

NEWSLETTER

2Q21

UNACEM S.A.A. AND SUBSIDIARIES CONSOLIDATED

I. EXECUTIVE SUMMARY

- ▶ Consolidated revenues in 2Q21 were PEN 1,193 million, 131.5% higher than consolidated revenues in 2Q20, due to the strong recovery of cement and ready-mix volume sold across all business units in Peru, Ecuador and Chile, and solid results in the US. It should be noted that between mid-March and May 2020, operations in Peru and Ecuador were interrupted due to the measures taken by governments as result of the COVID-19 pandemic.
- ▶ Consolidated EBITDA during 2Q21 was PEN 337 million, higher than the PEN 43 million recorded during 2Q20. EBITDA margin in 2Q21 was 28.2%, higher than the 8.4% recorded in 2Q20, due to uninterrupted utilization rate with the corresponding impact on fixed costs.
- ▶ Net Profit during the quarter accounted for PEN 88 million, compared to the loss of PEN 115 million recorded in 1Q20. This is explained by the higher operating income across all the relevant Group's companies, which resulted in a higher tax base and the corresponding Income Tax.

The most important figures for the quarter are shown below:

UNACEM S.A.A and subsidiaries consolidated (PEN million)

	2Q20	2Q21	Var. %	LTM Jun-20	LTM Jun-21	Var. %
Net Revenues	515	1,193	131.5%	3,486	4,435	27.2%
EBITDA	43	337	680.2%	928	1,304	40.4%
EBITDA Margin	8.4%	28.2%	---	26.6%	29.4%	---
Net Income	-115	88	176.8%	83	471	468.4%
Net Margin	-22.3%	7.4%	---	2.4%	10.6%	---

II. OPERATIONS AND MARKETS

Variations in cement and clinker production in Peru, as well as local cement dispatches, are shown in the table below.

Production and Dispatches- Peru
(in thousand tons)

Period		Production		Dispatch	
Year	Qtr.	Clinker	Cement	UNACEM	Peru
2020	I	1,150	1,068	1,064	2,319
	II	-	439	444	1,027
	I-II	1,150	1,508	1,507	3,346
	III	685	1,362	1,364	3,083
	IV	1,183	1,606	1,591	3,649
	I-IV	3,017	4,476	4,462	10,079
2021	I	1,500	1,450	1,444	3,320
	II	1,360	1,423	1,428	3,216
	I	2,859	2,873	2,871	6,537
Variation					
21-I-II/20-I-II		148.7%	90.6%	90.5%	95.4%
21-II/20-II		---	224.1%	221.9%	213.2%
21-II/21-I		-9.3%	-1.8%	-1.1%	-3.1%

Source: UNACEM, ASOCEM, INEI

■ Production

UNACEM Peru´s clinker production, with normal operation levels during 2Q21, accounted for 1.4 million tons. It is worth to mention that during the 2Q20 there was no clinker production due to the stoppage of our kilns in both plants. In comparison with 1Q21, clinker production was 9.3% lower, due to the scheduled stoppage of one kiln during the period.

Cement production in UNACEM Peru in 2Q21, with normal operating levels, was 1.4 million tons, a figure 224.1% higher than in 2Q20, in line with the important recovery of local demand.

Considering the production of both Peruvian plants, as of 2Q21, the combined utilization rate was 85.4% for clinker and 69.2% for cement.

■ **Peruvian Domestic Market**

UNACEM's local cement dispatches during 2Q21 totaled 1.4 million tons, figure 221.9% higher than 2Q20. In comparison with 1Q21, cement dispatches were slightly lower by 1.1%. It should be noted that our bagged cement unit experienced solid dispatches during the quarter.

During the 2Q21, total cement dispatches in the Peruvian market reached 3.2 million tons, according to the National Institute of Statistics – INEI, 213.2% higher than in 2Q20, and 3.1% lower than in 1Q21. UNACEM Peru results were better than the domestic market.

Therefore, in 2Q21, UNACEM recorded a market share in the Peruvian market of 44.4%, higher than the 43.2% market share recorded in 2Q20.

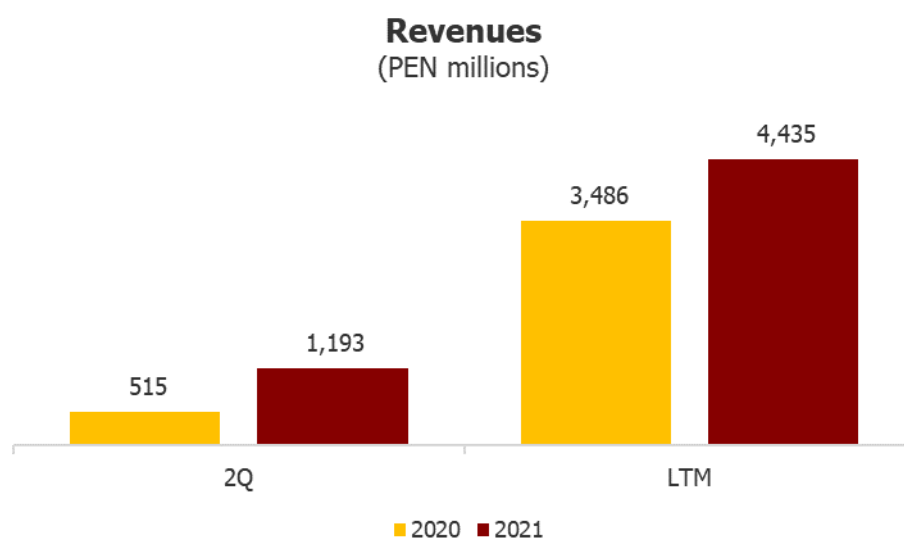
■ **Exports and Port Operations**

During 2Q21, clinker exports through our pier in Conchan reached 206 thousand tons, in the 2Q20 there were no exports through Conchan due to the repaired work in the ship loader executed until July 2020.

Additionally, the tonnage of bulk solids operated in Conchan during the quarter was 81 thousand tons, higher than the same period of the previous year (35 thousand tons), with operations of gypsum and grains for third parties.

UNACEM AND SUBSIDIARIES CONSOLIDATED FINANCIAL RESULTS

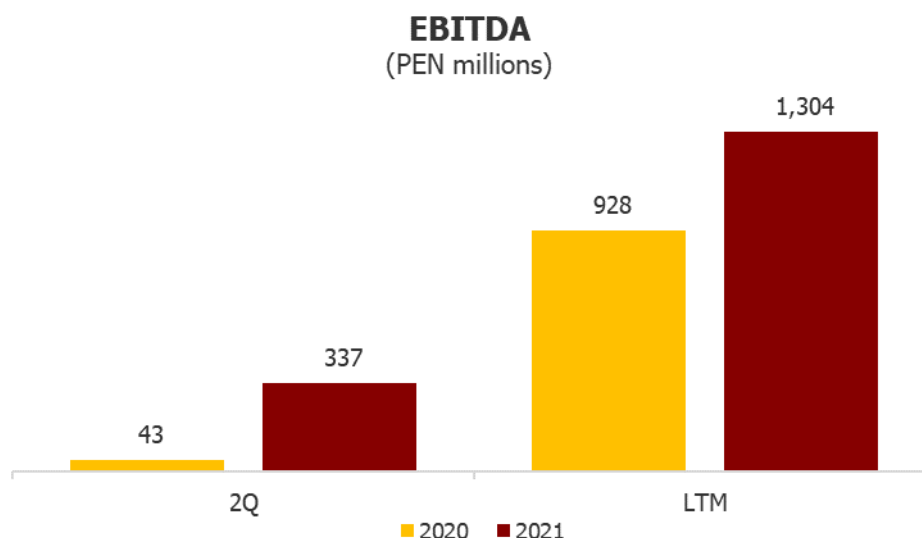
■ Consolidated Revenues



Consolidated revenues in the 2Q21 were PEN 1,193 million, 131.5% higher than those recorded in 2Q20. This increase is explained by:

- + Higher cement dispatches in Peru and higher average prices;
- + Higher ready-mix volume in Peru;
- + Higher cement and ready-mix volume in Ecuador;
- + Higher ready-mix and aggregates prices in the US despite lower volume sold;
- + Higher energy sold in Peru;
- + The incorporation of UNACEM Chile to the Group's financials; net from,
- Lower volume sold in Preansa Chile and Peru.

■ Consolidated EBITDA



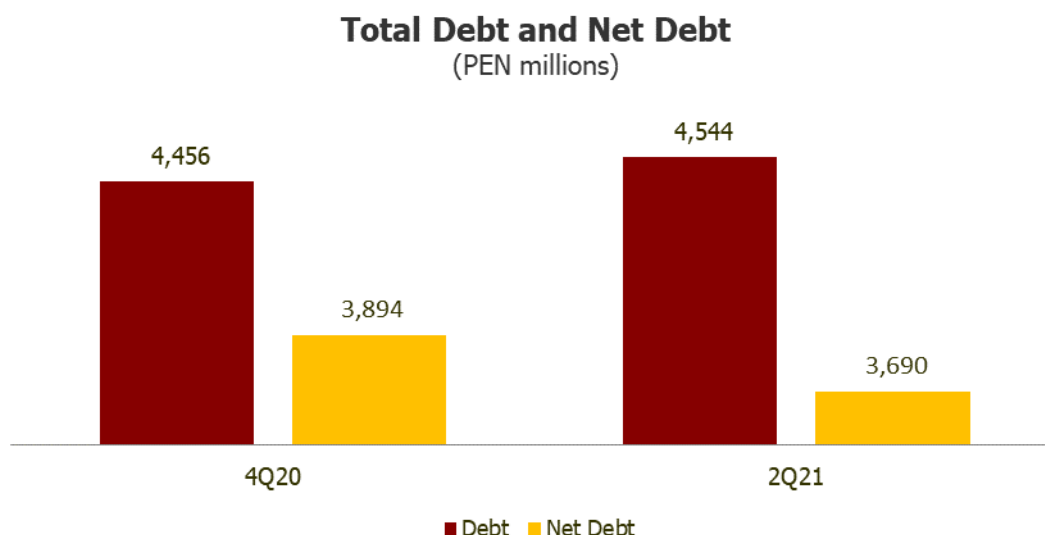
EBITDA in 2Q21 was PEN 337 million, a figure 680.2% higher than the PEN 43 million recorded in 2Q20. EBITDA margin during 2Q21 was 28.2%.

LTM EBITDA was 40.4% higher than the LTM registered as of 2Q20, mainly due to:

- + Higher cement volume, and higher average cement and export prices in Peru;
- + Higher ready-mix volume in Peru, Ecuador and Chile;
- + Higher energy sold in Peru;
- + Higher volume sold in Ecuador; net from,
- Lower industrialized concreted structures in Chile and Peru.

EBITDA margin was higher due to lower COGS, due to lower fixed costs, as a result of the normalization of operations. SG&A expenses were lower, as a result of the preventive and extraordinary actions taken by all the Group's companies during the global pandemics.

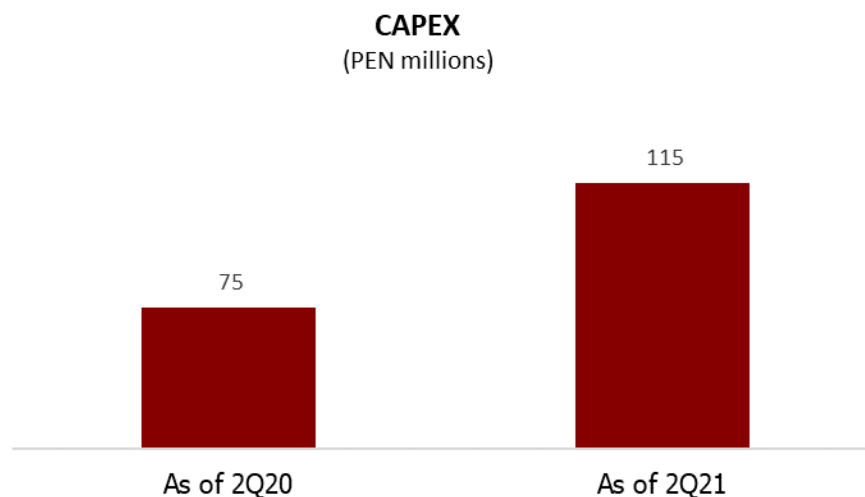
■ Consolidated Debt



As of June, 30th, 2021, Net Debt/EBITDA ratio was 2.8x, a lower figure than the 4.2x reported at the end of 2020, showing an important improvement in our leverage levels.

Gross debt in PEN increased due to the FX conversion impact of the USD denominated debt. During 2Q21, we continued servicing our long-term debt as scheduled. It is worth mentioning that Cash account registered a record of PEN 854 million.

■ Consolidated CAPEX



As of June, 30th, 2021, CAPEX totaled PEN 115 million, 53.6% higher than in June, 30th, 2020, when it recorded PEN 75 million. Disbursements correspond to minor projects across all companies including works in the control system of Kiln 2 at Condorcocha, structural reinforcement in the chambers of Atocongo’s multisilo, the new grinding mill in Skanon, and overhaul of equipment, among others.

III. MAJOR SUBSIDIARIES AND AFFILIATES

Below is a summary of the results of our main subsidiaries:

■ UNICON Consolidated

		2Q20	2Q21	Var. %
Volume of ready mix	(thousands of m ³)	203	819	304.3%
Revenues	(PEN million)	64	322	406.5%

Include all business units of UNICON in Peru, Ecuador and Chile

UNICON´s consolidated revenues in the 2Q21, considering our operations in Peru, Chile and Ecuador, increased by 406.5% compared to 2Q20. The increase of 304.3% in dispatched ready-mix volume was explained mainly by the operations in Peru.

■ Celepsa

		2Q20	2Q21	Var. %
Sales of energy	(GWh)	235	396	68.5%
Revenues	(PEN million)	42	71	68.7%

Includes only Celepsa Separated

Celepsa´s energy sales recorded a 68.7% increase in the 2Q21 compared to the same period of 2020. Volume sold was 68.5% higher, due to strong demand from its contracted clients, including UNACEM stand-alone.

■ UNACEM Ecuador

		2Q20	2Q21	Var. %
Sales of cement	(in thousand tons)	131	314	139.5%
Sales	(PEN million)	58	151	161.1%

UNACEM Ecuador´s volume sold during the quarter, with normalized operations, increased by 139.5% with respect to 2Q20. Revenues in PEN increased by 161.1% vis-à-vis 2Q20 due to higher volume sold, and the impact of a higher FX rate. In USD revenues were 136.7% higher.

■ Skanon

		2Q20	2Q21	Var. %
Sales of cement	(in thousand of short tons)	197	170	-14.0%
Volume of ready mix	(thousands of yd ³)	285	266	-6.5%
Sales	(PEN million)	166	180	8.6%

Skanon's cement volume sold was 14.0% lower than in 2Q20, and ready-mix volume was lower by 6.5%. Revenues in PEN were 8.6% higher with better average prices in USD and the impact of higher FX rate.

IV. SHARES

UNACEMC1		
Shares	Number	1,818,127,611
Market capitalization	PEN million	2,327
Current quote	PEN per share	1.280
Minimum quote	LTM / PEN	1.150
Maximum quote	LTM / PEN	1.910
Return LTM*	2Q21	-18.5%

Source: Bloomberg as of 06.30.2021

(*) Does not include dividends.

V. SIGNIFICANT EVENTS

- ▶ The Board Meeting held on April 23rd, 2021, agreed to pay a cash dividend of PEN 0.013 per ordinary share, paid on May 26th, 2021. This dividend totaled PEN 23,635,659 and was charged to Retained Earnings FY 2012.
- ▶ The Board Meeting held on June 21st, 2021, agreed to pay a cash dividend of PEN 0.02 per ordinary share, paid on July 23rd, 2021. This dividend totaled PEN 36,362,552 and was charged to Retained Earnings FY 2013.
- ▶ On June 25th, 2021, the recently incorporated Cementos La Unión changed its corporate name to UNACEM Chile. The company has a plant located in the port of San Antonio with a cement grinding and dispatch capacity of 300,000 tons / year.

- ▶ The General Shareholders Meeting of June 28th, 2021, approved the registration of the Third Program of local corporate bonds up to a maximum outstanding amount of PEN 1,200 million or its equivalent in dollars, which may be allocated through one or more individual issuances to be placed by public or private offerings. The terms, conditions and general and specific characteristics will be carried out within the framework of the Program at the moment of issuance.
- ▶ The General Shareholders' Meetings of our subsidiaries UNACEM Ecuador and UNICON Ecuador in session of July 9, 2021, agreed by majority to approve the merger by absorption of UNACEM Ecuador, as the absorbing company, and UNICON Ecuador, as the absorbed company. The Public Deed of Merger by absorption was presented on August 12, 2021 to the Superintendency of Companies of Ecuador, for its review and approval.

UNACEM and subsidiaries
consolidated Financial
Statements and their
respective notes are
available in accordance
with the scheduled dates
of publish in our website:
www.unacem.com/ir

If you wish to contact the
Investor Relations team of
UNACEM or you have any
request, please send us an
email at ir@unacem.com