

# UNACEM Perú S.A.

UN-AUDITED Interim Financial Information

As of March 31st, 2024 and 2023



UNACEM PERU S.A.

Statement of Financial Position

As of March 31st, 2024 and December 31st, 2023  
(In thousands of Soles)

	Notes	As of March 31st, 2024	As of December 31st, 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	58,118	32,991
Other Financial Assets		0	0
<b>Trade and other accounts receivable</b>	5	<b>354,952</b>	<b>372,095</b>
Trade Accounts Receivable , net		66,789	82,063
Other Accounts Receivable , net		22,762	22,756
Accounts Receivable from Related Companies		246,355	242,659
Advances to suppliers		19,046	24,617
Inventories	6	606,675	586,130
Biological Assets		0	0
Other Non-Financial Assets		16,179	2,726
<b>Total Current Assets different than assets or groups of assets for its classified as held for sale or for distribution to owners</b>		<b>1,035,924</b>	<b>993,942</b>
Non-current assets or groups of assets for disposal Classified as Held for Sale		0	0
Non-current assets or groups of assets for its classified as held for distribution to owners		0	0
<b>Non-current assets or groups of assets for disposal Classified as Held for Sale or Held for distribution to owners</b>		<b>0</b>	<b>0</b>
<b>Total Current Assets</b>		<b>1,035,924</b>	<b>993,942</b>
<b>Non-Current Assets</b>			
Other Financial Assets		4,498	4,198
<b>Trade Accounts Receivables and other accounts receivables</b>	5	<b>881</b>	<b>1,263</b>
Trade Accounts Receivable		0	0
Other Accounts Receivable		0	0
Accounts Receivable from Related companies		0	0
Advanced payments		881	1,263
Biological Assets		0	0
Investment Property		0	0
Mining concessions and property, plant and equipment	7	3,730,888	3,708,642
Intangible Assets , net		5,257	4,553
Assets Deferred Income Tax		0	0
Surplus value		9,746	9,746
Deferred asset related to Stripping	8	91,473	92,211
<b>Total Non-current Assets</b>		<b>3,842,743</b>	<b>3,820,613</b>
<b>TOTAL ASSETS</b>		<b>4,878,667</b>	<b>4,814,555</b>

	Notes	As of March 31st, 2024	As of December 31st, 2023
<b>Liabilities and Stocholders' Equity</b>			
<b>Current Liabilities</b>			
Other Financial Liabilities	10	587,010	466,350
<b>Trade and other accounts payable</b>		<b>335,791</b>	<b>331,959</b>
Trade Accounts Payable	9	201,268	207,599
Other Accounts Payable	9	46,151	41,875
Accounts payable to related parties	9	74,910	55,392
Diferred Income		4,242	9,181
Provision for Employee Benefits		0	0
Other provisions		22,879	43,330
Income Tax payable	9	13,462	27,093
<b>Total Current Liabilities different of Liabilities included groups of assets for disposal Classified as Held for Sale</b>		<b>949,922</b>	<b>850,820</b>
Liabilities included in asset groups classified as held for sale		0	0
<b>Total Current Liabilities</b>		<b>949,922</b>	<b>850,820</b>
<b>Non-Current Liabilities</b>			
Other Financial Liabilities	10	1,024,789	1,107,997
<b>Trade accounts payable and other payable accounts</b>		<b>0</b>	<b>0</b>
Trade Accounts Payable		0	0
Other Accounts Payable		0	0
Deferred Income		0	0
Provision for Employee Benefits		0	0
Other provisions		18,857	19,137
Deferred income tax liability	11	364,321	368,165
Other non-financial liabilities	20,A,i	0	0
<b>Total Non-Current Liabilities</b>		<b>1,407,967</b>	<b>1,495,299</b>
<b>Total Liabilities</b>		<b>2,357,889</b>	<b>2,346,119</b>
<b>Stockholders' Equity</b>			
Issued Capital	12	2,156,485	2,156,485
Issuance Premiums		0	0
Investment shares		0	0
Treasury Shares in portfolio		0	0
Legal reserve		89,866	80,994
Retained earnings		261,213	217,780
Unrealized profits and losses		13,214	13,177
<b>Total Stockholders' Equity</b>		<b>2,520,778</b>	<b>2,468,436</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>		<b>4,878,667</b>	<b>4,814,555</b>



**UNACEM PERU S.A.**  
**Statement of Profit or Loss**  
For the period ended March 31st, 2024 and 2023  
(In thousands of Soles)

	Notes	For the cumulative period from January 1st to March 31st, 2024	For the cumulative period from January 1st to March 31st, 2023
Revenue from ordinary activities	13	644,805	667,129
Cost of Sales	14	-409,257	-422,192
<b>Profit (Loss) Gross</b>		<b>235,548</b>	<b>244,937</b>
Selling expenses		-11,021	-11,712
Administrative expenses	15	-49,258	-37,675
Profit (Loss) in the write-off of financial assets carried at amortized cost		-	-
Other revenue	16	8,543	8,697
Other expenses	16	-30,624	-37,273
Other profit (loss)		-	-
<b>Profit (Loss) from operating activities</b>		<b>153,188</b>	<b>166,974</b>
Financial Income		1,217	1,358
Financial Expenses	17	-25,433	-20,614
Exchange differences, net	20.A (ii)	848	5,663
Other income (expense) from subsidiaries, joint ventures and associates		-	-
Share of Profit (Loss) in net results from Equity-Accounted Joint Ventures and related companies		-	-
Difference between the book value of the distributed assets and the book value of the divided payable		-	-
<b>Gains before Income tax</b>		<b>129,820</b>	<b>153,381</b>
Income tax expenses	11(a)	-41,097	-44,704
<b>Profit (Loss) Net of Continued Operations</b>		<b>88,723</b>	<b>108,677</b>
Profit (loss) net of the tax to the profit from discontinued operations		-	-
<b>Profit (loss) net of the year</b>		<b>88,723</b>	<b>108,677</b>



**UNACEM PERU S.A.**  
**Statement of Comprehensive Income**  
For the period ended March 31st, 2024 and 2023  
(In thousands of Soles)

	Notas	For the cumulative period from January 1st to March 31st, 2024	For the cumulative period from January 1st to March 31st, 2023
<b>Net Profit (Loss) of the year</b>		<b>88,723</b>	<b>108,677</b>
<b>Components of other comprehensive income:</b>			
Net Change for Cash Flow Hedges		0	0
Hedges of a Net Investment in a Foreign Operation		0	0
Profit (Loss) in equity instrument investments at fair value		0	0
Exchange difference on translation of Foreign Operations		0	0
Net variation of non-current assets or groups of assets held for sale		0	0
Revaluation Surplus		0	0
Actuarial Gain (Loss) on defined benefit pension plans		0	0
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability		0	0
<b>Other Comprehensive Income Pre Tax</b>		<b>-</b>	<b>-</b>
<b>Income tax relating to components of other comprehensive income</b>			
Net Change for Cash Flow Hedges		52	-482
Hedges of a Net Investment in a Foreign Operation		0	0
Profit (Loss) in equity instrument investments at fair value		0	0
Exchange difference on translation of Foreign Operations		0	0
Net variation of non-current assets or groups of assets held for sale		0	0
Gains (Losses) for Financial Assets Measured at Fair Value with Changes in Other Comprehensive Income, net of Taxes		-15	142
Actuarial Gain (Loss) on defined benefit pension plans		0	0
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability		0	0
<b>Sum of Income Tax-Related Components of other comprehensive income</b>		<b>37</b>	<b>-340</b>
<b>Other Comprehensive Income</b>		<b>37</b>	<b>-340</b>
<b>Total Comprehensive Income for the period , net of income tax</b>		<b>88,760</b>	<b>108,337</b>



**UNACEM PERU S.A.**  
**Statement of Cash Flow**  
Direct Method  
For the periods ended March 31st, 2024 and 2023  
(In thousands of Soles)

	Notes	As of January 1st, 2024 to March 31st, 2024	As of January 1st, 2023 to March 31st, 2023
<b>Operating activities cash flows</b>			
<b>Types of cash collections from operating activities</b>			
Sale of Goods and Services		787,142	736,843
Royalties, fees, commissions and other income from ordinary activities		0	0
Contracts held for brokering or trading purposes		0	0
Lease and subsequent sales of such assets		0	0
Other Cash Receipts Related to Operating Activity		0	0
<b>Types of cash collections from operating activities</b>			
Suppliers of goods and services		-455,536	-621,618
Contracts held for brokering or trading purposes		0	0
cash payments to and on behalf of employees		-100,833	-93,663
Elaboration or acquisition of assets to be leased and other assets held for sale		0	0
Other Cash Payments Related to Operating Activity		-38,955	-44,180
<b>Cash flows and cash equivalents from (used in) Operating Activities</b>		<b>191,818</b>	<b>-22,618</b>
Interests received (not included in the Investment Activities)		0	0
Interests paid (not included in the Investment Activities)		-21,657	-11,936
Dividends Received (not included in the Investment Activities)		0	0
Dividends Paid (not included in the Investment Activities)		0	0
Income tax (paid) reimbursed		-57,612	-175,665
Other cash collections (payments)		-3,851	86,944
<b>Cash flows and cash equivalents from (used in) Operating Activities</b>		<b>108,698</b>	<b>-123,275</b>
<b>Cash flows from Investment activities</b>			
<b>Type of cash payments from investment activities</b>			
Advances and loans granted to third parties		0	0
Controlling interest of subsidiaries and other businesses		0	0
Loans from related		0	0
Purchase of Financial Instruments of equity or debt of other entities		0	0
Derivatives contracts (Futures, Forwards or Options)		0	0
Purchase of Subsidiaries, Net of cash acquired		0	0
Purchase of Joint Venture shares, Net of the cash acquired		0	0
Purchase of Property, Plant and Equipment		-74,230	-35,308
Purchase of intangible assets		0	0
Purchase of other long- term assets		-300	0
Income tax (paid) reimbursed		0	0
Other cash receipts (payments) relating to Investment activities		0	0
<b>Cash flows and cash equivalents from (used in) investing activities</b>		<b>-74,530</b>	<b>-35,308</b>



**UNACEM PERU S.A.**  
**Statement of Cash Flow**  
 Direct Method  
 For the periods ended March 31st, 2024 and 2023  
 (In thousands of Soles)

	Notes	As of January 1st, 2024 to March 31st, 2024	As of January 1st, 2023 to March 31st, 2023
<b>Cash flows from Financing activities</b>			
<b>Type of cash collections from financing activities</b>			
Loan securing		130,000	263,028
Loans from related entities		0	0
Changes to the subsidiaries ownership interest not resulting in the loss of control		0	0
Issuance of Shares		0	0
Issuance of Other Equity Instruments		0	0
Government Subventions		0	0
<b>Type of cash payments from financing activities</b>			
Loan Amortization or payment		-93,423	-78,361
Financial leasing liabilities		0	0
Loans from related entities		0	0
Changes to the subsidiaries ownership interest not resulting in the loss of control		0	0
Redemption or repurchase of the entities' shares (Shares in the portfolio)		0	0
Acquisition of other equity interest		0	0
Interests paid		0	0
Dividends paid		-47,418	-70,643
Income tax (paid) reimbursed		0	0
Other cash receipts (payments) relating to financing activities		0	0
<b>Cash flows and cash equivalents from (used in) financing activities</b>		<b>-10,841</b>	<b>114,024</b>
<b>Increase (Decrease) in Net Cash and cash equivalents, before Changes in Foreign Exchange Rates</b>		<b>23,327</b>	<b>-44,559</b>
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		1,800	-2,506
<b>Increase (Decrease) in Net Cash and Cash Equivalents</b>		<b>25,127</b>	<b>-47,065</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>32,991</b>	<b>60,708</b>
<b>Cash and cash equivalents at end of year</b>		<b>58,118</b>	<b>13,643</b>



**UNACEM PERU S.A.**  
**Statement of changes in Equity**  
For the periods ended March 31st, 2024 and 2023  
(In thousands of Soles)

	Issued Capital	Issuance Premiums	Investment shares	Treasury Shares in Portfolio	Legal reserve	Retained earnings	Cash Flow Hedges	Investment Hedges, net of foreign businesses	Investments in equity instruments accounted at fair value	Exchange difference on translation of Foreign Operations	Unrealized profits and losses			Reserve on Financial Assets Measured at Fair Value with Changes in Other Comprehensive Income	Subtotal	Total Stockholders' Equity
											Non-current assets or groups of assets for held for sale	Revaluation Surplus	Actuarial Profit (Loss) on defined benefit plans			
<b>Balances as of January 1, 2023</b>	2,156,485	-	-	-	42,146	139,200	13,737	-	-	-	-	-	-	-	13,737	2,351,568
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Restated Initial Balance</b>	2,156,485	-	-	-	42,146	139,200	13,737	-	-	-	-	-	-	-	13,737	2,351,568
4. Changes in Stockholders' Equity:																
5. Comprehensive Income:																
6. Gain (Loss) for the year						108,677										108,677
7. Other Comprehensive Income:						-	-340	-	-	-	-	-	-	-	-340	-340
<b>8. Comprehensive Income - Total year</b>						108,677	-340	-	-	-	-	-	-	-	-340	108,337
9. Cash Dividends Declared					-	-29,303										-29,303
10. Equity Issuance (reduction)	-	-	-	-	-	-										-
11. Reduction or amortization of Investment shares			-	-	-	-										-
12. Increase (decrease) in Other Contributions by Owners	-	-	-	-	-	-										-
13. Decrease (Increase) for Other Distributions to Owners	-	-	-	-	-	-										-
14. Increase (Decrease) due to changes in the subsidiaries ownership interest not resulting in the loss of control	-	-	-	-	-	-										-
15. Increase (decrease) for transactions with Treasury Shares in Portfolio	-	-	-	-	-	-										-
16. Increase (Decrease) for Transfer and other Equity Changes	-	-	-	-	10,867	-10,867										-
<b>Total Equity Increase (decrease)</b>	-	-	-	-	10,867	68,507	-340	-	-	-	-	-	-	-	-340	79,034
<b>Balance as of March 31, 2023</b>	2,156,485	-	-	-	53,013	207,707	13,397	-	-	-	-	-	-	-	13,397	2,430,602
<b>Balance as of January 1, 2024</b>	2,156,485	-	-	-	80,994	217,780	13,177	-	-	-	-	-	-	-	13,177	2,468,436
1. Changes in Accounting Policies	-	-	-	-	-	-										-
2. Correction of Errors	-	-	-	-	-	-										-
<b>3. Restated Initial Balance</b>	2,156,485	-	-	-	80,994	217,780	13,177	-	-	-	-	-	-	-	13,177	2,468,436
4. <b>Changes in Stockholders' Equity:</b>																
5. Comprehensive Income:																
6. Gain (Loss) for the year						88,723										88,723
7. Other Comprehensive Income:						-	37	-	-	-	-	-	-	-	37	37
<b>8. Comprehensive Income - Total year</b>						88,723	37	-	-	-	-	-	-	-	37	88,760
9. Cash Dividends Declared					-	-36,418										-36,418
10. Equity Issuance (reduction)	-	-	-	-	-	-										-
11. Reduction or amortization of Investment shares			-	-	-	-										-
12. Increase (decrease) in Other Contributions by Owners	-	-	-	-	-	-										-
13. Decrease (Increase) for Other Distributions to Owners	-	-	-	-	-	-										-
14. Increase (Decrease) due to changes in the subsidiaries ownership interest not resulting in the loss of control	-	-	-	-	-	-										-
15. Increase (decrease) for transactions with Treasury Shares in Portfolio	-	-	-	-	-	-										-
16. Increase (Decrease) for Transfer and other Equity Changes	-	-	-	-	8,872	-8,872										-
<b>Total Equity Increase (decrease)</b>	-	-	-	-	8,872	43,433	37	-	-	-	-	-	-	-	37	52,342
<b>Balance as of March 31st, 2024</b>	2,156,485	-	-	-	89,866	261,213	13,214	-	-	-	-	-	-	-	13,214	2,520,778

# **UNACEM Perú S.A.**

## **Notes to the UNAUDITED Interim Financial Statements**

As of March 31, 2024

### **1. Identification and Economy Activity**

UNACEM PERU S.A. (hereinafter, the “Company”) was incorporated on September 30, 2021.

As of December 31, 2023, the Company is a subsidiary of UNACEM Corp. S.A.A. (hereinafter, the “Parent Company”), which directly owns 100% of its capital stock. The Parent Company has the power to direct the Company’s financial and operating policies.

The Company’s legal domicile is located at Av. Atocongo 2440, Villa María del Triunfo, Lima, Peru.

The Company’s main activity is the production and marketing of clinker and cement within the country and for export. To this end, the Company has two plants located in the departments of Lima and Junin, with an annual production capacity of 6.7 million tons of clinker and 8.3 million tons of cement, respectively.

The financial statements for the first quarter of 2024 have been issued with the authorization of the Company’s Management and shall be submitted for approval at the Board of Directors’ meeting to be held on April 26, 2024. The financial statements for the year 2023 were approved in the Shareholders’ Meeting held on March 27, 2024.

### **2. Material Accounting Policies and Basis of Preparation**

#### **A. Material Accounting Policies**

The accounting policies used in the preparation of the interim financial statements are consistent with the policies applied in the preparation of the annual financial statements of the Company as of December 31, 2023, unless otherwise stated, in accordance with IAS 34, paragraph 16 (a).

#### **B. Basis of Preparation**

The Company’s interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, except for the derivative financial instruments that have been measured at fair value. The financial statements are presented in Soles and all amounts have been rounded to thousand (PEN 000), unless otherwise indicated.

The interim financial statements provide comparative information in respect of former periods; however, they do not include all of the information and disclosures required for annual financial statements. Therefore, they must be read together with the audited report as of and for the year ended December 31, 2023.

The Company has prepared its financial statements on an ongoing concern basis. In making its ongoing concern assessment, Management has considered the matters that could cause an interruption of its operations. Management has also considered all available information about the future obtained after the reporting date until the date of approval and issuance of the accompanying interim financial statements.



## Notes to the financial statements (continued)

### 3. Foreign Currency Transactions

Foreign currency transactions are carried out at the free-market exchange rates published by the Superintendency of Banking, Insurance and Pension Fund Management Companies (SBS). As of March 31, 2024, the weighted average free-market exchange rates for transactions in Soles were PEN 3.714 (buying rate) and PEN 3.721 (selling rate) (buying exchange rate: PEN 3.705, and selling exchange rate: PEN 3.713, as of December 31, 2023).

As of March 31, 2024 and December 31, 2023, the Company had the following assets and liabilities in U.S. Dollars:

<i>In thousands of Dollars</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
<b>Assets</b>		
Cash and cash equivalents	566	1,864
Financial instruments and derivatives	570	679
Trade and other accounts receivable	45,155	42,581
	<b>46,291</b>	<b>45,124</b>
<b>Liabilities</b>		
Trade and other accounts payable	(9,452)	(5,973)
Other financial liabilities	(74,000)	(85,500)
	<b>(83,452)</b>	<b>(91,473)</b>
<b>Net liability position</b>	<b>(37,161)</b>	<b>(46,349)</b>

The Company manages the exchange rate risk by monitoring and controlling the amounts of currencies other than the functional currency that are exposed to changes in the exchange rates.

As of March 31, 2024 and December 31, 2023, the Company does not record any transactions with exchange rate derivatives; any devaluation/revaluation of foreign currency affects the income statement.

### 4. Cash and cash equivalents

This caption comprises the following:

<i>In thousands of Soles</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Fixed funds	19	19
Checking accounts (a)	21,904	21,648
Time deposits (b)	36,195	11,324
	<b>58,118</b>	<b>32,991</b>

(a) Checking accounts are in local and foreign currency, held with local and foreign banks with a high credit rating, and are freely available. These accounts earn interest at market rates.

(b) They relate to time deposits held with local financial entities in local and foreign currency; said deposits earn interest at market rates and have original maturities of less than three (3) months.

## Notes to the financial statements (continued)

### 5. Trade and other accounts receivable

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
<b>Trade</b>		
Trade accounts receivable (a)	66,789	82,063
<b>Related</b>		
Accounts receivable (18 b)	246,355	242,659
<b>Other</b>		
Advance payments to suppliers (b)	19,927	25,880
Claims to third parties	981	2,413
VAT tax credit	10,646	11,349
Loans to employees	1,274	1,065
Hedging financial instruments (20A i)	1,814	1,762
Other accounts receivable	8,362	6,482
	<b>356,148</b>	<b>373,673</b>
Less – Expected credit loss	(315)	(315)
<b>Total</b>	<b>355,833</b>	<b>373,358</b>
<b>Less – Current portion</b>	<b>354,952</b>	<b>372,095</b>
<b>Non-current portion</b>	<b>881</b>	<b>1,263</b>

- (a) Trade accounts receivable are mainly denominated in Soles, have current maturities, do not bear interest, and are not backed by significant specific guarantees.
- (b) As of March 31, 2024 and December 31, 2023, it refers to advance payments made to suppliers for the purchase of supplies, and the provision of different services. These advance payments shall be applied in the short and long term.

### 6. Inventories

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
Finished products	22,537	26,251
In-process products	234,947	219,429
Raw and auxiliary materials (a)	121,757	121,660
Containers and packaging	31,586	29,118
Spare parts and supplies	214,616	206,139
	<b>625,443</b>	<b>602,597</b>
Estimate for inventory impairment (b)	(18,768)	(16,467)
	<b>606,675</b>	<b>586,130</b>

- (a) Raw and auxiliary materials primarily include gypsum, coal, steel slag and imported clinker. As of March 31, 2024, the Company has a stock of imported coal for approximately PEN 38,196,000 (PEN 29,819,000 as of December 31, 2023).
- (b) In the opinion of the Company's Management, the estimate for inventory impairment properly covers the inventory impairment risk as of March 31, 2024 and December 31, 2023.

## Notes to the financial statements (continued)

### 7. Mining Concessions and Property, Plant and Equipment

This caption comprises the following:

<i>In thousands of Soles</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
<b>Cost - Opening balance</b>	6,298,028	6,043,110
Additions (a)	78,472	256,431
Write-offs	(764)	(1,677)
Quarry closure	(3,492)	164
<b>Closing balance</b>	<b>6,372,244</b>	<b>6,298,028</b>
<b>Accumulated depreciation - Opening balance</b>	2,589,386	2,377,373
Depreciation for the period (b)	54,710	217,790
Write-offs	(723)	(1,492)
Quarry closure	(2,017)	(4,285)
<b>Closing balance</b>	<b>2,641,356</b>	<b>2,589,386</b>
<b>Net carrying amount:</b>	<b>3,730,888</b>	<b>3,708,642</b>

- (a) As of March 31, 2024, the main additions refer to disbursements made for the following projects: Kiln 3 cooler dedusting system at the Condorcocha plant. Moreover, the roofing work on the Clinker fields continues at both plants: Atocongo and Condorcocha. The total amount of the indicated projects is approximately PEN 36,776,000.

During 2023, the main additions refer to disbursements made for the following projects: Kiln 3 cooler dedusting system at the Condorcocha plant. Likewise, the expansion of product packaging and shipping capacity continues in both plants: Atocongo and Condorcocha. The total amount of the indicated projects is approximately PEN 103,855,000.

- (b) As of March 31, 2024 and 2023, depreciation has been distributed as follows:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Cost of sales	14	53,069	55,019
Administrative expenses	15	988	920
Selling expenses		50	95
Other expenses		603	1,075
		<b>54,710</b>	<b>57,109</b>

## Notes to the financial statements (continued)

### 8. Deferred Asset related to Stripping

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
<b>Cost</b>			
Opening and closing balance		164,912	164,912
<b>Accumulated depreciation</b>			
Opening balance		72,701	69,051
Additions	14	738	3,650
<b>Closing balance</b>		<b>73,439</b>	<b>72,701</b>
<b>Net carrying amount</b>		<b>91,473</b>	<b>92,211</b>

As of March 31, 2024 and December 31, 2023, the Company has three identifiable components (quarries): Atocongo, Atocongo Norte and Pucará. These quarries maintain a specific volume of limestone and waste.

### 9. Trade and Other Accounts Payable

This caption comprises the following:

<i>In thousands of Soles</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Trade accounts receivable (a)	201,268	207,599
Accounts payable to related parties 18(b)	74,910	55,392
Interest payable 10(b) and 10.1(c)	12,502	8,988
Compensations, bonuses and vacations payable	16,699	13,284
Employee contributions payable	8,695	3,389
Income tax payable	13,462	27,093
Board of directors' compensation payable	1,416	3,367
Other accounts payable	6,839	12,847
	<b>335,791</b>	<b>331,959</b>

- (a) Trade accounts payable primarily arise from mineral extraction and purchase of fuels and additives for the Company's production, are denominated in local and foreign currency, have current maturities, do not bear interest, have short maturities, and are not backed by guarantees.

## 10. Other Financial Liabilities

(a) This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024			As of December 31, 2023		
	Current Portion	Non-current Portion	Total	Current Portion	Non-current Portion	Total
Bank promissory notes (b)	297,445	-	297,445	167,085	-	167,085
Bank loans (10.1)	289,565	1,024,789	1,314,354	299,265	1,107,997	1,407,262
	<b>587,010</b>	<b>1,024,789</b>	<b>1,611,799</b>	<b>466,350</b>	<b>1,107,997</b>	<b>1,574,347</b>

(b) Bank promissory notes mainly refer to working capital financing, are not backed by specific guarantees, and are renewed depending on the Company's working capital needs.

As of March 31, 2024 and December 31, 2023, the balance by bank entity is as follows:

<i>In thousands of Soles</i>	Original Currency	Maturity	As of March 31, 2024	As of December 31, 2023
<b>Financial Entity</b>				
BBVA Banco Continental	Dollars	November 2024	167,445	167,085
Banco de Crédito del Perú	Soles	March 2025	130,000	-
			<b>297,445</b>	<b>167,085</b>

As of March 31, 2024 and December 31, 2023, interest payable on bank promissory notes amounted to approximately PEN 3,801,000 and PEN 1,098,000, respectively, and are registered in the statement of financial position under "Trade and other accounts payable," note 9. As of March 31, 2024 and 2023, interest expense from bank promissory notes amounted to approximately PEN 2,736,000 and PEN 6,453,000, respectively, and are recognized in the income statement under "Financial expenses."

## Notes to the financial statements (continued)

### 10.1 Bank loans

(a) As of March 31, 2024 and December 31, 2023, the balance of bank loans is as detailed below:

<i>In thousands of Soles</i>	<b>Maturity</b>	<b>Guarantee</b>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
<b>Bank loans (b) and (d)-</b>				
Banco de Crédito del Perú	October 2026 and June 2025	Not backed by guarantee	368,691	376,369
Scotiabank Perú S.A.	October 2024, March 2025, June 2025 and January 2027	Not backed by guarantee	275,518	305,143
Banco Internacional del Perú S.A.A.	January 2027	Not backed by guarantee	106,600	111,150
BBVA Banco Continental	June 2025 and January 2027	Not backed by guarantee	457,343	466,193
Citibank (a.1)	October 2025	Not backed by guarantee	74,420	111,390
Bank of Nova Scotia (a.1)	September 2025	Not backed by guarantee	33,489	38,987
			<b>1,316,061</b>	<b>1,409,232</b>
Amortized cost			(1,707)	(1,970)
<b>Total</b>			<b>1,314,354</b>	<b>1,407,262</b>
Less - Current portion			<b>289,565</b>	<b>299,265</b>
Non-current portion			<b>1,024,789</b>	<b>1,107,997</b>

(a.1) The Company maintains swap contracts to reduce the floating rate risk related to these loans, note 20.A.

The Company has furnished a guarantee for the bank loans received by UNACEM Corp. S.A.A. up to a limit of PEN 900,064,000 as of March 31, 2024 (PEN 953,058,000 as of December 31, 2023).

(b) The financial covenants applicable to local financial liabilities are monitored quarterly and must be calculated based on (i) the separate quarterly financial information of the Company, and ii) the combined quarterly financial information of the Company and UNACEM Corp S.A.A. (as if the simple reorganization had not been carried out).

i) As of March 31, 2024, based on the Company's financial information, the main financial covenants fluctuate between the following ratios or coefficients:

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

In Management's opinion, the Company has complied with the financial covenants as of March 31, 2024 and December 31, 2023.

(c) As of March 31, 2024, and December 31, 2023, interest payable on medium- and long-term debt to bank entities amounted to approximately PEN 8,700,000 and PEN 7,890,000, respectively, and are registered in the statement of financial position under "Trade and other accounts payable," note 9.

Interest on medium- and long-term debt to bank entities as of March 31, 2024 and March 31, 2023, amounted to approximately PEN 20,718,000 and PEN 11,619,000, respectively, and is recorded in the income statement under "Financial expenses."

(d) As of March 31, 2024 and December 31, 2023, the Company maintained bank loans in Soles at annual lending interest rates ranging from 4.10 to 7.65%.

As of March 31, 2024 and December 31, 2023, bank loans in dollars are at a floating rate plus a margin; as of September 30, 2023, the Company agreed with the financial entities to change the floating rate

## Notes to the financial statements (continued)

applicable to both loans, from 3-month LIBOR plus a margin ranging from 1.75 to 2.60% to 3-month SOFR plus a margin ranging from 2.01 to 2.86%.

### 11. Deferred Income Tax Liability

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
<b>Deferred assets</b>		
Provision for inventory impairment	5,537	4,858
Provision for vacation	(56)	300
Provision for quarry closure	2,563	3,051
Audit fees	30	119
Amortization of intangibles	538	585
Pre-operating expenses	6,848	6,848
	<b>15,460</b>	<b>15,760</b>
<b>Deferred liability</b>		
Difference between tax base and fixed asset depreciation	(320,329)	(325,564)
Deferred asset related to stripping	(27,321)	(27,538)
Capitalized interest	(27,679)	(28,153)
Derivative financial instruments	(626)	(746)
Other provisions	(3,361)	(1,398)
Deferred fees from financial obligations	(465)	(527)
	<b>(379,781)</b>	<b>(383,926)</b>
<b>Deferred Income Tax Liability, net</b>	<b>(364,321)</b>	<b>(368,165)</b>

- (a) The income tax expense shown in the income statement as of March 31, 2024 and March 31, 2023 comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of March 31, 2023
Current	(43,982)	(49,649)
Deferred	3,860	5,775
Mining royalty expense (19.b)	(975)	(830)
	<b>(41,097)</b>	<b>(44,704)</b>

## Notes to the financial statements (continued)

### 12. Net Stockholders' Equity

#### A. Capital stock

As of March 31, 2024 and December 31, 2023, the capital stock is represented by 2,156,485,445 fully subscribed and paid-in common shares with a face value of PEN 1 each.

As of March 31, 2024 and December 31, 2023		
Shareholders	Number of Shares	Shareholding Percentage
UNACEM Corp. S.A.A.	2,156,485,444	100.00%
Digicem S.A. (formerly Transportes Lurín S.A.)	1	00.00%
	<b>2,156,485,445</b>	<b>100.00%</b>

#### B. Legal reserve

The Business Corporations Act requires that no less than 10% of each year's distributable profits, less the income tax, be transferred to a legal reserve until it equals 20% of the issued capital. The legal reserve may be used to offset losses or may be capitalized, but it must be replenished in both cases.

#### C. Unrealized profits and losses

It refers to changes in the fair value of hedging financial instruments and the reserve on financial assets measured at fair value, net of their tax effect in both cases.

#### D. Retained earnings – dividends declared

The Board of Directors' meetings held on January 31, 2024 declared dividends corresponding to the fourth quarter of 2023 in the amount of PEN 36,418,000.

### 13. Revenue from Ordinary Activities

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of March 31, 2023
Sale of cement	590,536	626,611
Export of clinker (a)	31,033	28,459
Sale of blocks, concrete pavement, and others (b)	23,236	12,059
	<b>644,805</b>	<b>667,129</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	644,805	667,129
	<b>644,805</b>	<b>667,129</b>

(a) It refers to the export of the raw material to customers located in South America.

(b) It mainly refers to the sales made to Unión de Concreteras S.A., a related company, note 18(a).



## Notes to the financial statements (continued)

### 14. Cost of Sales

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Initial inventory of finished and in-process products	6	245,680	187,459
<b>Cost of production</b>			
Fuel		106,850	129,955
Depreciation	7(b)	53,069	55,019
Personnel expenses		49,793	42,563
Consumption of raw materials		43,839	47,506
Maintenance of kilns, machinery and equipment		33,794	42,425
Electric energy		27,081	36,015
Transportation of raw materials		15,881	22,200
Containers		20,783	28,212
Depreciation of deferred asset related to stripping	8	738	1,057
Other manufacturing expenses		66,931	73,474
Final inventory of finished and in-process products	6	(257,484)	(241,533)
		406,955	424,352
Estimate for inventory impairment		2,302	(2,160)
		<b>409,257</b>	<b>422,192</b>

### 15. Administrative Expenses

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Personnel expenses		23,258	23,351
Services provided by third parties		3,688	3,043
Donations		13,185	5,402
Taxes		5,329	3,970
Depreciation	7(b)	988	920
Amortization of intangibles		3	3
Others		2,807	986
		<b>49,258</b>	<b>37,675</b>

### 16. Other Revenue and other Expenses

As of March 31, 2024 and 2023, a provision was made for royalties in favor of the Parent Company for approximately PEN 26,305,000 and PEN 27,972,000, respectively.

### 17. Financial Expenses

It mainly refers to interest on medium- and long-term debt to bank entities. As of March 31, 2024 and 2023, it amounts to approximately PEN 23,454,000 and PEN 18,072,000, respectively. See note 10(b) and 10.1(c).

## Notes to the financial statements (continued)

### 18. Transactions with Related Companies

(a) As of March 31, 2024 and March 31, 2023, the main transactions with related companies were as follows:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
<b>Revenue</b>			
<b>Revenue from sale of cement</b>			
La Viga S.A.		130,456	145,768
Unión de Concreteras S.A. (*)		76,805	65,914
Prefabricados Andinos Perú S.A.C.		1,196	226
Asociación UNACEM		88	27
<b>Revenue from sale of blocks, pavements and others</b>			
Unión de Concreteras S.A. (*)		22,482	11,104
Drake Cement LLC		754	766
<b>Revenue from administrative, information technology and management support</b>			
Compañía Eléctrica el Platanal S.A.		103	416
UNACEM Corp S.A.A.		1,434	2,351
Prefabricados Andinos Perú S.A.C.		135	152
Digicem S.A.		363	143
Inversiones Nacionales y Multinacionales Andinas S.A.		208	151
Drake Cement LLC		-	103
Vigilancia Andina S.A.		34	34
Generación Eléctrica Atocongo S.A.		41	41
Depósito Aduanero Conchán S.A.		82	82
Others		29	122
<b>Revenue from rental of plant, premises and equipment</b>			
Unión de Concreteras S.A. (*)		45	58
UNACEM Corp S.A.A.			
Depósito Aduanero Conchán S.A.		73	75
Prefabricados Andinos Perú S.A.C.		47	47
ARPL Tecnología Industrial S.A.		16	16
Vigilancia Andina S.A.		11	11
Others		25	31
<b>Revenue from sale of clinker</b>			
UNACEM Chile S.A.		24,664	28,459
<b>Revenue from loan interest</b>			
UNACEM Corp S.A.A.		33	-
<b>Other revenue</b>			
UNACEM Corp S.A.A.		-	23
Compañía Eléctrica el Platanal S.A.		125	6
Inversiones Nacionales y Multinacionales Andinas S.A.		-	100
Digicem S.A.		30	
Others		-	2
<b>Purchases and costs</b>			
<b>Dividends</b>			
UNACEM Corp S.A.A.		36,418	29,303
<b>Royalties for use of trademarks (b)</b>			
UNACEM Corp S.A.A.		26,305	27,972
<b>Purchase of electric energy</b>			
Compañía Eléctrica el Platanal S.A.		22,322	34,358
<b>Contract manufacturing (maquila) service</b>			
Unión de Concreteras S.A. (*)		4,344	3,658
Compañía Eléctrica el Platanal S.A.		693	-
<b>Fees and freights from sale of cement</b>			

## Notes to the financial statements (continued)

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
La Viga S.A.		7,847	11,972
<b>Surveillance services</b>			
Vigilancia Andina S.A.		5,552	5,780
<b>Donation</b>			
Asociación UNACEM		10,042	5,326
<b>Technical assistance and consulting services</b>			
ARPL Tecnología Industrial S.A.		6,171	6,587
<b>Purchase of auxiliary materials</b>			
UNACEM Corp S.A.A.		9	4,245
Unión de Concreteras S.A. (*)		2,209	1,369
<b>Project management and engineering services</b>			
ARPL Tecnología Industrial S.A.		3,757	2,001
<b>Prefabricated works</b>			
Prefabricados Andino Perú S.A.C.		-	1,207
<b>Thermal plant operation service</b>			
Generación Eléctrica Atocongo S.A.		1,035	855
<b>Warehouse management service</b>			
Depósito Aduanero Conchán S.A.		898	757
<b>Expense reimbursement</b>			
Unión de Concreteras S.A. (*)		2,336	2,377
UNACEM Corp S.A.A.		1,255	2,103
ARPL Tecnología Industrial S.A.		148	93
<b>Others</b>			
Compañía Eléctrica el Platanal S.A.		-	-
Inversiones Nacionales y Multinacionales Andinas S.A.		446	-
Unión de Concreteras S.A.		89	120
Drake Cement LLC		40	40
Digicem S.A.		-	43
Prefabricado Andino Perú S.A.C.		24	-
UNACEM Corp. S.A.A.		-	13
Compañía de Inversiones Santa Cruz S.A.		-	5

- (b) It corresponds to 4.5% on the sale of cement without freight, invoiced monthly by UNACEM Corp. S.A.A.
- (c) As a result of this and other minor transactions, as of March 31, 2024 and December 31, 2023, the Company records the following balances with its related companies:

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
<b>Accounts receivable</b>			
UNACEM Chile S.A.		147,797	131,402
Unión de Concreteras S.A. (*)		52,807	76,173
La Viga S.A.		38,126	30,626
Minera Adelaida S.A.		3,518	3,540
UNACEM Corp. S.A.A.		1,692	-
Drake Cement LLC		1,277	533
Prefabricados Andinos Perú S.A.C.		486	219
Inversiones Nacionales y Multinacionales Andinas S.A.		192	8
Compañía Eléctrica El Platanal S.A.		181	74
Depósito Aduanero Conchán S.A.		71	26
Asociación UNACEM		61	1
Digicem S.A.		50	24
Generación Eléctrica de Atocongo S.A.		31	-

## Notes to the financial statements (continued)

<i>In thousands of Soles</i>	<i>Note</i>	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
UNA Business Services S.A.C. (formerly Naviera Conchan S.A.)		31	27
Vigilancia Andina S.A.		13	5
Others		22	4
<b>Total accounts receivable</b>	<b>5</b>	<b>246,355</b>	<b>242,659</b>
<b>Accounts payable</b>			
UNACEM Corp. S.A.A.		29,395	19,677
ARPL Tecnología Industrial S.A.		14,529	12,974
Unión de Concreteras S.A. (*)		9,438	7,241
Compañía Eléctrica El Platanal S.A.		8,639	10,249
Asociación UNACEM		4,848	-
La Viga S.A.		4,445	3,576
Vigilancia Andina S.A.		2,300	217
Depósito Aduanero Conchán S.A.		767	734
Inversiones Nacionales y Multinacionales S.A.		452	34
Drake Cement LLC		78	39
Prefabricados Andinos Perú S.A.C.		19	317
Generación Eléctrica de Atocongo S.A.		-	328
Others			6
<b>Total accounts payable</b>	<b>9</b>	<b>74,910</b>	<b>55,392</b>

(\*) On January 1, 2024, Concremax S.A. was merged with and into Unión de Concreteras S.A.

The Company carries out its operations with related companies under the same conditions as those agreed with third parties; therefore, there are no differences in the pricing policies or in the tax settlement base. Concerning forms of payment, they do not differ from policies granted to third parties.

- (d) The total compensations received by directors and key Management officers as of March 31, 2024 amounted to approximately PEN 11,517,000 (PEN 9,809,000 as of March 31, 2023), which includes short-term benefits and severance payment (CTS).

## 19. Commitments and Contingencies

### A. Financial commitments

As of March 31, 2024, the Company's main financial commitments include:

- Letter of guarantee issued in favor of the Ministry of Energy and Mines (MEM) by Banco Internacional del Perú S.A.A. - Interbank, in the total amount of approximately USD 1,245,000, equivalent to PEN 4,633,000, maturing in January 2025, in order to guarantee compliance with the Mine Closure Plan of its mining concessions.
- Letter of guarantee issued in favor of the Ministry of Production by Banco Internacional del Perú S.A.A. – Interbank, in the total amount of approximately USD 7,026,000, equivalent to PEN 26,144,000, maturing in December 2024 and January 2025, in order to guarantee compliance with the Mine Closure Plan of its mining concessions.
- Letters of guarantee issued in favor of the National Superintendency of Tax Administration (SUNAT) in the total amount of PEN 15,771,000 and USD 1,387,000, equivalent to PEN 5,161,000 maturing in April, May, June and December 2024 and January 2025, in order to guarantee the customs tax debt.

## Notes to the financial statements (continued)

- Letters of guarantee in favor of third parties, in the total amount of PEN 321,000, maturing in April 2024 and March 2025.
- Corporate guarantee granted jointly by UNACEM Corp S.A.A., UNACEM Perú S.A., Desert Ready Mix and Desert Aggregates in favor of the subsidiary Skanon Investments, for a total of USD 345,000,000, maturing in October 2026, in favor of the syndicate of banks that granted the debt for the acquisition of Tehachapi Cement.

### B. Tax situation

#### *Tax rates*

The Company is subject to the Peruvian tax system. As of March 31, 2024 and December 31, 2023, the income tax rate is 29.5% of the net taxable income determined by the Company.

The income tax rate applicable to the distribution of dividends and any other form of profit distribution is 5%, which is applicable to profit generated and distributed as of January 1, 2017.

#### *Temporary tax on net assets (ITAN)*

The temporary tax on net assets rate is 0.4% for 2024 and 2023 applicable to the amount of net assets that exceed PEN 1 million. This tax may be paid in cash or in nine (9) successive monthly installments. The amount paid can be used against payments on account of the General Income Tax Regime. A refund may be requested for any unused remaining balance.

The ITAN calculated for 2024 will be determined in April 2024; the ITAN payment calculated for 2023 was PEN 14,049,000.

#### *Transfer Pricing*

In order to assess the income tax, the transfer pricing of transactions with related companies and with companies residing in low or zero taxation territories must be supported by documentation and information on the valuation methods used and the criteria considered for their assessment.

Based on an analysis of the Company's operations, the Management and its advisors consider that no significant contingencies will result from the application of these regulations as of March 31, 2024 and December 31, 2023.

#### *Tax review by the Tax Authority*

The Tax Authority has the power to review and, if applicable, to correct the income tax calculated by the Company for the four years following the filing of the tax return. The income tax returns filed for the years 2021 and 2023 and the monthly value added tax returns for the periods from January 2022 to February 2024 are open for review by the Tax Authority.

As of March 31, 2024, the Company recorded an income tax provision amounting to PEN 43,982,000 and made advance payments for PEN 30,520,000. As of March 31, 2024, the net balance payable for PEN 13,462,000 and PEN 27,093,000, respectively, is recognized in the statement of financial position under "Trade and other accounts payable."

### C. Mining royalties

This information remains the same as that contained in the note to the annual financial statements as of December 31, 2023.

As of March 31, 2024, the mining royalty paid to the Peruvian State amounts to approximately PEN 975,000 (see note 11).

## Notes to the financial statements (continued)

The payments for this mining royalty are deductible for assessment of the income tax for the year in which payments are made.

### **D. Environmental commitments**

The Company's activities are subject to the environmental protection laws. Such laws remain the same as those described in the note to the annual financial statements as of December 31, 2023.

## **20. Financial Risk Management Objectives and Policies**

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

The Company's Senior Management oversees the management of these risks. For this purpose, the Senior Management is supported by the Financial Management, who advises them on the financial risks and the appropriate corporate framework for managing the Company's financial risk. The Financial Management provides assurance to the Company's Senior Management that the Company's financial risk-taking activities are regulated by appropriate corporate policies and procedures and that financial risks are identified, measured, and managed in accordance with these corporate policies and the Company's risk-taking preferences.

The Board of Directors reviews and agrees on policies for the management of each of these risks, which are summarized in the following sections:

### **A. Market risk**

Market risk is the risk of changes in market prices. Market prices involve four types of risk: interest rate risk, exchange rate risk, commodity price risk, and other price risks; these will affect the Company's results or the value of its financial instruments. The objective of Management is to manage and control market risk exposures within established parameters, while optimizing returns.

The sensitivity analyses contained in the sections below relate to the financial position as of March 31, 2024 and December 31, 2023.

These sensitivity analyses were prepared on the assumption that the amount of net debt, the ratio of fixed to floating interest rates of debt and derivative financial instruments, and the proportion of financial instruments in foreign currency, are all constant as of March 31, 2024 and December 31, 2023.

#### ***i. Interest rate risk***

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

The Company minimizes this risk by using interest rate swap contracts (hedging derivative financial instrument) as a hedge against variability in the cash flows attributable to interest rate movements.

The Company determines the existence of an economic relationship between the hedging instrument and the hedged item based on the reference interest rate, the terms, the expiration dates and the notional or nominal amounts. The details of the hedging derivative financial instruments maintained by the Company are presented below.

## Notes to the financial statements (continued)

### ▪ *Hedging derivative financial instruments*

As of March 31, 2024 and December 31, 2023, the Company maintains two interest rate swap contracts designated as cash flow hedges and recorded at fair value. The details of these transactions are as follows:

<i>In thousands of Soles</i>	Reference Amount USD(000)	Maturity	Receives floating at:	Pays fixed at:	Fair value	
					As of March 31, 2024	As of December 31, 2023
<b>Assets</b>						
Citibank N.A.	50,000	October 2025	3-month SOFR + 2.01% (*)	5.730%	1,211	1,117
Bank of Nova Scotia	30,000	September 2025	3-month SOFR + 2.86% (*)	5.695%	603	645
					<b>1,814</b>	<b>1,762</b>

(\*) As of September 2023, the 3-month LIBOR rate was changed to 3-month SOFR (Note 10.1 (d)).

The effective portion of changes in the fair value of derivative financial instruments that qualify as hedges is recognized as assets or liabilities, with an impact on equity. The effect recognized under “Unrealized profits and losses” in the statement of comprehensive income as of March 31, 2024 and December 31, 2023, amounts approximately to PEN 37,000 and PEN 560,000, respectively, and is recorded net of the effect on income tax.

The balance as of March 31, 2024 and December 31, 2023, amounts to PEN 1,814,000 and PEN 1,762,000, respectively, and is recorded under “Trade and other accounts receivable” (see note 5).

Likewise, as of March 31, 2024 and 2023, the Company recognized a financial income for these derivative financial instruments in the amount of approximately PEN 562,000 and PEN 581,000, respectively. Said amounts were actually paid during the year and are presented in the income statement under “Financial income.”

## Notes to the financial statements (continued)

### **Sensitivity to interest rate**

The table below shows the sensitivity to a reasonably possible change in interest rates on the loan portion, after the impact of hedge accounting. With all other variables held constant, the Company's profit before income tax would be affected by the impact on floating-rate loans, as described below:

<i>In thousands of Soles</i>	Impact on profit before income tax	
	As of March 31, 2024	As of December 31, 2023
<b>Increase / decrease in basis points</b>		
-10%	(574)	(811)
+10%	574	811

The assumed movement in basis points related to the interest rate sensitivity analysis is based on the current market environment.

### **ii. Exchange rate risk**

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in exchange rates. The Company's exposure to the exchange rate risk relates primarily to the Company's operating activities (when income and expenses are in a currency other than the Company's functional currency) and secondly to the borrowing of funds in U.S. dollars.

The Management monitors this risk by analyzing the country's macroeconomic variables. As of March 31, 2024, the Management decided to accept the exchange risk of this position; consequently, it has not entered into any transactions using derivative instruments for hedging purposes.

As of March 31, 2024 and 2023, the fact of having balances in foreign currency represented for the Company a net gain of approximately PEN 848,000 (gain of approximately PEN 45,506,000 and loss of approximately PEN 44,658,000) and PEN 5,663,000 (gain of approximately PEN 10,282,000 and loss of approximately PEN 4,619,000), respectively; they are recognized in the income statement under "Exchange difference, net." Note 3 details the Company's position in foreign currency.

### **Sensitivity to exchange rate**

The table below shows the sensitivity to a reasonably possible change in the U.S. dollar exchange rate, considering that all other variables will remain constant, on the Company's profit before income tax (due to changes in the fair value of monetary assets and liabilities).

<i>Effect in thousands of Soles</i>	Profit/loss for the period 2024		Profit/loss for the period 2023	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)	6,930	(6,930)	8,622	(8,622)
USD (10% movement)	13,860	(13,860)	17,245	(17,245)

### **B. Credit risk**

Credit risk is the risk that a financial loss will be incurred if a counterparty to a financial instrument or commercial contract fails to discharge its obligations. The Company is exposed to the credit risk from its operating activities (in particular, due to commercial debtors) and financial activities, including deposits held in banks and financial institutions, foreign currency transactions and other financial instruments. The maximum exposure to credit risk for the items in the financial statements as of March 31, 2024 and December 31, 2023, is represented by the sum of the items of cash and cash equivalents, and trade and other accounts receivable.



## Notes to the financial statements (continued)

### C. Liquidity risk

The Company monitors the risk of a deficit of funds using a liquidity planning tool on a recurring basis.

The Company's objective is to maintain a balance between continuity and flexibility of financing by using overdrafts in checking accounts, bank loans, and other financial liabilities.

The tables below summarize the maturity profile of the Company's financial liabilities based on the undiscounted payments under the respective contracts:

<i>In thousands of Soles</i>	Carrying amount	As of March 31, 2024			Total
		Less than 12 months	2 - 3 years	4 - 8 years	
Trade and other accounts payable	335,791	335,791	-	-	335,791
Other financial liabilities:					
Amortization of principal	1,611,799	587,010	1,024,789	-	1,611,799
Cash flows from payment of interest	-	91,553	31,770	-	123,323
<b>Total liabilities</b>	<b>1,947,590</b>	<b>1,014,354</b>	<b>1,056,559</b>	<b>-</b>	<b>2,075,952</b>

<i>In thousands of Soles</i>	Carrying amount	As of December 31, 2023			Total
		Less than 12 months	2 - 3 years	4 - 8 years	
Trade and other accounts payable	331,959	331,959	-	-	331,959
Other financial liabilities:					
Amortization of principal	1,574,347	466,350	1,060,426	47,571	1,574,347
Cash flows from payment of interest	-	89,804	48,818	511	139,133
<b>Total liabilities</b>	<b>1,906,306</b>	<b>888,113</b>	<b>1,109,244</b>	<b>48,082</b>	<b>2,045,439</b>

### D. Capital management

As of March 31, 2024 and December 31, 2023, there were no changes in the objectives, policies or processes related to capital management.

## Notes to the financial statements (continued)

### 21. Fair Values

#### A. Financial instruments measured at fair value and fair value hierarchy

The following table contains an analysis of the financial instruments that are measured at fair value at the reporting date, including their level in the fair value hierarchy. The amounts are based on the balances shown in the statement of financial position:

<i>In thousands of Soles</i>	Level 2	Total
<b>March 31, 2024</b>		
<b>Financial assets</b>		
Derivative financial instruments	1,814	1,814
<b>Total financial assets</b>	<b>1,814</b>	<b>1,814</b>

<i>In thousands of Soles</i>	Level 2	Total
<b>December 31, 2023</b>		
<b>Financial assets</b>		
Derivative financial instruments	1,762	1,762
<b>Total financial assets</b>	<b>1,762</b>	<b>1,762</b>

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

The other financial instruments that are measured at amortized cost and which estimated fair value is disclosed in this note, as well as the level of such fair value in the accounting hierarchy, are presented below.

##### Level 1

- Cash and cash equivalents do not represent a significant credit or interest rate risk; therefore, their carrying amounts approximate their fair value.
- Accounts receivable are net of the estimated provision for bad debts and have mainly maturities of less than three (3) months. Therefore, in Management opinion, their fair value does not differ materially from their carrying amount.
- Trade and other accounts payable have current maturities; for this reason, in the opinion of the Company's Management, their accounting balance approximates their fair value.

##### Level 2

- The fair values of the other financial liabilities have been determined by comparing the market interest rates at their initial recognition and the current market rates related to similar financial instruments. The table below provides a comparison between the carrying amounts and the fair values of these financial instruments:

<i>In thousands of Soles</i>	As of March 31, 2024		As of December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Bank promissory notes	297,445	303,315	167,085	169,234
Other financial liabilities	1,314,354	1,336,712	1,407,262	1,425,954

### 22. Subsequent Events

No significant financial and accounting events have been identified after March 31, 2024 that could affect the interpretation of these financial statements.