

NEWSLETTER

4Q21

UNACEM S.A.A. AND SUBSIDIARIES CONSOLIDATED

I. EXECUTIVE SUMMARY

- ▶ Consolidated revenues in 4Q21 were PEN 1,431 million, 24.0% higher than consolidated revenues in 4Q20, results during this quarter were the best of the year, due to higher volume sold and average prices across all business units in Peru, Ecuador and Chile, and solid results in the US. It should be noted that UNACEM Peru reached a new monthly dispatch record in October.
- ▶ Consolidated EBITDA during 4Q21 was PEN 417 million, higher than the PEN 330 million recorded during 4Q20. EBITDA margin in 4Q21 was 29.2%, higher than the 28.6% recorded in 4Q20, due to higher volume sold with the corresponding dilution of fixed costs.
- ▶ Net Profit during the quarter accounted for PEN 183 million, compared to the PEN 108 million recorded in 4Q20. This is explained by the higher operating results across all of the Group's companies, net of higher income tax and FX gain during the quarter.

The most important figures for the quarter are shown below:

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

	4Q20	4Q21	Var. %	2020	2021	Var. %
Net Revenues	1,154	1,431	24.0%	3,575	5,066	41.7%
EBITDA	330	417	26.5%	922	1,542	67.3%
EBITDA Margin	28.6%	29.2%	---	25.8%	30.4%	---
Net Income	108	183	70.5%	116	576	397.0%
Net Margin	9.3%	12.8%	---	3.2%	11.4%	---

II. OPERATIONS AND MARKETS

Cement and clinker production volumes 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
	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	3,229
	III	1,618	1,637	1,650	3,652
	IV	1,737	1,733	1,712	3,706
	I-IV	6,214	6,243	6,233	13,908
Variation					
21-I-IV/20-I-IV		106.0%	39.5%	39.7%	38.0%
21-IV/20-IV		46.8%	7.9%	7.6%	1.6%
21-IV/21-III		7.3%	5.8%	3.7%	1.5%

Source: UNACEM, ASOCEM, INEI

■ Production

UNACEM Peru's clinker production, with normal operation levels during 4Q21, accounted for 1.7 million tons. It is worth mentioning that during the 4Q21 both plants operated efficiently without any scheduled maintenance works. In comparison with 3Q21, clinker production was 7.3% higher.

Cement production in UNACEM Peru in 4Q21, with normal operating levels, was 1.7 million tons, 7.9% higher than in 4Q20, in line with the important recovery of local demand.

Considering the production of both Peruvian plants, as of the end of 2021, the combined utilization rate was 92.8% for clinker and 75.2% for cement.

■ Peruvian Domestic Market

UNACEM's local cement dispatches during 4Q21 totaled 1.7 million tons, 7.6% higher than 4Q20 and higher by 3.7% sequentially. It should be noted that during October a new historical record of monthly dispatch was reached with 585 thousand t. The sales mix between bags and bulk remained steady, both with higher average prices in the quarter.

As of the end of 2021, total cement dispatches amounted to 6.2 million tons, exceeding dispatches reached in 2019 by 17.2% and those of 2020 by 39.7%, it is worth mentioning that in 2020 we had a complete stoppage of operations for 64 days due to the initial measures taken by the pandemic. Our bagged cement unit grew by 32.1% compared to 2020, mainly due to dispatches through the traditional channel, where self-construction drove growth. The bulk business unit had a significant recovery in 2021, 64.7% compared to 2020, recovering the levels of 2019.

During the 4Q21, total cement dispatches in the Peruvian market reached 3.7 million tons, according to the National Institute of Statistics – INEI, 1.6% higher than in 4Q20, and 1.5% higher than in 3Q21. UNACEM Peru results were better than the domestic market.

Therefore, in 4Q21, UNACEM recorded a market share in the Peruvian market of 46.2%, higher than the 43.6% market share recorded in 4Q20.

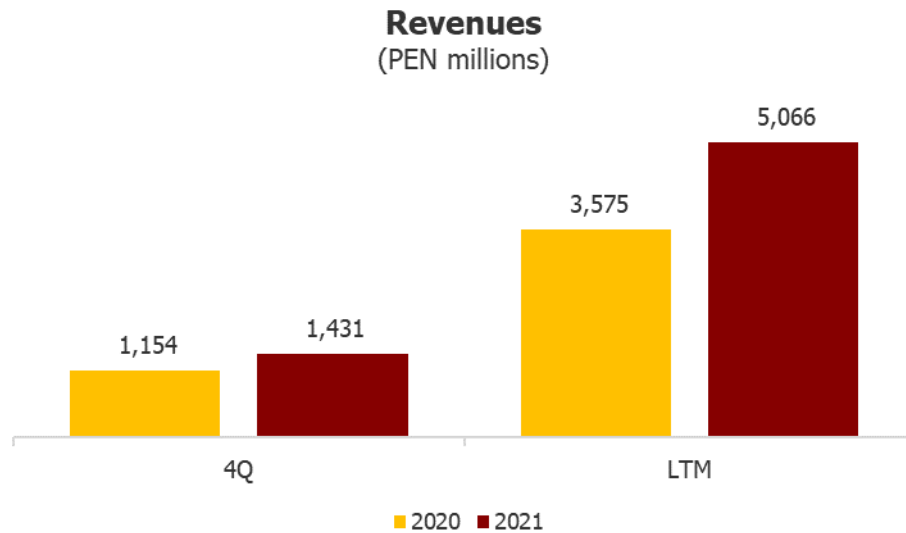
■ **Exports and Port Operations**

During 4Q21, clinker exports through our pier in Conchan reached 134 thousand tons, lower than the 191 thousand tons recorded in the 4Q20, due to lower shipments programmed during the period in comparison to 2020. Clinker exports totaled 707 thousand tons, a higher figure than the 310 thousand tons of 2020.

Additionally, the tonnage of bulk solids handled in Conchan during the quarter was 105 thousand tons, higher than the same period of the previous year (65 thousand tons), with operations of gypsum, coal and slag. Full year volume handled in Conchan during 2021 was 1.2 million tons (773 thousand in 2020); of which 8.7% correspond to operations for third parties.

**UNACEM AND SUBSIDIARIES CONSOLIDATED
FINANCIAL RESULTS**

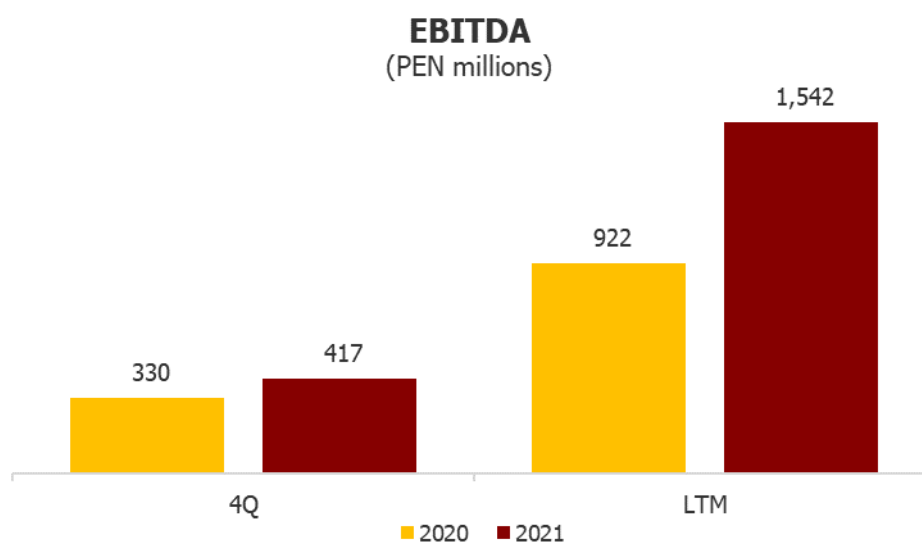
■ Consolidated Revenues



Consolidated revenues in the 4Q21 were PEN 1,431 million, 24.0% higher than those recorded in 4Q20. This increase is explained by:

- + Higher cement dispatches and average prices in Peru;
- + Higher average prices of clinker export;
- + 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;
- + Higher energy sold in Peru;
- + The incorporation of UNACEM Chile to the Group’s financials; and,
- + Higher volume sold in Preansa Peru.

■ Consolidated EBITDA



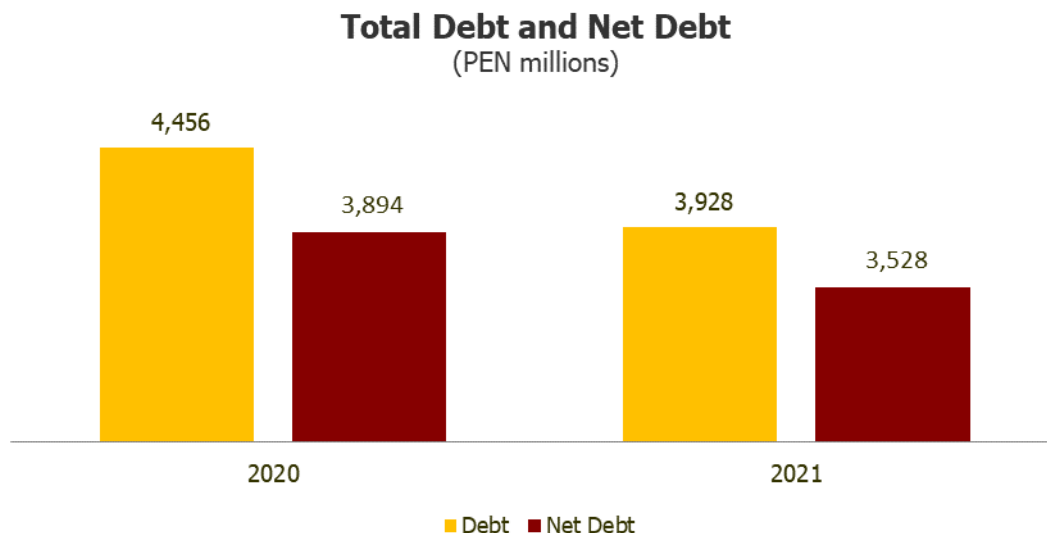
EBITDA in 4Q21 was PEN 417 million, a figure 26.5% higher than the PEN 330 million recorded in 4Q20. EBITDA margin during 4Q21 was 29.2%.

LTM EBITDA was PEN 1,542 million, 67.3% higher than the LTM registered as of 4Q20, mainly due to:

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

EBITDA margin was higher due to lower COGS and fixed costs, as a result of higher volume sold and the normalization of operations. SG&A expenses were higher, due to higher worker’s profit sharing and advertising in UNACEM Perú, likewise higher donations during the period.

■ Consolidated Debt

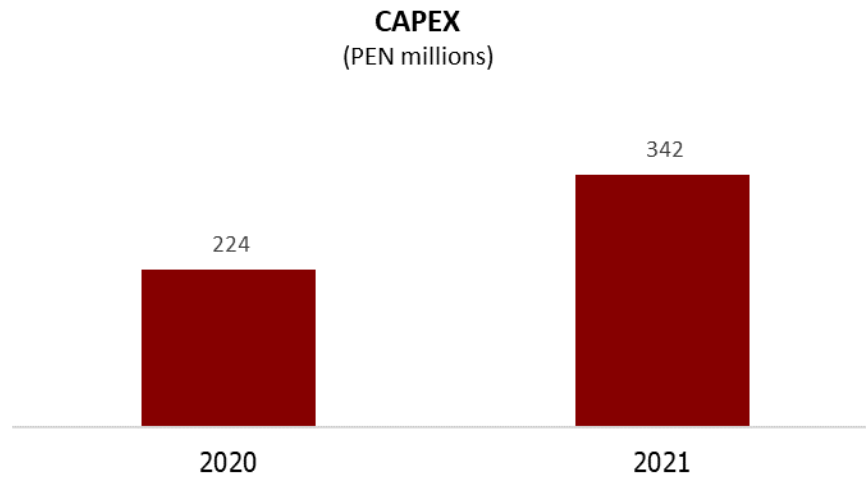


As of December, 31st, 2021, Net Debt/EBITDA ratio was 2.3x, below than the 4.2x reported at the end of 2020, showing an important improvement in our leverage levels.

Gross debt in PEN was lower than in 2020, explained by the scheduled debt amortization, and the prepayment of long-term debt in UNACEM stand-

alone in 4Q21. Despite the FX conversion impact of the USD denominated debt, gross debt decreased by PEN 528 million. As of the end of 2021, the cash position remained strong closing at PEN 400 million.

- Consolidated CAPEX



As of the end of 2021, CAPEX totaled PEN 342 million, 52.3% higher than in 2020, when it recorded PEN 244 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

UNICON Consolidated

		4Q20	4Q21	Var. %
Volume of ready mix	(thousands of m ³)	785	887	13.0%
Revenues	(PEN million)	287	301	4.9%

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

UNICON’s consolidated revenues in the 4Q21, considering our operations in Peru, Chile and Ecuador, increased by 4.9% compared to 4Q20 given the increase in prices of 2.6% in the Peruvian operations, in line with the rest of the market. Volume dispatched was 13.0% higher explained mainly by the volume recovery in Peru and the incorporation of MEL20 operations in Chile, that offset the contraction in Ecuador operations due to the slowdown in the execution of the large projects it supplies.

- Celepsa

Celepsa

		4Q20	4Q21	Var. %
Sales of energy	(GWh)	413	470	13.8%
Revenues	(PEN million)	70	91	28.7%

Includes only Celepsa Separated

Celepsa’s energy sales recorded a 13.8% increase in the 4Q21 compared to the same period of 2020. Volume sold was 13.8% higher, due to strong demand from its contracted clients, including UNACEM stand-alone which represented 29% of Celepsa’s sales for the year.

■ UNACEM Ecuador

UNACEM Ecuador

		4Q20	4Q21	Var. %
Sales of cement	(in thousand tons)	310	335	8.3%
Sales	(PEN million)	139	169	21.6%

UNACEM Ecuador’s volume sold during the quarter, with normalized operations, increased by 8.3% with respect to 4Q20. Revenues in PEN increased by 21.6% vis-à-vis 4Q20 due to higher volume sold, and the impact of a higher FX rate. In USD revenues were 8.8% higher due to slightly higher average prices than 4Q20.

■ Skanon

Skanon

		4Q20	4Q21	Var. %
Sales of cement	(in thousand of short tons)	171	175	1.9%
Volume of ready mix	(thousands of yd ³)	338	355	5.2%
Sales	(PEN million)	128	202	57.7%

Skanon’s cement volume sold was 1.9% higher than in 4Q20, and ready-mix volume was higher by 5.2%. Revenues in PEN were 57.7% 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	4,345
Current quote	PEN per share	2.390
Minimum quote	LTM / PEN	1.021
Maximum quote	LTM / PEN	2.427
Return LTM*	4Q21	56.9%

Source: Bloomberg as of 12.31.2021

(*) Does not include dividends.

V. SIGNIFICANT EVENTS

- ▶ The Committee of Independent Directors of UNACEM held on October 27th, 2021, agreed to designate Velásquez, Mazuelos y Asociados SRL, a member firm of Deloitte Touche Tohmatsu, as an external entity to issue a technical report on the terms of the eventual simple reorganization.
- ▶ The Board Meeting held on October 27th, 2021, agreed to pay a cash dividend of PEN 0.02 per ordinary share, paid on November 30th, 2021. This dividend totaled PEN 36,362,552 and was charged to Retained Earnings FY 2013.
- ▶ On December 14, 2021, the General Shareholders' Meeting approved the simple reorganization and its entry into force as of January 1, 2022, whose Project was timely approved by the Committee of Independent Directors and by the full Board of Directors. The simple reorganization implies the segregation of 3 equity blocks to be transferred to 3 wholly owned subsidiaries of UNACEM: UNACEM Perú S.A., Minera Adelaida S.A. and Inversiones Nacionales e Internacionales S.A (INMA). The business unit UNACEM Peru S.A. will be the new company specialized in the production and sale of clinker and cement for the local market and exports. Minera Adelaida S.A. now holds mining concessions not related to the economic activity of UNACEM while INMA now holds real estate not related to UNACEM's main economic activity.

In addition, the Board approved the change of corporate name of UNACEM S.A.A. to UNACEM CORP S.A.A.; and the change of corporate purpose, by becoming a pure holding company.

The new structure will support a long-term value generation strategy for its stakeholders; it will facilitate the alignment of its operating business units as well as investment decisions; will focus on the development of human talent and the transformation process of the Group; and will capitalize on the know how accumulated in its more than 100 years as the leader in the cement industry in Peru.

- ▶ Additionally, the General Shareholder Meeting held on October 27th, 2021, agreed to pay a cash dividend of PEN 0.04 per ordinary share, paid on January 18th, 2022. This dividend totaled PEN 72,447,883 and was charged to Retained Earnings FY 2014.
- ▶ On December 29, 2021, the company signed the purchase agreement between the companies Cementos Bío Bío S.A. and its subsidiaries Bio Bio Cements S.A. and Minera Río Teno S.A., as sellers, and our subsidiary UNACEM Chile S.A., as buyer, of all the assets that make up the grinding facility of San Antonio, Valparaíso Region and of the rights of exploitation, concessions or mining properties on the pozzolan deposit called "Popeta 1 to 30" with an area of approximately of 300 hectares. The transaction price amounted to USD 30,800,000, including VAT, paid by UNACEM Chile S.A. cash. With this transaction, our Chilean cement operations have doubled installed capacity.
- ▶ The Board Meeting held on January 26th, 2022, agreed to pay a cash dividend of PEN 0.02 per ordinary share, paid on February 28th, 2022. This dividend totaled PEN 36,362,552 and was charged to Retained Earnings FY 2014.

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