# UNACEM Corp. S.A.A.

## Separate Financial Statements

As of December 31, 2024 and 2023

(including Independent Auditors' Report)

(TRANSLATION OF FINANCIAL STATEMENTS

ORIGINALLY ISSUED IN SPANISH)

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*(TRANSLATION OF A REPORT ORIGINALLY ISSUED IN SPANISH)*

# INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors
UNACEM Corp. S.A.A.

## Opinion

We have audited the accompanying separate financial statements of UNACEM Corp S.A.A. (hereinafter the Company), which comprise the separate statement of financial position as of December 31, 2024, and the separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of material accounting policies and other explanatory information.

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the Company's financial position as of December 31, 2024, and its non-consolidated financial performance and its non-consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

## Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing approved for their application in Peru by the Dean's Council of the Peruvian Professional Associations of Public Accountants. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the separate financial statements in Peru, together with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements, respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, have been of most significance in our audit of the separate financial statements of the current period. These matters have been addressed in the context of our audit of the separate financial statements as a whole and in forming our opinion thereon; however, we do not express a separate opinion on these matters.

| Evaluation of impairment analysis of investments in subsidiaries; Investments in subsidiaries and others to the separate financial statements (note 9) | |
|---|---|
| **Key Audit Matters** | **Addressing key audit matters** |
| According to the note 9 to the separate financial statements, the Company holds investments in subsidiaries for an amount of (in thousands) S/ 6,219,673 as of December 31, 2024, whose allowance for impairment of investments is S/ 62,284 as of December 31, 2024.<br><br>Management is responsible for the evaluation of IAS 36 *Impairment of assets*.<br><br>At the end of each reporting period, the Company assesses whether there is any indication that the value of its investments in subsidiaries recorded at cost may be impaired. If any such an indication exists, the Company estimates the recoverable amount of its investments in subsidiaries.<br><br>We have identified the assessment of the recoverability of the value of investments in subsidiaries as a critical audit matter. The assessment required auditor judgment due to the review of detailed budgets and projections, discount rates and long-term growth rates, which involves a high degree of subjectivity. | Our approach to address the issue involved the following procedures, among others:<br><br>▪ Review the analysis performed by Management related to the evaluation of impairment indicators of investments in subsidiaries and, if necessary, the determination of the recoverable amount.<br><br>▪ In those cases where it was necessary to estimate the recoverable amount, including the projection of discounted cash flows, we have involved valuation professionals with specialized skills and knowledge in order to assess the reasonableness of the assumptions used by management, which include, among others, projected growth levels and discount rates. Our analysis also considered the comparison of the Company's estimates with actual results in order to assess the Company's ability to make accurate budgets.<br><br>▪ Evaluate the appropriateness of the disclosures included in the Company's financial statements. |

## Other Matter

The consolidated financial statements of UNACEM Corp S.A.A. and Subsidiaries have been prepared and presented separately. Our report, dated March 05, 2025, expressed an unqualified opinion on those financial statements. The accompanying separate financial statements have been prepared in compliance with the legal requirements in force in Peru for the presentation of financial information. These separate financial statements reflect the value of an investment in a subsidiary using the cost model and not in a consolidated basis.

## Other Information

Management is responsible for other information. The other information comprises the information included in the annual report but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not include other information and we will not express any assurance or conclusion thereof.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether there is a material inconsistency between the other information and the separate financial statements or our knowledge obtained in the audit or otherwise whether the other information appears to contain a material misstatement.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is required to evaluate whether there are conditions or events that raise substantial doubt about the Company's ability to continue as a going concern; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with the Company's governance are responsible for overseeing the Company's financial reporting process.

## Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. They are considered material if they could, individually or in the aggregate, influence the economic decisions that users make on the basis of the separate financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, including the disclosures.

- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with the Company's governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

Also, we provide those charged with the Company's governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards that have been applied to eliminate the threats.

Among the matters communicated with those charged with the Company's governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are, therefore, the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lima, Peru,

March 5, 2025

Emmerich, Córdova y Asociados

Countersigned by:

Cristian Emmerich (Partner)
CPA Registration 39801

UNACEM Corp. S.A.A.

# Separate Financial Statements

As of December 31, 2024 and 2023

| Contents | Page |
|---|---|
| Separate Statement of Financial Position | 1 |
| Separate Statement of Comprehensive Income | 2 |
| Separate Statement of Changes in Equity | 3 |
| Separate Statement of Cash Flows | 4 |
| Notes to the Separate Financial Statements | 5 - 46 |

*(Translation of Financial Statements originally issued in Spanish)*

UNACEM Corp. S.A.A.

Separate Statement of Financial Position

As of December 31, 2024 and 2023

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | *7* | 3,906 | 3,044 |
| Trade and other accounts receivable | *8* | 142,686 | 201,884 |
| Prepaid expenses | | 4,695 | 5,488 |
| Total current assets | | 151,287 | 210,416 |
| | | | |
| Non-current assets | | | |
| Trade and other accounts receivable | *8* | 52,239 | 67,844 |
| Investments in subsidiaries and others | *9* | 6,219,673 | 6,194,628 |
| Intangible assets | *10* | 32,123 | 22,708 |
| Deferred income tax assets | *13* | 31,192 | 17,498 |
| Vehicles and various equipment | | 168 | 143 |
| Total non-current assets | | 6,335,395 | 6,302,821 |
| Total assets | | 6,486,682 | 6,513,237 |

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Liabilities | | | |
| Current liabilities | | | |
| Other financial liabilities | *12* | 696,181 | 334,827 |
| Trade and other accounts payable | *11* | 87,182 | 66,081 |
| Provisions | | 467 | 478 |
| Total current liabilities | | 783,830 | 401,386 |
| | | | |
| Non-current liabilities | | | |
| Other financial liabilities | *12* | 361,752 | 707,933 |
| Trade and other accounts payable | *11* | 2,791 | 3,503 |
| Total non-current liabilities | | 364,543 | 711,436 |
| Total liabilities | | 1,148,373 | 1,112,822 |
| | | | |
| Equity | *14* | | |
| Issued capital | | 1,648,000 | 1,780,000 |
| Additional capital | | (38,019) | (38,019) |
| Treasury shares | | (8,340) | (22,948) |
| Legal reserve | | 363,626 | 363,626 |
| Retained earnings | | 3,373,042 | 3,317,756 |
| Total equity | | 5,338,309 | 5,400,415 |
| Total equity and liabilities | | 6,486,682 | 6,513,237 |

*The accompanying notes on pages 5 to 46 are an integral part of these separate financial statements.*

*(Translation of Financial Statements originally issued in Spanish)*

UNACEM Corp. S.A.A.

Separate Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Revenue | | | |
| Revenue from ordinary activities | *15* | 507,142 | 515,191 |
| | | 507,142 | 515,191 |
| Operating income (expenses) | | | |
| Administrative expenses | *16* | (102,465) | (89,465) |
| Other income | *18* | 4,325 | 5,921 |
| Other expenses | *18* | (75,075) | (13,038) |
| | | (173,215) | (96,582) |
| Operating profit | | 333,927 | 418,609 |
| Financial income | *19* | 6,074 | 11,176 |
| Financial expenses | *20* | (54,268) | (57,172) |
| Exchange difference, net | *25.A.(i)* | 676 | (1,379) |
| Financial charge, net | | (47,518) | (47,375) |
| Profit before tax | | 286,409 | 371,234 |
| Income tax expense | *24(a)* | (30,970) | (11,677) |
| Net profit or loss | | 255,439 | 359,557 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 255,439 | 359,557 |
| Net basic and diluted earnings per share (in soles) | *22* | 0.149 | 0.202 |
| Weighted average number of outstanding shares (in thousands of shares) | *22* | 1,718,830 | 1,784,126 |

*The accompanying notes on pages 5 to 46 are an integral part of these separate financial statements.*

*(Translation of Financial Statements originally issued in Spanish)*

UNACEM Corp. S.A.A.

Separate Statement of Changes in Equity

For the years ended December 31, 2024 and 2023

| *In thousands of soles* | *Note* | Issued capital (note 14.A) | Additional capital (note 14.B) | Treasury shares (note 14.C) | Legal reserve (note 14.D) | Unrealized gains and losses | Retained earnings | Total |
|---|---|---|---|---|---|---|---|---|
| Balance as of January 1, 2023 | | 1,818,128 | (38,019) | (23,530) | 363,626 | - | 3,128,746 | 5,248,951 |
| Other comprehensive income | | | | | | | | |
| Net profit or loss | | - | - | - | - | - | 359,557 | 359,557 |
| Total other comprehensive income | | - | - | - | - | - | 359,557 | 359,557 |
| Transactions with owners of the Company | | | | | | | | |
| Dividend distribution | *14.E* | - | - | - | - | - | (143,768) | (143,768) |
| Decrease of issued capital | *14.C* | (38,128) | - | 64,936 | - | - | (26,808) | - |
| Treasury shares in portfolio | *14.C* | - | - | (64,434) | - | - | - | (64,434) |
| Others | | - | - | 80 | - | - | 29 | 109 |
| Total transactions with owners of the Company | | (38,128) | - | 582 | - | - | (170,547) | (208,093) |
| Balance as of December 31, 2023 | | 1,780,000 | (38,019) | (22,948) | 363,626 | - | 3,317,756 | 5,400,415 |
| Balance as of January 1, 2024 | | 1,780,000 | (38,019) | (22,948) | 363,626 | - | 3,317,756 | 5,400,415 |
| Other comprehensive income | | | | | | | | |
| Net profit or loss | | - | - | - | - | - | 255,439 | 255,439 |
| Total other comprehensive income | | - | - | - | - | - | 255,439 | 255,439 |
| Transactions with owners of the Company | | | | | | | | |
| Dividend distribution | *14.E* | - | - | - | - | - | (137,663) | (137,663) |
| Decrease of issued capital | *14.C* | (132,000) | - | 194,527 | - | - | (62,527) | - |
| Treasury shares in portfolio | *14.C* | - | - | (179,919) | - | - | - | (179,919) |
| Others | | - | - | - | - | - | 37 | 37 |
| Total transactions with owners of the Company | | (132,000) | - | 14,608 | - | - | (200,153) | (317,545) |
| Balance as of December 31, 2024 | | 1,648,000 | (38,019) | (8,340) | 363,626 | - | 3,373,042 | 5,338,309 |

*The accompanying notes on pages 5 to 46 are an integral part of these separate financial statements.*

*(Translation of Financial Statements originally issued in Spanish)*

UNACEM Corp. S.A.A.

Separate Statement of Cash Flows

For the years ended December 31, 2024 and 2023

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts from sale of goods and rendering of services | | 12 | 41,788 |
| Dividends received | *9(b)* | 337,700 | 347,678 |
| Cash receipts from royalties | | 190,685 | 202,918 |
| Cash receipts from tax recovery | | 2,119 | 12,567 |
| Cash payments to suppliers | | (90,904) | (58,295) |
| Cash payments to employees | | (29,280) | (24,183) |
| Cash payments from income tax | | (27,222) | (17,326) |
| Cash paid for taxes | | (8,530) | (7,302) |
| Cash payments from interest | | (47,478) | (51,362) |
| Cash paid for tax contingencies | *23.B.(a)* | (52,109) | - |
| Other charges, net | | 4,981 | 927 |
| **Net cash flow from operating activities** | | **279,974** | **447,410** |
| **Cash flows from investing activities** | | | |
| Contributions between the Company and its subsidiaries | *9(a)* | (45,045) | (99,100) |
| Cash receipts from loans granted to related entities | | 103,786 | - |
| Loans granted to related entities | | (36,172) | (93,325) |
| Acquisition of property, plant and equipment | | (86) | (130) |
| Acquisition of intangible assets | *10* | (11,701) | (4,173) |
| **Net cash flows used in investing activities** | | **10,782** | **(196,728)** |
| **Cash flows from financing activities** | | | |
| Short-term loans | *27* | 434,234 | 94,025 |
| Cash payments from short-term loans | *27* | (179,659) | - |
| Cash payments from long-term debts | *27* | (243,140) | (141,081) |
| Cash paid for dividends | *27* | (133,526) | (140,150) |
| Cahs payments from related-party loans | | 10,000 | - |
| Acquisition of treasury shares | *27* | (179,919) | (64,434) |
| **Net cash flow used in financing activities** | | **(292,010)** | **(251,640)** |
| Net decrease in cash and cash equivalents | | (1,254) | (958) |
| Exchange difference | | 2,116 | (2,424) |
| Opening balance | | 3,044 | 6,426 |
| **Closing balance** | *7* | **3,906** | **3,044** |
| **Non-cash transactions** | | | |
| Reduction of issued capital | *14.C* | 132,000 | 38,128 |
| Capitalization of debt | *9(a)* | - | 23,331 |
| Impairment of investments | *9(a)* | 20,000 | 1,809 |

*The accompanying notes on pages 5 to 46 are an integral part of these separate financial statements.*

## 1. Background and Economic Activity

UNACEM Corp S.A.A. (hereinafter the Company) was incorporated in December 1967.

As of December 31, 2024 and 2023, the Company is a subsidiary of Inversiones JRPR S.A. (hereinafter the Parent, it is the ultimate controlling party of the conglomerate). It holds 43.13% and 42.22% of the direct and indirect shares of its share capital, respectively. The Parent has power to govern the financial and operating policies of the Company.

The Company's legal domicile is located at Av. Carlos Villarán 508, La Victoria, Lima, Peru.

The Company's principal activity is to invest in companies engaged in the production and marketing of all types of cement, concrete, clinker and other construction materials in Peru and abroad, as well as to develop all types of intellectual property and technologies related to such activities. In addition, the Company may invest in real estate investments and in electric power generation, transmission and/or distribution activities.

The Company has investments mainly in the markets of Peru, United States, Ecuador and Chile.

The separate financial statements of UNACEM Corp S.A.A. have been prepared in compliance with existing Peruvian requirements for financial statement presentation. The separate financial statements reflect the cost of its investment in a subsidiary under the cost approach and not on a consolidated basis, so they shall be read together with the consolidated financial statements of the Company and its subsidiaries.

The most relevant data of the consolidated financial statements of the Company and its subsidiaries as of December 31, 2024 and 2023, are presented below:

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Consolidated statement of financial position | | |
| Total assets | 14,002,256 | 13,695,654 |
| Total liabilities | 7,944,438 | 7,784,789 |
| Equity attributable to owners of the parent Company | 5,864,079 | 5,726,693 |
| Non-controlling interests | 193,739 | 184,172 |
| Consolidated statement of comprehensive income | | |
| Net sales | 6,854,997 | 6,376,274 |
| Net profit attributable to owners of the parent | 450,134 | 509,515 |
| Net profit attributable to non-controlling interests | 19,541 | 13,258 |

The General Shareholders' Meeting, held on March 27, 2024, approved the separate financial statements as of December 31, 2023. The separate financial statements as of December 31, 2024 have been issued with management approval on January 29, 2025, and will be presented to the Board of Directors within the terms established by law, for corresponding approval. In management's opinion, the separate financial statements will be approved with no modification to the financial statements.

## A. Acquisition agreement of unrelated entities

*Tehachapi Cement LLC (formerly Martin Marietta Southern California Cement, LLC)*
On August 24, 2023, the subsidiary UNACEM North America, INC. (hereinafter UNA or the buyer) entered into a sale and purchase agreement with the U.S. companies Martin Marietta Materials, Inc. and Martin Marietta Pacific District Cement, LLC (the sellers), through which it acquired 100% of the shares of Martin Marietta Southern California Cement, LLC, company domiciled in Delaware, USA, which owns the Tehachapi plant (located in the State of California).

This plant has a production capacity of 1 million short tons of cement and 940 thousand short tons of clinker. Furthermore, it was approved that the Company gets involved in the aforementioned agreement, to ensure compliance with all obligations assumed by UNACEM North America, INC. as for the sellers (note 23.A).

On October 31, 2023, the acquisition of 100% of the shares of Martin Marietta Southern California Cement, LLC was completed, and as a result of this transaction, the company name was changed to Tehachapi Cement LLC. The final acquisition price was US$ 314,530,000 (equivalent to S/ 1,197,417,000).

The acquisition was financed through a syndicated loan granted to UNACEM North America, INC. led by BBVA Securities Inc. for an amount of US$ 345,000,000. It matures in three years.

*Termochilca S.A.*
On December 29, 2022, the Company informed the Peruvian Superintendency of Securities Market (SMV for its acronym in Spanish) the approval of the offer made by its subsidiary Compañía Eléctrica El Platanal S.A. (the buyer or CELEPSA) for the acquisition of the shares and claims (senior debt and subordinated bonds) of Termochilca S.A. On January 19, 2023, CELEPSA entered into a share transfer agreement with La Fiduciaria S.A., by virtue of which this subsidiary acquired, subject to the authorization of the Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelecual (INDECOPI for its acronym in Spanish), in compliance with the applicable regulations, 100% of the shares representing capital stock.

On April 20, 2023, CELEPSA was authorized by INDECOPI to carry out the business concentration transaction with Termochilca S.A., and, on May 8, 2023, the closing of the transaction was executed.

Termochilca S.A. is a Peruvian domiciled company engaged in electric power generation with a combined cycle thermal power plant located in the district of Chilca, province of Cañete, with an installed capacity of 300 MW.

The total agreed price was US$ 141,000,000 (equivalent to S/. 531,570,000), directly paid by the subsidiary, with resources from financing operations.

On October 5, 2023, Termochilca's General Shareholders' Meeting approved the change of name from Termochilca S.A. to Termochilca S.A.C.

*Creation of a new society*
In June 2023, the Company has been notified by INDECOPI about the authorization of the business concentration operation consisting of the incorporation of a new company named Calcem S.A. (hereinafter Calcem) between UNACEM Corp. S.A.A., with 51% of the capital stock, and Grupo Calidra S.A. de C.V., a Mexican company, with the remaining percentage.

The purpose of the new company will be to build and operate an industrial plant in the Condorcocha area, province of Tarma, department of Junín. It will be engaged in the production of quicklime and calcium carbonates, with an initial capacity of 600 tons of quicklime per day.

*Merger by absorption between Unión de Concreteras S.A. and Concremax S.A.*
On November 16, 2023, the General Shareholders' Meetings of Unión de Concreteras S.A. (UNICON Peru) and Concremax S.A. (Concremax) jointly agreed to approve the merger project by which UNICON Peru would adopt universally and simultaneously Concremax's equity. As a consequence, Concremax would cease to exist without liquidation, in accordance with the provisions of Article 344 of the Companies Act. The merger will become effective on January 1, 2024. UNICON Peru holds 100% of the shares of Concremax, so it is a simple merger, which will not result in an increase in the share capital of UNICON Peru.

*Merger by absorption between Mel 20 Limitada (MEL20) and Constructora de Obras Civiles y Viales Limitada (CONOVIA)*
On December 29, 2023, the General Shareholders' Meetings of Mel 20 Limitada (MEL20) and Constructora de Obras Civiles y Viales Limitada (CONOVIA) agreed to approve the merger project by which MEL20 would adopt the assets of CONOVIA on that date. MEL20 holds 100% of the shares of Concremax, so it is a simple merger, which will not result in an increase in the share capital of MEL20.

## 2. Basis of Preparation of the Separate Financial Statements

### A. Basis of accounting
The separate financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), effective as of December 31, 2024 and 2023. The Company is not required to prepare separate financial statements under IFRSs. However, entities domiciled in Peru are required to prepare separate financial statements in accordance with applicable laws. Accordingly, the Company prepared separate financial statements in accordance with IAS 27 Separate Financial Statements.

The Company’s material accounting policies are disclosed in note 3.

The Company adopted the new standards effective as of January 1, 2024 (note 5.A).

### B. Information responsibility
The information contained in these separate financial statements is the responsibility of the Company's management that expressly states that all the principles and criteria, included in IFRSs issued by the IASB, have been applied.

### C. Basis of measurement
The separate financial statements have been prepared on a historical cost basis.

### D. Functional and presentation currency
The separate financial statements are presented in soles which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

### E. Reclassifications
Certain items of the consolidated financial statements as of December 31, 2024, have been reclassified to make them comparable with those of the current year. Management considers that such reclassifications do not have effects on decision-making based on them.

## 3. Material Accounting Policies

The Company adopted the Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments) effective as of January 1, 2023. Although the amendments had no significant effect on the accounting policies, those affected the accounting policy information disclosed in the financial statements. The amendments require the disclosure of "material" accounting policies, rather than "significant". Likewise, the amendments provide recommendations on the importance regarding the disclosure of accounting policies. Thus, entities can provide useful and specific information on accounting policies that users need to understand other information in the financial statements. Management has reviewed the accounting policies and has updated the disclosures in this note according to the amendments. Material accounting policies used by management on these financial statements are as follows:

### (a) *Cash and cash equivalents (note 7)*

Cash and cash equivalents comprise cash in hand, checking accounts and time deposits.

### *(b) Financial instruments: Initial recognition and measurement*

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability, or equity instrument in another.

- *Financial assets*

*Initial recognition and measurement*

After initial recognition, the Company classifies financial assets into measurement categories: at amortized cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

The Company classifies financial assets as subsequently measured at amortized cost, FVOCI or FVTPL on the basis of both the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. At initial recognition, the Company measures a financial asset at its fair value plus transaction costs. The Company measures accounts receivable at their transaction price if they do not contain a significant financing component or for which the Company has not applied the practical expedient, in accordance with IFRS 15.

A financial asset is measured at amortized cost or FVOCI if the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company determines whether the asset's contractual cash flows are solely payments of principal and interest on the principal amount outstanding at an individual instrument level.

The Company's business model refers to how the Company manages its financial assets in order to generate cash flows. That is, the Company's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

*Subsequent measurement*

For the purposes of subsequent measurement, financial assets are classified into the following four categories:

- financial assets measured at amortized cost (debt instruments);
- financial assets measured at FVOCI (debt instruments)—the Company may transfer the cumulative gain or loss within equity;
- financial assets measured at FVOCI that are not transferred to profit and loss when derecognized (equity instruments)—when the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss; and
- financial assets measured at FVTPL.

The classification is made on the basis of the Company's business model and the contractual cash flow characteristics of the financial asset.

*Financial assets measured at amortized cost (debt instruments)*
A financial asset is measured at amortized cost if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount.

The Company classifies financial assets as subsequently measured at amortized cost using the effective interest method. The Company applies the impairment requirements to financial assets that are measured at amortized cost. Gains and losses are recognized in the separate statement of comprehensive income when the asset is derecognized, modified or impaired.

When, and only when, the Company changes its business model for managing financial assets, it shall reclassify all affected financial assets.

The Company's financial assets measured at amortized cost comprise cash and cash equivalents and trade and other accounts receivable (notes 7 and 8).

*Financial assets measured at FVOCI (debt instruments)*
A financial asset is measured at FVOCI if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and sell them subsequently, and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount.

The Company does not have debt instruments classified into this category.

*Financial assets measured at FVOCI (equity instruments)*
At initial recognition, the Company may make an irrevocable election to present in other comprehensive income changes in the fair value of an investment in an equity instrument that is not held for trading under IAS 32 *Financial Instruments: Presentation*. This election is made on an instrument-by-instrument basis.

Amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. Dividends are recognized as revenue in the separate statement of comprehensive income when the right to payment has been established, except when the Company benefits from such income as a recovery of part of the financial asset's cost, in which case, such gains are recorded in other comprehensive income. Equity instruments measured at FVOCI are not subject to impairment requirements.

*Financial assets measured at FVTPL.*
Financial assets measured at FVTPL comprise financial assets held for trading, financial assets designated as at FVTPL, and financial assets that shall be measured at fair value. A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term. A derivative that is a designated and effective hedging instrument is not classified as held for trading. Financial assets that have contractual cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, regardless of the Company's business model.

Financial assets measured at FVTPL are recognized in ‘borrowing costs’ (net negative changes in the fair value) or ‘finance income’ (net positive changes in the fair value) in the separate statement of comprehensive income.

The Company does not have investments classified as financial assets measured at FVTPL.

*Derecognition*
A financial asset or, when applicable, part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive the cash flows from the financial asset expire; or
- the Company transfers the contractual rights to receive the cash flows from the financial asset, or assumes a contractual obligation to pay the cash flows to a third party in a pass through arrangement; and (a) the Company transfers substantially all risks and rewards of ownership of the financial asset, or (b) the Company neither transfers nor retains substantially all risks and rewards of ownership of the financial asset, but transfers control of the financial asset.

When the Company transfers a financial asset, it shall evaluate the extent to which it retains the risks and rewards of ownership of the financial asset. In this case: if the Company has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset. Accordingly, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

When the Company’s continuing involvement takes the form of guaranteeing the transferred asset, the extent of the Company’s continuing involvement is the lower of the amount of the asset and the maximum amount of the consideration received that the Company could be required to repay.

*Impairment of financial assets*
The Company recognizes a loss allowance for debt instruments not measured at FVTPL. A credit loss is the present value of the difference between the contractual cash flows that are due to the Company under the contract and the cash flows that the Company expects to receive. The cash flows that are considered include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses (ECL) are recognized in two stages. At the reporting date, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs—i.e., the portion of lifetime ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date—if the credit risk on a financial instrument has not increased significantly since initial recognition. At the reporting date, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime ECLs—i.e., the ECLs that result from all possible default events over the expected life of a financial instrument—if the credit risk on that financial instrument has increased significantly since initial recognition.

The Company applies a simplified approach for trade accounts receivable when measuring ECLs. Therefore, the Company does not assess whether there are changes in credit risk. It measures the loss allowance for a financial instrument at an amount equal to the lifetime ECLs. The Company uses a provision matrix that is based on historical credit loss experience, adjusted to reflect information about borrower-specific factors and general economic conditions.

The Company considers a financial asset to be in default when contractual payments are more than 365 days past due. However, the Company may consider a financial asset to be in default when internal or external information indicates that it is not probable that the Company will collect the amounts due before the Company enforces the collateral on the financial asset. The carrying amount of a financial asset is written-off if the Company has no reasonable prospects of recovering any further cash flows from the financial asset.

- *Financial liabilities*

*Initial recognition and measurement*
At initial recognition, financial liabilities are classified as financial liabilities measured at FVTPL, loans, accounts payable, or derivatives designated as hedging instruments.

At initial recognition, the Company measures a financial liability at its fair value and, in the case of financial obligation, net transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities comprise trade and other accounts payable and other financial liabilities (notes 11 and 12).

*Subsequent measurement*
The Company subsequently measures financial liabilities based on their classification, as follows:

*Financial Liabilities measured at FVTPL*
Financial liabilities measured at FVTPL comprise financial liabilities held for trading and financial liabilities designated as at FVTPL.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term. Gains and losses are recognized in profit or loss. This category also comprises hedging instruments and derivatives that are not designated and effective hedging instruments in accordance with IFRS 9 *Financial Instruments*.

Financial liabilities designated as at FVTPL are designated as such if the criteria in IFRS 9 are met.

The Company does not have financial assets classified into this category.

*Interest-bearing debts and loans*
After initial recognition, interest-bearing debts and loans are measured at amortized cost using the effective interest method. Gains and losses are recognized in the statement of comprehensive income when liabilities are derecognized, and accrued using the effective interest method.

Amortized cost is calculated taking into consideration any discounts or premiums on acquisition and fees and costs that are an integral part of the effective interest rate. Amortization according to the effective interest method is presented in 'borrowing costs' in the separate statement of comprehensive income.

This category comprises trade and other accounts payable, and other financial liabilities (notes 11 and 12).

*Derecognition*
A financial liability is derecognized when its contractual obligations are discharged or canceled or expire. An exchange between an existing borrower and lender of debt instruments with substantially different terms is recognized as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is recognized as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid shall be recognized in the separate statement of comprehensive income.

- *Offsetting financial instruments*

Financial assets and financial liabilities are offset and the net amount is presented in the separate statement of financial position when the Company has a legally enforceable right to set off them, and management intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

*(c) Fair value of financial instruments (note 26)*
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company shall have access to the principal market or the most advantageous market at the measurement date.

When measuring fair value, the Company uses the assumptions that market participants would use when pricing the asset or the liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques appropriate for the measurement, for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the separate financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the entire measurement as follows:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

For assets and liabilities measured at fair value in the separate financial statements on a recurring basis, the Company determines whether transfers have occurred between the different levels of the hierarchy by reviewing the categorization at the end of each reporting period.

Management sets out policies and procedures for recurring and non-recurring fair value measurements. At the end of each reporting period, management analyzes changes in the fair value of assets and liabilities, which shall be measured according to the Company's accounting policies.

For fair value disclosure purposes, the Company determined classes of assets and liabilities based on their nature, characteristics, and risks, and the level of the fair value hierarchy, as described above.

*(d) Current and non-current financial assets and financial liabilities*

The Company's assets and liabilities are presented in the separate statement of financial position and classified as current and non-current. The Company classifies an asset as current when:

- it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realize the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

The Company classifies a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The Company classifies deferred tax assets and liabilities as non-current assets and liabilities.

*(e) Foreign currency transactions (notes 6 and note 25.A)*

Items included in the separate financial statements are stated in thousands of soles. Management considers the sol as its functional and presentation currency since it reflects the underlying transactions, events and conditions that are relevant to the Company.

A foreign currency transaction is a transaction that is denominated or requires settlement in a foreign currency. A foreign currency transaction is recorded, at initial recognition in the functional currency, at the exchange rate ruling at the transaction date.

Foreign currency monetary items are retranslated into the functional currency at the exchange rate existing at the reporting date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated at initial recognition are recognized in 'exchange difference, net' in the statement of comprehensive income in the period in which they arise.

Foreign currency non-monetary items are translated using the exchange rate existing at the transaction date.

*(f) Investments in subsidiaries and others (note 9)*

An investment in a subsidiary and an associate is recognized at cost less loss allowance. The Company determines whether there is objective evidence that its investment in the subsidiary and associate is impaired.

The entire carrying amount of the investment is tested for impairment, by comparing its recoverable amount with its carrying amount whenever there is an indication that the net investment may be impaired. A net investment is impaired when its carrying amount exceeds its recoverable amount. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. That reduction is an impairment loss. If, in a further period, the impairment loss decreases and such decrease can be related objectively to the occurrence of an event subsequent to impairment recognition, the reversal of the previously recognized impairment is recognized. The reversal shall not result in a carrying amount of the asset that exceeds what its amortized cost would have been at the date of reversal had the impairment not been recognized. The amount of the reversal is recognized in the separate statement of comprehensive income.

Dividend revenue from investments is recognized in profit or loss when declared.

*(g) Vehicles and various equipment*

Vehicles and various equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses. This cost comprises costs incurred to replace part of an item of property, plant and equipment and interests of borrowing costs, provided that the recognition criteria are met.

Maintenance and repair costs are recognized in the statement of comprehensive income as incurred.

Depreciation is determined using the straight-line method over the asset's useful life. The following useful lives are used to calculate depreciation:

| | Years |
|---|---|
| Vehicles | 5 |
| Various equipment | 4 |

The carrying amount of an item of vehicles and various equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an asset (determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item) is included in the separate statement of comprehensive income.

The residual value, useful life and depreciation method are reviewed and adjusted, as appropriate, at the end of each reporting period.

*(h) Intangible assets (note 10)*

*Concession for the generation of electrical energy*

A concession for the generation of electrical energy is measured initially at cost, including the right to transfer the concession and the consideration received from royalties. The cost and right to transfer are amortized over the concession term (i.e., 25 years).

*Software and licenses*
Software and licenses are measured initially at cost. The comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Such costs are amortized over the useful life of the intangible asset (i.e., from 1 to 10 years) as of December 31, 2024 and 2023.

*(i) Impairment of non-financial assets (notes 9 and 10)*
At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company shall estimate the recoverable amount of the asset. The recoverable amount of an asset or CGU is the higher of its fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. An asset or a CGU is impaired when its carrying amount exceeds its recoverable amount. The Company shall reduce the carrying amount of the asset or CGU to its recoverable amount. Value in use of an asset or CGU is the expected future cash flows, discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. When determining fair value less costs of sale, the Company uses current market transactions that might be available. If such market transactions are not available, the Company uses a valuation technique that is appropriate in the circumstances.

Any impairment loss of an asset, including inventories, is recognized in the separate statement of comprehensive income in 'expenses' to which the credit-impaired asset belongs.

The Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, the Company shall estimate the recoverable amount of that asset.

An impairment loss recognized in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss for an asset is recognized immediately in the separate statement of comprehensive income, unless the asset is carried at revalued amount. Any reversal of an impairment loss of a revalued asset shall be treated as a revaluation increase.

In measuring value in use, the Company bases cash flow projections on the most recent financial budgets/forecasts approved by management. Projections based on these budgets/forecasts shall cover a maximum period of ten years. When a period greater than ten years is used for a CGU, the Company uses a long-term average growth rate to extrapolate cash flow projections.

*(j) Provisions*

*(j.1) General provision*
A provision is only recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. When some or all of the expense required to settle a provision is expected to be reimbursed by another party—e.g., under an insurance contract—, the reimbursement is recognized when, and only when, it is virtually certain that the reimbursement will be received. The reimbursement is treated as a separate asset.

In the separate statement of comprehensive income, the expense relating to a provision is presented net of the amount recognized for a reimbursement. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenses expected to be required to settle the obligation. When discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognized as borrowing cost in profit or loss.

*(k) Contingent assets and contingent liabilities (note 23.B)*
A contingent liability is recognized depending on whether some uncertain future events occur or when the amount of the obligation cannot be measured reliably. A contingent asset is not recognized in the financial statements, but it is disclosed where an inflow of economic benefits is probable. When the realization of revenue is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

*(l) Employee benefits (note 17)*
The Company's short-term employee benefits include salaries, social security contributions, legal bonuses, performance bonuses and employees' profit sharing. These liabilities are monthly charged to the separate statement of comprehensive income on an accrual basis.

*(m) Revenue recognition (note 15)*
As of December 31, 2024 and 2023, the Company's revenue correspond mainly to two types of sources: royalty income and dividend income from business units, which are recognized in the separate statement of comprehensive income when the collection right has been established.

*(n) Expense recognition*
Expenses are recognized on an accrual basis, regardless of when it is paid, and are registered in the periods to which they relate.

*(o) Taxes*

*Current tax (note 24)*
Current tax assets and liabilities are measured at the amount expected to be paid to (recovered from) the Tax Authorities.

They are paid using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax that relates to items recognized directly in equity, is recognized outside profit or loss and other comprehensive income, directly in equity. Management assesses on an ongoing basis the income tax treatment used by the Company in its income tax filings regarding situations in which the applicable tax laws are subject to interpretation. The Company recognizes a provision, as appropriate.

*Deferred tax (note 13)*
Deferred tax assets and liabilities are recognized for all (deductible and taxable) temporary differences—i.e., differences between the carrying amount of an asset or liability in the statement of financial position and its tax base. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying amount of deferred tax assets and liabilities may change even though there is no change in the amount of the related temporary differences. This can result from a change in tax rates or tax laws. The resulting deferred tax is recognized in profit or loss, except to the extent that it relates to items previously recognized outside profit or loss.

A deferred tax asset and liability is measured without considering the period in which the temporary differences are expected to reverse. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. At the end of each reporting period, the Company assesses the unrecognized deferred tax assets, and recognized deferred tax assets. The Company measures deferred tax assets and liabilities at the tax rate applicable to undistributed profits. The Company recognize the income tax consequences of dividends when it recognizes a liability to pay a dividend.

The Company shall offset deferred tax assets and liabilities if it has a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and liabilities relate to income taxes levied by the same Tax Authorities.

*Uncertainty over income tax treatments*
The acceptability of a particular tax treatment under tax law may not be known until the relevant Tax Authorities or a court takes a decision in the future. Consequently, a dispute or examination of a particular tax treatment by the Tax Authorities may affect an entity's accounting for a current or deferred tax asset or liability.

If an entity concludes it is probable that the Tax Authorities will accept an uncertain tax treatment, the entity shall determine the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax returns.

If an entity concludes it is not probable that the Tax Authorities will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty.

If an uncertain tax treatment affects current and deferred tax, an entity shall make consistent judgments and estimates for both current and deferred tax.

An entity shall reassess a judgment or estimate if the facts and circumstances on which the judgment or estimate was based change or as a result of new information that affects the judgment or estimate. An entity shall reflect the effect of a change in the facts and circumstances or new information as a change in the accounting estimate.

As of December 31, 2023 and 2022, the Company did not identify uncertain tax treatments that would result in the recognition of provisions in the separate financial statements, under IFRIC 23 *Uncertainty over Income Tax Treatments*.

*Sales tax*
Revenue, expenses and assets are recognized net of the amount of sales tax, except when:

- sales tax incurred in the acquisition of goods or services is not recoverable from the Tax Authorities, in which case, it is recognized as part of costs of purchase of the asset or as part of 'expenses,' as appropriate; and
- accounts receivable and payable are stated with the amount of sales tax included.

The net amount of sales tax expected to be recovered from or paid to the Tax Authorities is presented in 'other accounts receivable' or 'other accounts payable' in the separate statement of financial position.

*(p) Earnings per share (note 22)*
Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares during the period. As of December 31, 2024 and 2023, the Company does not have dilutive financial instruments; therefore, the basic and diluted earnings per share are the same.

## 4. Significant Accounting Judgments, Estimates and Assumptions
In preparing these separate financial statements, management has made judgments, estimates and assumptions related to determining the reported amounts of assets and liabilities, exposure of contingent assets and contingent liabilities at the reporting date, and the reported amounts income and expenses for the years ended December 31, 2024 and 2023.

Significant estimates and judgments related to the separate financial statements comprise the following:

- Estimated useful life and impairment of assets (notes 3(g), 3(h), 3(i)).

In management's opinion, the estimates included in the separate financial statements were made based on the best understanding of relevant facts and circumstances at the reporting date. However, actual results may differ from these estimates.

## 5. New IFRSs and Amendments Effective and Standards Issued but Not Yet Effective

### A. New IFRSs and Amendments Effective
The following standards and amendments are applicable to annual periods beginning on or after January 1, 2024:

| Amendments to IFRSs | Effective date |
|---|---|
| *Non-current Liabilities with Covenants* (Amendments to IAS 1) | Annual periods beginning on or after January 1, 2024. |
| *Classification of Liabilities as Current or Non-current* (Amendments to IAS 1) | Annual periods beginning on or after January 1, 2024. |
| *Lease Liability in a Sale and Leaseback* (Amendments to IFRS 16) | Annual periods beginning on or after January 1, 2024. |
| *Supplier Financing Arrangements* (Amendments to IAS 7 and IFRS 7) | Annual periods beginning on or after January 1, 2024 (early adoption permitted) and amendments to IFRS 7 if the amendments to IAS 7 are applied. |

The amendments did not have an effect on the Company's separate financial statements.

### Standards issued but not yet effective
The following standards are applicable to annual periods beginning on or after January 1, 2025, and have not been applied in preparing these financial statements. The Company does not plan to early adopt the applicable standards.

| Amendments to IFRSs | Effective date |
|---|---|
| *Lack of Exchangeability* (Amendments to IAS 21) | Annual periods beginning on or after January 1, 2025. |
| *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7) | Annual periods beginning on or after January 1, 2026. |
| *Annual Improvements to IFRS Accounting Standards – Volume 11* | Annual periods beginning on or after January 1, 2026. |

| New IFRSs | Effective date |
|---|---|
| IFRS 18 *Presentation and Disclosure in Financial Instruments* | Annual periods beginning on or after January 1, 2027. |
| IFRS 19 *Subsidiaries without Public Accountability: Disclosures* | Annual periods beginning on or after January 1, 2027. |

Management is assessing the impact of these standards and interpretations over the Company's separate financial statements.

***Sustainability standards issued but not yet effective***
IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, are applicable to annual periods beginning on or after January 1, 2024. Early adoption of IFRS S1 is permitted with the joint application of IFRS S2.

In Peru, these standards issued but not yet effective are subject to Peruvian regulations. The Company does not plan to early adopt the applicable standards.

## 6. Foreign Currency Transactions

Foreign currency transactions are entered into at the free-market exchange rates published by the Banking, Insurance and Private Pension Plan Agency (Superintendencia de Banca, Seguros y AFP – SBS). As of December 31, 2024, the weighted average of free-market exchange rates used in transactions in soles were S/ 3.758 (buy rate) and S/ 3.770 (sell rate) (2023: S/3.705 and S/ 3.713, respectively).

As of December 31, 2024 and 2023, the Company has the following foreign currency transactions (in U.S. dollars):

| *In thousands of U.S. dollars* | 2024 | 2023 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 236 | 292 |
| Trade and other accounts receivable | 15,142 | 34,088 |
| | 15,378 | 34,380 |
| **Liabilities** | | |
| Other financial liabilities | - | (25,000) |
| Trade and other accounts payable | (4,222) | (2,518) |
| | (4,222) | (27,518) |
| **Net asset position** | 11,156 | 6,862 |

The Company manages the exchange rate risk by monitoring and controlling the amounts of the currencies other than functional currency that are exposed to changes in the exchange rates. As of December 31, 2024 and 2023, the Company does not have foreign currency transactions using hedging instruments. Any devaluation or revaluation of foreign currency affects the separate statement of comprehensive income.

## 7. Cash and Cash Equivalents

This caption comprises the following:

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Fixed funds | 845 | 837 |
| Checking accounts (a) | 1,811 | 2,207 |
| Time deposits (b) | 1,250 | - |
| | 3,906 | 3,044 |

(a) It corresponds to checking accounts stated in local and foreign currency and deposited at local banks with a high credit rating. They have free withdrawal option and accrue interest at market rates.

(b) It corresponds to time deposits held in a local financial institution and stated in local currency. They accrue interest at market rates and have original maturities of less than three months.

Impairment loss on cash and cash equivalents was measured at an amount equal to 12-month ECLs and reflects the short-term maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external ratings of the borrowers.

## 8. Trade and Other Accounts Receivable

This caption comprises the following:

| | | Current | | Non-current | |
|---|---|---|---|---|---|
| *In thousands of soles* | *Note* | 2024 | 2023 | 2024 | 2023 |
| Trade accounts receivable | | | | | |
| Trade accounts receivable | | 765 | 583 | - | - |
| Related parties | | | | | |
| Accounts receivable | *21(b)* | 90,956 | 150,345 | 22,483 | 25,055 |
| Others | | | | | |
| Claims to tax Authorities, net (a) | | 44,300 | 39,568 | 29,756 | 42,789 |
| Payments on account of income tax (b) | *24(c)* | 4,931 | 10,782 | - | - |
| Third-party claims | | 3,723 | 3,712 | - | - |
| Sales tax credit | | 1,170 | - | - | - |
| Loans to employees | | 799 | 805 | - | - |
| Advances to suppliers | | 42 | 78 | - | - |
| Other accounts receivable | | 3,301 | 3,338 | - | - |
| | | 149,987 | 209,211 | 52,239 | 67,844 |
| Less: ECLs (c) | | (7,301) | (7,327) | - | - |
| | | 142,686 | 201,884 | 52,239 | 67,844 |

(a) As of December 31, 2024 and 2023, the balance corresponds to payments under protest made by the Company to the Tax Authorities for S/ 74,056,000 and S/ 82,357,000, respectively. These payments comprise mainly mining royalties for S/ 44,189,000, income tax for S/ 16,978,000 and supplemental mining, metallurgic and steelmaking retirement fund for S/ 11,590,000 (2023: mining royalties for S/ 39,568,000, income tax for S/ 30,120,000, and supplemental mining, metallurgic and steelmaking retirement fund for S/ 11,590,000).

Movement in Claims to Tax Authorities is as follows:

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Opening balance | 82,357 | 89,922 |
| Additions | 11,325 | 13,712 |
| Collections | (2,040) | (13,150) |
| Write-offs due to low probability of recovery | (17,586) | (8,190) |
| Exchange difference | - | 63 |
| Closing balance | 74,056 | 82,357 |

In management and its legal advisors' opinion, there are sufficient legal arguments to expect a high probability of recovering those assets.

(b) As of December 31, 2024 and 2023, it corresponds to the credit balance of down payments of income tax and expenses for temporary tax on net assets. In management's opinion, down payments of income tax will be applied against future taxes levied in the current period.

(c) Movement in the loss allowance for trade and other accounts receivable is as follows:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| **Opening balance** | | 7,327 | 7,329 |
| Provisions | *16* | - | 47 |
| Recovery | *18* | (37) | (27) |
| Exchange difference | | 11 | (22) |
| **Closing balance** | | **7,301** | **7,327** |

In management's opinion, accounts receivable are not exposed to default risk, except for provision for accounts receivable.

In management's opinion, the loss allowance and the specific provision for trade and other accounts receivable adequately hedges the non-performance risk as of December 31, 2024 and 2023.

(d) As of December 31, 2024 and 2023, the Company assessed the exposure to credit risk of trade accounts receivable (note 25.B).

As of December 31, 2024 and 2023, the aging of trade and other accounts receivable is as follows:

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Neither past due nor impaired | 192,902 | 267,646 |
| Less than 30 days | - | - |
| 30–90 days | 5 | 589 |
| 91–180 days | 50 | 1 |
| More than 180 days | 1,968 | 1,492 |
| Impaired | 7,301 | 7,327 |
| | **202,226** | **277,055** |

## 9. Investments in Subsidiaries and Others

This caption comprises the following:

| | | | Interests (%) | | Carrying amount | |
|---|---|---|---|---|---|---|
| *In thousands of soles* | Economic activity | Country of origin (e) | Closing balance 2024 | Closing balance 2023 | Closing balance 2024 | Closing balance 2023 |
| **Investments in subsidiaries (a)** | | | | | | |
| UNACEM Perú S.A. | Production and sale of cement | Peru | 100.00% | 100.00% | 2,156,485 | 2,156,486 |
| Inversiones Imbabura S.A. | Holding | Peru | 99.99% | 99.99% | 1,566,384 | 1,566,384 |
| UNACEM North America, INC.(1) | Production and sale of cement and concrete | United States | 95.85% | 95.85% | 1,465,196 | 1,465,196 |
| Compañía Eléctrica El Platanal S.A. | Power and energy | Peru | 90.00% | 90.00% | 567,829 | 567,829 |
| UNACEM Chile S.A. | Production and sale of cement | Chile | 99.89% | 99.89% | 122,378 | 122,378 |
| Inversiones Nacionales y Multinacionales Andinas S.A. | Real estate services | Peru | 99.81% | 99.81% | 102,538 | 102,538 |
| Digicem S.A. | IT services | Peru | 99.99% | 99.99% | 98,840 | 75,820 |
| Prefabricados Andinos S.A. | Production and sale of modular buildings | Chile | 100.00% | 50.00% | 33,254 | 19,628 |
| Inversiones en Concreto y Afines S.A. | Holding | Peru | 93.38% | 93.38% | 67,036 | 67,036 |
| ARPL Tecnología Industrial S.A. | Technical support services | Peru | 100.00% | 100.00% | 32,071 | 32,071 |
| Minera Adelaida S.A. | Mining of non-ferrous metalliferous minerals | Peru | 100.00% | 100.00% | 31183 | 31,183 |
| Prefabricados Andinos Perú S.A.C. | Production and sale of modular buildings | Peru | 50.00% | 50.00% | 17,527 | 17,527 |
| UNA Business Services S.A.C (2) | Management consulting services | Peru | 99.99% | 99.99% | 4,631 | 60 |
| Depósito Aduanero Conchán S.A. | Warehousing services | Peru | 99.99% | 99.99% | 3,913 | 3,913 |
| CALCEM S.A | Production and sale of lime | Peru | 51.00% | 51.00% | 3,830 | 1 |
| Vigilancia Andina S.A. | Surveillance services | Peru | 55.50% | 55.50% | 2,308 | 2,308 |
| Generación Eléctrica Atocongo S.A. | Thermal power plant operation services | Peru | 99.85% | 99.85% | 125 | 125 |
| **Other investments (a)** | | | | | | |
| Ferrocarril Central Andino S.A. | Transportation services | Peru | 16.49% | 16.49% | 3,273 | 3,273 |
| Ferrocarril Central Andino S.A. | Transportation services | Peru | 15.00% | 15.00% | 2,762 | 2,762 |
| Compañía de Inversiones Santa Cruz S.A. | Real estate services | Peru | 8.85% | 8.85% | 180 | 180 |
| Others | | | | | 214 | 214 |
| | | | | | 6,281,957 | 6,236,912 |
| Provision for inventory obsolescence (c) | | | | | (62,284) | (42,284) |
| | | | | | 6,219,673 | 6,194,628 |

(1) Formerly Skanon Investments, INC.

(2) Formerly Naviera Conchan S.A.

(a) Movement in this caption was as follows:

| In thousands of soles | Note | 2024 | 2023 |
|---|---|---|---|
| Opening balance | | 6,194,628 | 6,074,006 |
| Contributed capital (i) | | 45,045 | 99,100 |
| Capitalization of debt (ii) | | - | 23,331 |
| Impairment of investments (iii) | 18 | (20,000) | (1,809) |
| **Closing balance** | | **6,219,673** | **6,194,628** |

i. In 2024, the Company made capital contributions mainly to its subsidiaries: Digicem S.A. for S/ 23,020,000, Prefabricados Andinos S.A. for S/ 13,625,000, CALCEM S.A. for S/ 3,829,000, and UNA Bussines Services S.A.C. for S/ 4,571,000.

In 2023, the Company made capital contributions mainly to its subsidiaries: Inversiones Imbabura S.A. for S/ 49,660,000, UNACEM North America, INC. for S/ 6,183,000 (equivalent to US$ 1,625,000), Digicem S.A. for S/ 33,187,000, and Inversiones Nacionales y Multinacionales Andinas S.A for S/ 9,865,000.

ii. In 2023, the Company made capitalizations of debt mainly to the subsidiaries: DIGICEM S.A. for S/ 12,503,000 and Inversiones Nacionales y Multinacionales Andinas S.A for S/ 10,828,000.

iii. In 2024, based on the impairment test of the investment in DIGICEM, the Company made a provision for impairment for S/ 20,000,000.

(b) During 2024 and 2023, the Company had dividend income from its subsidiaries for S/ 313,963,000 and S/ 322,869,000, respectively (note 21(a)). Likewise, the Company collected approximately S/ 337,700,000 and S/ 347,678,000, respectively.

(c) As of December 31, 2024 and 2023, impairment of investments in subsidiaries are as follows:

| In thousands of soles | 2024 | 2023 |
|---|---|---|
| Digicem S.A. | 49,097 | 29,097 |
| Prefabricados Andinos S.A. | 5,016 | 5,016 |
| Depósito Aduanero Conchán S.A. | 3,459 | 3,459 |
| Minera Adelaida S.A. | 3,210 | 3,210 |
| Prefabricados Andinos Perú S.A.C. | 1,502 | 1,502 |
| **Closing balance** | **62,284** | **42,284** |

(d) In 2024 and 2023, the Company performed an impairment test for this investment using cash flow projections derived from the financial budgets approved by management, and the applicable discount rate.

The key assumptions used in testing impairment for each CGU are the following:

| *CGU* | Discount rate | Growth rate Long-term portion | EBITDA margin Long-term portion |
|---|---|---|---|
| UNACEM Perú S.A. | 8.75% | 4.40% | 34.10% |
| Inversiones Imbabura S.A. | 13.02% | 5.88% | 34.84% |
| UNACEM North America, INC. | 5.84% | 4.54% | 16.87% |
| Compañía Eléctrica El Platanal S.A. | 8.74% | 1.20% | 25.00% |
| UNACEM Chile S.A. | 8.09% | 6.00% | 23.88% |

As of December 31, 2024 and 2023, the carrying amount of this investment has been compared to the recoverable amount and management has determined that no impairment provision is necessary.

*Sensitivity to changes in the key assumptions*
The key assumptions described above may change if there is a change in the market and economic conditions. A reasonably possible change in a key assumption on which management based its determination of the unit's recoverable amount would cause its carrying amount to exceed its recoverable amount.

(e) The subsidiaries and other affiliates are domiciled in the country where they were incorporated.

(f) The following is a summary of the main financial data as of December 31, 2024 and 2023 of the consolidated or individual financial statements of the main subsidiaries:

| | Assets | | Liabilities | | Net Equity | | Sales | | Profit (loss) | |
|---|---|---|---|---|---|---|---|---|---|---|
| *In thousands of soles* | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| UNACEM Perú S.A. | 5,070,802 | 4,814,555 | 2,380,565 | 2,346,119 | 2,690,237 | 2,468,436 | 2,711,532 | 2,743,791 | 408,274 | 388,482 |
| UNACEM North America, INC. and Subsidiaries (g) (1) | 3,293,768 | 3,278,887 | 2,300,093 | 2,276,127 | 993,675 | 1,002,760 | 1,464,390 | 1,063,908 | (22,449) | (4,747) |
| Inversiones Imbabura S.A. and Subsidiaries (f) | 2,119,912 | 2,115,492 | 418,299 | 437,904 | 1,701,613 | 1,677,588 | 627,949 | 606,336 | 49,190 | 38,614 |
| Compañía Eléctrica El Platanal S.A. and Subsidiaries (h) | 2,047,266 | 2,015,224 | 1,161,799 | 1,156,759 | 885,467 | 858,465 | 783,307 | 777,349 | 81,475 | 32,523 |
| Inversiones en Concreto y Afines S.A. and Subsidiaries (i) | 1,044,774 | 1,012,503 | 623,716 | 586,303 | 421,058 | 426,200 | 1,581,025 | 1,464,467 | 11,974 | 20,564 |
| UNACEM Chile S.A. | 372,363 | 321,165 | 296,475 | 235,363 | 75,888 | 85,802 | 223,751 | 199,009 | (31,803) | (8,621) |
| Inversiones Nacionales y Multinacionales Andinas S.A.- INMA | 129,750 | 128,883 | 17,848 | 16,683 | 111,902 | 112,200 | 5,434 | 4,361 | (298) | (1,713) |
| Prefabricados Andinos S.A. - PREANSA Chile | 72,895 | 82,159 | 71,103 | 80,350 | 1,792 | 1,809 | 70,045 | 84,599 | (9,018) | (8,485) |
| Prefabricados Andinos Perú S.A.C. and Subsidiary (j) | 66,049 | 64,181 | 49,886 | 54,798 | 16,163 | 9,383 | 68,522 | 45,647 | 9,357 | 1,635 |
| ARPL Tecnología Industrial S.A.– ARPL | 60,289 | 65,831 | 13,370 | 13,557 | 46,919 | 52,274 | 63,387 | 61,862 | 13,576 | 15,927 |
| Digicem S.A. – DIGICEM | 48,772 | 38,838 | 4,991 | 3,674 | 43,781 | 35,164 | 1,485 | 2,182 | (14,403) | (10,511) |
| Minera Adelaida S.A.– MINERA | 28,891 | 29,547 | 5,125 | 3,544 | 23,766 | 26,003 | - | - | (2,237) | (1,023) |
| Vigilancia Andina S.A.– VASA | 15,448 | 12,655 | 6,210 | 4,308 | 9,238 | 8,347 | 45,998 | 44,530 | 891 | 593 |
| Calcem S.A. - CALCEM | 9,133 | 6 | 2,135 | 18 | 6,998 | (12) | - | - | (498) | (13) |
| UNA Bussines Services– UNA | 4,394 | 16 | 3,908 | 27 | 486 | (11) | - | - | (4,074) | (13) |
| Depósito Aduanero Conchán S.A.– DECOSA (2) | 1,706 | 1,922 | 214 | 693 | 1,492 | 1,229 | 3,605 | 3,694 | 263 | 99 |
| Generación Eléctrica Atocongo S.A.– GEA | 1,440 | 17,538 | 496 | 16,348 | 944 | 1,190 | 4,140 | 3,780 | (246) | (209) |

(1) Formerly Skanon Investments, INC

(2) Formerly Naviera Conchan S.A.

(g) The subsidiaries of Inversiones Imbabura S.A. are UNACEM Ecuador S.A. (UNACEM Ecuador) and Canteras y Voladuras S.A. (CANTYVOL).

On the Shareholders' Meeting held on May 10, 2021, UNICON Peru approved the sale of 100% of its shares in UNICON Ecuador to IMBABURA for approximately S/ 51,114,000 (equivalent to US $ 13,000,000). Additionally, on July 9, 2021, the merger of UNACEM Ecuador as the absorbing company and UNICON Ecuador as the absorbed company was approved and registered in the commercial register of Ecuador on February 1, 2023

(h) The subsidiaries of UNACEM North America, INC. are Drake Cement L.L.C., Tehachapi Cement LLC (note 1), Sunshine Concrete & Materials Inc. which controls the subsidiaries Maricopa Ready Mix L.L.C., Drake Aggregates L.L.C, Desert Ready Mix and Desert Aggregates.

(i) The subsidiaries of Compañía Eléctrica el Platanal S.A. (CELEPSA) are Celepsa Renovables S.R.L. (CERE), Termochilca S.A.C. (note 1), Ambiental Andina S.A.C. and Compañía Eléctrica San Bernardino S.A.C.

(j) The subsidiary of Inversiones en Concreto y Afines S.A. (INVECO) is Unión de Concreteras S.A., which controls the subsidiaries Concremax S.A., Entrepisos Lima S.A. and UNICON Chile S.A. which controls the subsidiary Inversiones Mel20 Limitada.

(k) The subsidiary of PREANSA Perú is Prefabricados Andinos Colombia S.A.

## 10. Intangible Assets

This caption comprises the following:

| *In thousands of soles* | *Note* | Concession for the generation of electrical energy (a) | Software | Others | Total |
|---|---|---|---|---|---|
| **Costs** | | | | | |
| As of January 1, 2023 | | 61,329 | 20,108 | 3,814 | 85,251 |
| Additions | | - | 4,173 | - | 4,173 |
| **As of December 31, 2023** | | **61,329** | **24,281** | **3,814** | **89,424** |
| Additions | | - | 11,695 | 6 | 11,701 |
| **As of December 31, 2024** | | **61,329** | **35,976** | **3,820** | **101,125** |
| **Accumulated amortization** | | | | | |
| As of January 1, 2023 | | 43,205 | 17,573 | 3,534 | 64,312 |
| Amortization | *16 & 18* | 1,484 | 738 | 182 | 2,404 |
| **As of December 31, 2023** | | **44,689** | **18,311** | **3,716** | **66,716** |
| Amortization | *16 & 18* | 1,484 | 788 | 14 | 2,286 |
| **As of December 31, 2024** | | **46,173** | **19,099** | **3,730** | **69,002** |
| **Net carrying amount** | | | | | |
| **As of December 31, 2024** | | **15,156** | **16,877** | **90** | **32,123** |
| **As of December 31, 2023** | | **16,640** | **5,970** | **98** | **22,708** |

(a) It corresponds to expenses to execute the project "El Platanal hydroelectric station" related to the construction of two hydroelectric stations and an irrigation system for undeveloped land, as well as to obtain the definitive concession for the generation of electrical energy, which was obtained by the Company, through Supreme Resolution 130-2001-EM, dated July 25, 2001. Supreme Resolution 036-2003-EM, dated October 2, 2003, approved the division of the definitive concession for the generation of electrical energy into two separate concessions: G-1 El Platanal hydroelectric station that has a capacity of 220 megawatts and G-2 Morro de Arica hydroelectric station that has a capacity of 50 megawatts. Supreme Resolution 053-2006-EM, dated September 12, 2006, approved the transfer of the project "El Platanal hydroelectric station" to Compañía Eléctrica El Platanal S.A. (CELEPSA) for a 25-year term from March 30, 2011. Accordingly, the Company receives royalty payments as consideration calculated based on the 3.55% of the monthly net profit obtained by CELEPSA from the sale of energy and power to third parties. As of December 31, 2024 and 2023, the Company has the concession related to the G-1 El Platanal hydroelectric station. In 2017, the G-2 Morro de Arica hydroelectric station was dropped and it is fully amortized.

## 11. Trade and Other Accounts Payable

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Accounts payable to related parties | *21(b)* | 26,786 | 7,806 |
| Dividends payable | *27* | 23,027 | 18,927 |
| Trade accounts payable (a) | | 14,452 | 9,607 |
| Interest payable | *12(b) & (e)* | 13,500 | 8,646 |
| Compensations and paid annual leave payable | | 9,750 | 10,081 |
| Key management personnel compensation payable | | 980 | 2,168 |
| Contingencies payable | | 736 | 736 |
| Sales tax | | - | 10,538 |
| Social security contributions payable | | - | 193 |
| Other accounts payable | | 742 | 882 |
| | | **89,973** | **69,584** |
| **Term** | | | |
| Current portion | | 87,182 | 66,081 |
| Non-current portion | | 2,791 | 3,503 |
| | | **89,973** | **69,584** |

(a) As of December 31, 2024 and 2023, trade accounts payable arise from administrative services. They are stated in local and foreign currency, have current maturity, do not accrue interest and do not have specific collaterals.

## 12. Other Financial Liabilities

(a) This caption comprises the following:

| | As of December 31, 2024 | | | As of December 31, 2023 | | |
|---|---|---|---|---|---|---|
| *In thousands of soles* | Current portion | Non-current portion | Total | Current portion | Non-current portion | Total |
| Promissory notes (b) | 350,000 | - | 350,000 | 92,713 | - | 92,713 |
| Bank loans (c) | 346,181 | 361,752 | 707,933 | 242,114 | 707,933 | 950,047 |
| | **696,181** | **361,752** | **1,057,933** | **334,827** | **707,933** | **1,042,760** |

(b) As of December 31, 2024 and 2023, the bank promissory notes correspond to a working capital financing obtained. They have no specific guarantees and are renewed depending on the working capital needs of the Company. The balance of bank promissory notes is as follows:

| *In thousands of soles* | Currency | Maturity date | As of December 31, 2024 | As of December 31, 2023 |
|---|---|---|---|---|
| **Financial institution** | | | | |
| Scotiabank Perú S.A.A. | PEN | July 2025 | 150,000 | - |
| Banco Internacional del Perú S.A.A. | PEN | March 2025 | 130,000 | - |
| BBVA Banco Continental S.A. | PEN | April 2025 | 70,000 | - |
| Scotiabank Perú S.A.A. | USD | April 2024 | - | 92,825 |
| | | | **350,000** | **92,825** |
| Amortized cost | | | - | (112) |
| **Total** | | | **350,000** | **92,713** |

As of December 31, 2024 and 2023, interest payable for promissory notes amounted to S/ 7,092,000 (2023: S/ 31,000). It is recognized in 'trade and other accounts payable' in the separate statement of financial position (note 11).

As of December 31, 2024 and 2023, interest expense for promissory notes amounted to S/ 15,357,000 and S/ 4,287,000, respectively. It is recognized in 'borrowing costs' in the separate statement of comprehensive income (note 20).

(c) As of December 31, 2024 and 2023, bank loans are as follows:

| *In thousands of soles* | Maturity date | Original amount | Currency | Use of funds | As of December 31, 2024 | As of December 31, 2023 |
|---|---|---|---|---|---|---|
| **Bank loans** | | | | | | |
| Banco de Crédito del Perú S.A. | October 2026 | 502,500 | PEN | Redemption – overseas | 245,892 | 360,906 |
| Scotiabank Perú S.A.A. | January 2027 | 671,547 | PEN | Debt refinancing | 210,172 | 268,205 |
| BBVA Banco Continental S.A. | January 2027 | 533,357 | PEN | Debt refinancing | 187,935 | 239,828 |
| Banco Internacional del Perú S.A.A. | January 2027 | 228,385 | PEN | Debt refinancing | 65,918 | 84,119 |
| | | | | | 709,917 | 953,058 |
| Amortized cost | | | | | (1,984) | (3,011) |
| | | | | | 707,933 | 950,047 |

As of December 31, 2024 and 2023, the Company has granted its guarantee for the bank loans transferred to UNACEM Perú S.A.A. up to a limit of S/ 405,102,000 and S/ 779,232,000, respectively.

(d) The financial safeguards applicable to local financial liabilities are monitored quarterly and calculated based on quarterly financial information: (i) combined of the Company and its subsidiary UNACEM Peru S.A. and (ii) consolidated of the Company; considering the calculation methodologies required by each financial institution.

In management's opinion, the Company complied with the covenants as of December 31, 2024 and 2023.

(e) As of December 31, 2024 2023, interest payable for medium and long-term debts and bonds amounted to S/ 6,408,000 (2023: S/ 8,615,000). It is recognized in 'trade and other accounts receivable' in the separate statement of financial position (note 11).

As of December 31, 2024 and 2023, interest expense for medium and long-term bonds and debts amounted to S/ 36,937,000 and S/ 45,770,000, respectively. It is recognized in 'borrowing costs' in the separate statement of comprehensive income (note 20).

(f) As of December 31, 2024 and 2023, the Company had bank loans in local currency (soles) at effective annual interest rates ranging from 4.10% to 4.92%.

## 13. Deferred Tax Assets

This caption comprises the following:

| *In thousands of soles* | As of January 1, 2023 | Debit (credit) to separate statement of comprehensive income | As of December 31, 2023 | Debit (credit) to separate statement of comprehensive income | As of December 31, 2024 |
|---|---|---|---|---|---|
| Deferred assets | | | | | |
| Loss allowance for investments | 4,692 | 534 | 5,226 | 5,900 | 11,126 |
| Difference in tax basis of amortization of intangible assets | 2,051 | 493 | 2,544 | 383 | 2,927 |
| Gains on sale of shares | 1,863 | 6 | 1,869 | (11) | 1,858 |
| Provision for holidays | 228 | 22 | 250 | 111 | 361 |
| Interest for tax EBITDA calculation | - | 8,149 | 8,149 | 4,493 | 12,642 |
| Other provisions | 3,666 | (3,396) | 270 | 2,483 | 2,753 |
| | 12,500 | 5,808 | 18,308 | 13,359 | 31,667 |
| Deferred liabilities | | | | | |
| Deferred commissions of financial obligations | (1,190) | 380 | (810) | 335 | (475) |
| | (1,190) | 380 | (810) | 335 | (475) |
| Deferred tax assets, net | 11,310 | 6,188 | 17,498 | 13,694 | 31,192 |

## 14. Equity

### A. Issued capital

As of December 31, 2024 and 2023, the subscribed and paid-in capital is represented by 1,648,000,000 1,780,000,000, respectively, ordinary shares at a face value of S/ 1 per share. The Company's ordinary shares are listed in the Lima Stock Exchange.

On October 10, 2024, the General Shareholders' Meeting approved the reduction of the Company's share capital from S/ 1,780,000,000 to S/ 1,648,000,000. Such reduction was registered with the SUNARP on December 14, 2024. For further details, see note 14. C.

| As of December 31, 2024 | | |
|---|---|---|
| Shareholders | Number of shares | Interests (%) |
| Inversiones JRPR S.A. | 484,165,664 | 29.38% |
| Nuevas Inversiones S.A. | 459,129,497 | 27.86% |
| Pension Fund Administrators | 275,122,516 | 16.69% |
| Others | 429,582,323 | 26.07% |
| | **1,648,000,000** | **100.00%** |

| As of December 31, 2023 | | |
|---|---|---|
| Shareholders | Number of shares | Interests (%) |
| Inversiones JRPR S.A. | 483,489,609 | 27.16% |
| Nuevas Inversiones S.A. | 459,129,497 | 25.79% |
| Pension Fund Administrators | 422,287,829 | 23.73% |
| Others | 415,093,065 | 23.32% |
| | **1,780,000,000** | **100.00%** |

As of December 31, 2024, the share price of each ordinary share was S/ 1.55 (2023: S/ 1.52).

### B. Additional capital

It corresponds to changes in the capital increase made in the year 2019 due to the merger of the Company with Sindicato de Inversiones y Administración S.A., Inversiones Andino S.A. and Inmobiliaria Pronto S.A. and equity.

### C. Treasury shares

The Board of Directors' Meeting, held August 20, 2021, approved the program of purchase of shares for up to S/ 36,400,000, without exceeding 2% of issued shares, which was extended on December 22, 2021, June 28, 2022, December 28, 2022, and June 28, 2023. The Board of Directors' Meeting, held June 28, 2023, agreed to extend the program until June 30, 2025, increasing the maximum amount to S/ 112,000,000, without exceeding 4% of issued shares.

In addition, the Board of Directors' Meeting, held April 26, 2024, agreed to extend the purchase of shares for an additional 50 million shares and an additional amount of S/ 80,000,000. Subsequently, the Board of Directors' Meeting, held August 28, 2024, agreed a new purchase of shares for up to 93 million shares and a maximum amount of S/ 150,000,000, extending the term of the purchase program until August 31, 2025.

The shares are held in the portfolio for a maximum period of two years. Where they are held in the portfolio, rights inherent to the shares are suspended.

Likewise, on October 10, 2024, the General Shareholders' Meeting approved the amortization of 132,000,000 treasury shares generated by the program and the consequent reduction of the Company's share capital from S/ 1,780,000,000 to S/ 1,648,000,000; charging the excess paid over the nominal value for the shares to be amortized, amounting to S/ 62,527,000, to the retained earnings account.

As of December 31, 2024, the Company holds 5,401,000 treasury shares equivalent to S/ 8,340,000 (2023: 14,828,000 shares equivalent to S/ 22,948,000).

### D. Legal reserve

According to the Companies Act, the Company shall allocate not less than 10% of its profits distributed in each period, less income tax. This allocation is required until such reserve equals 20% of capital. The legal reserve may be used to offset losses or may be capitalized, but it shall be restored in both cases. As of December 31, 2024 and 2023, the legal reserve equals 20% of capital.

### E. Dividend distribution

In 2024 and 2023, this caption comprises the following:

*Dividends 2024*

| Date of Board of Directors' Meeting | Dividends declared PEN (000) | Date of payment | Dividends per ordinary share |
|---|---|---|---|
| January 31, 2024 | 35,303 | March 4, 2024 | 0.020 |
| April 26, 2024 | 35,104 | May 20, 2024 | 0.020 |
| July 24, 2024 | 34,404 | August 28, 2024 | 0.020 |
| October 30, 2024 | 32,852 | December 3, 2024 | 0.020 |
| | 137,663 | | |

*Dividends 2023*

| Date of Board of Directors' Meeting | Dividends declared PEN (000) | Date of payment | Dividends per ordinary share |
|---|---|---|---|
| January 25, 2023 | 36,103 | February 27, 2023 | 0.020 |
| April 27, 2023 | 36,102 | May 31, 2023 | 0.020 |
| July 26, 2023 | 36,099 | August 31, 2023 | 0.020 |
| October 23, 2023 | 35,464 | November 28, 2023 | 0.020 |
| | 143,768 | | |

As of December 31, 2024 and 2023, dividends payable amount to S/ 23,027,000 and S/ 18,927,000, respectively (note 11).

The General Shareholders' Meeting, held December 14, 2021, agreed to replace the dividend policy approved by the General Shareholders' Meeting, held March 31, 2015, with a new dividend policy. It consisted of the quarterly distribution of dividends in cash (soles or U.S. dollars) from US$ 0.005 to US$ 0.010 per share issued by the Company. They are charged to 'retained earnings.'

## 15. Revenue

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Dividend income | *21(a)* | 313,963 | 322,869 |
| Royalty revenue | *21(a)* | 193,179 | 192,322 |
| | | **507,142** | **515,191** |
| **Timing of transfer of goods** | | | |
| Goods transferred at a point in time | | 507,142 | 515,191 |
| | | **507,142** | **515,191** |

## 16. Administrative Expenses

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Third-party services | | 64,230 | 52,593 |
| Personnel expenses | *17(a)* | 31,828 | 31,036 |
| Amortization of intangible assets | *10* | 2,281 | 2,404 |
| Taxes | | 1,632 | 2,142 |
| Donations | | 1,058 | 211 |
| Depreciation | | 55 | 49 |
| Expected credit losses | *8(c)* | - | 47 |
| Others | | 1,381 | 983 |
| | | **102,465** | **89,465** |

## 17. Personnel Expenses

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Compensations | 21,195 | 21,579 |
| Fees and expense allowance for Board of Directors | 2,893 | 3,750 |
| Legal bonuses | 1,873 | 1,546 |
| Severance payment | 1,769 | 1,139 |
| Social security contributions | 1,556 | 1,135 |
| Health care | 973 | 865 |
| Paid annual leave | 1,071 | 864 |
| Others | 500 | 167 |
| | **31,830** | **31,045** |

(a) Personnel expenses are allocated as follows:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Administrative expenses | *16* | 31,828 | 31,036 |
| Other expenses | *18* | 2 | 9 |
| | | **31,830** | **31,045** |

The average number of employees during 2024 and 2023 was 18.

## 18. Other Income and Expenses

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Other income | | | |
| Recovery due to SUNAT claims | *23.B(a)* | 250 | 3,657 |
| Recovery due to expected credit losses | *8(c)* | 37 | 27 |
| Other income | | 4,038 | 2,237 |
| | | 4,325 | 5,921 |
| Other expenses | | | |
| Interest for tax contingencies | | 40,932 | 7,182 |
| Impairment of investments | *9(a)* | 20,000 | 1,809 |
| Tax administrative penalties | | 10,677 | - |
| Amortization of intangible | *10* | 5 | - |
| Personnel expenses | *17(a)* | 2 | 9 |
| Other expenses | | 3,464 | 4,038 |
| | | 75,075 | 13,038 |
| | | (70,750) | (7,117) |

## 19. Financial Income

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Interest on related-party loans | *21(a)* | 5,330 | 10,336 |
| Interest on deposits | | 625 | 130 |
| Others | | 119 | 710 |
| | | 6,074 | 11,176 |

## 20. Financial Expenses

This caption comprises the following:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Interest on long-term bonds and debts | *12(e)* | 36,937 | 45,770 |
| Interest on promissory notes | *12(b)* | 15,357 | 4,287 |
| Structuring fee for other financial liabilities | | 1,138 | 1,287 |
| Interest for bank overdraft | | 237 | - |
| Interest on related-party loans | *21(a)* | 161 | 5,650 |
| Others | | 438 | 178 |
| | | 54,268 | 57,172 |

## 21. Related Party Transactions

(a) In 2024 and 2023, the related party transactions are as follows:

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Revenue | | | |
| Dividend income | *15* | | |
| UNACEM Perú S.A. | | 185,525 | 271,054 |
| Inversiones Imbabura S.A. | | 33,000 | 26,313 |
| ARPL Tecnología Industrial S.A. | | 18,995 | 13,243 |
| Compañía Eléctrica El Platanal S.A. | | 52,104 | 8,852 |
| Inversiones en Concreto y Afines S.A. | | 17,287 | 3,407 |
| Ferrocarril Central Andino S.A. | | 7,052 | - |
| Royalty revenue | *15* | | |
| UNACEM Perú S.A. | | 112,741 | 112,491 |
| UNACEM North America, INC. | | 34,852 | 34,664 |
| UNACEM Ecuador S.A. | | 25,273 | 24,213 |
| Unión de Concreteras S.A. | | 12,913 | 12,256 |
| Compañía Eléctrica El Platanal S.A. | | 7,400 | 8,732 |
| Interest income from loans granted to related parties | *19* | | |
| Compañía Eléctrica El Platanal S.A. | | 3,324 | 4,497 |
| Prefabricados Andinos Perú S.A.C. | | 1,900 | 1,809 |
| UNACEM North America, INC. | | 62 | - |
| Inversiones Nacionales y Multinacionales Andinas S.A. | | 43 | 1,678 |
| Generación Eléctrica Atocongo S.A. | | 1 | 24 |
| Digicem S.A. | | - | 2,301 |
| Inversiones Imbabura S.A. | | - | 14 |
| UNACEM Perú S.A. | | - | 13 |
| Other income and refunds | | | |
| UNACEM Perú S.A. | | 5,660 | 10,747 |
| Tehachapi Cement, LLC. | | 1,160 | - |
| Compañía Eléctrica El Platanal S.A. | | 1,101 | 581 |
| UNACEM Chile S.A. | | 727 | 11 |
| ARPL Tecnología Industrial S.A. | | 565 | 2 |
| Unicon Chile S.A. | | 329 | - |
| Unión de Concreteras S.A. (i) | | 169 | - |
| Calcem S.A. | | 141 | - |
| UNACEM Ecuador S.A. | | 2 | 218 |
| Drake Cement, LLC. | | - | 144 |
| Others | | 942 | 156 |
| Acquisitions and expenses | | | |
| Surveillance services | | | |
| Vigilancia Andina S.A. | | 830 | 667 |
| Administrative support services | | | |
| UNACEM Perú S.A. | | 5,506 | 1,896 |
| Interest expense on loans received from related parties | *20* | | |
| UNACEM Perú S.A. | | 32 | 5,650 |
| ARPL Tecnología Industrial S.A. | | 129 | - |

| *In thousands of soles* | *Note* | 2024 | 2023 |
|---|---|---|---|
| Others | | | |
| UNACEM Ecuador S.A. | | 3,257 | 3,207 |
| UNA Bussines Services S.A. | | 3,015 | - |
| Compañía Eléctrica El Platanal S.A. | | 2,660 | 1,746 |
| Inversiones Nacionales y Multinacionales Andinas S.A. | | 2,596 | 2,158 |
| UNACEM North America, INC. | | 2,586 | - |
| ARPL Tecnología Industrial S.A. | | 1,107 | 272 |
| Junta de Propietarios Edificio INMA | | 268 | - |
| Unión de Concreteras S.A. | | 152 | - |
| UNACEM Perú S.A. | | 88 | 1,921 |
| Unicon Chile S.A. | | 2 | - |
| UNACEM Chile S.A. | | - | 324 |
| Drake Cement, LLC. | | - | 56 |

(b) As of December 31, 2024 and 2023, as a result of these and other transactions, the Company has the following related party balances:

| *In thousands of soles* | *Note* | As of December 31, 2024 | As of December 31, 2023 |
|---|---|---|---|
| Accounts receivable | | | |
| Prefabricados Andinos Perú S.A.C. | | 4,990 | 3,889 |
| Tehachapi Cement, LLC. | | 1,379 | - |
| Unión de Concreteras S.A. (i) | | 365 | 612 |
| UNACEM Perú S.A. | | 3,099 | 18 |
| UNACEM Chile S.A. | | 732 | 11 |
| Compañía Eléctrica El Platanal S.A. | | 623 | - |
| ARPL Tecnología Industrial S.A. | | 407 | - |
| Others | | 1,309 | 523 |
| | | 12,904 | 5,053 |
| Dividends receivable | | | |
| Inversiones Imbabura S.A. | | 1,145 | 13,417 |
| UNACEM Perú S.A. | | - | 11,000 |
| | | 1,145 | 24,417 |
| Royalties receivable (c) | | | |
| UNACEM North America, INC. | | 13,236 | 9,702 |
| UNACEM Perú S.A. | | 25,319 | 8,677 |
| UNACEM Ecuador S.A. | | 5,122 | 4,460 |
| Unión de Concreteras S.A. (i) | | 2,941 | 3,488 |
| Compañía Eléctrica El Platanal S.A. | | 1,649 | 1,472 |
| | | 48,267 | 27,799 |
| Loans receivable (d) | | | |
| UNACEM North America, INC. | | 28,639 | - |
| Compañía Eléctrica El Platanal S.A. | | - | 92,506 |
| Prefabricados Andinos Perú S.A.C. | | 22,484 | 25,055 |
| Inversiones Nacionales y Multinacionales Andinas S.A. | | - | 350 |
| Generación Eléctrica Atocongo S.A. | | - | 220 |
| | | 51,123 | 118,131 |
| Total accounts receivable | *8* | 113,439 | 175,400 |

| *In thousands of soles* | *Note* | As of December 31, 2024 | As of December 31, 2023 |
|---|---|---|---|
| Term | | | |
| Current portion | | 90,956 | 150,345 |
| Non-current portion | | 22,483 | 25,055 |
| | | 113,439 | 175,400 |
| Accounts payable | | | |
| ARPL Tecnología Industrial S.A. | | 10,934 | 86 |
| Inversiones en Concreto y Afines S.A. | | 6,448 | 6,448 |
| UNACEM Perú S.A. | | 2,665 | - |
| UNACEM North America, INC. | | 2,630 | 7 |
| UNA Bussines Services S.A.C. | | 2,271 | - |
| UNACEM Ecuador S.A. | | 498 | 753 |
| Compañía Eléctrica El Platanal S.A. | | 498 | - |
| UNACEM Chile S.A. | | 330 | 325 |
| Inversiones Nacionales y Multinacionales Andinas S.A. | | 199 | 115 |
| Others | | 313 | 72 |
| **Total accounts payable** | *11* | **26,786** | **7,806** |

(i) The merger by absorption, under which Concremax S.A. was absorbed by Unión de Concreteras S.A., entered into force on January 1, 2024.

(c) Royalties receivable are from its main subsidiaries and range from 1.0% to 4.5% of each subsidiary's revenues from ordinary activities.

(d) They correspond to loans with effective annual interest rates of up to 7.24% in U.S. dollars and up to 6.66 % in soles, which mature between January 2025 and December 2026 and do not have specific guarantees.

(e) As of December 31, 2024, the total key management personnel compensation amounted to S/ 19,312,000 (2023: S/ 20,291,000). It includes short-term employee benefits and severance payment.

The Company enters into related party transactions on terms equivalent to those that prevail in arm’s length transactions; therefore, there is no difference in pricing policies or tax bases. Policies related to payment terms are similar to policies used in arm’s length transactions.

## 22. Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of outstanding shares during the period.

The following table shows the calculation of the diluted and basic earnings per share.

| *In thousands of* | Outstanding shares | Basic earnings for the weighted average | Number of days in the periods | Weighted average number of ordinary shares |
|---|---|---|---|---|
| **Year 2024** | | | | |
| Balance as of January 1, 2024 | 1,765,172 | 1,765,172 | 365 | 1,765,172 |
| Acquisition of treasury shares | (122,572) | (122,572) | 138 | (46,342) |
| **Balance as of December 31, 2024** | **1,642,600** | **1,642,600** | **-** | **1,718,830** |
| **Equity amount (in thousands of soles)** | **-** | **-** | **-** | **255,439** |
| **Net basic and diluted earnings per share (in soles)** | **-** | **-** | **-** | **0.149** |

| *In thousands of* | Outstanding shares | Basic earnings for the weighted average | Number of days in the periods | Weighted average number of ordinary shares |
|---|---|---|---|---|
| **Year 2023** | | | | |
| Balance as of January 1, 2023 | 1,805,161 | 1,805,161 | 365 | 1,805,161 |
| Acquisition of treasury shares | (39,989) | (39,989) | 192 | (21,035) |
| **Balance as of December 31, 2023** | **1,765,172** | **1,765,172** | **-** | **1,784,126** |
| **Equity amount (in thousands of soles)** | **-** | **-** | **-** | **359,557** |
| **Net basic and diluted earnings per share (in soles)** | **-** | **-** | **-** | **0.202** |

As of December 31, 2024 and 2023, the Company holds 5,401,000 and 14,828,000 treasury shares with an average of 945 days and 333 days, respectively.

## 23. Contingencies and Commitments

### A. Financial commitments

As of December 31, 2024, the Company has the following financial commitments:

a) A corporate guarantee granted jointly by UNACEM Corp, UNACEM Perú S.A., Desert Ready Mix and Desert Aggregates on behalf of the subsidiary Skanon Investments to the syndicate loan for the acquisition of Tehachapi Cement, for a total of US$ 345,000,000. It matures in October 2026.

b) Letter of guarantee on behalf of the Tax Authorities (SUNAT) for S/ 52,000,000 It matures in December 2025 (note 23.B(a)).

### B. Contingencies

In the normal course of business, the Company had various tax, legal (labor and administrative) and regulatory claims, which are recognized and disclosed in accordance with IFRSs (note 3.J).

*(a) Tax proceedings*

As a result of the tax assessments, the Company received various resolutions related to alleged failure to meet tax payments from the Tax Authorities. In some cases, the Company filed claims before higher courts since it did not consider that such resolutions are compliance with the laws and, in others, it paid the objections under protest.

In June 2024, the Company made a payment under protest of S/ 52,109,000 for income tax of the year 2010. Such amount was recognized in the separate statement of comprehensive income; such process is currently before the corresponding authorities, which, in December 2024, granted a precautionary measure in favor of the Company, ordering Tax Authorities (SUNAT) to refund the full amount collected. As a counter-guarantee, the Company was required to submit a joint and several letter of guarantee in favor of SUNAT (note 23.A(b).

As of December 31, 2024 and 2023, the main tax proceedings pending before the Tax Administration are related to the following:

- Income tax for the years 2004, 2005 and 2009.
- Contribution to the retirement fund for mining, metallurgical and steel workers for the years from 2013 to 2017.
- Mining royalties of Cementos Lima S.A.A. for the years 2008 and 2009.
- Mining royalties of Cementos Lima S.A.A. for the year 2008.

In 2024, the Company was able to recover the overpayment of income tax corresponding to the period 2021 for S/ 2,368,000, which comprises interest income for S/ 250,000 and income tax for S/ 2,118,000, and was recorded in 'other income and expenses' in the statement of comprehensive income (notes 18 and 13).

In 2023, the Company was able to recover the overpayment of sales tax corresponding to the period February 2001 (which was shown as part of the balance of claims to SUNAT as of December 31, 2022 for S/ 7,896,000 paid and fully provided for in prior periods), for S/ 3,657,000, which was recorded in other income (note 18).

As of December 31, 2024 and 2023, the Company has accounts receivable from such tax proceedings (note 8(a)). It is the opinion of management and its legal advisors that the Company will obtain a favorable outcome.

## 24. Tax Matters

(a) The Company is subject to the Peruvian tax law. As of December 31, 2024 and 2023, the income tax rate is calculated on the basis of the net taxable profits determined by the Company at a rate of 29.5%.

The income tax rate applicable to dividend distribution and any other form of profit distribution to 5% for profits generated and distributed from January 1, 2017.

In 2024 and 2023, tax expense is as follows:

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Current | (26,017) | (17,865) |
| Deferred | 13,693 | 6,188 |
| Tax contingencies | (18,646) | - |
| | **(30,970)** | **(11,677)** |

In 2024 and 2023, the reconciliation of the effective tax rate was as follows:

| *In thousands of soles* | 2024 | | 2023 | |
|---|---|---|---|---|
| **Profit before tax** | **286,409** | **100.00%** | **371,234** | **100.00%** |
| Income tax as per tax rate | 84,491 | 29.50% | 109,514 | 29.50% |
| Tax effects of permanent accounts (*) | (78,448) | (27.39%) | (103,978) | (28.01%) |
| Tax contingencies | 18,646 | 6.51% | - | - |
| Others | 6,281 | 2.27% | 6,141 | 1.65% |
| **Tax expense** | **30,970** | **10.81%** | **11,677** | **3.15%** |

*(*) For the period ended December 31, 2024, it corresponds mainly to exempt income for dividends that amounts to S/ 100,074,000 (tax base S/ 339,235,000, note 15) net of administrative and tax penalties that resulted in S/ 15,274,000 (tax base S/ 51,776,000). For the period ended December 31, 2023, it corresponds mainly to exempt income for dividends that amounts to S/ 95,243,000 (tax base S/ 322,869,000) (note 15).*

(b) The Tax Authorities are entitled to audit and, if applicable, to correct the income tax calculated by the Company within the four years following the year of the tax return filing. The Company's income tax return for the years from 2020 to 2024, as well as monthly sales tax returns for the periods from December 2020 to December 2024 are open for review by the Tax Authorities.

Currently, a definitive audit process for the 2018 income tax return is in its final stage.

Due to the possible interpretations of the applicable laws by the Tax Authorities, it is not possible to determine, to date, whether a future tax assessment will result in liabilities for the Company. Therefore, any major tax or surcharge that might arise from eventual tax assessments would be applied to profit or loss when they are determined. It is the opinion of management and its legal advisors that any possible additional settlement of taxes will not be significant for the separate financial statements as of December 31, 2024 and 2023.

(c) As of December 31, 2024 and 2023, the net income tax credit balance of S/ 4,931,000 and S/ 10,782,000, respectively, is presented in "Trade and other accounts receivable" in the separate statement of financial position (note 8).

(d) The temporary tax rate is 0.4% for the years 2024 and 2023 and is applied to the amount of net assets exceeding S/ 1 million. It may be paid in cash or nine consecutive monthly installments. The paid amount may be used as a credit against income tax paid. In the event a remaining balance is not applied, its refund could be requested.

The Company made the payment of the temporary tax on net assets for the period 2024 for S/ 7,884,000 (2023: S/ 7,743,000).

(e) In determining income tax, transfer pricing with related parties and entities domiciled in territories with low or zero taxation shall be supported with documents and information on the valuation techniques and the criteria used for the pricing.

Based on the business analysis, it is the opinion of management and its legal advisors that no significant contingencies will arise as of December 31, 2024 and 2023 from the application of the regulations of transfer pricing.

(f) As of December 31, 2024 and 2023, in accordance with the Peruvian tax regime, the sale tax rate is 18%.

(g) Main tax laws issued during 2024

*Amendment of provisions of transfer pricing in the Income Tax Law*
Legislative Decrees 1662 and 1663, published on September 24, 2024, present amendments in the Income Tax Law regarding the Advance Pricing Agreements (APAs) and the alternative valuation methods in transfer pricing. These amendments entered into force on January 1, 2025.

Legislative Decree 1662, published on September 24, 2024, established that APAs between the Tax Authorities (SUNAT) and taxpayers may have retroactive effects for previous tax periods. To be effective, events and circumstances of previous periods must be consistent with the terms of the APA, and the Tax Authority must not have prescribed the right to determine the income tax liability under the transfer pricing standards.

Likewise, Legislative Decree 1663, published on September 24, 2024, modifies the Income Tax Law to adjust the alternative valuation methods for situations where traditional transfer pricing methods are not applicable due to the nature of activities or transactions, or lack of reliable comparative transactions.

*Amendments to invoice annotations and tax credit exercise*
Legislative Decree 1669, published on September 28, 2024, modified the Sales Tax Law and Law 29215, focusing on the invoice annotation and tax credit exercise. Previously, taxpayers had 12 months to record the invoices that entitled them to tax credit. Under the new regulations, this period was reduced, establishing the following deadlines for invoice annotation:

- Electronic invoices: they must be registered in the Purchase Ledger during the month of issuance or the payment of the corresponding tax.
- Paper invoices: they must be registered up to two months after the issuance or the tax payment.
- Transactions under the Tax Liability Payment System (SPOT; for its Spanish acronym): they must be registered up to three months after the invoice issuance.

If the invoices are not noted within the established periods, they will not be entitled to its corresponding tax credit However, the right to the tax credit will not be list if it is noted before the Tax Authority requires the taxpayer to show and/or present its Purchase Ledger.

Such Legislative Decree will enter into force on the enactment date of the Superintendence Resolution. This Resolution will regulate, among other things, the means, form, requirements and/or conditions for taxpayers to confirm, rectify or complement the information provided by the Tax Authorities regarding the Sales and Revenue Journal and the Purchase Ledger.

## 25. Financial Risk Management

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

The senior management is responsible for monitoring the management of such risks. Accordingly, it has the support of the Financial Management, which advises on financial risks and appropriate corporate governance framework for managing the Company's financial risks. The Financial Management provides assurance to the senior management that the financial risk-taking activities are regulated by appropriate corporate policies and procedures, and that the financial risks are identified, measured and managed in accordance with these policies and the Company’s preferences at the time of taking risks.

The Board of Directors reviews and agrees on the policies to manage each risk.

## A. Market risk

Market risk is the risk of changes in the market prices. Market risk comprises interest rate risk, exchange rate risk, commodity price risk and other price risks. They affect the Company's profit or loss or the fair value of the financial instruments. The objective of market risk management is to manage and control exposures to market risk within acceptable parameters, while optimizing the return.

The sensitivity analyses disclosed in the following notes are related to the financial position as of December 31, 2024 and 2023.

The Company prepared sensitivity analyses based on the proportion of financial instruments stated in foreign currency, as of December 31, 2024 and 2023.

### *i. Exchange rate risk*

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is exposed to exchange rate risk from its operating activities (when income and expenses are stated in a currency other than its functional currency) and financing activities (loans in U.S. dollars).

Management monitors this risk through the analysis of macroeconomic factors. As of December 31, 2024 and 2023, since management assumed the exchange rate risk, it did not enter into transactions using hedging instruments.

In 2024 and 2023, the foreign currency balances resulted in a net gain for S/ 676,000 (loss for S/ 5,099,000 and gain for S/ 5,775,000) and S/ 1,379,000 (loss for S/ 14,938,000 and gain for 13,559,000), which are presented in 'exchange difference, net' in the separate statement of comprehensive income.

*Sensitivity to exchange rates*

The following table shows a sensitivity analysis to show the effect of reasonably possible changes in the exchange rates (U.S. dollar). The Company's profit before tax would be affected by changes in the fair value of monetary items, with all other risk variables held constant, as follows:

| | Profit or loss | |
|---|---|---|
| *In thousands of soles* | Devaluation | Revaluation |
| **December 31, 2024** | | |
| US$ (5% movement) | 2,094 | (2,094) |
| US$ (10% movement) | 4,187 | (4,187) |
| **December 31, 2023** | | |
| US$ (5% movement) | 1,260 | (1,260) |
| US$ (10% movement) | 2,520 | (2,520) |

## B. Credit risk

Credit risk is the risk that a financial loss will be incurred if a borrower to a financial instrument or contract fails to meet its financial obligations. The Company is exposed to credit risk from its operating activities and financing activities, including deposits at banks and financial institutions, foreign currency transactions and other financial instruments. The maximum exposure to credit risk for the items in the separate financial statements as of December 31, 2024 and 2023 is represented by the sum of items of cash and cash equivalents, and trade and other accounts receivable.

*Cash and bank deposits*
The credit risk of cash at bank is controlled by management in accordance with the Company's policies. The borrower's credit limits are reviewed by management and the Board of Directors. The limits are established to minimize the concentration risk and, therefore, mitigate financial losses from the borrower potential failure to meet its obligations.

*Trade and other accounts receivable*
Accounts receivable from sundry related parties correspond mainly to dividends and royalties. As of December 31, 2024 and 2023, dividends receivable are collected in the short term and are therefore measured at cost.

*Other accounts receivable*
Other accounts receivable correspond to outstanding balances for items not related to the Company's main operating activities. As of December 31, 2024 and 2023, other accounts receivable correspond to claims to the tax authorities and payments on account of income tax. Management periodically monitors the credit risk of such items and assesses debts evidencing an impairment in order to recognize the loss allowance.

## C. Liquidity risk
The Company monitors liquidity risk using a liquidity-planning tool.
The following tables summarize the maturity terms of the Company's financial liabilities based on the undiscounted payments under the contracts:

| | | | As of December 31, 2024 | | | |
|---|---|---|---|---|---|---|
| *In thousands of soles* | *Note* | Carrying amount | Less than 12 months | 2 – 3 years | 4 – 8 years | Total |
| Trade and other accounts payable | *11* | 89,973 | 87,182 | 2,791 | - | 89,973 |
| **Other financial liabilities** | | | | | | |
| Amortization of principal | *12* | 1,057,933 | 696,181 | 361,752 | - | 1,057,933 |
| Cash flows from cash payments from interest | | - | 35,473 | 12,296 | - | 47,769 |
| **Total liabilities** | | **1,147,906** | **818,836** | **376,839** | **-** | **1,195,675** |

| | | | As of December 31, 2023 | | | |
|---|---|---|---|---|---|---|
| *In thousands of soles* | *Note* | Carrying amount | Less than 12 months | 2 – 3 years | 4 – 8 years | Total |
| Trade and other accounts payable | *11* | 69,584 | 66,081 | 3,503 | - | 69,584 |
| **Other financial liabilities** | | | | | | |
| Amortization of principal | *12* | 1,042,760 | 334,827 | 638,675 | 69,258 | 1,042,760 |
| Cash flows from cash payments from interest | | - | 40,635 | 37,599 | 745 | 78,979 |
| **Total liabilities** | | **1,112,344** | **441,543** | **679,777** | **70,003** | **1,191,323** |

## D. Capital management
The Company's objective in managing capital is to safeguard its ability to continue as a going concern and provide the expected returns to its shareholders and respective benefits to stakeholders, as well as to maintain an optimum structure to reduce capital cost.

The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce its debt in order to maintain or adjust its capital structure.

The Company monitors its capital based on the debt-to-equity ratio. This ratio is calculated by dividing the net debt by the total equity. Net debt corresponds to total debt ratio (including current and non-current debt) less cash and cash equivalents. Total capital corresponds to equity, as shown in the separate statement of financial position, plus net debt.

| *In thousands of soles* | 2024 | 2023 |
|---|---|---|
| Other financial liabilities | 1,057,933 | 1,042,760 |
| Trade and other accounts payable | 89,973 | 69,584 |
| Less: Cash and cash equivalents | 3,906 | 3,044 |
| Net debt (a) | 1,144,000 | 1,109,300 |
| Equity | 5,338,309 | 5,400,415 |
| Debt-to-equity ratio (a/b) | 0.214 | 0.205 |

For the years ended December 31, 2024 and 2023, there were no changes in the objectives, policies or procedures related to capital management.

## 26. Fair Value

### A. Financial instruments not measured at fair value

Below are the other financial instruments measured at amortized cost and their fair value categorized within different levels of the fair value hierarchy.

*Level 1*

- Cash and cash equivalents are not significantly exposed to credit or interest rate risks.

- Therefore, the carrying amount is a reasonable approximation of fair value. Trade accounts receivable are net of loss allowance, and have maturities of less than three months. In management's opinion, the carrying amount does not differ materially from the fair value.

- Due to their current maturity, the carrying amount of trade and other accounts payable is a reasonable approximation of fair value.

*Level 2*

- The fair value of financial liabilities is measured comparing market interest rates at initial recognition and current market rates related to similar financial instruments. The following table compares the carrying amount and the fair value of these financial instruments:

| | As of December 31, 2024 | | As of December 31, 2023 | |
|---|---|---|---|---|
| *In thousands of soles* | Carrying amount | Fair value | Carrying amount | Fair value |
| Promissory notes | 350,000 | 358,608 | 92,713 | 93,004 |
| Bonds and bank loans | 707,933 | 716,517 | 950,047 | 946,553 |

## 27. Changes in Liabilities from Financing Activities

The reconciliation of changes in the financial liabilities and financing activities in the separate statement of cash flows is as follows:

| | Equity and liabilities | | | | | | |
|---|---|---|---|---|---|---|---|
| *In thousands of soles* | January 1, 2023 | Cash flows | New bank loans | Dividends declared | Others | Treasury shares portfolio | December 31, 2024 |
| Promissory notes | 92,713 | (179,659) | 434,234 | - | 2,712 | - | 350,000 |
| Bank loans and corporate bonds | 950,047 | (243,140) | - | - | 1,026 | - | 707,933 |
| Dividends payable | 18,927 | (133,526) | - | 137,663 | (37) | - | 23,027 |
| Acquisition of treasury shares | (22,948) | (179,919) | - | - | - | 194,527 | (8,340) |
| **Total liabilities from financing activities** | **1,038,739** | **(736,244)** | **434,234** | **137,663** | **3,701** | **194,527** | **1,072,620** |

| | Equity and liabilities | | | | | | |
|---|---|---|---|---|---|---|---|
| *In thousands of soles* | January 1, 2023 | Cash flows | New bank loans | Dividends declared | Others | Treasury shares portfolio | December 31, 2023 |
| Promissory notes | - | - | 94,025 | - | (1,312) | - | 92,713 |
| Bank loans and corporate bonds | 1,090,104 | (141,081) | - | - | 1,024 | - | 950,047 |
| Dividends payable | 15,338 | (140,150) | - | 143,768 | (29) | - | 18,927 |
| Acquisition of treasury shares | (23,530) | - | - | - | 65,016 | (64,434) | (22,948) |
| **Total liabilities from financing activities** | **1,081,912** | **(281,231)** | **94,025** | **143,768** | **64,699** | **(64,434)** | **1,038,739** |

## 28. Subsequent Events

In management’s opinion, between January 1, 2025 and the date of issuance of these separate financial statements, no significant events or facts have occurred that would require disclosure in the separate financial statements as of December 31, 2024.