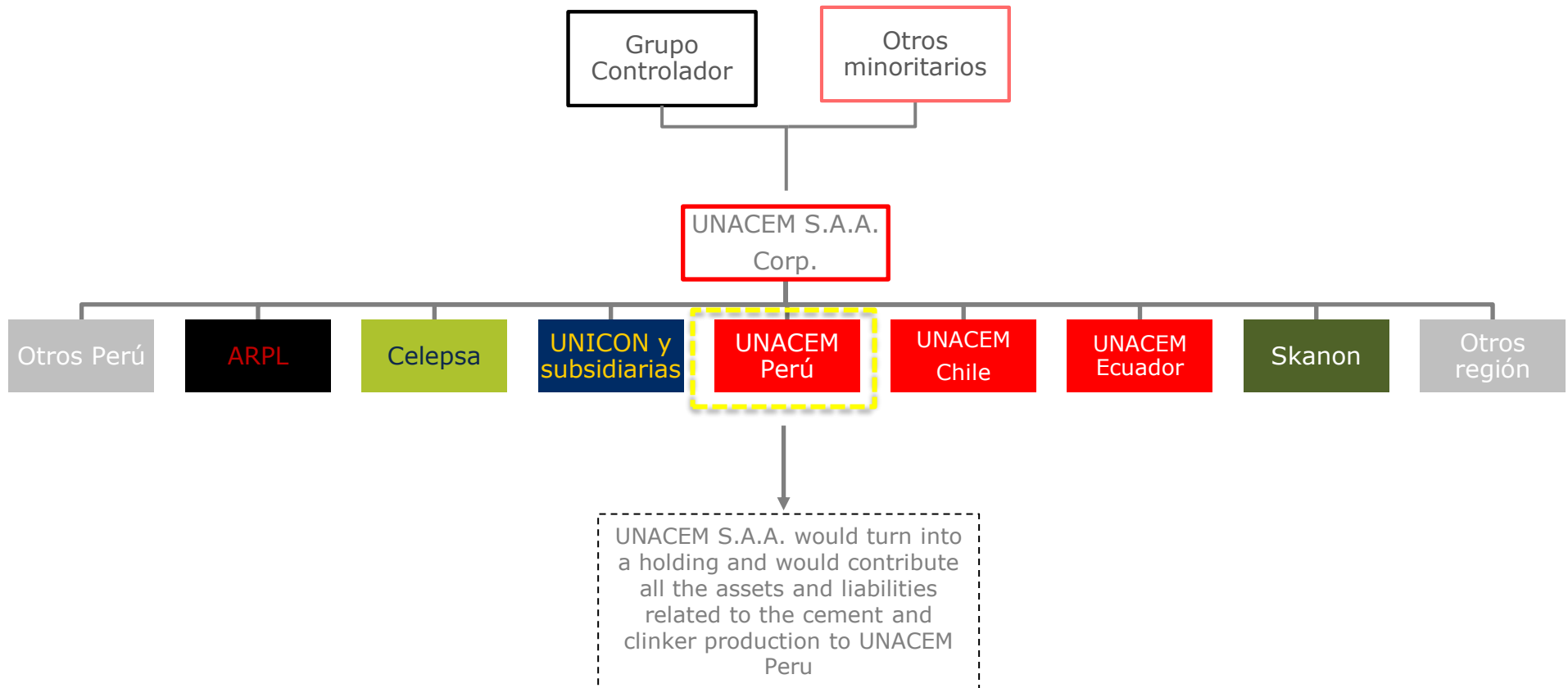
<b>Amount in shares</b>	<b>Up to 36.6 million of shares</b>
Amount in PEN	Up to PEN 36.4 million
Begining date	August 23 <sup>rd</sup> , 2021
Ending date	December 31 <sup>st</sup> , 2021

## Corporate structure: *current*

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## Corporate structure: *proposed*



## **4. UNACEM Peru**



Condorcocha Plant, Tarma (3,950 m.a.s.l)

## 4. UNACEM Peru

### Overview

- On October 1<sup>st</sup>, 2012, UNACEM absorbed Cemento Andino to consolidate the largest cement company in Peru
- UNACEM has subsidiaries that provide power supply, raw materials supply, distribution channels and warehouse storage of UNACEM's products
- The Company has two cement plants, Atocongo and Condorcocha, which operate in the central region of the country where most of the population lives
- The Atocongo plant has an underground conveyor belt which leads directly to the Conchan Pier (port) in the Pacific Ocean, facilitating cement exports and raw material imports
- Both plants have their own power generation through three hydro power plants and one thermo power plant that provide a significant source of energy


### Financial Snapshot 2020 and 2021

	2020	1H21
<b>Total Assets</b>	<b>2,507</b>	<b>2,472</b>
<b>Revenues</b>	<b>486</b>	<b>604</b>
<b>EBITDA</b>	<b>145</b>	<b>221</b>
<b>EBITDA Margin</b>	<b>30%</b>	<b>37%</b>
<b>Local Ratings</b>	<b>Class: AAA APOYO: AA</b>	

### Cement Plants

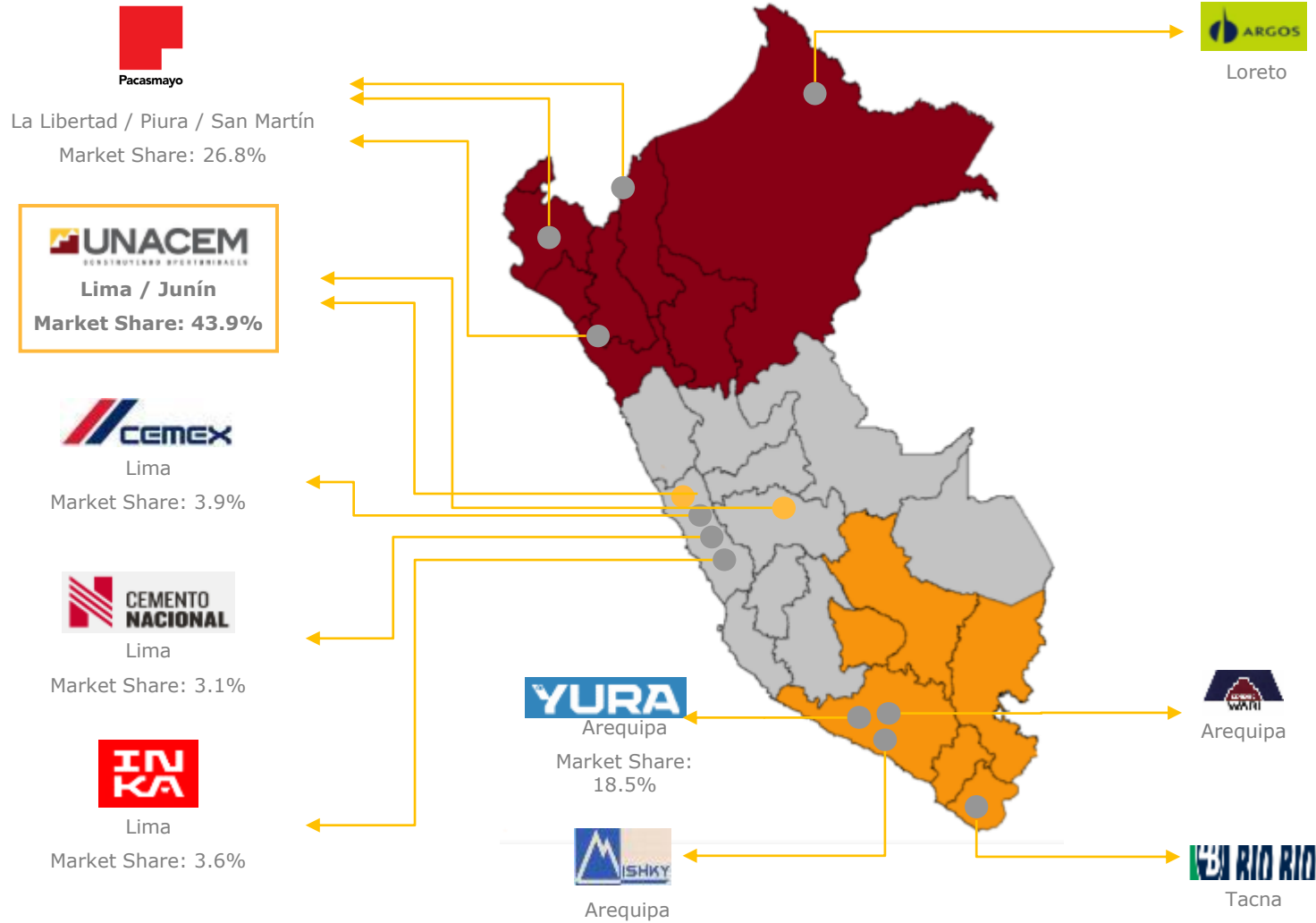
Atocongo	Condorcocha
<b>Location:</b> Lima <b>Clinker Capacity:</b> 4.8 million MT <b>Cement Capacity:</b> 5.5 million MT <b>Clinker Production(2020):</b> 2.2 million MT <b>Cement Production(2020):</b> 3.0 million MT <b>Limestone Reserves:</b> 33 years	<b>Location:</b> Junín <b>Clinker Capacity:</b> 1.9 million MT <b>Cement Capacity:</b> 2.8 million MT <b>Clinker Production(2020):</b> 0.8 million MT <b>Cement Production(2020):</b> 1.4 million MT <b>Limestone Reserves:</b> 155 years
	

### Distribution and Services

<b>Progre-Sol</b> <i>Commercialization</i> <ul style="list-style-type: none"> <li>Hardware store with over <b>1,100</b> points of sale</li> </ul>	
<b>Hatun-Sol</b> <i>Financing and Advising</i> <ul style="list-style-type: none"> <li>Product financing and advising families on building techniques</li> </ul>	
<b>Duravía</b> <ul style="list-style-type: none"> <li>Solutions for road paving</li> </ul>	



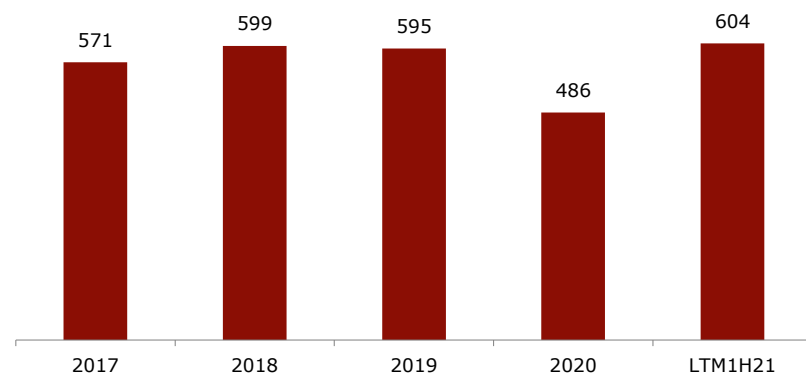
## UNACEM is the cement market leader in Peru



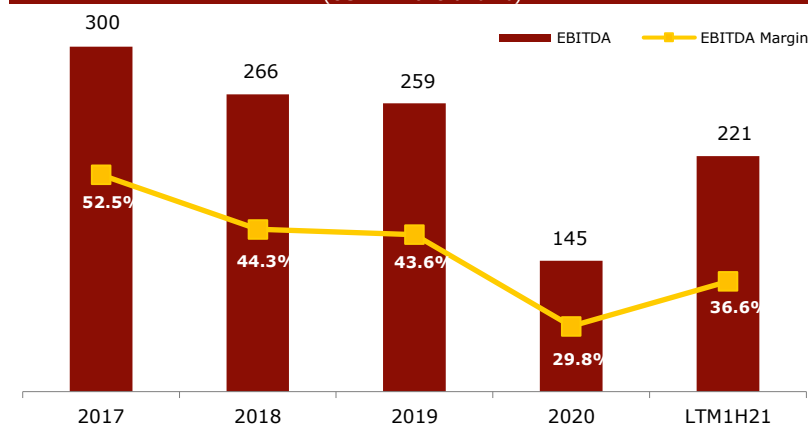
## 4. Consistently delivering strong financial results

Separate financial performance

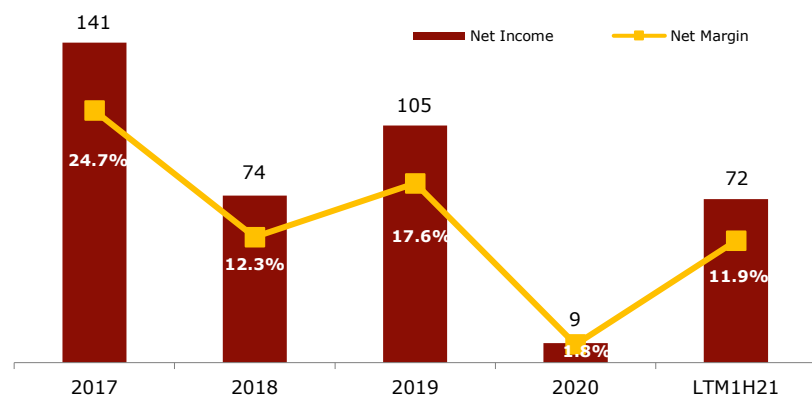
### Revenues (USD Millions)



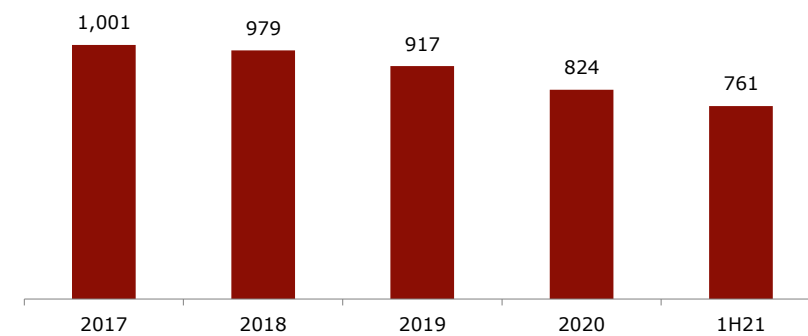
### EBITDA and EBITDA Margin (USD Millions and %)



### Net Income & Net Margin (USD Millions and %)



### Net Debt (USD Millions)



***5. Unicon  
Peru,  
Ecuador,  
Chile &  
Concremax***



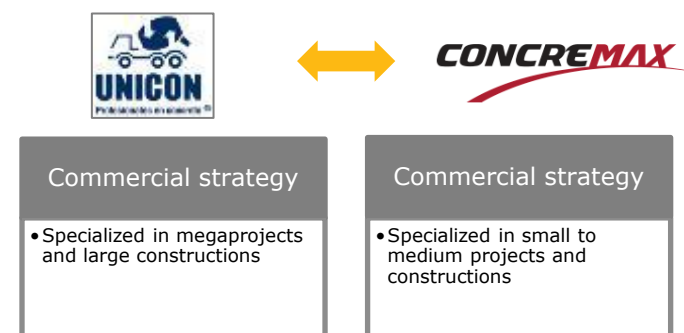
## 5. UNICON Peru, Ecuador, Chile & CONCREMAX

### Concrete Segment Overview

- UNACEM's concrete segment consists of two companies Unión de Concreteras S.A. (UNICON) and CONCREMAX S.A.(former Firth), forming the largest concrete group in Peru
- UNICON was founded in May 1996
- In 2011, UNICON acquired 100% of Firth shares. On November 2015, Firth changed its legal name and brand to CONCREMAX.
- On July 2017, UNICON acquired 100% of stake in Hormigonera Quito, today UNICON Ecuador, for USD 13 million
- On May 2018, UNICON acquired 100% stake in Hormigones Independencia, today UNICON Chile, for USD 22.2 million

### Market Positioning

- UNICON and CONCREMAX are the leaders in the market



### Financial Snapshot – 1H21 (USD MM)

<b>Total Assets</b>	<b>272</b>
<b>Revenue</b>	<b>302</b>
<b>EBITDA</b>	<b>37</b>
<b>EBITDA Margin</b>	<b>12%</b>

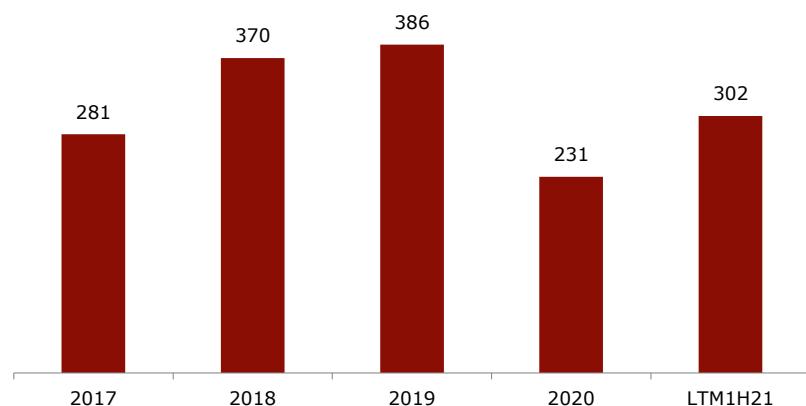
Includes Unicon and subsidiaries

### Assets and Capacity in Peru

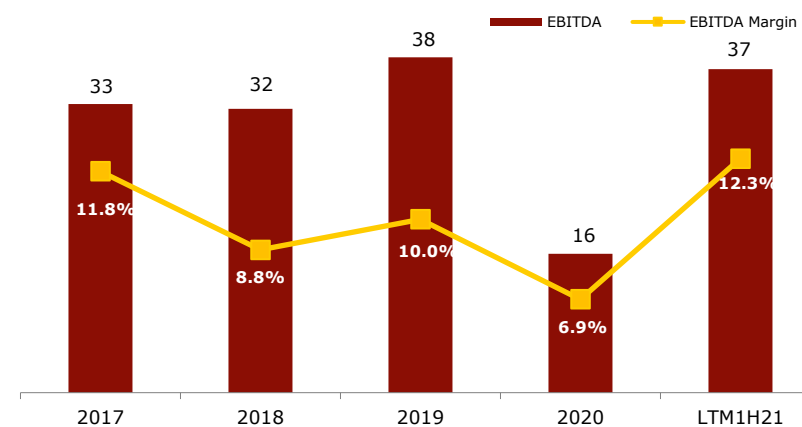
<b>Installed Capacity</b>	<b>9.2 (million m<sup>3</sup> per year)</b>
<b>Concrete Plants</b>	<b>58</b>
<b>Facilities in Lima</b>	<b>13</b>
<b>Facilities in the rest of Peru</b>	<b>22</b>
<b>Mixer Trucks</b>	<b>519</b>

## 5. Positioned to deliver strong cash flows...

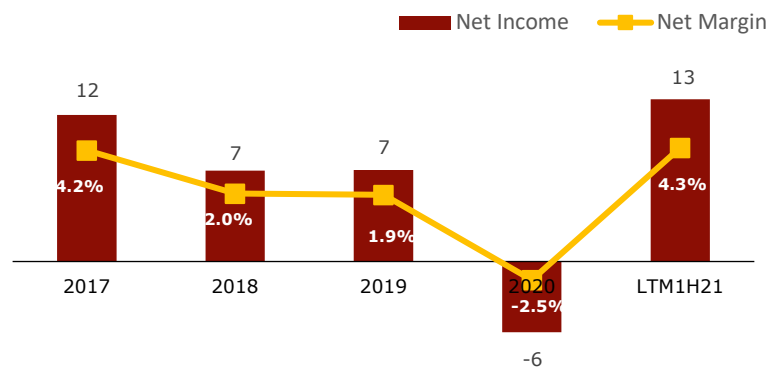
**Revenues**  
(USD Millions)



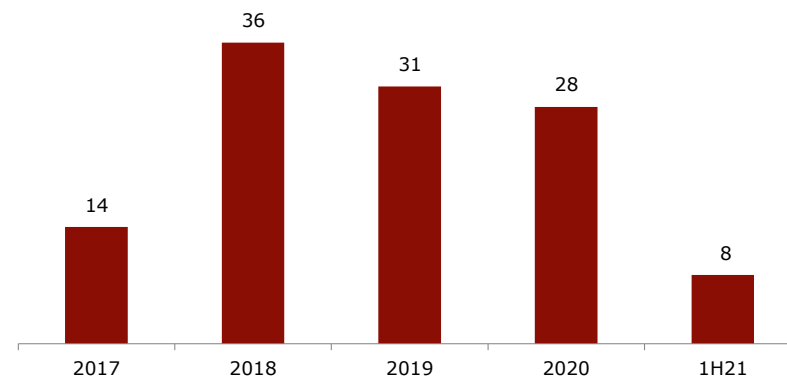
**EBITDA and EBITDA Margin**  
(USD Millions and %)



**Net Income & Net Margin**  
(USD Millions and %)



**Net Debt**  
(USD Millions)



## ***6. Celepsa***





## 6. Celepsa

### Company description

- UNACEM stand-alone is one of the company's main customers, Celepsa has a portfolio of 13 additional customers
- The company's assets are the hydroelectric plant "El Platanal" which generates 220 MW and Hidro Marañon (18 MW)
- In November 2014, Celepsa acquired Hidro Eléctrica Marañon S.R.L., 18 MW Hydroelectric power plant with an 88 MW PPA, Hidromarañon started operations in 1S17
- CELEPSA's strategy is to develop a renewable, efficient and competitive portfolio of electricity generation
- 100% of its production is sold through PPAs

### Financial Snapshot – 1H21 (USD MM)

<b>Total Assets</b>	<b>308</b>
<b>Revenue</b>	<b>74</b>
<b>EBITDA</b>	<b>31</b>
<b>EBITDA Margin</b>	<b>42%</b>

### Hydroelectric Power Plant

#### El Platanal

Location: Lima  
 Generation Capacity: 220 MW



#### Hidro Marañon

Location : Huánuco  
 Generation Capacity: 18 MW



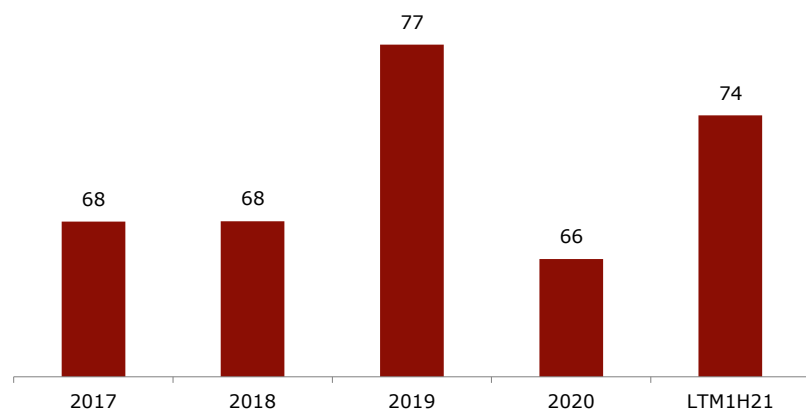
### Company structure



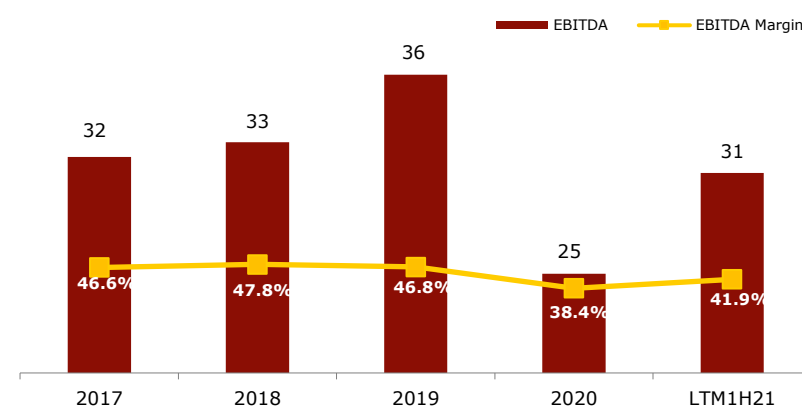
**On March, 2018, Hidromarañon SRL changed its legal name to Celepsa Renovables SRL**

## 6. Keeping its competitiveness in the energy sector ...

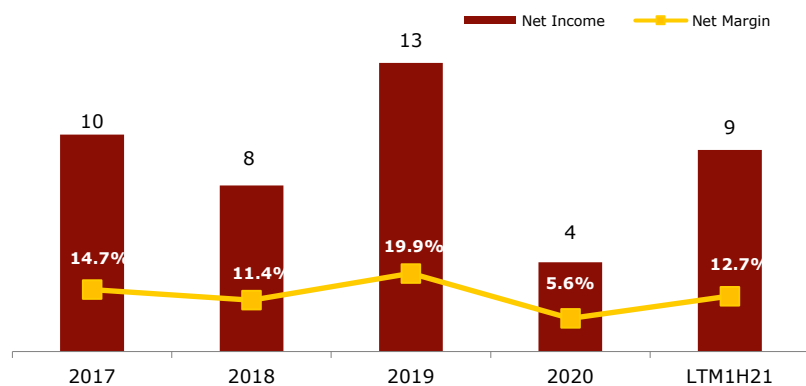
**Revenues**  
(USD Millions)



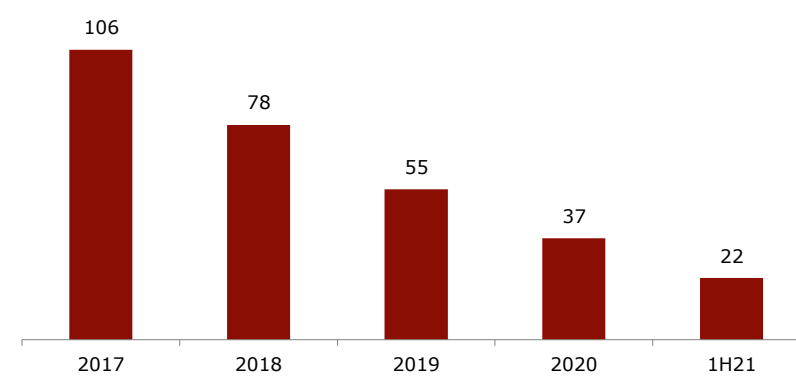
**EBITDA and EBITDA Margin**  
(USD Millions and %)



**Net Income & Net Margin**  
(USD Millions and %)



**Net Debt**  
(USD Millions)



## ***7. Skanon / Drake***



## 7. Skanon / Drake

### Company Description

- Drake UNACEM's start up subsidiary located in Arizona, USA, with state-of-the-art facilities
- There are three main competitors in the market in Arizona.
- Drake has a strong growth potential as the United States recovers from the crisis
- The company's mission is to be recognized as the leading and most respected provider of construction materials

### Products and Brands



- ASTM C 150 Type II/V (LA)
- Clinker Type II/V
- Special cement

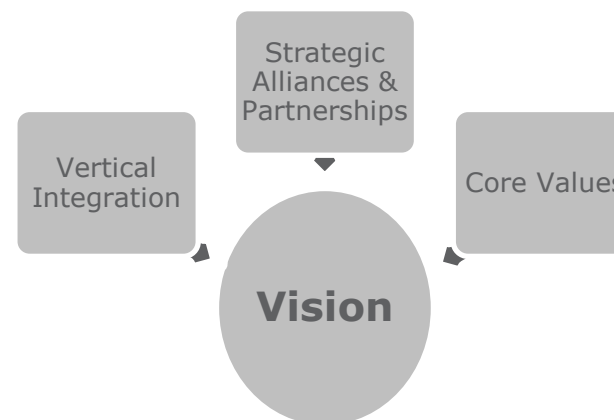


- ABC (Aggregate Base Course)
- Crushed rock
- Concrete and mortar sand
- Recycled concrete and asphalt

### Financial Overview – 1H21 (USD MM)

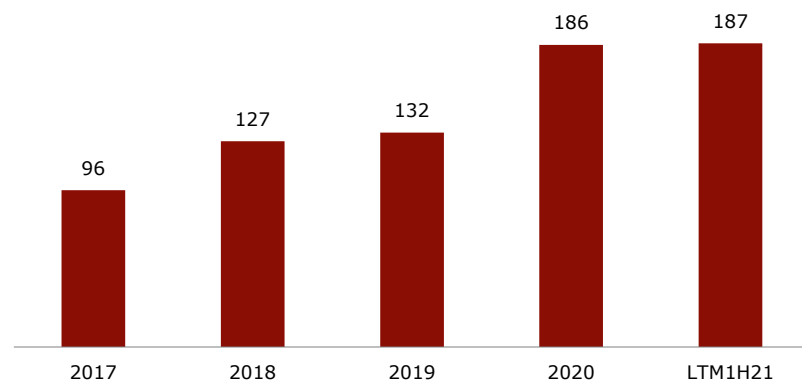
<b>Total Assets</b>	<b>452</b>
<b>Revenue</b>	<b>187</b>
<b>EBITDA</b>	<b>23</b>
<b>EBITDA Margin</b>	<b>12%</b>

### Business Strategic Plan

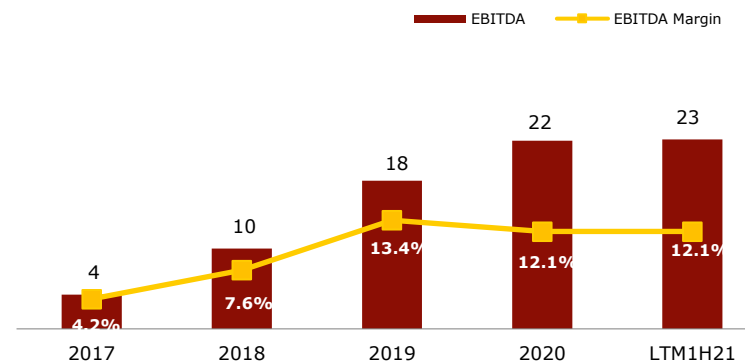


## 7. Successful turnaround story ...

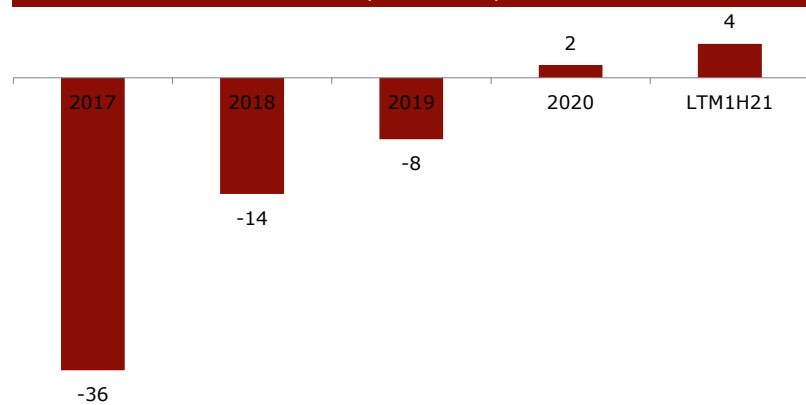
**Revenues**  
(USD Millions)



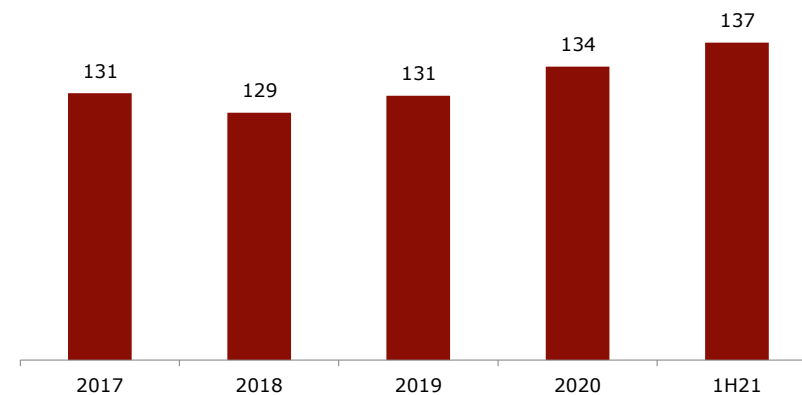
**EBITDA and EBITDA Margin**  
(USD Millions and %)



**Income before taxes**  
(USD Millions)



**Net Debt**  
(USD Millions)



## **8. UNACEM Ecuador**





## 8. UNACEM Ecuador

### Company Description

- UNACEM Ecuador was acquired during 2014, consolidating and closing the transaction by mid November 2014 with all regulatory permits
- The Company has the widest product portfolio in the market, tailored for the construction sector
- UNACEM Ecuador is a fully integrated company with high performance assets
- UNACEM Ecuador has a prime logistical operation with 100% bags delivered door-to-door
- Excellence in stakeholder relationship
- The plant is currently operating at 72% capacity

### Financial Overview – 1H21 (USD MM)

<b>Total Assets</b>	<b>219</b>
<b>Revenue</b>	<b>149</b>
<b>EBITDA</b>	<b>61</b>
<b>EBITDA Margin</b>	<b>41%</b>

### Operations

#### Otavaló

2 Lines: 1 Kiln SPH and 1 Kiln AS precalciner  
 Location: Imbabura (100km North of Quito)  
 Clinker Capacity: 1.0 million MT  
 Cement Capacity: 1.6 million MT  
 Production (2020): 0.95 million MT

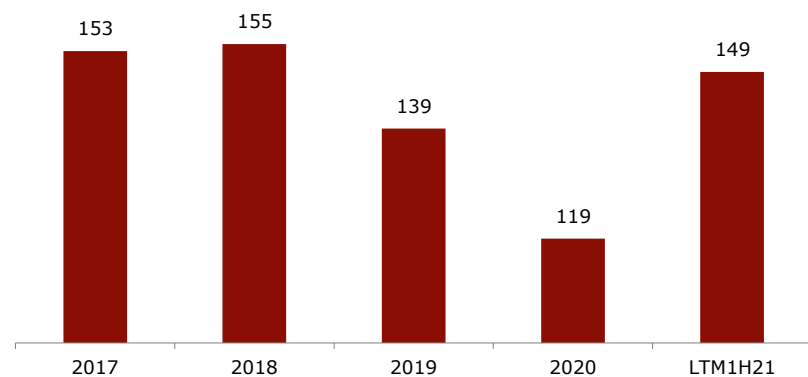


### Ownership structure

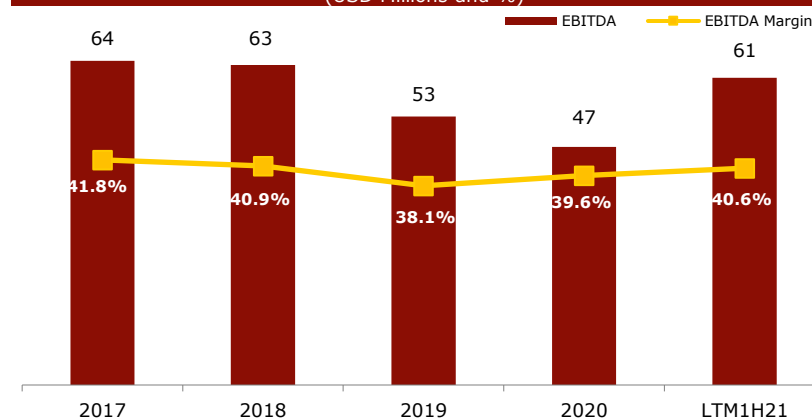


## 8. Delivering solid margins ...

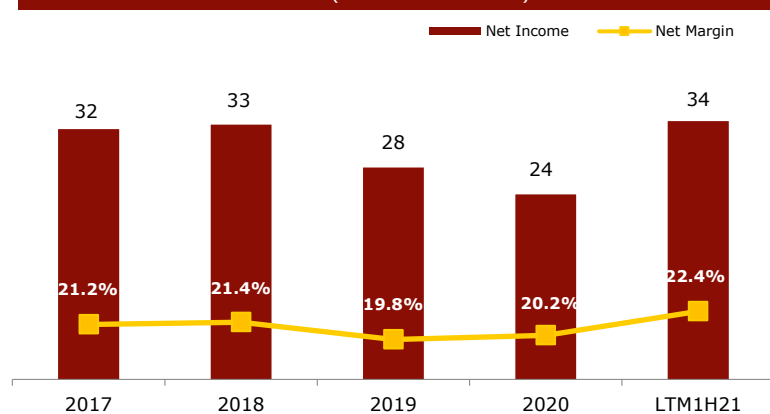
**Revenues**  
(USD Millions)



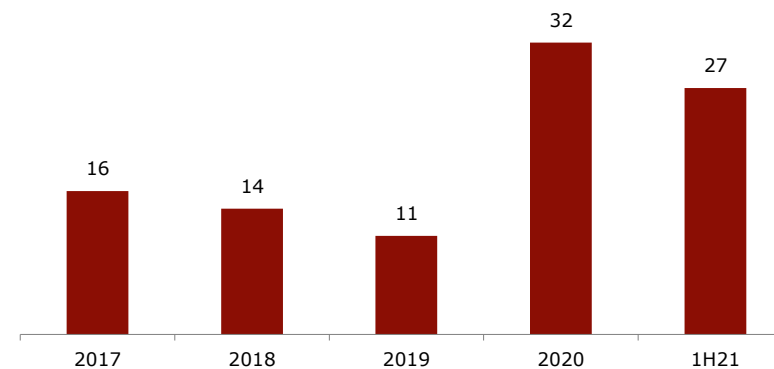
**EBITDA and EBITDA Margin**  
(USD Millions and %)



**Net Income & Net Margin**  
(USD Millions and %)



**Net Debt**  
(USD Millions)



## 9. *Preansa*



## 9. PREANSA Peru & Chile

### Company Description

- Prefabricados Andinos Perú S.A.C. (PREANSA Perú) is a subsidiary of UNACEM which mainly produces prestressed industrialized concrete structures
- The business has a strong growth potential and already has tripled sales in the past 3 years
- PREANSA Peru was founded in 2007 with UNACEM holding 50% of ownership
- In January 2014, UNACEM acquired 51% of ownership of Preansa Chile.
- PREANSA Colombia started operations in July 2016.
- PREANSA has presence in Peru, Chile and Colombia

### Production Capacity

Peru		Chile	
Pillars	90 m/day	Pillars	60 m/day
Industrial Belts	400 m/day	Industrial Belts	300 m/day
Prestressed light beams	100 m/day	Prestressed light beams	120 m/day
Prestressed heavy beams	220 m/day	Prestressed heavy beams	60 m/day
Mezzanine Elements	140 m/day	Mezzanine Elements	300 m/day
		Wall panel	80 m/day

### Financial Overview – 1H21 (USD MM)

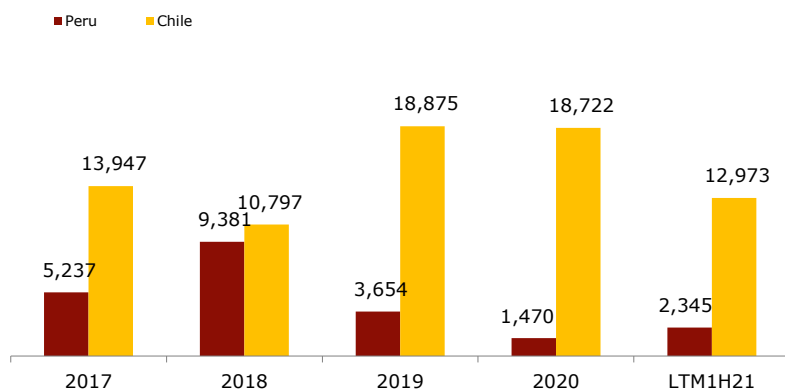
	Peru		Chile
Total Assets	17	Total Assets	24
Revenue	2	Revenue	13
EBITDA	-1	EBITDA	2
EBITDA Margin	-50%	EBITDA Margin	15%

### Ownership structure

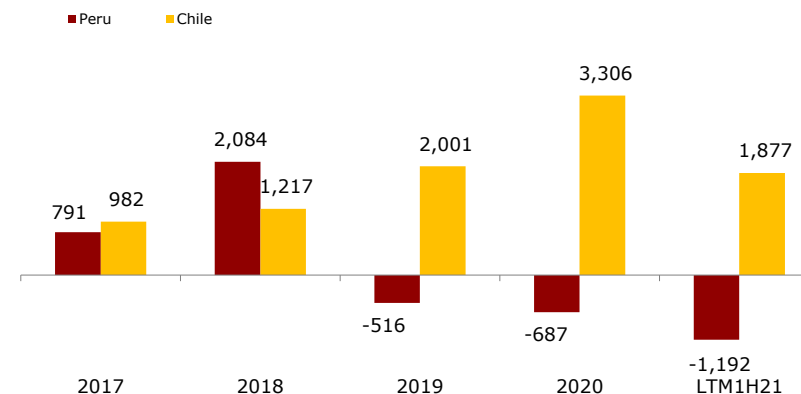


## 9. Building a high potential operation in the region ...

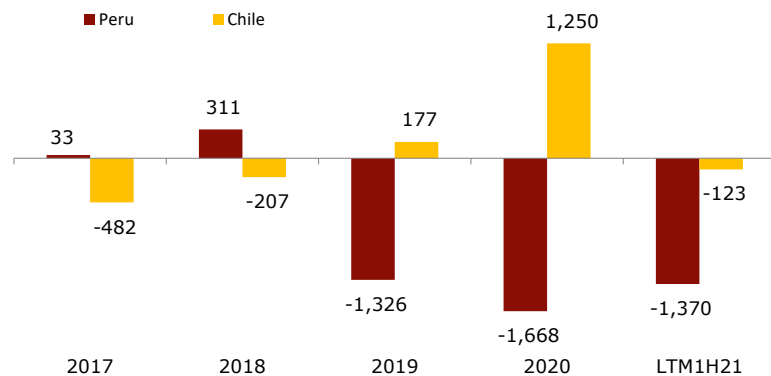
**Revenues**  
(USD Thousands)



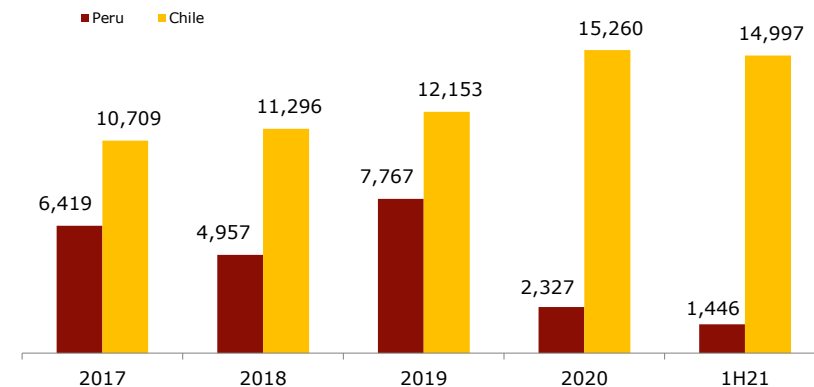
**EBITDA**  
(USD Thousands)



**Net Income**  
(USD Thousands)



**Net Debt**  
(USD Thousands)



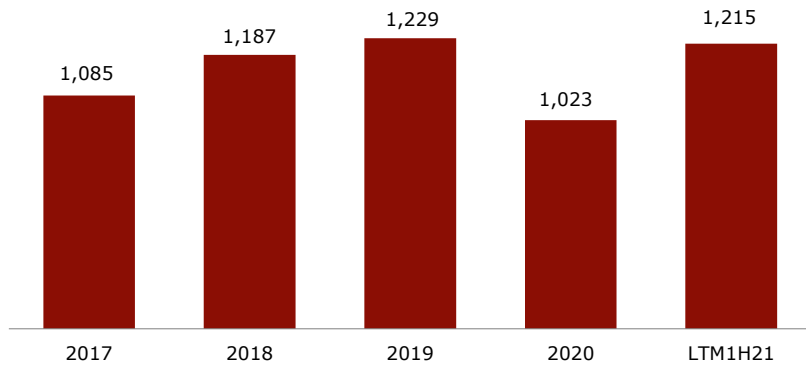
## ***10. Consolidated Financial Highlights***



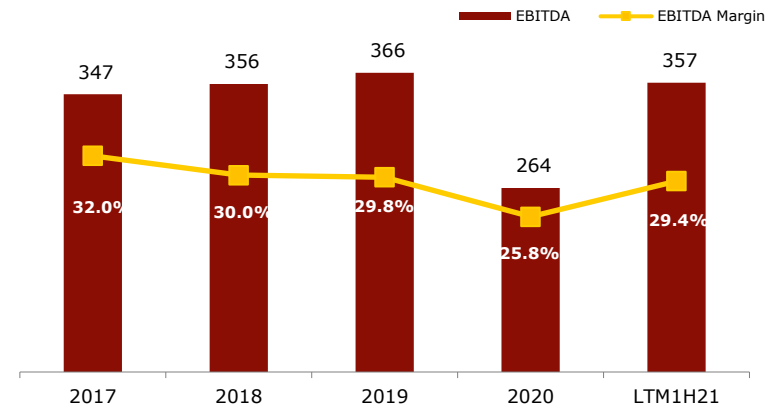


**Good results despite tough environment ...**

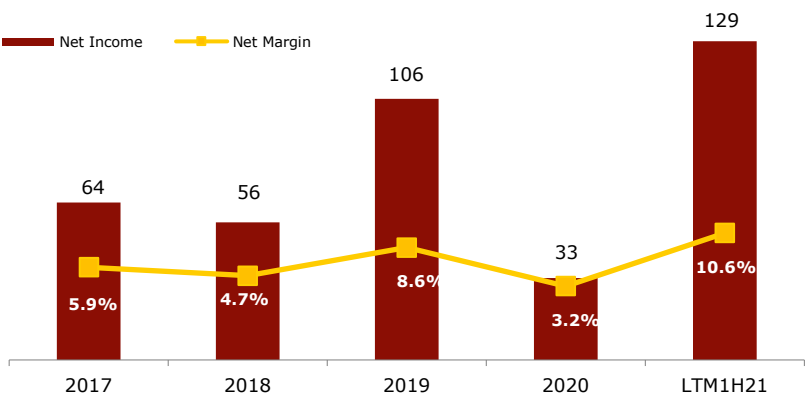
**Revenues**  
(USD Millions)



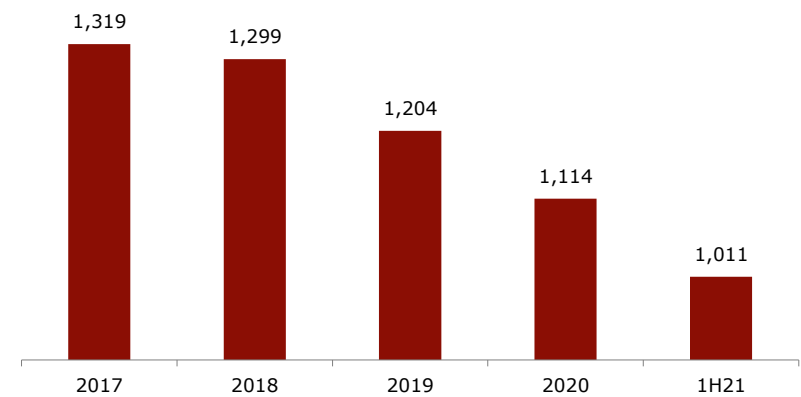
**EBITDA and EBITDA Margin**  
(USD Millions and %)



**Net Income & Net Margin**  
(USD Millions and %)



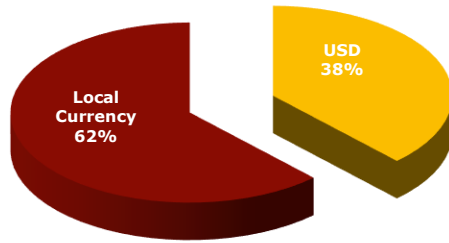
**Net Debt**  
(USD Millions)



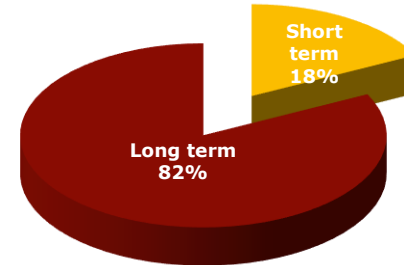
**... with a lean consolidated debt structure**

Total Debt as June 2021 USD 1,175 million

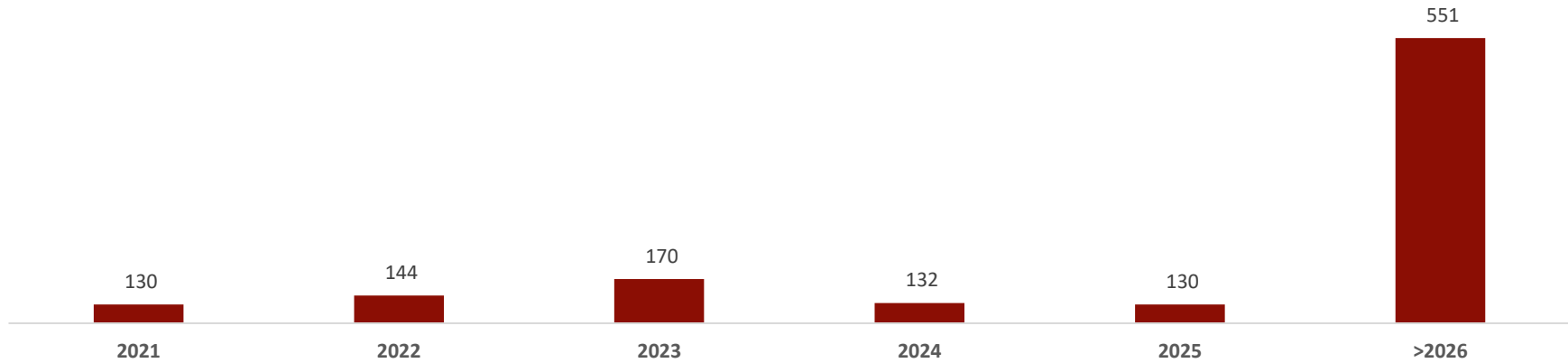
**FX Distribution**  
(USD Millions)



**Maturity Profile**  
(%)






**Amortization Schedule**  
(USD Millions)



**UNACEM stand-alone's liability management process for PEN 1.2 billion**

Improved debt profile:

- ✓ Extended duration
- ✓ Lower average cost

<b>Total amount</b>		<b>PEN 1,168 million</b>	
Banks :		PEN	533 million
		PEN	407 million
		PEN	228 million
Term:	6 years		
Disbursement:	January 21, 2021		
Use of proceeds:	Refinance existing liabilities		

## Investor Conference 2021. **Online**

 CredicorpCapital

September 21 - 23, 2021



Atocongo Plant, Lima