

UNACEM CORP S.A.A. and Subsidiaries

UNAUDITED Interim Separate
Financial Information as of
September 30, 2023 and December
31, 2022.



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of Financial Position
For the periods ended September 30, 2023 and December 31, 2022
(In thousands of Soles)

	Notes	As of September 30, 2023	As of December 31, 2022
Assets			
Current Assets			
Cash and cash equivalents	5	376,603	334,845
Other Financial Assets		1,885	5,012
Trade Accounts Receivable and other accounts receivable		1,014,665	800,733
Trade Accounts Receivable , net	6	874,286	660,837
Other Accounts Receivable , net	6	69,048	82,063
Accounts Receivable from Related Companies	6	39,817	39,191
Advanced payments	6	31,514	18,642
Inventories	7	910,240	851,645
Biological Assets		-	-
Assets by Income Taxes	6	50,349	33,596
Other Non-Financial Assets		49,523	29,848
Total Current Assets different than assets or groups of assets for its classified as held for sale or for distribution to owners		2,403,265	2,055,679
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		2,403,265	2,055,679
Non-Current Assets			
Other Financial Assets		-	-
Investments in subsidiaries, joint ventures and associates		27,634	23,734
Trade Accounts Receivables and other accounts receivables		176,234	83,245
Trade Accounts Receivable		-	-
Other Accounts Receivable	6	150,038	83,245
Accounts Receivable from Related companies		-	-
Advanced payments	6	26,196	-
Biological Assets		-	-
Investment Property		-	-
Property, Plant and Equipment , net	9	7,713,327	7,473,383
Intangible Assets , net	10	298,256	229,189
Assets Deferred Income Tax	14	341,390	207,455
Surplus value	11	1,176,083	1,176,605
Other Assets		190,498	139,782
Total Non-current Assets		9,923,422	9,333,393
TOTAL ASSETS		12,326,687	11,389,072

	Notes	As of September 30, 2023	As of December 31, 2022
Liabilities and Stockholders' Equity			
Current Liabilities			
Other Financial Liabilities	12	2,216,260	1,106,529
Trade accounts payable and other payable accounts		1,113,470	981,650
Trade Accounts Payable	13	767,842	677,093
Other Accounts Payable	13	308,940	269,127
Accounts payable to related companies	13	30,448	28,812
Deferred Income		6,240	6,618
Provision for Employee Benefits		-	-
Other provisions		67,081	81,072
Income tax liabilities		32,435	182,893
Other non-financial liabilities		14,154	8,024
Total Current Liabilities different of Liabilities included groups of assets for disposal Classified as Held for Sale		3,443,400	2,360,168
Liabilities included in asset groups classified as held for sale		-	-
Total Current Liabilities		3,443,400	2,360,168
Non-Current Liabilities			
Other Financial Liabilities	12	2,108,373	2,629,349
Trade accounts payable and other payable accounts		179,335	28,534
Trade Accounts Payable	13	3,507	-
Other Accounts Payable	13	175,828	28,534
Accounts payable to related companies		-	-
Deferred Income		-	-
Provision for Employee Benefits		-	-
Other provisions		73,671	71,559
Liabilities Deferred Income Taxes	14	565,739	585,180
Other non-financial liabilities	8(b)y23.A	101,270	17,474
Total Non-Current Liabilities		3,028,388	3,332,096
Total Liabilities		6,471,788	5,692,264
Stockholders' Equity			
Capital Issued	15	1,818,128	1,818,128
Issuance Premiums	15	-76,147	-38,019
Investment shares		-	-
Treasury Shares in portfolio	15	-11,106	-23,530
Other Capital Reserves	15	363,626	363,626
Accrued Results	15	3,223,681	2,949,002
Other Equity Reserves	15	344,063	341,444
Shareholders' equity attribute to the owners of the Parent		5,662,245	5,410,651
Non Controlling interest		192,654	286,157
Total Stockholders' Equity		5,854,899	5,696,808
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		12,326,687	11,389,072



UNACEM CORP S.A.A. AND SUBSIDIARIES

Income Statement

For the periods ended September 30, 2023 and 2022

(In thousands of Soles)

	Notes	For the specific quarter from July 1, to September 30, 2023	For the specific quarter from July 1, to September 30, 2022	For the cumulative period from January 1st to September 30, 2023	For the cumulative period from January 1st to September 30, 2022
Incomes from ordinary activities	16	1,749,820	1,570,494	4,717,948	4,374,360
Cost of Sales	17	-1,391,137	-1,144,566	-3,562,445	-3,157,153
Profit (Loss) Gross		358,683	425,928	1,155,503	1,217,207
Selling Expenses and distribution		-32,375	-31,319	-87,219	-85,684
Administrative expenses	18	-107,971	-96,874	-325,494	-288,654
Profit (Loss) in the write-off of financial assets carried at amortized cost		-	-	-	-
Other Operating Income		24,037	9,424	54,069	31,905
Other Operating Expenses		-17,802	-16,570	-64,462	-49,445
Other profit (loss)		-	-	-	-
Profit (Loss) from operating activities		224,572	290,589	732,397	825,329
Financial Income		3,896	2,136	12,697	8,547
Financial Expenses	19	-67,414	-50,119	-195,776	-144,022
Exchange differences, net		-49,446	-13,949	-18,254	9,629
Share of Profit (Loss) in net results from Equity-Accounted Joint Ventures and related companies		1,964	1,809	3,894	3,518
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		113,572	230,466	534,958	703,001
Income tax expenses	14(a)	-34,966	-67,727	-157,166	-237,984
Profit (Loss) Net of Continued Operations		78,606	162,739	377,792	465,017
Profit (loss) net of the tax to the profit from discontinued operations		-	-	-	-
Profit (loss) net of the year		78,606	162,739	377,792	465,017
Profit (Loss) net, attributable to :					
Owners of the Parent		77,989	133,786	366,412	384,990
Non-controlling interest		617	28,953	11,380	80,027
Net Profit (Loss) of the Year		78,606	162,739	377,792	465,017



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of Comprehensive Income
For the periods ended September 30, 2023 and 2022
(In Thousands of Soles)

Notes	For the specific quarter from July 1, to September 30, 2023	For the specific quarter from July 1, to September 30, 2022	For the cumulative period from January 1st to September 30, 2023	For the cumulative period from January 1st to September 30, 2022
Net Profit (Loss) of the year	78,606	162,739	377,792	465,017
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	5,375	159	26,833
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	91,735	70,418	4,177	-19,506
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	91,744	75,793	4,336	7,327
Other Comprehensive Income	91,744	75,793	4,336	7,327
Total Comprehensive Income for the period , net of income tax	170,350	238,532	382,128	472,344
Comprehensive Income attributable to:				
Owners of the Parent	165,214	208,262	369,031	391,401
Non-controlling interest	5,136	30,270	13,097	80,943
Total Comprehensive Income of the Year, net	170,350	238,532	382,128	472,344



UNACEM CORP S.A.A. AND SUBSIDIARIES

Statement of Cash Flow

Direct Method

For the periods ended September 30, 2023 and 2022

(In thousands of Soles)

	Notes	As of January 1st, 2023 to September 30, 2023	As of January 1st, 2022 to September 30, 2022
Operating activities cash flows			
Types of cash collections from operating activities			
Sale of Goods and Services		6,232,452	5,693,695
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		20,361	6,478
Types of cash collections from operating activities			
Suppliers of goods and services		-4,508,954	-3,725,123
Contracts held for brokering or trading purposes		-	-
cash payments to and on behalf of employees		-644,291	-632,679
Elaboration or acquisition of assets to be leased and other assets held for sale		-	-
Other Cash Payments Related to Operating Activity		-218,721	-359,351
Cash flows and cash equivalents from (used in) Operating Activities		880,847	983,020
Interests received (not included in the Investment Activities)		-	-
Interests paid (not included in the Investment Activities)		-148,600	-128,748
Dividends Received (not included in the Investment Activities)		-	-
Dividends Paid (not included in the Investment Activities)		-	-
Income tax (paid) reimbursed		-344,981	-217,985
Other cash collections (payments)		-	-
Cash flows and cash equivalents from (used in) Operating Activities		387,266	636,287
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		16,941	11,817
Sale of intangible assets		-	-
Sale of other long- term assets		-	-
Government Subventions		-	-
Interests received		-	-
Dividends received		1	4
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	1.B.3	27,926	-
Purchase of Property, Plant and Equipment	9(b)	-358,721	-252,439
Purchase of intangible assets		-17,418	-4,249
Purchase of other long- term assets		-	-
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to Investment activities		6,237	-12,849
Cash flows and cash equivalents from (used in) Investing activities		-325,034	-257,716
Cash flows from Financing activities			
Type of cash collections from financing activities			
Loan securing		1,656,280	795,906
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		-1,453,864	-930,592
Leasing liabilities		-6,942	-7,154
Changes to the subsidiaries ownership interest not resulting in the loss of control		-15,454	-12,977
Redemption or repurchase of the entities' shares (Shares in the portfolio)		-52,592	-11,812
Acquisition of other equity interest		-	-
Interests paid		-	-
Dividends paid		-137,561	-232,155
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to financing activities		-	-
Cash flows and cash equivalents from (used in) financing activities		-10,133	-398,784
Increase (Decrease) in Net Cash and cash equivalents, before Changes in Foreign Exchange Rates		52,099	-20,213
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		-10,341	-3,333
Increase (Decrease) in Net Cash and Cash Equivalents		41,758	-23,546
Cash and cash equivalents at beginning of year		334,845	399,755
Cash and cash equivalents at end of year	5	376,603	376,209



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of change in Stockholder's Equity
 For the periods ended September 30, 2023 and 2022
 (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, 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						384,990											384,990	80,027	465,017
7. Other Comprehensive Income:							23,856			-17,445						6,411	6,411	916	7,327
8. Comprehensive Income - Total year						384,990	23,856			-17,445						6,411	391,401	80,943	472,344
9. Cash Dividends Declared						-126,507											-126,507	-31,907	-158,414
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						-393											-393	-24,498	-24,891
15. Increase (decrease) for transactions with Treasury Shares in Portfolio																	-11,812		-11,812
16. Increase (Decrease) for Transfer and other Equity Changes						-3,994											-3,994	-3,222	-7,216
Total Equity Increase (decrease)				-11,812		254,096	23,856			-17,445						6,411	248,695	21,316	270,011
Balance as of September 30, 2022	1,818,128	-38,019	-	-23,422	363,626	2,810,149	196	-	-	412,755	-	-	-	-	-	412,951	5,343,413	296,905	5,640,318
Balance as of September 1, 2023	1,818,128	-38,019	-	-23,530	363,626	2,949,002	-1,737	-	-	343,181	-	-	-	-	-	341,444	5,410,651	286,157	5,696,808
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Restated Initial Balance	1,818,128	-38,019	-	-23,530	363,626	2,949,002	-1,737	-	-	343,181	-	-	-	-	-	341,444	5,410,651	286,157	5,696,808
4. Changes in Stockholders' Equity:																			
5. Comprehensive Income:																			
6. Gain (Loss) for the year						366,412											366,412	11,380	377,792
7. Other Comprehensive Income:							202			2,417						2,619	2,619	1,717	4,336
8. Comprehensive Income - Total year						366,412	202			2,417						2,619	369,031	13,097	382,128
9. Cash Dividends Declared						-108,304											-108,304	-32,188	-140,492
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						52,951											52,951	-71,588	-18,637
15. Increase (decrease) for transactions with Treasury Shares in Portfolio																	-52,512		-52,512
16. Increase (Decrease) for Transfer and other Equity Changes						-9,572											-9,572	-2,824	-12,396
Total Equity Increase (decrease)		-38,128		12,424		274,679	202			2,417						2,619	251,594	-93,503	158,091
Balance as of June 30, 2023	1,818,128	-76,147	-	-11,106	363,626	3,223,881	-1,535	-	-	345,598	-	-	-	-	-	344,063	5,662,245	192,654	5,854,899

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements
September 30, 2023 and December 31, 2022

1. Company Details

A. Company Details and Economic Activity

UNACEM CORP S.A.A. (hereinafter, the “Company”) was incorporated in December 1967. As explained in more detail in Note 2 (vii), on December 14, 2021, the Company’s Shareholders’ Meeting approved the Reorganization of the Company, which became effective on January 1, 2022.

The main purpose of the Group is to engage in the production and commercialization of all types of cement, clinker and concrete in the Peruvian, United States, Ecuadorian and Chilean markets, mainly; as well as the sale of electricity and power in the Peruvian market.

As of September 30, 2023 and December 31, 2022, the Company is a subsidiary of INVERSIONES JRPR S.A. (hereinafter, the “Parent Company” and ultimate parent of the economic group), which owns a 42.22% direct and indirect interest in its capital stock. Likewise, INVERSIONES JRPR S.A. has controlling powers to direct the financial and operating policies of the Company.

The registered office of the Company is Av. Carlos Villarán 508, District of La Victoria, Lima, Peru.

The consolidated financial statements of the Company and its subsidiaries (the “Group”) as of the third quarter of fiscal year 2023 have been issued with the authorization of the Management. The consolidated financial statements for fiscal year 2022 were approved at the Shareholders’ Meeting held on March 30, 2023.

B. Acquisitions

B.1 CONSTRUCTORA DE OBRAS CIVILES Y VIALES LIMITADA (CONOVIA)

On November 21, 2022, subsidiaries UNICON CHILE S.A. and UNACEM CHILE S.A. (the “Purchasers”) entered into an agreement with INVERSIONES BEFELD LIMITADA and INVERSIONES MAJAS LIMITADA (the “Sellers”) for the acquisition of 100% of the ownership interest in CONSTRUCTORA DE OBRAS CIVILES Y VIALES LIMITADA (CONOVIA); and on the same date the Group took control of said company.

Accordingly, the Group acquired 100% of the direct and indirect interest of the shares of stock of CONOVIA, a company domiciled in Chile, which is engaged in the crushing of aggregate material extracted from the river and the sale of finished products on its own account or on behalf of third parties, as well as the marketing, purchase, sale and distribution of such material.

CONOVIA has an aggregates plant named “Tabolango” located in Tabolango, district of Limache, Valparaíso Region in Chile, with an annual production capacity of 0.15 million m³.

The total amount of the transaction was USD 3,763,000 (equivalent to PEN 14,429,000), fully paid by the purchasers.

The Group acquired CONOVIA as part of its strategy to consolidate and diversify its cement, concrete, and precast operations in the region. It also seeks to generate synergies, optimize costs, and share engineering expertise among the countries.

From the acquisition date to December 31, 2022, the acquired entity contributed revenues in the amount of PEN 620,000 and net profits for PEN 264,000 to the Group’s income. Had the acquisition occurred on January 1, 2022, the Group’s Management estimates that consolidated revenues would have been PEN 4,708,000 and the consolidated net profit for the year would

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements
September 30, 2023 and December 31, 2022

have been PEN 1,515,000. In determining these amounts, the Management has assumed that fair value adjustments, which arose on the acquisition date, would have been the same if the acquisition had occurred on January 1, 2022.

B.2 Purchase of DRAKE CEMENT shares

Pursuant to the Addendum 3 to DRAKE CEMENT's Restated Limited Liability Company Operating Agreement dated September 1, 2007, SKANON has the option to purchase the non-controlling interest in DRAKE CEMENT. Effective January 1, 2009, SKANON has the option, but not the obligation, to purchase the minority shareholders' interest at any time at fair value. The fair value will be determined by mutual agreement of the members at the Shareholders' Meeting. During 2022, the Group purchased a minority interest in DRAKE CEMENT, as shown in note 2(ii) (a).

B.3 TERMOCHILCA S.A. (TERMOCHILCA)

On December 29, 2022, the subsidiary COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. (CELEPSA) was notified of the approval of the offer made for the acquisition of the shares and creditor's claims of TERMOCHILCA S.A., a power generation company with a combined cycle thermal power plant located in the District of Chilca, Province of Cañete, with an installed capacity of 300 MW.

Moreover, on December 30, 2022, CELEPSA entered into a Share Transfer Agreement with LA FIDUCIARIA S.A., whereby CELEPSA acquired, subject to the authorization of the National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI), in compliance with the applicable regulations, 100% of the shares of stock.

On April 20, 2023, INDECOPI notified CELEPSA on the authorization of the business concentration transaction entered into with TERMOCHILCA. In addition, on May 8, 2023, the transaction was closed and said company was integrated into the Group.

The total agreed upon price was USD 141,000,000, paid directly by the Subsidiary, partially with its own resources and partially with funds stemming from financing transactions.

This transaction represents an important milestone for the Group and its subsidiary CELEPSA, as it doubles its current installed capacity, strengthening its position as a relevant player in the Peruvian electricity market and renewing the Group's commitment to the country's growth.

B.4 Other relevant events in 2023

CALCEM S.A.

In June 2023, the Company was notified by INDECOPI on the authorization of the business concentration transaction consisting of the incorporation of a new company between UNACEM CORP. S.A.A., holder of 51% of the capital stock, and GRUPO CALIDRA S.A. DE C.V., a Mexican company, holder of the remaining percentage.

The purpose of the new company will be to build and operate an industrial plant in the Area of Condorcocha, Province of Tarma, Department of Junín, for the production of quicklime and calcium carbonates, with an initial capacity of 600 tons of quicklime per day. This project will have an estimated total investment of USD 40,000,000. The construction of the plant will begin in the fourth quarter of this year and it will start operations in the first half of 2025. The Company's investment will be covered with its own resources and local bank financing.

The corporate name of the new company is CALCEM S.A., which was registered with the National Superintendency of Customs and Tax Administration in September 2023.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

September 30, 2023 and December 31, 2022

TEHACHAPI CEMENT LLC (formerly MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC)

In a meeting held on August 24, 2023, the Board of Directors approved and signed the purchase agreement whereby the subsidiary SKANON INVESTMENTS INC. will acquire from the North American companies MARTIN MARIETTA MATERIALS, INC. and MARTIN MARIETTA PACIFIC DISTRICT CEMENT, LLC (the Sellers), 100% of the shares of MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC, a company domiciled in Delaware, United States of America, owner of the Tehachapi plant. This plant has a production capacity of 1,000,000 short tons of cement and 940,000 short tons of clinker. In addition, it was approved that the Company take part in the referred purchase agreement, thus ensuring compliance with all the obligations assumed by SKANON INVESTMENTS INC. with the Sellers. The acquisition was subject to the fulfillment of certain conditions, including the authorization of the Federal Trade Commission.

On October 31, 2023, the acquisition of 100% of the shares of MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC was completed. As a result of this transaction, the company name was changed to TEHACHAPI CEMENT LLC and it became part of the Group. The final acquisition price was USD 315,000,000.

The acquisition was financed through a three-year term loan for the amount of USD 345,000,000 from a syndicate of banks led by BBVA SECURITIES INC.

This acquisition will double the Group's current clinker and cement production capacity in the United States, gaining access to one of the most important markets on the West Coast and strengthening the Group's investment portfolio in its core business.

UNACEM CORP S.A.A. and Subsidiaries

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2. Information on the Structure of Subsidiaries

As of September 30, 2023 and December 31, 2022, the consolidated financial statements of the Group include the following subsidiaries (figures according to IFRS and before consolidation eliminations):

In thousands of Soles	Entity	Main Economic Activity	2023		2022		Assets		Liabilities		Equity		Profit (loss) (ix)	
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	2023	2022	2023	2022	2023	2022	2023	2022
Peru	UNACEM PERÚ S.A.-UNACEM Peru (vii)	Production and sale of cement	99.99	0.01	99.99	0.01	4,866,024	4,721,849	2,330,392	2,370,281	2,535,632	2,351,568	279,117	333,460
Peru/Ecuador	INVERSIONES IMBABURA S.A. and Subsidiaries (i)	Production and sale of cement	100.00	-	100.00	-	2,144,321	2,111,268	458,781	479,659	1,685,540	1,631,609	33,473	42,888
United States	SKANON INVESTMENTS INC. and Subsidiaries (ii)	Production and sale of cement and concrete	95.85	-	95.84	-	1,958,188	1,914,037	910,258	831,985	1,047,930	1,082,052	10,407	39,501
Peru	COMPAÑIA ELÉCTRICA EL PLATANAL S.A. and Subsidiaries (iii)	Sale of energy and power	90.00	-	90.00	-	1,994,829	1,202,940	1,145,660	378,617	849,169	824,323	27,142	57,573
Peru/Chile	INVERSIONES EN CONCRETO Y AFINES S.A. and Subsidiaries (iv)	Sale of concrete and ready-mix concrete	93.38	-	93.38	-	959,950	1,001,972	551,140	583,918	408,810	418,054	2,761	8,448
Chile	UNACEM CHILE S.A. and Subsidiary (vi)	Cement and concrete	99.89	0.11	99.89	0.11	308,091	305,998	228,750	206,526	79,341	99,472	(15,492)	(21,949)
Peru	INVERSIONES NACIONALES Y MULTINACIONALES S.A. – INMA	Real estate business	99.77	0.23	99.77	0.23	128,020	120,730	36,248	27,496	91,772	93,234	(1,448)	(566)
Chile	PREFABRICADOS ANDINOS S.A.- PREANSA Chile	Production and sale of precast concrete products	50.00	-	50.00	-	107,491	109,860	100,303	96,595	7,188	13,265	(4,413)	(3,213)
Peru/Colombia	PREFABRICADOS ANDINOS PERÚ S.A.C. and Subsidiary (v)	Production and sale of precast concrete products	50.00	-	50.00	-	60,442	55,592	52,035	50,679	8,407	4,913	1,359	(1,156)
Peru	ARPL TECNOLOGÍA INDUSTRIAL S.A. - ARPL	Technology advisory and support services	100.00	-	100.00	-	53,190	61,189	8,929	11,420	44,261	49,769	7,916	9,467
Peru	GENERACIÓN ELÉCTRICA DE ATOCONGO S.A. – GEA	Thermal power plant operation services	99.85	0.15	99.85	0.15	20,279	26,746	18,833	25,347	1,446	1,399	47	633
Peru	MINERA ADELAIDA S.A. - MINERA	Mining of non-ferrous metal ores	100	-	100.00	-	29,174	28,581	3,759	1,753	25,415	26,828	(1,408)	(1,612)
Peru	VIGILANCIA ANDINA S.A. – VASA	Surveillance services	55.50	44.50	55.50	44.50	13,998	12,206	5,981	4,440	8,017	7,766	263	768
Peru	DEPÓSITO ADUANERO CONCHÁN S.A. – DECOSA	Warehousing services	99.99	-	99.99	-	2,099	2,069	845	939	1,254	1,130	124	58
Peru	DIGICEM S.A. (formerly TRANSPORTES LURÍN S.A.) – DIGICEM	IT Services	99.99	-	99.99	-	34,386	16,306	41,313	16,199	(6,927)	107	(6,912)	(1,427)
Peru	NAVIERA CONCHÁN S.A. - NAVIERA	Services	100.00	-	100.00	-	15	14	24	14	(9)	-	(9)	(12)
Peru	CALCEM S.A.	Lime production and sale	100.00	-	100.00	-	1	-	-	-	1	-	-	-

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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).

By means of Shareholders' Meeting held on May 10, 2021, UNICON Peru approved the sale of 100% of its shares in UNICON Ecuador in favor of IMBABURA for approximately PEN 51,114,000 (equivalent to USD 13,000,000). Additionally, on July 9, 2021, the merger of UNACEM Ecuador as the merging company and UNICON Ecuador as the merged company was approved by the Superintendency of Companies of Ecuador on December 12, 2022 and registered with the Registry of Companies of Ecuador on January 31, 2023. Consequently, the merger became effective on February 1, 2023.

- (ii) The main subsidiaries of SKANON INVESTMENTS INC. (SKANON) are DRAKE CEMENT LLC, SUNSHINE CONCRETE & MATERIALS INC, MARICOPA READY MIX LLC, DESERT READY MIX (DRM) and DESERT AGGREGATES (DA).

- (a) SKANON had the option to purchase a minority interest in DRAKE CEMENT. Therefore, as of December 31, 2022, SKANON exercised this option, acquiring a 4.348% minority interest for approximately USD 6,500,000 (equivalent to PEN 24,947,000). Accordingly, its controlling interest in DRAKE CEMENT's capital stock increased from 94.04% to 98.39%. As of September 30, 2023, the price was paid in full, as shown in note 13.

(b) Interests in consolidated structured entities

- Until December 31, 2022, DRM was a consolidated structured entity through which SKANON conducted its ready-mix concrete and aggregates operations in the city of Phoenix, United States of America. The initial capitalization and operating expenses of DRM were financed by SKANON.

In July 2014, SKANON began providing financing to DRM in the amount of USD 1,750,000 for working capital purposes and an additional USD 1,750,000 for raw material purchases. In conjunction with the financing provided, an exclusive option agreement was executed granting SKANON the irrevocable and exclusive right to convert the unpaid portion of the financing provided into a 70% controlling interest in DRM, at SKANON's sole discretion. SKANON and DRM also entered into an operating agreement whereby SKANON would provide DRM with technical and commercial support, short-term financing and other services. DRM's shareholders pledged their interest as collateral in the event DRM fails to meet its obligations under the above-mentioned agreement. Furthermore, in May 2018, an agreement was reached whereby SKANON has the option to acquire the remaining 30% of DRM's shareholding interest.

During 2023, SKANON exercised its call option, effective as from January 1, 2023, to acquire a 70% interest in DESERT READY MIX, LLC at a price equal to the outstanding debt plus accrued interest, in the amount of USD 5,243,000 (equivalent to PEN 20,029,000). Also, in March 2023, SKANON acquired an additional 15% in DRM for approximately USD 4,881,614 (equivalent to PEN 18,575,000), thus controlling 85% of DRM. As of September 30, 2023, the price for the acquisition of the 15% shareholding interest in DRM was paid in full.

- Until December 31, 2022, DA was a consolidated structured entity whereby STATEN ISLAND COMPANY, INC. conducted its concrete and aggregates operations in Maricopa County, Arizona State, United States of America.

During fiscal year 2019, SIC began providing financing to DA for the purchase of land in Arizona City. In conjunction with the financing provided, an exclusive option agreement was entered into granting SKANON the irrevocable and

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exclusive right to convert the unpaid portion of the financing provided into a 100% controlling interest in DA, at SKANON's sole discretion. In addition, SKANON and DA entered into an operating agreement whereby SKANON will provide DA with technical and commercial support, short-term financing and other services. DA's shareholders pledged their interest as collateral in the event DA fails to meet its obligations under the above-mentioned agreement.

During fiscal year 2023, SKANON exercised its call option, effective January 1, 2023, to acquire a 100% interest in DESERT AGGREGATES, LLC at a price equal to the outstanding debt plus accrued interest, for USD 4,737,000 (equivalent to PEN 18,094,000).

- (iii) COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. (CELEPSA) has the following subsidiaries: AMBIENTAL ANDINA S.A.C, CELEPSA RENOVABLES S.R.L.(CERE), ECORER S.A.C. and TERMOCHILCA S.A. The latter company was acquired in May 2023. For more details, see Note 1.B.3
- (iv) The subsidiary of INVERSIONES EN CONCRETO Y AFINES S.A. (INVECO) is UNIÓN DE CONCRETERAS S.A. (UNICON Peru), which in turn has the following subsidiaries: CONCREMAX S.A., UNICON CHILE S.A. and ENTREPISOS LIMA S.A.C.
- (v) The subsidiary of PREANSA PERU is PREFABRICADOS ANDINOS COLOMBIA S.A.S.
- (vi) The subsidiary of UNACEM CHILE is INVERSIONES MEL 20.
- (vii) The Shareholders' Meeting held on December 14, 2021 by UNACEM S.A.A. (Currently UNACEM Corp), approved the Reorganization of the entity, which became effective on January 1, 2022.
The reorganization project involved the segregation of three equity blocks that were contributed by the Company to three wholly-owned subsidiaries, without changes in the Company's capital stock or in the control unit. The three contributed subsidiaries are UNACEM PERU S.A., MINERA ADELAIDA S.A. and INVERSIONES NACIONALES Y MULTINACIONALES ANDINAS S.A. (INMA).
- (viii) The subsidiaries and other investees have their principal place of business in the country where they are incorporated.
- (ix) Balances as of September 30, 2023 compared to balances as of September 30, 2022.

3. Summary of Significant Accounting Policies

A. Basis of Preparation and Presentation

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB), effective as of September 30, 2023 and December 31, 2022.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and retirement and termination benefits, which have been measured at fair value. The consolidated financial statements are presented in Soles and all amounts have been rounded to thousands (PEN 000), except as otherwise indicated.

The interim consolidated financial statements provide comparative information with respect to prior periods. However, they do not include all the information and disclosures required in the annual consolidated financial statements. Therefore, they should be read in conjunction with the audited consolidated report as of and for the year ended December 31, 2022.

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The Group has prepared its consolidated financial statements on a going concern basis. In making its going concern assessment, the Group's Management has taken into consideration matters that could cause a disruption to its operations. The Group's Management has considered all future available information that it has obtained after the reporting date up to the date of approval and issuance of the consolidated financial statements.

B. Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its Subsidiaries as of September 30, 2023 and December 31, 2022.

The control criteria taken into consideration by the Group are described in the note to the audited consolidated financial statements as of December 31, 2022.

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, 2022.

4. Accounting Pronouncements Issued Not Yet Effective

The Group has not previously adopted any other standards, interpretations or amendments that have been issued but are not effective yet.

5. Cash and Cash Equivalents

This caption comprises the following:

<i>In thousands of Soles</i>	As of September 30, 2023	As of December 31, 2022
Checking and savings accounts (a)	227,199	239,654
Time deposits (b)	147,873	93,614
Fixed funds	1,531	1,577
	376,603	334,845

- (a) Checking and savings accounts are in local and foreign currency, held with local and foreign banks with a high credit rating and are freely available. These accounts accrue interest at market rates.
- (b) Time deposits are held in local and foreign financial institutions, mainly in local and foreign currency, which accrue interest at market rates and have original maturities of less than three (3) months.

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6. Trade and Other Accounts Receivables, Net

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	Current		Non-current	
		As of September 30, 2023	As of December 31, 2022	As of September 30, 2023	As of December 31, 2022
Trade Receivables					
Invoices and bills receivable (a)		723,687	608,643	22,221	19,030
Provision for invoices receivable		174,679	74,032	-	-
		898,366	682,675	22,221	19,030
Related Receivables					
Trade Accounts Receivable	20(b)	39,817	39,191	-	-
Miscellaneous Receivables					
Advances to Suppliers		31,514	18,642	26,196	-
Claims to the Tax Authority (b)		18,902	17,835	72,088	72,088
Personnel loans		10,240	9,949	-	-
Derivative financial instruments	23.A.i.	-	-	4,728	4,063
Other Accounts Receivable		19,178	23,242	6,077	5,910
		79,834	69,668	109,089	82,061
Taxes					
Payments on account of income tax on profits		50,349	33,596	-	-
Tax credit in respect of value added tax (c)		30,080	39,490	67,145	1,184
		80,429	73,086	67,145	1,184
		1,098,446	864,620	198,455	102,275
Minus - Expected credit loss (d)		(33,432)	(30,291)	(22,221)	(19,030)
		1,065,014	834,329	176,234	83,245

(a) Trade receivables are mainly in local and foreign currency, have current maturities and do not accrue interest. Bills receivable have current maturity and accrue interest calculated at current market rates.

(b) As of September 30, 2023 and December 31, 2022, the balance corresponds to claims filed with the Tax Authority, mainly related to mining royalties, penalties for advance payments, claims for payment of interest, among others, see note 22.D.

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

(c) As of September 30, 2023, the balance corresponds mainly to the tax credit in respect of value added tax generated mainly by the subsidiaries TERMOCHILCA and UNACEM CHILE. As of December 31, 2022, it corresponds mainly to the tax credit in respect of value added tax generated mainly by the subsidiaries UNACEM CHILE and UNACEM PERU.

(d) In the opinion of the Group's Management, the estimated expected credit loss adequately hedges the bad debt risk as of September 30, 2023 and December 31, 2022.

(e) As of September 30, 2023 and December 31, 2022, the Group performed the assessment of the exposure to credit risk on trade receivables, see note 23.B.

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7. Inventories, Net

This caption comprises the following:

<i>In thousands of Soles</i>	As of September 30, 2023	As of December 31, 2022
Spare parts and supplies	309,968	298,151
Raw and auxiliary materials	271,453	236,334
Products in process	270,950	217,903
Finished products	36,013	55,693
Containers and packaging	40,023	64,304
Inventories receivable	3,529	10,126
	931,936	882,511
Provision for inventory obsolescence (a)	(21,696)	(30,866)
	910,240	851,645

- (a) In the opinion of the Group's Management, the provision for inventory obsolescence adequately hedges the obsolescence risk as of September 30, 2023 and December 31, 2022.

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

- (a) As of September 30, 2023 and December 31, 2022, the net carrying value of lease assets amounts approximately to PEN 89,960,000 and PEN 21,640,000, respectively.

- (b) Below is a detail of the balances for lease liabilities:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Classification according to maturity			
Current		14,154	8,024
Non-current		99,152	14,221
		113,306	22,245

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

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of September 30, 2022
Cost of Sales	17	10,267	6,574
Administration Expenses	18	781	371
Selling Expenses		23	54
		11,071	6,999

- (d) As of September 30, 2023 and December 31, 2022, the Group only has fixed-payment lease agreements.

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

This caption comprises the following components and changes:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Cost			
Opening Balance		12,302,409	12,047,399
Additions (b)		417,981	529,531
Acquisition of subsidiary (c)		599,000	7,458
Withdrawals, sales and other		(73,022)	(113,742)
Translation effect		(22,548)	(168,237)
Closing Balance		13,223,820	12,302,409
Accumulated Depreciation			
Opening Balance		4,829,026	4,544,542
Depreciation for the period (e)		352,760	448,002
Acquisition of subsidiary (c)		396,910	-
Withdrawals and others		(64,512)	(103,002)
Translation effect		(3,691)	(60,516)
Closing Balance		5,510,493	4,829,026
Net carrying amount		7,713,327	7,473,383

(a) As of September 30, 2023, the carrying amount of assets acquired under leases and leasebacks amounted to approximately PEN 126,825,000 (PEN 135,686,000 as of December 31, 2022). Leased assets secure finance lease liabilities, see note 12(e).

(b) Additions during 2023 correspond mainly to:

- i. Additions of the subsidiary UNACEM PERU to disbursements made for the projects of the Kiln 3 cooler dedusting system of the Condorcocha plant. Moreover, the expansion of packaging and product delivery capacity is still in progress in both plants: Atocongo and Condorcocha for approximately PEN 62,462,000.
- ii. Additions of the subsidiary DRAKE CEMENT due to disbursements made for the following projects: Integral mill project and improvements to the raw mill, roller press, clinker cooler repairs and mechanical workshop for approximately USD 18,203,000 (equivalent to PEN 68,988,000), as well as the purchase of machinery and equipment for approximately USD 3,593,000 (equivalent to PEN 13,617,000).
- iii. Additions of works in progress of the subsidiary UNACEM Ecuador for projects to increase Kiln 1 production capacity and Kiln 1 hydrogen injection for approximately USD 15,272,000 (equivalent to PEN 57,882,000).
- iv. Additions of the subsidiary UNICON Peru for i) acquisitions of excavators, mixer trucks, pumps and pickup trucks for approximately PEN 19,860,000 and ii) overhaul for mixer trucks, pumps dosing plant and other equipment for PEN 5,161,000.
- v. Additions of the subsidiary INMA, for disbursements for office improvements for approximately PEN 6,436,000.
- vi. Additions of the subsidiary SUNSHINE CONCRETE & MATERIALS INC. for the acquisition of aggregates production equipment for approximately USD 1,362,000 (equivalent to PEN 5,162,000).

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- vii. Additions of the subsidiary UNICON Chile for the acquisition of the new Pan-American and San Antonio plants, as well as improvements to other plants for approximately PEN 7,499,000.

Additions during 2022 corresponded mainly to:

- i. Additions of the subsidiary UNACEM Peru, for projects to expand packaging and product delivery capacity in both plants, the optimization of the clinker cooler and dedusting in Kiln 3 at the Condorcocha plant, as well as the following projects at the Atocongo plant: structural reinforcement and improvement of the discharge system, improvements in cement mills and in primary crusher. The aforementioned projects amount to an approximate total of PEN 80,449,000.
 - ii. Additions of the subsidiary DRAKE CEMENT for the integral mill project and improvements to the raw mill and mechanical workshop for approximately USD 21,590,000 (equivalent to PEN 82,214,000).
 - iii. Additions of the subsidiary SUNSHINE CONCRETE & MATERIALS INC. for the acquisition of aggregates production equipment for approximately USD 8,408,000 (equivalent to PEN 32,018,000).
 - iv. Additions of works in progress of the subsidiary UNACEM Ecuador for projects of cement mill reducer 2, Kiln 1 production capacity increase, biomass conditioning for fuel increase, frequency inverter for Kiln 1 and multi-fuel project (phase 2) for approximately USD 6,698,000 (equivalent to PEN 25,507,000).
 - v. Additions of the subsidiary PREANSA Chile for the mobile plant project for the construction of an industrial bridge for approximately PEN 9,848,000.
 - vi. Additions of the subsidiary UNICON Peru for: i) acquisitions of mixer trucks for approximately PEN 17,270,000, ii) front loaders for approximately PEN 2,027,000, iii) works in progress for repair of trucks for approximately PEN 5,283,000 and iv) repair and installation of mixing plants for approximately PEN 1,526,000.
 - vii. Additions of the subsidiary UNICON Chile for acquisitions of mixer trucks, front loaders and crane for approximately PEN 4,731,000 and overhaul of trucks for approximately PEN 6,438,000.
 - viii. Additions of the subsidiary CONCREMAX for overhaul of trucks and assembly of plants for approximately PEN 9,559,000.
- (c) During 2023 and 2022, they correspond to assets from TERMOCHILCA (see note 1.B.3) and from CONOVIA (see note 1.B.1).
- (d) During 2022, it mainly includes asset retirements made by: (i) subsidiary DRM for sales of mixer trucks and drum mixers, the cost and accumulated depreciation of which amounted to approximately USD 5,552,000 and USD 4,712,000 (equivalent to PEN 21,142,000 and PEN 17,945,000, respectively), (ii) subsidiary DA for sales of machinery and equipment, the cost and accumulated depreciation of which amounted to approximately USD 14,369,000 and USD 12,324,000 (equivalent to PEN 54,715,000 and PEN 46,930,000, respectively) and iii) subsidiary UNICON Peru for sales of mixer trucks and front loaders, the cost and accumulated depreciation of which amounted to approximately PEN 6,396,000 and PEN 6,327,000, respectively.

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- (e) Depreciation has been distributed as follows:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of September 30, 2022
Cost of Sales	17	336,563	321,576
Administration Expenses	18	11,507	11,089
Other Expenses		4,262	2,174
Selling Expenses		428	554
		352,760	335,393

- (f) The subsidiary SKANON has guarantee contracts regarding the plant, transportation units and equipment located in the United States of America, which secure loans, see note 12(e).

Similarly, the subsidiary UNICON Peru has a mortgage on the Ancieta and Villa El Salvador plants for up to PEN 152,320,000 (equivalent to USD 40,000,000), with SCOTIABANK PERU to secure the loan granted by this financial institution, see note 12(e).

Likewise, the subsidiary UNACEM Chile has a mortgage on the "San Juan" plant, for approximately USD 23,000,000, with BANCO DE CRÉDITO E INVERSIONES DE CHILE (BCI) to secure the loan granted by this financial institution, see note 12(e).

- (g) The Group maintains insurance policies in force on its main assets, in accordance with the policies established by the Group's Management. In the opinion of the Group's Management, its insurance policies are consistent with international industry practices.
- (h) In the 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 components and changes:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Cost			
Opening Balance		388,615	373,566
Acquisition of subsidiary	1.B.3	74,451	-
Additions		18,018	22,532
Translation effect		278	(7,853)
Withdrawals and others		(21)	370
Closing Balance		481,341	388,615
Accumulated Amortization			
Opening Balance		159,426	147,475
Acquisition of subsidiary	1.B.3	12,764	-
Amortization for the period (a)		10,877	12,345
Translation effect		18	(394)
Closing Balance		183,085	159,426
Net carrying amount		298,256	229,189

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- (a) The amortization of intangible assets has been distributed as follows:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of September 30, 2022
Administration Expenses	18	4,872	3,948
Cost of Sales	17	4,299	3,059
Selling Expenses		1,611	1,687
Other Expenses		95	65
		10,877	8,759

11. Goodwill

As of September 30, 2023 and December 31, 2022, the balance of goodwill is mainly composed of the higher value paid for the acquisition of UNACEM Ecuador amounting to PEN 1,023,795,000.

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12. Other Financial Liabilities

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023			As of December 31, 2022		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bank loans (e)		980,484	1,679,782	2,660,266	640,560	2,197,822	2,838,382
Bank promissory notes (a) and (b)		1,085,807	-	1,085,807	409,991	-	409,991
Corporate bonds (d)		-	428,591	428,591	17,417	431,527	448,944
Bank overdrafts (c)		149,969	-	149,969	38,561	-	38,561
		2,216,260	2,108,373	4,324,633	1,106,529	2,629,349	3,735,878

- (a) Bank promissory notes correspond mainly to working capital financing with fixed interest rates ranging between 6.19 and 7.87% per annum in U.S. Dollars, and between 8.39 and 8.85% per annum in Soles. They do not have specific guarantees and are renewed depending on the Group's working capital needs. As of September 30, 2023 and December 31, 2022, the balance by bank is composed as follows:

<i>In thousands of Soles</i>	Currency of origin	Maturity	2023	2022
Financial Institution				
BANCO DE CRÉDITO DEL PERÚ	PEN and USD	Between march and April 2024	398,647	238,091
BANCO INTERNACIONAL DEL PERÚ S.A.A.	PEN and USD	Between November 2023 and April 2024	360,715	171,900
SCOTIABANK DEL PERÚ	PEN and USD	Between February and August 2024	326,445	-
			1,085,807	409,991

- (b) As of September 30, 2023 and December 31, 2022, interest payable on bank commercial papers amounted to approximately PEN 25,469,000 and PEN 9,389,000, respectively, and is recognized in "Trade and Other Accounts Payable" in the consolidated statement of financial position, see note 13. As of September 30, 2023 and 2022, interest expenses amounted to approximately PEN 35,370,000 and PEN 9,064,000, respectively, and are included in the item "Financial expenses" in the consolidated statement of income, see note 19.
- (c) As of September 30, 2023, overdrafts correspond to obligations of SKANON and UNIÓN DE CONCRETERAS S.A. with different financial institutions for a total of USD 37,500,000 (equivalent to PEN 142,388,000) and PEN 7,581,000, respectively. As of December 31, 2022, overdrafts correspond to SKANON's obligations for a total of USD 10,000,000 (equivalent to PEN 38,200,000).

UNACEM CORP S.A.A. and Subsidiaries

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- (d) As of September 30, 2023 and December 31, 2022, the balance of corporate bonds is detailed below:

<i>In thousands of Soles</i>	Annual interest rate %	Maturity	As of September 30, 2023	As of December 31, 2022
Bonds				
Arizona State Bonds (i)	Between 1.6 and 1.95 + variable rate	September 2035	436,655	439,300
Peruvian corporate bonds	5.16	March 2023	-	18,815
			436,655	458,115
Amortized cost			(8,064)	(9,171)
			428,591	448,944

- (i) On November 18, 2010, DRAKE CEMENT, LCC obtained financing through the issuance of bonds from the Development Authority of the County of Yavapai, State of Arizona, United States of America, for the purpose of financing part of the investment in the cement plant of such subsidiary for up to USD 40,000,000 maturing in September 2035 and a monthly interest payment based on a variable interest rate (Securities Industry and Financial Markets Association Index Rate) plus 1.6%, compared to a maximum interest rate of 12%. Bonds are secured by a bank letter of credit, see note 22.A(ii).

In addition, on July 30, 2015, DRAKE CEMENT, LCC issued new bonds for the purpose of refinancing loans for the construction of the cement plant, acquisition of assets, materials and facilities up to an amount of USD 75,000,000 maturing in September 2035 and a monthly interest payment based on a variable interest rate (Securities Industry and Financial Markets Association Index Rate) plus 1.95%, compared to a maximum interest rate of 12%. Bonds are secured by a bank letter of credit, see note 23.A(ii).

These bonds were issued under the following conditions:

- The subsidiary DRAKE CEMENT may not increase its debt, by more than USD 5,000,000 of the outstanding balance at the time of issuance of the bond, excluding refinancing.
- Maintain an interest coverage ratio equal to or greater than 1.0.

In the Management's opinion, DRAKE CEMENT has been complying with the restrictive considerations and financial safeguards required by the County of Yavapai as of September 30, 2023, and December 31, 2022.

UNACEM CORP S.A.A. and Subsidiaries

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(e) The balance of bank loans is detailed below:

<i>In thousands of Soles</i>	Maturity	Initial amount	Currency	Destination of funds	Guarantees	As of September 30, 2023	As of December 31, 2022
Bank loans							
	October 2024						
SCOTIABANK DEL PERÚ (note 20 (d))	March 2025 and January 2027	671,547	PEN	Refinancing of financial liabilities	No guarantee was furnished.	513,951	625,916
BBVA PERÚ (note 20 (d))	January 2027	533,357	PEN	Refinancing of financial liabilities	No guarantee was furnished.	474,688	522,690
BANCO DE CRÉDITO DEL PERÚ (note 20 (d))	October 2026	502,500	PEN	Redemption of foreign bond	No guarantee was furnished.	468,582	502,500
BANCO DE CRÉDITO E INVERSIONES (BCI)	March 2024	75,000	USD	Financing for the purchase of TERMOCHILCA	Share pledge, see note 1.B.3	284,775	-
BANCO INTERNACIONAL DEL PERÚ (note 20 (d))	January 2027	228,385	PEN	Refinancing of financial liabilities	No guarantee was furnished.	203,263	223,817
CITIBANK N.A. (i)	October 2025	50,000	USD	Refinancing of financial liabilities	No guarantee was furnished.	113,910	152,800
BANCO DE CRÉDITO DEL PERÚ	March 2027	34,000	USD	Refinancing of financial liabilities	No guarantee was furnished.	90,370	110,398
BANCO INTERNACIONAL DEL PERÚ	May 2027	26,900	USD	Refinancing of financial liabilities	No guarantee was furnished.	89,372	97,620
BANCO DE CRÉDITO E INVERSIONES (Chile)	June 2024	-	CLP	-	Real estate guarantee, see note 9(g)	70,517	74,851
BANK OF NOVA SCOTIA (i)	September 2025	30,000	USD	Partial redemption of foreign bond	No guarantee was furnished.	45,564	63,030
SCOTIABANK DEL PERÚ	April 2025	72,000	PEN	Financing for the purchase of UNICON Chile	Real estate guarantee, see note 9(g)	25,200	36,000
BBVA PERU	December 2024	28,773	PEN	-	No guarantee was furnished.	15,956	21,449
CITIBANK N.A. (New York)	July 2024	-	USD	-	No guarantee was furnished.	13,922	19,261
BANCO SCOTIABANK (Chile) (i)	September 2023	4,000	USD	-	Letter of credit, see note 22.A(i)	13,426	15,215
BBVA BANCO CONTINENTAL (i)	December 2024	-	COP	-	Letter of credit, see note 22.A(i)	11,521	9,767
BANCO INTERNACIONAL DEL PERÚ	-	34,387	PEN	Working capital	"Reactiva Peru" Loan Program	-	2,406
SANTANDER S.A.	-	35,000	USD	Working capital and investments	No guarantee was furnished.	-	133,700
Less than PEN 10,000,000	-	-	-	-	-	40,492	48,177
						2,475,509	2,659,597
Amortized cost						(6,336)	(6,796)
Total						2,469,173	2,652,801
Finance leaseback							
SCOTIABANK (Chile)	March 2024	-	CLP	Leased assets	-	475	1,347
						475	1,347
Finance lease							
CONSORCIO TRANSMANTARO S.A. (Peru)	July 2039	-	USD	Leased assets	-	56,842	57,627
BOK FINANCIAL CORPORATION	Between December 2025 and December 2027	-	USD	Leased assets	-	28,043	30,258
BANK OF AMERICA	Between December 2027 and March 2028	-	USD	Leased assets	-	21,151	30,070
SCOTIABANK DEL PERÚ	Between August 2023 and May 2025	-	-	Leased assets	-	17,633	17,745
Less than PEN 10,000,000						42,602	38,996
						166,271	174,696
Factoring						24,347	9,538
Total						2,660,266	2,838,382

UNACEM CORP S.A.A. and Subsidiaries

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- The Group entered into swap contracts to reduce the variable rate risk related to these loans, see note 23.A.i.
- (f) The financial safeguards applicable to local financial liabilities are monitored quarterly, semi-annually and annually and must be calculated based on the separate and/or consolidated financial information of the Company and its subsidiaries and the calculation methodologies required by each financial institution.
- (i) As of September 30, 2023 and December 31, 2022, the main financial safeguards based on separate financial information are as follows:

UNACEM CORP S.A.A. (*)

- Maintain a leverage ratio less than or equal to 1.5.
- Maintain a debt service coverage ratio greater than 1.2.
- Maintain a debt or financial debt/EBITDA coverage ratio less than or equal to 4.0 by 2022 and 3.75 from 2023 onwards.

() Safeguards calculated based on information combined with UNACEM Peru.****UNACEM PERÚ S.A.***

- Maintain a leverage ratio less than or equal to 1.5.
- Maintain a debt service coverage ratio greater than or equal to 1.2.
- Maintain a debt or financial debt/EBITDA coverage ratio less than 3.5.

UNACEM ECUADOR S.A.*Until March 31, 2023*

- Maintain a debt service coverage ratio greater than or equal to 1.
- Maintain a total financial debt/EBITDA ratio less than or equal to 3.75.

As of April 2023

- Maintain a debt service coverage ratio greater than or equal to 1.

UNIÓN DE CONCRETERAS S.A.

- Maintain a debt service coverage ratio greater than or equal to 1.2.
- Maintain a total financial debt/EBITDA ratio less than or equal to 2.5.

CONCREMAX S.A.

- Maintain a debt service coverage ratio greater than or equal to 1.25.
- Maintain a debt or financial debt/EBITDA coverage ratio less than 2.5

UNACEM CHILE S.A.

- Maintain a debt service coverage ratio greater than or equal to 3.5.
- Maintain a leverage ratio less than or equal to 1.35.
- Maintain a debt or financial debt/EBITDA coverage ratio less than 6.5

UNICON CHILE S.A.

- Maintain a debt service coverage ratio greater than or equal to 1.0.
- Maintain a leverage ratio less than or equal to 1.8.
- Maintain a debt or financial debt/EBITDA coverage ratio less than or equal to 3.5.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements
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COMPAÑÍA ELÉCTRICA EL PLATANAL S.A.

- Maintain a leverage ratio less than or equal to 3.0.
- Maintain a debt service coverage ratio greater than or equal to 1.2.

(ii) As of September 30, 2023, the main financial safeguards based on the consolidated financial information were as follows:

UNIÓN ANDINA DE CEMENTOS S.A.A. and Subsidiaries

- Maintain a leverage ratio less than or equal to 1.5.
- Maintain a debt service coverage ratio greater than 1.20.
- Maintain a debt or financial debt/EBITDA coverage ratio less than or equal to 4.0 by 2022 and 3.75 from 2023 onwards.

SKANON INVESTMENTS INC. and Subsidiaries

- Maintain a leverage ratio less than 1.

In the opinion of the Group's Management, the Company and its subsidiaries have complied with the financial safeguards as of September 30, 2023. As of December 31, 2022, the Company and its subsidiaries have complied with the financial safeguards, except for UNICON Chile, with a short-term liability in the amount of PEN 2,064,000, and UNACEM Chile, which obtained a waiver duly approved and granted by the creditor bank during 2022, for which reason it has been recording the debt according to the initially approved maturity terms.

(g) As of September 30, 2023 and December 31, 2022, interest payable on bonds and medium and long-term debt with banks amounted to approximately PEN 16,802,000 and PEN 20,486,000, respectively, and are recorded under "Trade and Other Accounts Payable" in the consolidated statement of financial position, see note 13.

Interest accrued by bonds and bank loans as of September 30, 2023 and 2022, amounted to approximately PEN 141,825,000 and PEN 115,182,000, respectively, and is recorded under "Financial Expenses" in the consolidated income statement, see note 19.

(h) As of September 30, 2023, the Group has bank loans in Soles with effective annual interest rates in Soles ranging from 2.26 to 7.91%. Bank loans in U.S. Dollars are at variable rates plus a margin (3-month SOFR plus a margin ranging from 2.01 to 2.86% and a 1-month LIBOR plus a margin of 1.85) and at fixed rates ranging from 0.85 to 17.21%.

As of December 31, 2022, the Group has bank loans in Soles with effective annual interest rates in Soles ranging from 2.26 to 7.91%. Bank loans in U.S. Dollars are at variable rates plus a margin (3-month Libor and 1-month Libor plus a margin ranging from 1.22 to 2.60%) and at fixed rates ranging from 0.85 to 12%.

UNACEM CORP S.A.A. and Subsidiaries

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13. Trade and Other Accounts Payable

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Trade accounts payable (a)		771,349	677,093
Accounts payable for purchase of subsidiary	1.B.3	146,382	-
Remuneration and vacation payable		104,057	74,884
Customer advances		47,214	63,531
Interest payable	12(b)y12(g)	42,271	29,875
Accounts payable to related parties	20(b)	30,448	28,812
Taxes, labor and other contributions payable		25,031	22,446
Value added tax payable		19,929	7,411
Dividends payable	15(F)	18,489	15,801
Commitments with communities		14,658	15,746
Accounts payable for purchase of property, plant and equipment		13,298	17,086
Loans payable to third parties		11,433	8,859
Remuneration of the Board of Directors		4,557	8,090
Account payable for purchase of minority interest	2(ii)	-	6,208
Interest payable on financial instruments		-	144
Other accounts payable		37,449	27,580
		1,286,565	1,003,566
Classification by maturity:			
Current		1,107,230	975,032
Non-current		179,335	28,534
		1,286,565	1,003,566

- (a) Trade accounts payable mainly arise from the acquisition of goods and services for the development of the Group's operations and correspond to invoices payable to domestic and foreign suppliers, have current maturities, do not accrue interest and no guarantees have been furnished for these obligations.

The subsidiaries UNICON Peru and CONCREMAX offer their suppliers a program for the payment of their accounts through financial institutions. This program allows suppliers to sell their accounts receivable to financial institutions in a separately negotiated agreement between the supplier and the financial institution, thereby allowing the suppliers to better manage their cash flows and the subsidiaries to reduce their payment processing costs. These subsidiaries have no direct financial interest in these transactions.

All obligations with its suppliers, including balances payable, are maintained according to the contractual agreements entered into with them. As of September 30, 2023 and December 31, 2022, the balances related to these transactions amount to PEN 96,580,000 and PEN 108,570,000, respectively.

UNACEM CORP S.A.A. and Subsidiaries

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14. Income Tax

Deferred income tax liabilities, according to the items that originated them, comprise the following:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Deferred income tax asset			
Opening Balance		392,703	387,786
Effect on consolidated income statement		41,740	14,915
Charge to comprehensive income		(225)	(5,677)
Acquisition of subsidiary	<i>1.B.3</i>	280,189	-
Others		8,806	6,685
Translation effect		4,072	(11,006)
Closing Balance		727,285	392,703
Deferred income tax liability			
Opening Balance		(770,428)	(776,005)
Effect on consolidated income statement		(24,229)	7,114
Acquisition of subsidiaries	<i>1.B.3 and 1.B.1</i>	-	-
Others		(1,323)	(6,679)
Translation effect		(2,566)	6,031
Closing Balance		(951,634)	(770,428)
Total deferred income tax liability, net		(224,349)	(377,725)

- (a) The income tax expense shown in the consolidated income statement for the years ended September 30, 2023 and 2022 amounts to approximately PEN 157,166,000 and PEN 237,984,000, respectively.

15. Net Equity**A. Issued Capital**

As of September 30, 2023 and December 31, 2022, the Company's issued capital is represented by 1,818,127,611 fully subscribed and paid-in common shares, with a par value of PEN 1 (One Sol) each. The common shares representing the capital stock of the Company are traded on the Lima Stock Exchange.

On August 31, 2023, the Shareholders' Meeting approved the reduction of the Company's capital stock from PEN 1,818,127,611 to PEN 1,780,000,000. Such reduction is being registered with the National Superintendency of Public Records Offices. For further details, see note 15.C.

	As of September 30, 2023	
	Number of shares	Percentage share %
Shareholders		
INVERSIONES JRPR S.A.	483,489,609	26.59
NUEVAS INVERSIONES S.A.	459,129,497	25.25
Private Pension Fund Management Companies (AFPs)	436,783,069	24.03
Others	438,725,436	24.13
	1,818,127,611	100.00

UNACEM CORP S.A.A. and Subsidiaries

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	As of December 31, 2022	
	Number of shares	Percentage share %
Shareholders		
INVERSIONES JRPR S.A.	483,489,609	26.59
NUEVAS INVERSIONES S.A.	459,129,497	25.25
Private Pension Fund Management Companies (AFPs)	470,622,191	25.89
Others	404,886,314	22.27
	1,818,127,611	100.00

As of September 30, 2023, the stock price of each common share was PEN 1.59 (PEN 1.80 as of December 31, 2022).

B. Additional Capital

This is the variation between the capital increase made in 2019 due to the merger of the Company with and into SINDICATO DE INVERSIONES Y ADMINISTRACIÓN S.A., INVERSIONES ANDINO S.A., and INMOBILIARIA PRONTO S.A. and the equity recorded.

C. Treasury Shares

In a meeting held on August 20, 2021, the Board of Directors approved a program for the purchase of treasury shares for up to PEN 36,400,000, without exceeding 2% of the issued shares. The program was extended in the Board of Directors' meetings held on December 22, 2021, June 28, 2022 and December 28, 2022, thus extending the term of the purchase program until September 30, 2023.

In a meeting held on June 28, 2023, the Board of Directors agreed to extend the program until June 30, 2025, increasing the maximum amount to PEN 112,000,000, without exceeding 4% of the shares issued. Additionally, the Board of Directors expressly empowered the General Management to set the terms and conditions of the program and to carry out the necessary actions to execute it.

The acquired shares are held in the portfolio for a maximum term of two (2) years and as long as they are held in the portfolio, all rights will be suspended.

In addition, on August 31, 2023, the Shareholders' Meeting approved the amortization of 38,127,611 treasury shares generated by the program and the consequent reduction of the Company's capital stock from PEN 1,818,127,611 to PEN 1,780,000,000, charging the excess paid over the par value for the 38,127,611 shares to be amortized, amounting to PEN 26,808,000, to the retained earnings account.

As of September 30, 2023, the Company holds 6,799,000 treasury shares equivalent to PEN 11,106,000 (12,967,000 treasury shares equivalent to PEN 23,530,000, as of December 31, 2022).

D. Legal Reserve

As provided for in the Business Corporations' Act, a minimum of 10% of distributable profit for each year, net of income tax, is required to be transferred to a legal reserve until such reserve reaches 20% of the issued capital. The legal reserve may offset losses or may be capitalized, in both cases there is an obligation to replenish it. As of September 30, 2023 and December 31, 2022, the legal reserve reached the limit of 20% of the issued capital.

E. Unrealized Gains and Losses

Unrealized gains and losses are changes in the fair value, net of the tax effect, of hedging financial instruments, see note 23.A.i. and fringe benefits for employer retirement and termination.

UNACEM CORP S.A.A. and Subsidiaries

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F. Dividend Distribution

The information on dividends distributed in 2023 and 2022 is shown below:

Dividends 2023

<i>In thousands of Soles</i>	Dividends declared and paid	Payment date	Dividends per common share
Date of Board of Directors' meeting			
January 25, 2023	36,103	February 22, 2023	0.020
April 27, 2023	36,102	May 31, 2023	0.020
July 26, 2023	36,099	August 31, 2023	0.020
	108,304		

Dividends 2022

<i>In thousands of Soles</i>	Dividends declared and paid	Payment date	Dividends per common share
Date of Board of Directors' meeting			
January 26, 2022	36,194	January 28, 2022	0.020
April 27, 2022	54,202	May 30, 2022	0.030
July 26, 2022	36,111	August 31, 2022	0.020
October 26, 2022	36,103	November 29, 2022	0.020
	162,610		

During 2023, the subsidiaries DESERT READY MIX, DESERT AGGREGATES, ENTREPISOS, CELEPSA, UNACEM ECUADOR and INVECO distributed dividends to their non-controlling shareholders for approximately PEN 32,188,000. During 2022, the subsidiaries DESERT READY MIX, DESERT AGGREGATES, CELEPSA, UNACEM ECUADOR and INVECO distributed dividends to their non-controlling shareholders for approximately PEN 59,127,000.

As of September 30, 2023, there is an outstanding balance of dividends of approximately PEN 18,489,000 (PEN 15,801,000 as of December 31, 2022), see note 13.

G. Translation Gains and Losses

Translation Gains and Losses correspond mainly to the exchange difference resulting from the translation of the financial statements of foreign subsidiaries to the Group's reporting currency.

H. Prescribed Dividends

Prescribed Dividends correspond to dividends from previous years made available to certain shareholders of the Group's companies that have not been collected for more than three (3) years.

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16. Net Sales

This caption comprises the following:

<i>In thousand Soles</i>	As of September 30, 2023	As of September 30, 2022
Segments		
Cement	2,382,130	2,480,196
Concrete	1,792,454	1,695,096
Energy and power	531,126	185,201
Other services	12,238	13,867
	4,717,948	4,374,360
Timing of revenue recognition		
Assets transferred at a point in time	4,098,146	4,096,211
Service delivery at a point in time	619,802	278,149
	4,717,948	4,374,360

17. Cost of Sales

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of September 30, 2022
Initial inventory of finished goods and work in progress	7	273,596	241,109
Cost of production			
Use of raw materials		878,191	751,060
Fuel		618,591	532,814
Personnel expenses		545,788	498,036
Depreciation	9(e)	336,563	321,576
Electricity		322,748	138,523
Maintenance cost		287,641	250,665
Transportation and freight		137,481	144,532
Use of packaging		99,948	105,090
Depreciation of right-of-use assets	8(c)	10,267	6,574
Preparation of quarries		5,424	7,978
Amortization	10(a)	4,299	3,059
Depreciation for deferred asset for land clearing		2,814	5,076
Allowance for inventory obsolescence		1,413	4,542
Other manufacturing expenses		344,644	389,907
Ending inventory of finished goods and work in progress	7	(306,963)	(243,388)
		3,562,445	3,157,153

UNACEM CORP S.A.A. and Subsidiaries

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18. Administrative Expenses

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of September 30, 2022
Personnel expenses		169,618	160,005
Services rendered by third parties		76,834	62,498
Donations		21,653	12,281
Taxes		11,853	13,320
Depreciation	9(e)	11,507	11,089
Miscellaneous management expenses		9,244	8,506
Amortization	10(a)	4,872	3,948
Allowance for expected credit loss		2,690	3,079
Depreciation of right-of-use assets	8(c)	781	371
Others		16,442	13,557
		325,494	288,654

19. Financial Expenses

As of September 30, 2023 and 2022, this caption mainly comprises interest on bonds issued and bank debt in the amount of PEN 177,195,000 and PEN 124,246,000, respectively, see notes 12(b) and 12(g).

20. Transactions with Related Companies

(a) The main transactions with related companies as of September 30, 2023 and 2022 were as follows:

<i>In thousands of Soles</i>	<i>Note:</i>	2023	2022
Revenue			
Sale of cement			
LA VIGA S.A.		433,394	440,907
Asociación UNACEM		258	178
Costs and/or expenses			
Donations			
UNACEM Non-profit Corporation		19,061	11,365
Purchase of additives			
MASTER BUILDERS SOLUTIONS PERÚ S.A.		46,664	43,433
Commissions and freight for cement sales			
LA VIGA S.A.		28,767	24,796
Other expenses			
MASTER BUILDERS SOLUTIONS PERÚ S.A.		3,559	2,550
Other income			
MASTER BUILDERS SOLUTIONS PERÚ S.A.		2,078	1,743
Asociación UNACEM		323	148
LA VIGA S.A.		228	142

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

<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Accounts receivable	6		
LA VIGA S.A.		37,987	37,122
MASTER BUILDERS SOLUTIONS PERÚ S.A.		165	428
Other minor accounts		1,665	1,641
		39,817	39,191

UNACEM CORP S.A.A. and Subsidiaries

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<i>In thousands of Soles</i>	<i>Note:</i>	As of September 30, 2023	As of December 31, 2022
Accounts payable	<i>13</i>		
MASTER BUILDERS SOLUTIONS PERÚ S.A.		25,796	24,309
LA VIGA S.A.		4,638	4,490
Other minor accounts		14	13
		30,448	28,812

- (c) The Group carries out its operations with related companies under the same conditions as those carried out with third parties. Accordingly, there are no differences in pricing policies or in the tax settlement base; in relation to payment methods, these do not differ from policies granted to third parties.
- (d) As of September 30, 2023, as a result of the simple reorganization of the Company referred to in note 1, the Company and UNACEM Peru became co-debtors of the bank loans described in note 12(e) up to a limit of PEN 1,508,359,000 (PEN 1,647,423,000 as of December 31, 2022).
- (e) The total remuneration received by the directors and key officers of the Group's Management as of September 30, 2023 and 2022 amounted to PEN 16,893,000 and PEN 12,225,000, respectively, which include short-term benefits and severance indemnity packages.
- (f) As of September 30, 2023 and December 31, 2022, there were no changes in the parent company NUEVAS INVERSIONES S.A. In relation to the parent company INVERSIONES JRPR S.A., there was a change of ownership interest in the Company, see note 15.A.

21. Earnings per Share

Basic earnings per share are calculated by dividing net profit or loss for the year by the weighted average number of outstanding ordinary shares during the year.

The calculation of the weighted average number of shares and basic and diluted earnings per share is shown below:

<i>In thousands of Soles</i>	Outstanding shares	Base shares for the calculation	Effective days in the year	Weighted average number of outstanding shares
Year 2023				
Balance as of January 1, 2023	1,805,161	1,805,161	365	1,805,161
Sale of treasury shares	1,512	1,512	155	642
Purchase of treasury shares	(33,473)	(33,473)	107	(9,813)
Balance as of September 30, 2023	1,773,200	1,773,200		1,795,990
Profit for the year (in thousands of Soles)				366,412
Net basic and diluted earnings per share (expressed in Soles)				0.204

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<i>In thousands of Soles</i>	Outstanding shares	Base shares for the calculation	Effective days in the year	Weighted average number of outstanding shares
Year 2022				
Balance as of January 1, 2022	1,810,835	1,810,835	365	1,810,835
Purchase of treasury shares	(5,612)	(5,612)	164	(2,522)
Balance as of September 30, 2022	1,805,223	1,805,223		1,808,313
Profit for the year (in thousands of Soles)				384,990
Net basic and diluted earnings per share (expressed in Soles)				0.213

As of September 30, 2023 and 2022, the Company holds 6,799,000 and 12,904,000 treasury shares, respectively.

22. Commitments and Contingencies**A. Financial and Purchase Commitments**

- (i) The subsidiaries have the following letters of guarantee in force:
- Letter of guarantee granted by UNACEM Peru in favor of the Ministry of Energy and Mines (MEM), issued by BANCO DE CRÉDITO DEL PERÚ, for a total of approximately USD 1,209,000, equivalent to PEN 4,591,000 maturing in December 2023 and January 2024, in order to secure compliance with the Mine Closure Plan of its mining concessions.
 - Letter of guarantee granted by UNACEM Peru in favor of the Ministry of Fisheries and Industries, issued by BANCO DE CRÉDITO DEL PERÚ, for a total of approximately USD 6,383,000, equivalent to PEN 24,236,000, maturing in December 2023 and January 2024, in order to secure compliance with the Mine Closure Plan of its mining concessions.
 - Letters of guarantee granted by UNACEM Peru in favor of the National Superintendency of Tax Administration (SUNAT) for a total of PEN 14,255,000 maturing in November 2023 and January 2024, in order to secure the customs tax debt.
 - Letters of guarantee issued by UNACEM Peru in favor of third parties for a total of PEN 627,000, maturing in December 2023 and March or April of 2024.
 - Letters of guarantee issued by financial institutions on behalf of UNICON Peru and CONCREMAX in order to guarantee the supply of concrete to certain customers, as of September 30, 2023 for approximately PEN 111,366,000 (PEN 104,068,000 as of December 31, 2022).
 - Letters of guarantee issued by financial institutions on behalf of ENTREPISOS in order to guarantee the supply of slabs and pre-cast concrete to certain customers, as of September 30, 2023 for approximately PEN 2,295,000 (PEN 1,217,000 as of December 31, 2022).
 - Letters of guarantee issued by financial institutions on behalf of DEPÓSITO ADUANERO CONCHÁN S.A. in order to secure its obligations generated in the performance of its duties as a bonded warehouse in accordance with the Customs

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Act, its regulations and other applicable administrative provisions, as of September 30, 2023 for approximately USD 100,000, equivalent to PEN 373,000 (USD 100,000, equivalent to PEN 382,000 as of December 31, 2022).

- Letter of guarantee granted by CELEPSA in favor of CONSORCIO TRANSMANTARO S.A. for a total of USD 3,000,000, maturing in July 2024, issued by SCOTIABANK DEL PERÚ in order to secure compliance with the obligations of the power transmission contract.
- Letter of guarantee granted by CELEPSA in favor of LA FIDUCIARIA S.A., issued by SCOTIABANK, for a total amount of approximately USD 42,300,000, equivalent to PEN 159,260,000, maturing in January 2024, in order to secure compliance with the obligations under the Termochilca Share and Debt Purchase Agreement, which was cancelled in May 2023.
- Letters of guarantee granted by CELEPSA in favor of the Ministry of Energy and Mines (MEM), issued by BANCO DE CRÉDITO DEL PERÚ, for a total of approximately PEN 2,749,000, maturing between October 2023 and April 2024, in order to secure compliance with various projects.
- Letter of guarantee granted by TERMOCHILCA in favor of CONSORCIO TRANSMANTARO S.A., for a total of USD 2,000,000, maturing in December 2023, issued by SCOTIABANK DEL PERÚ in order to guarantee compliance with the obligations of the power transmission contract.
- Letter of guarantee granted by TERMOCHILCA in favor of CONSORCIO TRANSMANTARO S.A., for a total of USD 12,747,000, maturing in August 2024, issued by SCOTIABANK DEL PERÚ in order to guarantee the payment of the net balance of amortization in the event of termination of the power transmission contract for facilities of the Complementary Transmission System and its respective addenda.
- Letters of guarantee granted by TERMOCHILCA in favor of CONSORCIO CAMISEA to guarantee compliance with the obligations assumed by TERMOCHILCA in the "Natural Gas Supply Contract" entered into in 2020, for a total of approximately USD 2,486,000 issued by SCOTIABANK DEL PERÚ and USD 2,526,000 issued by BANCO DE CRÉDITO DEL PERÚ, maturing in August 2023.
- On September 23, 2016, SCOTIABANK Chile approved a credit facility of up to USD 4,000,000 in favor of PREANSA Chile, which is guaranteed through a letter of credit of PREANSA Peru issued by SCOTIABANK DEL PERÚ, maturing in November 2023.
- On December 13, 2016, BBVA Colombia approved a credit facility of up to USD 3,550,000 in favor of PREANSA Colombia, which is guaranteed through a letter of credit of PREANSA Peru issued by BBVA Peru, maturing in January 2024.
- As of September 30, 2023, the subsidiary VIGILANCIA ANDINA S.A. has letters of guarantee issued by financial institutions to secure the payment of remunerations of personnel under labor intermediation to customers for PEN 3,156,000 maturing in September 2024 (PEN 3,032,000 as of December 31, 2022, maturing in December 2023).

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(ii) Guarantees for the payment of financial obligations:

- Letter of credit for USD 40,447,000, dated November 18, 2010 and amended on November 10, 2020, entered into between BANK OF NOVA SCOTIA U.S. OPERATIONS (issuer) and U.S. BANK NATIONAL ASSOCIATION (trustee). On November 1, 2010, U.S. BANK NATIONAL ASSOCIATION entered into a trust agreement with the Industrial Development Authority (authority) of the County of Yavapai. Similarly, on November 10, 2020 the letter of credit was renewed for an additional period of five (5) years, see note 12(d)(i).
- Letter of credit for USD 75,838,000, dated July 30, 2015, entered into by and among DRAKE CEMENT, LLC, SKANON INVESTMENTS, INC. (guarantor) and BANK OF NOVA SCOTIA, NEW YORK AGENCY (issuer) in order for the issuer to directly pay on behalf of DRAKE the credit in favor of U.S. BANK NATIONAL ASSOCIATION (trustee). The latter entity entered into a trust agreement with the Industrial Development Authority (authority) of the County of Yavapai. On June 1, 2020, the letter of credit was renewed for an additional period of five (5) years, see note 12(d)(i).

(iii) Indemnification Agreement

The SKANON subsidiary establishes indemnification provisions under its agreements with other companies in the normal course of business, generally with business partners, customers, property owners, lenders and lessors. Under such provisions, SKANON generally indemnifies and holds harmless the indemnified party for losses suffered or incurred as a result of its activities or, in some cases, as a result of the indemnified party's activities under the agreement. The maximum potential future payments that SKANON could make under these indemnification provisions is unlimited. SKANON has not incurred any material costs to defend complaints or settle claims related to these indemnification agreements. As a result, SKANON considers the estimated fair value of these agreements to be minimal. Accordingly, the Group's Management has no liability recorded for these agreements as of September 30, 2023 and December 31, 2022.

B. Finance Leases

Future minimum payments for finance leases and leasebacks are as follows:

	As of September 30, 2023		As of December 31, 2022	
	Minimum payments	Present value of lease payments	Minimum payments	Present value of lease payments
<i>In thousands of Soles</i>				
In one year	50,932	37,319	54,795	39,216
Between one year and over	249,908	129,427	258,005	136,827
Total payments due	300,840	166,746	312,800	176,043
Less - financial costs	(134,094)	-	(136,757)	-
Value of minimum lease payments	166,746	166,746	176,043	176,043

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C. Tax Situation

- (a) The Group's companies are subject to the tax regime of the country in which they operate and are taxed separately on the basis of their unconsolidated profit or loss. As of September 30, 2023 and December 31, 2022, the income tax rate on taxable profits in the main countries in which the Company and its subsidiaries operate are as follows:

In percentages	Tax Rates	
	2023	2022
Peru	29.5	29.5
Ecuador	25.0	25.0
United States of America (*)	21.0 and 4.9	21.0 and 4.9
Chile	27.0	27.0

(*) According to the laws of the United States of America and the State of Arizona, the subsidiary is subject to the application of the 21% federal rate and the 4.9% state rate.

- (b) In order to determine the income tax, the transfer prices of transactions with related companies and companies domiciled in territories with low or no taxation must be supported by documentation and information on the valuation methods used and the criteria considered for their determination.

Based on the analysis of the Group's operations, the Management and its legal advisors are of the opinion that, as a result of the implementation of these standards, no significant contingencies will arise for the Group as of September 30, 2023 and December 31, 2022.

- (c) The Tax Authority of each country has the authority to review and, if applicable, correct the corresponding income tax calculated by the Company and its Subsidiaries. Income tax returns are subject to audit by the Tax Authority, as shown below:

	Period subject to audit
In Peru	
UNACEM CORP S.A.A.	2018 – 2022
UNACEM PERU S.A.	2021 – 2022
COMPAÑÍA ELÉCTRICA EL PLATANAL S.A.	2019 – 2022
CELEPSA RENOVABLES S.R.L.	2018 – 2022
TERMOCHILCA S.A.	2017 – 2022
GENERACIÓN ELÉCTRICA ATOCONGO S.A.	2018 – 2022
UNIÓN DE CONCRETERAS S.A.	2018 – 2022
CONCREMAX S.A.	2018 – 2022
INVERSIONES EN CONCRETO Y AFINES S.A.	2018 – 2022
PREFABRICADOS ANDINOS PERÚ S.A.C.	2018 – 2022
DIGICEM S.A.	2018 – 2022
DEPÓSITO ADUANERO CONCHÁN S.A.	2018 – 2022
INVERSIONES IMBABURA S.A.	2018 – 2022
INVERSIONES NACIONALES Y MULTINACIONALES ANDINAS S.A.	2018 – 2022
ARPL TECNOLOGÍA INDUSTRIAL S.A.	2019 – 2022
VIGILANCIA ANDINA S.A.	2019 – 2022
ENTREPISOS LIMA S.A.C.	2018 – 2022
In Ecuador	
UNACEM ECUADOR S.A.	2020 – 2022
UNIÓN DE CONCRETERAS UNICON UCUE CÍA. LTDA.	2020 – 2022
In Chile	
PREFABRICADOS ANDINOS S.A.	2020 – 2022
UNACEM CHILE S.A.	2020 – 2022
INVERSIONES MEL20 LIMITADA	2020 – 2022

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	Period subject to audit
UNICON CHILE S.A.	2020 – 2022
In Colombia	
PREFABRICADOS ANDINOS COLOMBIA S.A.S.	2018 – 2022
In the United States of America	2020 – 2022

Due to the possible ways in which the Tax Authorities of each country in which the Group operates may interpret the legal regulations in force, it is not possible to determine, as of this date, whether or not the reviews will result in liabilities for the Company and its Subsidiaries. Therefore, any higher tax or surcharge that may result from the tax reviews would be applied to the profit or loss for the year in which it is determined. In the opinion of the Group's Management and its legal advisors, any additional tax settlement would not be material to the consolidated financial statements as of September 30, 2023 and December 31, 2022.

- (d) As of September 30, 2023 and December 31, 2022, the tax loss carryforwards of the subsidiaries are as follows:

<i>In thousands of Soles</i>	2023	2022
SKANON INVESTMENTS, INC. and Subsidiaries (i)	2,401,499	2,412,905
COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. and Subsidiaries (ii)	776,513	224,481
PREFABRICADOS ANDINOS S.A.– PREANSA Chile (iii)	55,216	58,609
UNICON CHILE S.A. (iii)	15,228	16,164
PREFABRICADOS ANDINOS PERÚ S.A.C. – PREANSA Peru (iii)	15,094	17,173
PREFABRICADOS ANDINOS COLOMBIA S.A.S (iii)	10,173	8,625
DIGICEM S.A. (ii)	10,766	1,676
CONCREMAX S.A. (ii)	3,202	3,202
GENERACIÓN ELÉCTRICA DE ATOCONGO S.A. (ii)	2,580	2,000
INVERSIONES NACIONALES Y MULTINACIONALES S.A. (ii)	2,574	837
DEPÓSITO ADUANERO CONCHÁN S.A. (ii)	1,246	1,415
INVERSIONES IMBABURA S.A. (ii)	255	-
Other minor Peruvian subsidiaries (ii)	1,798	1,109

- (i) Tax loss carryforwards of U.S. subsidiaries amount to approximately USD 633,641,000 (equivalent to PEN 2,401,499,000). According to the assessment of the Group's Management, it is estimated that federal and state losses of approximately USD 334,045,000 and USD 299,596,000, respectively (equivalent to approximately PEN 1,266,031,000 and PEN 1,135,469,000, respectively) will be recovered. Such federal and state loss will begin to expire as of August 31, 2025 and December 31, 2032, respectively, for approximately USD 98,774,000 (equivalent to approximately PEN 374,353,000).

Under U.S. laws, the Group's subsidiaries in such country are subject to federal and state taxes, which are levied at a rate of 21% and 4.9%, respectively, on taxable income.

- (ii) The Management of each Peruvian subsidiary with tax loss carryforwards has elected both the option that allows offsetting tax losses up to 50% of the taxable income generated in each year, for an indefinite term, and the option that allows offsetting tax losses over the four years starting from the date of their generation.

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- (iii) Tax loss carryforwards of the subsidiaries in Chile (which do not expire) and Colombia (which expire during the following twelve years after the tax loss is generated), will be offset against future profits of the subsidiaries in accordance with the corresponding tax requirements.
- (e) As of September 30, 2023, the net income tax credit balance amounts to PEN 17,914,000 (as of December 31, 2022, the balance payable net of income tax is PEN 149,297,000).

D. Contingencies

In their normal course of business, the Company and its subsidiaries have been subject to various tax, legal (labor and administrative) and regulatory claims, which are recorded and disclosed in accordance with International Financial Reporting Standards.

Peru**i. Tax Contingencies**

As a result of audits carried out in previous years, the Company and its subsidiaries have been notified by the National Superintendency of Tax Administration (SUNAT) with various resolutions for alleged income tax omissions. In some cases, the Company and its subsidiaries have filed appeals to appellate courts as they did not find that such resolutions are in accordance with the law, but in other cases they paid the tax assessments received under protest. These 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 year 2009
- Interest penalties for payments on account for the year 2014
- Contribution to the supplementary mining, metallurgical and steel retirement fund from 2013 to 2017
- Mining Royalties, formerly CEMENTOS LIMA, years 2008 and 2009
- Mining Royalties, formerly CEMENTO ANDINO, year 2008

As of September 30, 2023 and December 31, 2022, the Company has balances receivable related to these tax proceedings since, in the opinion of the Company's Management and its legal advisors, there are reasonable grounds to obtain an outcome favorable to the Company's interests, see note 6(b).

E. Environmental Commitments

The Group's activities are subject to environmental protection standards. These standards are the same as those described in the note to the annual consolidated financial statements as of December 31, 2022.

23. Financial Risk Management Objectives and Policies

The Group is exposed to market, credit and liquidity risks.

A. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, exchange rate risk, product price risk and other price risks. Financial instruments affected by market risk include bank deposits, trade and other accounts receivable, other financial liabilities and derivative financial instruments.

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The sensitivity analyses in the following sections relate to the consolidated financial position as of September 30, 2023 and December 31, 2022.

These sensitivity analyses have been prepared on the assumption that the amount of net debt, the ratio of fixed to floating interest rates on debt and derivative financial instruments, and the proportion of financial instruments in foreign currencies are all constant as of September 30, 2023 and December 31, 2022.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market interest rate risk relates primarily to long-term debt obligations with variable interest rates.

The Group minimizes this risk by using interest rate swaps (hedging derivative financial instrument), as a hedge of the variability in cash flows attributable to changes in interest rates.

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▪ **Hedging derivative financial instruments**

The Group has entered into interest rate swap contracts designated as cash flow hedges, which are recorded at fair value. Details about these transactions are provided below:

Counterpart	Currency	As of September 30, 2023					Fair value PEN (000)
		Reference amount (000)	Maturity	Received at a variable rate of:	Paid at a fixed rate of:		
Assets							
CITIBANK N.A.	USD	50,000	October 2025	3-month SOFR + 2.01% (*)	5.730%	2,175	
BANCO DE CRÉDITO E INVERSIONES (BCI) (Chile)	CLP	2,692,424	November 2027	6.78%	3.377%	1,376	
BANK OF NOVA SCOTIA	USD	30,000	September 2025	3-month SOFR+ 2.86% (*)	5.695%	1,144	
BANCO SCOTIABANK (Chile)	USD	3,355	October 2023	1-month Libor + 1.85%	5.550%	33	
Total						4,728	

(*) As of September 30, the 3-month LIBOR rate was changed for the 3-month SOFR rate.

Counterpart	Currency	As of December 31, 2022					Fair value PEN (000)
		Reference amount (000)	Maturity	Received at a variable rate of:	Paid at a fixed rate of:		
Assets							
BANK OF NOVA SCOTIA	USD	30,000	September 2025	3-month Libor + 2.60%	5.660%	1,427	
BANCO DE CRÉDITO E INVERSIONES (BCI) (Chile)	CLP	2,692,424	November 2027	6.78%	3.377%	1,172	
CITIBANK N.A.	USD	50,000	October 2025	3-month Libor + 1.75%	5.700%	1,130	
BANCO SCOTIABANK (Chile)	USD	3,355	October 2023	1-month Libor + 1.85%	5.550%	334	
Total						4,063	

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The Group has designated these financial instruments as hedging instruments, since it has determined that there is an economic relationship between the hedged item and the hedging instrument.

The effective portion of changes in the fair value of derivative financial instruments that qualify as hedges are recognized as assets or liabilities, with a balancing entry in equity. As of September 30, 2023 and 2022, the Group recognized a positive variation in the fair value of approximately PEN 159,000 and PEN 21,093,000, respectively, under "Unrealized gains and losses" of the consolidated statement of changes in net equity, which are recorded net of the income tax effect, respectively.

In 2023, the Group has recognized financial income from these derivative financial instruments amounting to approximately PEN 1,913,000 (expenditure of PEN 7,735,000 during 2022), which amounts have been effectively collected and/or paid during the year and are recorded under the item "Financial expenses" and "Financial income" of the consolidated income statement.

Interest Rate Sensitivity

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

ii. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Group's exposure to currency risk is related, firstly, to the Group's operating activities (when income and expenses are in a currency other than the Group's functional currency) and, secondly, by obtaining financing in U.S. Dollars.

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 in the periods ended September 30, 2023 and 2022 resulted in net losses of PEN 18,254,000 and net gains for approximately PEN 9,629,000, respectively, which are recorded under "Exchange difference, net" in the consolidated income statement.

As of September 30, 2023 and December 31, 2022, the Group has a derivative financial instrument liability corresponding to a "Cross Currency Interest Rate Swap" amounting to PEN 2,118,000 and PEN 3,253,000 in favor of BBVA Peru, in order to hedge its currency fluctuation risks. These instruments were designated as held for trading.

As of September 30, 2023 and 2022, changes in fair value are recognized as expense or income. As of September 30, 2023 and 2022, the effect corresponds to a net financial income of approximately PEN 1,135,000 and PEN 1,853,000 and is recorded under "Financial income" in the consolidated income statement.

Likewise, as of September 30, 2023 and 2022, a net financial expense was recognized for these derivative financial instruments amounting to approximately PEN 519,000 and PEN 798,000, respectively. These amounts have been effectively paid during the year and are recorded under "Financial expenses" in the consolidated income statement.

Exchange Rate Sensitivity

Transactions in foreign currency are carried out at the free-market exchange rates published by the Superintendency of Banking, Insurance and Private Pension Fund Management Companies. As of September 30, 2023, the weighted average free market exchange rates for U.S. dollar

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transactions were PEN 3.790 for buying and PEN 3.797 for selling (PEN 3.808 for buying and PEN 3.820 for selling as of December 31, 2022), respectively.

As of September 30, 2023 and December 31, 2022, the main foreign currency in which the Group maintains assets and liabilities is the U.S. Dollar. The balances of assets and liabilities in such foreign currency are shown below:

<i>In thousands of U.S. Dollars</i>	2023	2022
Assets		
Cash and cash equivalents	34,276	30,306
Trade and other accounts receivable	280,490	150,960
	314,766	181,266
Liabilities		
Other financial liabilities	(229,798)	(143,513)
Trade and other accounts payable	(289,042)	(116,050)
	(518,840)	(259,563)
Foreign currency derivative financial instruments	(558)	(852)
Liabilities, net	(204,632)	(79,149)

The following table shows the sensitivity to a reasonably possible change in the U.S. dollar exchange rate, with all other variables held constant, on the Group's profit before income taxes (due to changes in the fair value of monetary assets and liabilities, including foreign currency derivative financial instruments not designated as hedges).

<i>In thousands of Soles</i>	Impact on profit before income tax	
	As of September 30, 2023	As of September 30, 2022
Change in exchange rates in U.S. Dollars		
%		
+5	(38,959)	(14,334)
+10	(77,919)	(28,669)
-5	38,959	14,334
-10	77,919	28,669

B. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or commercial contract, resulting in a financial loss. The Group is exposed to credit risk due to its operating activities (in particular trade debtors) and its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk for the components of the consolidated financial statements as of September 30, 2023 and December 31, 2022, is represented by the sum of cash and cash equivalents and trade and other receivables.

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

C. Liquidity Risk

The Group monitors the risk of a funding shortfall using a liquidity planning tool on a recurring basis.

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

The following tables summarize the maturity profile of the Group's financial liabilities based on the undiscounted payments provided for in the respective contracts:

<i>In thousands of Soles</i>	As of September 30, 2023			
	From 1 to 12 months	From 1 to 3 years	Over 4 years	Total
Trade and other accounts payable (*)	1,015,056	20,652	158,683	1,194,391
Other financial liabilities				
Principal repayment	2,216,260	1,277,021	831,352	4,324,633
Cash flow from interest payment	189,731	134,590	203,492	527,813
Lease liabilities				
Principal repayment	14,154	28,645	70,507	113,306
Cash flow from interest payment	9,224	16,032	28,171	53,427
Total liabilities	3,444,425	1,476,940	1,292,205	6,213,570

<i>In thousands of Soles</i>	As of December 31, 2022			
	From 1 to 12 months	From 1 to 3 years	Over 4 years	Total
Trade and other accounts payable (*)	881,986	22,045	6,147	910,178
Other financial liabilities				
Principal repayment	1,106,529	1,413,546	1,215,803	3,735,878
Cash flow from interest payment	152,838	209,569	203,784	566,191
Lease liabilities				
Principal repayment	8,024	11,026	3,195	22,245
Cash flow from interest payment	895	1,267	1,887	4,049
Total liabilities	2,150,272	1,657,453	1,430,816	5,238,541

(*) As of September 30, 2023 and December 31, 2022, this item does not include customer advances, taxes, labor contributions and value added tax for approximately PEN 92,174,000 and PEN 93,388,000, respectively.

D. Capital Management

During the years ended September 30, 2023 and December 31, 2022, there were no changes in the objectives, policies or processes related to capital management.

24. Fair Value

A. Instruments carried at fair value based on the fair value accounting hierarchy

The following table shows an analysis of the financial instruments that are carried at fair value according to the level of the fair value accounting hierarchy:

<i>In thousands of Soles</i>	Level 2	Total
As of September 30, 2023		
Financial assets		
Derivative financial instruments	4,728	4,728
Financial liabilities		
Derivative financial instruments	(2,118)	(2,118)
Total financial assets, net	2,610	2,610
As of December 31, 2022		
Financial assets		
Derivative financial instruments	4,063	4,063
Financial liabilities		
Derivative financial instruments	(3,253)	(3,253)
Total financial assets	810	810

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Fair value of financial instruments carried at amortized cost

Below are the other financial instruments carried at amortized cost whose estimated fair value is disclosed in this note, as well as the level in the accounting hierarchy of such fair value.

Level 1

- Cash and cash equivalents do not represent a significant credit or interest rate risk; therefore, their carrying amounts approximate fair value.
- Due to the fact that accounts receivable are net of their allowance for doubtful accounts and they mainly have current maturities, Management has considered that their fair value is not significantly different from their book value.
- As trade and other accounts payable have current maturities, the Group's Management estimates that their carrying amount approximates their fair value.

Level 2

- The fair values of other financial liabilities have been determined by comparing market interest rates at the time of initial recognition with current market rates for similar financial instruments. A comparison between the carrying amounts and fair values of these financial instruments is shown below:

<i>In thousands of Soles</i>	As of September 30, 2023		As of December 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Other financial liabilities (*)	3,088,857	3,101,282	3,287,326	3,280,118
	3,088,857	3,101,282	3,287,326	3,280,118

(*) As of September 30, 2023 and December 31, 2022, the balance does not include bank notes and bank overdrafts, see note 12.

25. Information by Operating Segments

For management purposes, the Group is organized into business units based on its products and activities and has three different segments organized as follows:

- Production and sale of cement.
- Production and sale of concrete.
- Generation and sale of electricity using hydraulic resources.

No other operating segments have been added as part of the operating segments described above.

The Management of each company monitors the operating results of the business units separately in order to make decisions on the allocation of resources and evaluate their performance.

Segment performance is evaluated on the basis of operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are agreed upon as between independent parties in a manner similar to that agreed upon with third parties.

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Financial information by business segment, net of eliminations, is presented below:

<i>In thousands of Soles</i>	As of September 30, 2023						Adjustments and eliminations	Consolidated
	Cement	Concrete	Electricity	Others	Total segments			
Revenues								
External customers	2,382,130	1,792,454	531,126	12,238	4,717,948	-	4,717,948	
Inter-segments	317,499	74,575	82,998	359,970	835,042	(835,042)	-	
Total revenues	2,699,629	1,867,029	614,124	372,208	5,552,990	(835,042)	4,717,948	
Gross profit	824,429	187,005	117,620	310,650	1,439,704	(284,201)	1,155,503	
Operating income (expenses)								
Administration expenses	(178,711)	(67,969)	(23,358)	(85,485)	(355,523)	30,029	(325,494)	
Selling expenses	(53,926)	(23,921)	(7,212)	(2,160)	(87,219)	-	(87,219)	
Other operating income (expense), net	(80,510)	(15,019)	(5,054)	(21,296)	(121,879)	111,486	(10,393)	
Operating profit	511,282	80,096	81,996	201,709	875,083	(142,686)	732,397	
Other income (expense)								
Share in net profits of associated companies	-	3,193	-	-	3,193	701	3,894	
Financial income	8,026	1,709	2,903	10,451	23,089	(10,392)	12,697	
Financial expenses	(101,674)	(19,320)	(30,958)	(54,216)	(206,168)	10,392	(195,776)	
Exchange difference, net	(1,157)	4,675	(21,163)	(609)	(18,254)	-	(18,254)	
Profit before income tax	416,477	70,353	32,778	157,335	676,943	(141,985)	534,958	
Income tax	(132,045)	(7,440)	(5,636)	(12,045)	(157,166)		(157,166)	
Net profit by segment	284,432	62,913	27,142	145,290	519,777	(141,985)	377,792	
Segment profits before taxes	510,125	84,771	60,833	200,399	856,128	(321,170)	534,958	

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	As of September 30, 2022							
<i>In thousands of Soles</i>	Cement	Concrete	Electricity	Others	Total segments	Adjustments and eliminations	Consolidated	
Revenues								
External customers	2,480,196	1,695,096	185,201	13,867	4,374,360	-	4,374,360	
Inter-segments	295,353	93,360	91,688	398,895	879,296	(879,296)	-	
Total revenues	2,775,549	1,788,456	276,889	412,762	5,253,656	(879,296)	4,374,360	
Gross profit	908,789	187,384	110,036	358,926	1,565,135	(347,928)	1,217,207	
Operating income (expenses)								
Administration expenses	(185,941)	(54,371)	(16,312)	(56,386)	(313,010)	24,356	(288,654)	
Selling expenses	(58,128)	(22,995)	(4,561)	-	(85,684)	-	(85,684)	
Other operating income (expense), net	(99,297)	(21,367)	(411)	4	(121,071)	103,531	(17,540)	
Operating profit	565,423	88,651	88,752	302,544	1,045,370	(220,041)	825,329	
Other income (expense)								
Share in net profits of associated companies	-	2,791	-		2,791	727	3,518	
Financial income	5,310	1,950	158	4,213	11,631	(3,084)	8,547	
Financial expenses	(71,615)	(17,886)	(11,149)	(46,456)	(147,106)	3,084	(144,022)	
Exchange difference, net	10,728	(3,158)	3,316	(1,257)	9,629	-	9,629	
Profit before income tax	509,846	72,348	81,077	259,044	922,315	(219,314)	703,001	
Income tax	(158,384)	(9,769)	(23,504)	(41,031)	(232,688)	(5,296)	(237,984)	
Net profit by segment	351,462	62,579	57,573	218,013	689,627	(224,610)	465,017	
Segment profits before taxes	576,151	85,493	92,068	300,560	1,054,272	(351,271)	703,001	

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Eliminations and reconciliation

Financial income and expenses and gains and losses from changes in the fair value of the financial assets are not allocated to individual segments as the underlying instruments are managed centrally.

Current and deferred taxes and certain financial assets and liabilities are not charged to the segments as they are managed centrally as well.

<i>In thousands of Soles</i>	As of September 30, 2023	As of September 30, 2022
Reconciliation of profit or loss		
Segment profits before taxes before adjustments and eliminations	856,128	1,054,272
Financial income	12,697	8,547
Financial expenses	(195,776)	(144,022)
Share in net profits of associated companies	3,894	3,518
Elimination of transactions with related companies	(141,985)	(219,314)
Segment profits before taxes	534,958	703,001

Geographic Information

The above information on revenues and non-current assets, distributed according to the location of the customer, is as follows:

<i>In thousands of Soles</i>	As of September 30, 2023	As of September 30, 2022
Revenues from customers		
Peru	3,136,703	2,804,511
United States of America	761,286	729,085
Ecuador	457,551	499,746
Chile	350,528	326,332
Colombia	11,880	14,686
Total revenues according to the consolidated income statement	4,717,948	4,374,360

<i>In thousands of Soles</i>	As of September 30, 2023	As of December 31, 2022
Non-current assets		
Peru	7,015,329	6,475,899
United States of America	1,713,495	1,682,902
Ecuador	855,684	819,944
Chile	312,144	331,823
Colombia	26,770	22,825
Total non-current assets according to the consolidated statement of financial position	9,923,422	9,333,393

26. Subsequent Events

In the opinion of the Group's Management, between October 1, 2023 and the date of issuance of these consolidated financial statements, no other significant events of a financial-accounting nature have been identified that may affect the interpretation of these consolidated financial statements, except as indicated in note 1.B.4 related to the purchase of TEHACHAPI CEMENT LLC.