

UNACEM CORP S.A.A.

and Subsidiaries

UNAUDITED Interim Consolidated
Financial Information as of March 31,
2024 and December 31, 2023.



UNACEM CORP S.A. AND SUBSIDIARIES
Statement of Financial Position
For the periods ended March 31, 2024 and December 31, 2023
(In thousands of Soles)

	Notes	As of March 31, 2024	As of December 31, 2023
Assets			
Current Assets			
Cash and cash equivalents	5	466,550	401,275
Other Financial Assets		502	-
Trade Accounts Receivable and other accounts receivable		984,290	947,994
Trade Accounts Receivable , net	6	787,273	762,267
Other Accounts Receivable , net	6	105,887	112,509
Accounts Receivable from Related Companies	6	38,809	32,877
Advanced payments	6	52,321	40,341
Inventories	7	1,079,988	1,036,574
Biological Assets		-	-
Assets by Income Taxes	6	26,585	39,203
Other Non-Financial Assets		81,699	23,939
Total Current Assets different than assets or groups of assets for its classified as held for sale or for distribution to owners		2,639,614	2,448,985
Non-current assets or groups of assets for disposal Classified as Held for Sale		5,093	-
Non-current assets or groups of assets for its classified as held for distribution to owners		-	30,923
Non-current assets or groups of assets for disposal Classified as Held for Sale or Held for distribution to owners		-	-
Total Current Assets		2,644,707	2,479,908

Non-Current Assets			
Other Financial Assets		4,498	4,198
Investments in subsidiaries, joint ventures and associates		26,153	32,172
Trade Accounts Receivables and other accounts receivables		148,352	141,441
Trade Accounts Receivable		-	-
Other Accounts Receivable	6	117,237	110,183
Accounts Receivable from Related companies		-	-
Advanced payments	6	31,115	31,258
Biological Assets		-	-
Investment Property		-	-
Property, Plant and Equipment , net	9	8,442,059	8,468,208
Intangible Assets , net	10	903,577	905,380
Assets Deferred Income Tax	14	230,999	224,793
Surplus value	11	1,206,192	1,206,331
Other Assets		234,460	233,223
Total Non-current Assets		11,196,290	11,215,746

TOTAL ASSETS 13,840,997 13,695,654

	Notes	As of March 31, 2024	As of December 31, 2023
Liabilities and Stockholders' Equity			
Current Liabilities			
Other Financial Liabilities	12	1,937,813	1,686,759
Trade accounts payable and other payable accounts		1,067,342	1,027,543
Trade Accounts Payable	13	716,844	696,415
Other Accounts Payable	13	309,939	294,645
Accounts payable to related companies	13	34,727	28,886
Deferred income		5,832	7,597
Provision for Employee Benefits		-	-
Other provisions		50,748	70,552
Income tax liabilities		62,218	72,948
Other non-financial liabilities	8(b)y23.A	26,811	23,360
Total Current Liabilities different of Liabilities Included groups of assets for disposal Classified as Held for Sale		3,144,932	2,881,162
Liabilities included in asset groups classified as held for sale		-	-
Total Current Liabilities		3,144,932	2,881,162

Non-Current Liabilities			
Other Financial Liabilities	12	3,633,499	3,811,917
Trade accounts payable and other payable accounts		179,680	180,348
Trade Accounts Payable	13	531	1,983
Other Accounts Payable	13	179,149	178,365
Accounts payable to related companies		-	-
Deferred income		-	-
Provision for Employee Benefits		-	-
Other provisions		119,567	117,078
Liabilities Deferred Income Taxes	14	670,098	670,441
Other non-financial liabilities	8(b)y23.A	122,314	123,843
Total Non-Current Liabilities		4,725,158	4,903,627
Total Liabilities		7,870,090	7,784,789

Stockholders' Equity			
Capital Issued	15	1,780,000	1,780,000
Issuance Premiums	15	-38,019	-38,019
Investment shares		-	-
Treasury Shares in portfolio	15	-22,948	-22,948
Other Capital Reserves	15	363,626	363,626
Accrued Results	15	3,410,847	3,353,966
Other Equity Reserves	15	289,813	290,068
Shareholders' equity attribute to the owners of the Parent		5,783,319	5,726,693
Non Controlling interest		187,588	184,172
Total Stockholders' Equity		5,970,907	5,910,865

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY 13,840,997 13,695,654



UNACEM CORP S.A.A. AND SUBSIDIARIES

Income Statement

For the periods ended March 31, 2024 and 2023

(In thousands of Soles)

	Notes	For the specific quarter from January 1st to March 31st, 2024	For the specific quarter from January 1st to March 31st, 2023	For the cummulative period from January 1st to March 31st, 2024	For the cummulative period from January 1st to March 31st, 2023
Incomes from ordinary activities	16	1,605,414	1,409,529	1,605,414	1,409,529
Cost of Sales	17	-1,197,712	-1,005,879	-1,197,712	-1,005,879
Profit (Loss) Gross		407,702	403,650	407,702	403,650
Selling Expenses and distribution		-27,043	-25,943	-27,043	-25,943
Administrative expenses	18	-134,301	-101,521	-134,301	-101,521
Profit (Loss) in the write-off of financial assets carried at amortized cost		-	-	-	-
Other Operating Income		63,319	10,007	63,319	10,007
Other Operating Expenses		-36,868	-16,374	-36,868	-16,374
Other profit (loss)		-	-	-	-
Profit (Loss) from operating activities		272,809	269,819	272,809	269,819
Financial Income		12,134	4,349	12,134	4,349
Financial Expenses	19	-94,246	-54,105	-94,246	-54,105
Exchange differences, net		-18,433	15,192	-18,433	15,192
Share of Profit (Loss) in net results from Equity-Accounted Joint Ventures and related companies		3,840	1,096	3,840	1,096
Profit (Loss) arising from the difference between the previous book value and fair value of Reclassified financial assets accounted at fair value		-	-	-	-
Difference between the book value of the distributed assets and the book value of the divided payable		-	-	-	-
Gains before Income tax		176,104	236,351	176,104	236,351
Income tax expenses	14(a)	-65,007	-65,720	-65,007	-65,720
Profit (Loss) Net of Continued Operations		111,097	170,631	111,097	170,631
Profit (loss) net of the tax to the profit from discontinued operations		-	-	-	-
Profit (loss) net of the year		111,097	170,631	111,097	170,631
Profit (Loss) net, attributable to :					
Owners of the Parent		104,829	164,541	104,829	164,541
Non-controlling interest		6,268	6,090	6,268	6,090
Net Profit (Loss) of the Year		111,097	170,631	111,097	170,631



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of Comprehensive Income
For the periods ended March 31, 2024 and 2023
(In Thousands of Soles)

Notes	For the specific quarter from January 1st to March 31st, 2024	For the specific quarter from January 1st to March 31st, 2023	For the cumulative period from January 1st to March 31st, 2024	For the cumulative period from January 1st to March 31st, 2023
Net Profit (Loss) of the year	111,097	170,631	111,097	170,631
Components of other comprehensive income:				
Net Change for Cash Flow Hedges	-	-	-	-
Hedges of a Net Investment in a Foreign Operation	-	-	-	-
Profit (Loss) in equity instrument investments at fair value	-	-	-	-
Exchange difference on translation of Foreign Operations	-	-	-	-
Net variation of non-current assets or groups of assets held for sale	-	-	-	-
Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	-	-	-	-
Revaluation Surplus	-	-	-	-
Actuarial Gain (Loss) on defined benefit pension plans	-	-	-	-
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	-	-	-	-
Other Comprehensive Income Pre Tax	-	-	-	-
Income tax relating to components of other comprehensive income				
Net Change for Cash Flow Hedges	-472	-584	-472	-584
Hedges of a Net Investment in a Foreign Operation	-	-	-	-
Profit (Loss) in equity instrument investments at fair value	-	-	-	-
Exchange difference on translation of Foreign Operations	-6,426	-10,940	-6,426	-10,940
Net variation of non-current assets or groups of assets held for sale	-	-	-	-
Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	-	-	-	-
Revaluation Surplus	-	-	-	-
Actuarial Gain (Loss) on defined benefit pension plans	-	-	-	-
Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	-	-	-	-
Sum of Income Tax-Related Components of other comprehensive income	-6,898	-11,524	-6,898	-11,524
Other Comprehensive Income	-6,898	-11,524	-6,898	-11,524
Total Comprehensive Income for the period , net of income tax	104,199	159,107	104,199	159,107
Comprehensive Income attributable to:				
Owners of the Parent	98,149	153,270	98,149	153,270
Non-controlling interest	6,050	5,837	6,050	5,837
Total Comprehensive Income of the Year, net	104,199	159,107	104,199	159,107



UNACEM CORP S.A.A. AND SUBSIDIARIES

Statement of Cash Flow

Direct Method

For the periods ended March 31, 2024 and 2023

(In thousands of Soles)

	Notes	As of January 1st, 2024 to March 31, 2024	As of January 1st, 2023 to March 31, 2023
Operating activities cash flows			
Types of cash collections from operating activities			
Sale of Goods and Services		2,064,581	2,000,308
Royalties, fees, commissions and other income from ordinary activities		-	-
Contracts held for brokering or trading purposes		-	-
Lease and subsequent sales of such assets		-	-
Other Cash Receipts Related to Operating Activity		154	1,080
Types of cash collections from operating activities			
Suppliers of goods and services		-1,476,035	-1,478,819
Contracts held for brokering or trading purposes		-	-
cash payments to and on behalf of employees		-263,041	-229,911
Elaboration or acquisition of assets to be leased and other assets held for sale		-	-
Other Cash Payments Related to Operating Activity		-64,145	-73,757
Cash flows and cash equivalents from (used in) Operating Activities		261,514	218,901
Interests received (not included in the Investment Activities)		-	-
Interests paid (not included in the Investment Activities)		-71,388	-39,948
Dividends Received (not included in the Investment Activities)		-	-
Dividends Paid (not included in the Investment Activities)		-	-
Income tax (paid) reimbursed		-90,279	-199,262
Other cash collections (payments)		-	-
Cash flows and cash equivalents from (used in) Operating Activities		99,847	-20,309
Cash flows from Investment activities			
Type of cash collections from investment activities			
Reimbursement of loan repayment and loans granted to third parties		-	-
Loss of control of subsidiaries or other businesses		-	-
Sale of Equity-related Financial Instruments or debt of other entities		-	-
Derivatives contracts (Futures, Forwards or Options)		-	-
Sales of Interest in Joint Ventures, Net of the expropriated cash		-	-
Sale of Property, Plant and Equipment		42,414	1,833
Sale of intangible assets		-	-
Sale of other long- term assets		-	-
Government Subventions		-	-
Interests received		-	-
Dividends received		9,652	1
Type of cash payments from investment activities		-	-
Advances and loans granted to third parties			
Controlling interest of subsidiaries and other businesses		-	-
Purchase of Financial Instruments of equity or debt of other entities		-	-
Derivatives contracts (Futures, Forwards or Options)		-	-
Purchase of Subsidiaries, Net of cash acquired	1.B.3	-	-
Purchase of Joint Venture shares, Net of the cash acquired		-	-
Purchase of Property, Plant and Equipment	9(b)	-95,142	-107,176
Purchase of intangible assets		-2,993	-7,670
Purchase of other long- term assets		-	-
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to Investment activities		-4,094	-7,789
Cash flows and cash equivalents from (used in) investing activities		-50,163	-120,801
Cash flows from Financing activities			
Type of cash collections from financing activities			
Loan securing		387,577	513,680
Changes to the subsidiaries ownership interest not resulting in the loss of control		-	-
Share issuance		-	-
Issuance of other Equity Instruments		-	-
Government Subventions		-	-
Type of cash payments from financing activities			
Loan Amortization or Repayment		-323,470	-195,172
Leasing liabilities		-6,604	-2,390
Changes to the subsidiaries ownership interest not resulting in the loss of control		-6,892	-14,933
Redemption or repurchase of the entities' shares (Shares in the portfolio)		-	-91
Acquisition of other equity interest		-	-
Interests paid		-	-
Dividends paid		-40,036	-45,008
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to financing activities		3,807	-
Cash flows and cash equivalents from (used in) financing activities		14,382	256,086
Increase (Decrease) in Net Cash and cash equivalents, before Changes in Foreign Exchange Rates		64,066	114,976
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		1,209	-2,675
Increase (Decrease) in Net Cash and Cash Equivalents		65,275	112,301
Cash and cash equivalents at beginning of year		401,275	334,845
Cash and cash equivalents at end of year		466,550	447,146



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of change in Stockholder's Equity
 For the periods ended March 31, 2024 and 2023
 (In Thousands of Soles)

	Other Equity Reserves														Subtotal	Shareholders' equity attribute to the owners of the Parent	Non-controlling Interest	Total Stockholders' Equity	
	Capital Issued	Issuance Premiums	Investment shares	Treasury Shares in Portfolio	Other Capital Reserves	Accrued Results	Cash Flow Hedges	Investment Hedges, net of foreign businesses	Investments in equity instruments accounted at fair value	Exchange difference on translation of Foreign Operations	Non-current assets or groups of assets held for sale	Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	Revaluation Surplus	Actuarial Profit (Loss) on defined benefit pension plans					Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability
Balance as of January 1, 2023	1,818,128	-38,019	-	-23,530	363,626	2,949,002	-1,737	-	-	343,181	-	-	-	-	-	341,444	5,410,651	286,157	5,696,808
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Restated Initial Balance	1,818,128	-38,019	-	-23,530	363,626	2,949,002	-1,737	-	-	343,181	-	-	-	-	-	341,444	5,410,651	286,157	5,696,808
4. Changes in Stockholders' Equity:																			
5. Comprehensive Income:																			
6. Gain (Loss) for the year						164,541											164,541	6,090	170,631
7. Other Comprehensive Income:							-582			-10,689						-11,271	-11,271	-253	-11,524
8. Comprehensive Income - Total year						164,541	-582			-10,689					-11,271	153,270	5,837	159,107	
9. Cash Dividends Declared						-36,103											-36,103	-10,004	-46,107
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																		-18,575	-18,575
15. Increase (decrease) for transactions with Treasury Shares in Portfolio				-91													-91		-91
16. Increase (Decrease) for Transfer and other Equity Changes						69,362											69,362	-68,554	808
Total Equity Increase (decrease)	-	-	-	-91	-	197,800	-582	-	-	-10,689	-	-	-	-	-11,271	186,438	-91,296	95,142	
Balance as of March 31, 2023	1,818,128	-38,019	-	-23,621	363,626	3,146,802	-2,319	-	-	332,492	-	-	-	-	-	330,173	5,597,089	194,861	5,791,950
Balance as of January 1, 2024	1,780,000	-38,019	-	-22,948	363,626	3,353,966	-1,629	-	-	291,697	-	-	-	-	-	290,068	5,726,693	184,172	5,910,865
1. Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Correction of Errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Restated Initial Balance	1,780,000	-38,019	-	-22,948	363,626	3,353,966	-1,629	-	-	291,697	-	-	-	-	-	290,068	5,726,693	184,172	5,910,865
4. Changes in Stockholders' Equity:																			
5. Comprehensive Income:																			
6. Gain (Loss) for the year						104,829											104,829	6,268	111,097
7. Other Comprehensive Income:							7,948			-8,203						-255	-255	-6,643	-6,898
8. Comprehensive Income - Total year						104,829	7,948			-8,203					-255	104,574	-375	104,199	
9. Cash Dividends Declared						-35,303											-35,303	-5,701	-41,004
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																		4,784	-2,279
15. Increase (decrease) for transactions with Treasury Shares in Portfolio																			
16. Increase (Decrease) for Transfer and other Equity Changes						-5,582											-5,582	4,708	-874
Total Equity Increase (decrease)	-	-	-	-	-	56,881	7,948	-	-	-8,203	-	-	-	-	-255	56,626	3,416	60,042	
Balance as of March 31, 2024	1,780,000	-38,019	-	-22,948	363,626	3,410,847	6,319	-	-	283,494	-	-	-	-	-	289,813	5,783,319	187,588	5,970,907

1. Company Details

A. Company Details and Economic Activity

UNACEM CORP S.A.A. (hereinafter, the “Company”) was incorporated in December 1967.

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

As of March 31, 2024 and December 31, 2023, the Company is a subsidiary of **INVERSIONES JRPR S.A.** (hereinafter, the “Parent Company” and ultimate parent of the economic group), which owns a 43.13% direct and indirect interest in its capital stock. Likewise, **INVERSIONES JRPR S.A.** has controlling powers to direct the financial and operating policies of the Company.

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

The consolidated financial statements of the Company and its subsidiaries (hereinafter, the “Group”) as of the first quarter of fiscal year 2024 have been issued with the authorization of the Management. The consolidated financial statements for fiscal year 2023 were approved at the Shareholders’ Meeting held on March 27, 2024.

B. Agreements for the acquisition of non-related entities

B.1 TEHACHAPI CEMENT LLC (formerly MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC)

On August 24, 2023, a purchase agreement was approved and signed whereby the subsidiary SKANON INVESTMENTS INC. (hereinafter, “SKANON” or the “Buyer”) acquired from the U.S. companies MARTIN MARIETTA MATERIALS, INC. and MARTIN MARIETTA PACIFIC DISTRICT CEMENT, LLC (the Sellers), 100% of the shares of MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC, a company domiciled in Delaware, United States of America, owner of the Tehachapi plant (located in the State of California).

This plant has a production capacity of 1,000,000 short tons of cement and 940,000 short tons of clinker. In addition, it was approved that the Company take part in the referred purchase agreement, thus ensuring compliance with all the obligations assumed by SKANON INVESTMENTS INC. with the Sellers.

On October 31, 2023, the acquisition of 100% of the shares of MARTIN MARIETTA SOUTHERN CALIFORNIA CEMENT, LLC was completed. As a result of this transaction, the company name was changed to TEHACHAPI CEMENT LLC and it became part of the Group. The final acquisition price was USD 315,140,000 (equivalent to PEN 1,199,737,000).

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

B.2 TERMOCHILCA S.A. (TERMOCHILCA)

On December 29, 2022, the Company reported to the Superintendency of the Securities Market (SMV) that the bid submitted by its subsidiary **COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. (CELEPSA)** (hereinafter, the “Buyer” or “CELEPSA”) for the acquisition of the shares and creditor’s claims (senior debt and subordinated bonds) of **TERMOCHILCA S.A.** had been accepted. On January 19, 2023, **CELEPSA** entered into a share transfer agreement with **LA FIDUCIARIA S.A.**, by virtue of which **CELEPSA** acquired, subject to the authorization of the National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI), in compliance with the applicable regulations, 100% of the shares of stock of **TERMOCHILCA S.A.**

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

Accordingly, the Group acquired 100% of the direct and indirect interest of the shares of stock of **TERMOCHILCA**, a company domiciled in Peru, which is engaged in power generation and has a combined cycle thermal power plant located in the District of Chilca, Province of Cañete, Department of Lima, with an installed capacity of 300 MW.

The total agreed upon price was USD 141,000,000 (equivalent to PEN 523,110,000), which will be paid directly by **CELEPSA** with funds stemming from financing transactions. As of December 31, 2023, a payment of US\$ 100,000,000 (equivalent to S/ 371,000,000) was made and the balance of US\$ 41,000,000 (equivalent to S/ 152,256,000), adjusted to fair value results in an amount of US\$ 38,552,000 (equivalent to S/ 143,479,000) to be paid in May 2028 (note 13).

On October 5, 2023, the Shareholders' Meeting of **TERMOCHILCA** approved the change of corporate name from **TERMOCHILCA S.A.** to **TERMOCHILCA S.A.C.**

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

2. Information on the Structure of Subsidiaries

As of March 31, 2024 and December 31, 2023, the consolidated financial statements of the Group include the following subsidiaries (figures according to IFRS and before consolidation eliminations):

In thousands of Soles	Entity	Main Economic Activity	2024		2023		Assets		Liabilities		Equity		Profit (loss) (x)	
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	2024	2023	2024	2023	2024	2023	2024	2023
			Country of incorporation (ix)											
Peru	UNACEM Perú S.A.-UNACEM Perú	Production and sale of cement	99.99	0.01	99.99	0.01	4,878,667	4,814,555	2,357,889	2,346,119	2,520,778	2,468,436	88,723	108,677
Peru/Ecuador	Inversiones Imbabura S.A. and Subsidiaries (i)	Production and sale of cement	100.00	-	100.00	-	2,092,845	2,115,492	403,395	437,904	1,689,450	1,677,588	10,243	11,629
United States of America	Skanon Investments Inc. and Subsidiaries (ii)	Production and sale of cement and concrete	95.85	-	95.85	-	3,296,567	3,259,650	2,294,090	2,248,013	1,002,477	1,011,637	(9,059)	1,403
Peru	Compañía Eléctrica el Platanal S.A. and Subsidiaries (iii)	Sale of energy and power	90.00	-	90.00	-	2,040,377	2,015,224	1,160,611	1,156,759	879,766	858,465	27,159	25,245
Peru/Chile	Inversiones en Concreto y Afines S.A. and Subsidiaries (iv)	Sale of concrete and ready-mix concrete	93.38	-	93.38	-	1,012,803	1,012,503	590,850	586,303	421,953	426,200	4,181	4,508
Chile	UNACEM CHILE S.A. (vi)	Cement and concrete	99.89	0.11	99.89	0.11	323,211	321,165	236,818	235,363	86,393	85,802	(20,390)	5,444
Peru	Inversiones Nacionales y Multinacionales S.A. – INMA	Real estate business	99.81	0.19	99.81	0.19	128,688	128,883	17,240	16,683	111,448	112,200	(752)	(1454)
Chile	Prefabricados Andinos S.A.- PREANSA Chile(viii)	Production and sale of precast concrete products	100.00	-	50.00	-	65,690	82,159	59,157	80,350	6,533	1,809	(233)	973
Peru/Colombia	Prefabricados Andinos Perú S.A.C. and Subsidiary (v)	Production and sale of precast concrete products	50.00	-	50.00	-	65,487	64,181	55,545	54,798	9,942	9,383	1,039	(653)
Peru	ARPL Tecnología Industrial S.A.- ARPL	Technology advisory and support services	100.00	-	100.00	-	63,269	65,831	22,947	13,557	40,322	52,274	1,985	1,724
Peru	Generación Eléctrica de Atocongo S.A. – GEA	Thermal power plant operation services	99.85	0.15	99.85	0.15	15,398	17,538	14,264	16,348	1,134	1,190	(56)	(321)
Peru	Minera Adelaida S.A.- MINERA	Extraction of mining of non-ferrous metal ores	100.00	-	100.00	-	29,663	29,547	3,522	3,544	26,141	26,003	138	29
Peru	Vigilancia Andina S.A. – VASA	Surveillance services	55.50	44.50	55.50	44.50	16,087	12,655	7,420	4,308	8,667	8,347	324	516
Peru	Depósito Aduanero Conchán S.A. – DECOSA	Warehousing services	99.99	-	99.99	-	1,969	1,922	777	693	1,192	1,229	(37)	(27)
Peru	Digicem S.A. (antes Transportes Lurín S.A.) – DIGICEM	IT Services	99.99	-	99.99	-	40,806	38,838	3,275	3,674	37,531	35,164	(3,513)	(1,681)
Peru	UNA Business Services S.A.- UBS	Services	100.00	-	100.00	-	46	16	198	27	(152)	(11)	(340)	(3)
Peru	Calcem S.A (vii)	Lime production and sale	51.00	-	51.00	-	7,658	6	393	18	7,265	(12)	(359)	-

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

- (i) The subsidiaries of **INVERSIONES IMBABURA S.A.(IMBABURA)** are **UNACEM ECUADOR S.A. (UNACEM ECUADOR)**, **CANTERAS Y VOLADURAS S.A.(CANTYVOL)** and **UNICON UCUE CÍA. LTDA. (UNICON Ecuador)**.

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

- (ii) The main subsidiaries of **SKANON INVESTMENTS INC. (SKANON)** are **DRAKE CEMENT LLC, SUNSHINE CONCRETE & MATERIALS INC, MARICOPA READY MIX LLC, DESERT READY MIX (DRM)** and **STATEN ISLAND COMPANY, INC. (SIC)**, which in turn, has the following subsidiaries: **STATEN ISLAND HOLDING LLC (SIH), STATEN ISLAND TERMINAL LLC (SIT)** and **DESERT AGGREGATES (DA)**.

- (a) During 2023, the Company made cash contributions to **SKANON** for approximately PEN 6,183,000 (equivalent to USD 1,625,000), increasing its control from 95.84% to 95.85% of **SKANON's** capital stock.

(b) *Interests in consolidated structured entities*

- **DRM** is a consolidated structured entity through which **SKANON** conducts its ready-mix concrete and aggregates operations in the city of Phoenix, United States of America. The initial capitalization and operating expenses of **DRM** were financed by **SKANON**.

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

During fiscal year 2023, **SKANON** exercised its call option, effective as from January 1, 2023, to acquire a 70% interest in **DESERT READY MIX, LLC** at a price equal to the outstanding debt plus accrued interest, in the amount of USD 5,243,000 (equivalent to PEN 20,029,000). Also, in March 2023, **SKANON** acquired an additional 15% in **DRM** for approximately USD 4,881,614 (equivalent to PEN 18,575,000), thus controlling 85% of **DRM**. As of December 31, 2023, the price for the acquisition of the 15% shareholding interest in **DRM** was paid in full.

As of March 2024, **SKANON** is in acquisition process of the additional 15% remaining of **DRM** participation. It will be paid through advance payments over 5 years or until the payment of USD 8,000,000 is completed. The control of 100% shareholding interest will be assumed on the date payment is made in full.

During fiscal year 2019, **SIC** began providing financing to **DA** for the purchase of land in Arizona City. In conjunction with the financing provided, an exclusive option agreement was entered into granting **SKANON** the irrevocable and exclusive right to convert the unpaid portion of the financing provided into a 100% controlling interest in **DA**, at **SKANON's** sole discretion. In addition, **SKANON** and **DA** entered into an operating agreement whereby **SKANON** will provide **DA** with technical and commercial support, short-term financing and other services. **DA's**

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

shareholders pledged their interest as collateral in the event **DA** fails to meet its obligations under the above-mentioned agreement.

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

- (iii) **COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. (CELEPSA)** has the following subsidiaries: **CELEPSA RENOVABLES S.R.L.(CERE)**, **TERMOCHILCA S.A.** and **AMBIENTAL ANDINA S.A.C.**
- (iv) The subsidiary of **INVERSIONES EN CONCRETO Y AFINES S.A. (INVECO)** is **UNIÓN DE CONCRETERAS S.A. (UNICON PERU)**, which in turn has the following subsidiaries: **UNICON CHILE S.A.** and **ENTREPISOS LIMA S.A.C.**

Amalgamation between UNIÓN DE CONCRETERAS S.A. and CONCREMAX S.A.

On November 16, 2023, the Shareholders' Meetings of **UNIÓN DE CONCRETERAS S.A. (UNICON)** and **CONCREMAX S.A. (CONCREMAX)** unanimously resolved to approve the merger project whereby **UNICON** would universally absorb **CONCREMAX**'s assets as a block. As a consequence, **CONCREMAX** became extinct without liquidation, as per the provisions of Section 344 of the Business Corporations' Act. It should be noted that the merger became effective on January 1, 2024. **UNICON** owns 100% of the shares of **CONCREMAX**, so it is a simple merger, which will not give rise to an increase in the capital stock of **UNICON**.

- (v) The subsidiary of **PREANSA PERU** is **PREFABRICADOS ANDINOS COLOMBIA S.A.S.**
- (vi) **UNACEM CHILE:**

Amalgamation between MEL 20 LIMITADA (MEL20) and CONSTRUCTORA DE OBRAS CIVILES Y VIALES LIMITADA (CONOVIA)

On December 29, 2023, the Shareholders' Meetings of **MEL20** and **CONOVIA** resolved to approve the merger project whereby on that date **MEL20** absorbed **CONOVIA**'s assets. **MEL20** owns 100% of the shares of **CONOVIA**, so it is a simple merger, which will not give rise to an increase in the capital stock of **UNICON**. Both companies are based in Chile.

- (vii) **CALCEM S.A.:** Incorporation of a new company

Quicklime production in Peru

In June 2023, the Company was notified by INDECOPI on the authorization of the merger consisting of the incorporation of a new company named **CALCEM S.A.** (hereinafter, "**CALCEM**") between the Company, holder of 51% of the capital stock, and **GRUPO CALIDRA S.A. DE C.V.**, a Mexican company, holder of the remaining percentage.

The purpose of the new company will be to build and operate an industrial plant in the Condorcocha area, province of Tarma, department of Junín, for the production of quicklime and calcium carbonates, with an initial capacity of 600 tons of quicklime per day. The construction of the plant will begin in the first half of this year and it will start operations in the first half of 2026. The investment in **CALCEM** will be covered with capital contributions from both shareholders and bank financing.

- (viii) **PREFABRICADOS ANDINOS S.A. (PREANSA CHILE)**

The acquisition of 50% of the shares of **PREFABRICADOS ANDINOS S.A – PREANSA CHILE** was completed On January 26, 2024, which means that—as of that date—the Company owns 100% of the shares of this

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

subsidiary. The total price agreed upon for the acquisition was USD 602,000 (equivalent to PEN 2,268,000), paid directly by the Company.

- (ix) The subsidiaries and other investees have their principal place of business in the country where they are incorporated.
- (x) Balances as of March 31, 2024 compared to balances as of March 31, 2023.

3. Summary of Significant Accounting Policies

A. Basis of Preparation and Presentation

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting issued by the **International Accounting Standards Board (IASB)**, effective as of March 31, 2024 and December 31, 2023.

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

The interim consolidated financial statements provide comparative information with respect to prior periods. However, they do not include all the information and disclosures required in the annual consolidated financial statements. Therefore, they should be read in conjunction with the audited consolidated report as of and for the year ended December 31, 2023.

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

B. Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its Subsidiaries as of March 31, 2024 and December 31, 2023.

The control criteria taken into consideration by the Group are described in the note to the audited consolidated financial statements as of December 31, 2023.

C. Significant Accounting Policies

The accounting policies adopted in the preparation of these interim consolidated financial statements are consistent with the policies considered in the preparation of the audited consolidated financial statements as of December 31, 2023.

4. Accounting Pronouncements Issued Not Yet Effective

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

5. Cash and Cash Equivalents

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
Checking and savings accounts (a)	267,414	321,056
Time deposits (b)	196,366	78,818
Fixed funds and others	2,770	1,401
	466,550	401,275

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

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

6. Trade and Other Accounts Receivables, Net

This caption comprises the following:

<i>In thousands of Soles</i>	Note	Current		Non-current	
		As of March 31, 2024	As of December 31, 2023	As of March 31, 2024	As of December 31, 2023
Trade Receivables					
Invoices and bills receivable (a)		741,718	736,033	27,846	22,052
Provision for invoices receivable		70,385	56,140	-	-
		812,103	792,173	27,846	22,052
Related Receivables					
Trade Accounts Receivable	20(b)	38,809	32,877	-	-
Miscellaneous Receivables					
Advances to Suppliers		52,321	40,341	31,115	31,258
Claims to the Tax Authority (b)		39,636	43,880	42,787	42,789
Personnel loans		6,797	6,556	-	-
Claims to third-parties		5,372	4,527	-	-
Derivative financial instruments	23.A.i.	-	-	2,374	2,797
Other accounts receivable		29,448	28,404	3,583	3,295
		133,574	123,708	79,859	80,139
Taxes					
Payments on account of income tax on profits		26,585	39,203	-	-
Tax credit in respect of value added tax (c)		31,825	36,333	68,493	61,302
		58,410	75,536	68,493	61,302
		1,042,896	1,024,294	176,198	163,493
Minus - Expected credit loss (d)		(32,021)	(37,097)	(27,846)	(22,052)
		1,010,875	987,197	148,352	141,441

- (a) Trade receivables are mainly in local and foreign currency, have current maturities and do not accrue interest. Bills receivable have current maturity and accrue interest calculated at current market rates.
- (b) As of March 31, 2024 and December 31, 2023, the balance corresponds mainly to payments under protest made by the Company to the Tax Authority to continue with the claim processes before the corresponding instances, mainly related to income tax, mining royalties and complementary mining, metallurgical and steel retirement fund, see note 22.D.
- In the opinion of the Group's Management and its legal advisors, it is estimated that there are sufficient legal arguments to obtain a favorable recovery of the short- and long-term claims.
- (c) As of March 31, 2024, the balance corresponds mainly to tax credit for value-added tax generated by the subsidiaries **DIGICEM**, **UNACEM PERU** and **UNACEM CHILE** (as of December 31, 2023, it corresponds mainly to tax credit for value-added tax generated by the subsidiaries **TERMOCHILCA**, **UNACEM PERU** and **UNACEM CHILE**).
- (d) In the opinion of the Group's Management, the estimated expected credit loss adequately hedges the bad debt risk as of March 31, 2024 and December 31, 2023.
- (e) As of March 31, 2024 and December 31, 2023, the Group performed the assessment of the exposure to credit risk on trade receivables, see note 23.B.

7. Inventories, Net

This caption comprises the following:

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
Spare parts and supplies	400,256	364,451
Products in process	365,278	329,443
Raw and auxiliary materials	254,718	257,327
Finished products	43,118	58,820
Containers and packaging	33,834	30,643
Inventories receivable	7,280	18,121
	1,104,484	1,058,805
Provision for inventory obsolescence (a)	(24,496)	(22,231)
	1,079,988	1,036,574

- (a) In the opinion of the Group's Management, the provision for inventory obsolescence adequately hedges the obsolescence risk as of March 31, 2024 and December 31, 2023.

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

- (a) As of March 31, 2024 and December 31, 2023, the net carrying value of lease assets amounts approximately to PEN 133,258,000 and PEN 133,692,000, respectively.

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

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of December 31, 2023
Classification according to maturity			
Current		25,436	21,821
Non-current		122,314	123,843
		147,750	145,664

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

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of September 30, 2022
Cost of Sales	17	5,713	1,895
Administration Expenses	18	359	147
Selling Expenses		6	9
		6,078	2,051

- (d) As of March 31, 2024 and December 31, 2023, the Group only has fixed-payment lease agreements.

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

This caption comprises the following components and changes:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of December 31, 2023
Cost			
Opening Balance		13,984,385	12,302,409
Additions (b)		119,428	621,659
Acquisition of subsidiary (c)		-	1,376,706
Withdrawals, sales and others		(7,603)	(198,128)
Translation effect		(29,161)	(118,261)
Closing Balance		14,067,049	13,984,385
Accumulated Depreciation			
Opening Balance		5,516,177	4,829,026
Depreciation for the period (e)		127,498	468,244
Acquisition of subsidiary (c)		-	402,335
Withdrawals and others		(8,108)	(145,587)
Translation effect		(10,577)	(37,841)
Closing Balance		5,624,990	5,516,177
Net carrying amount		8,442,059	8,468,208

(a) As of March 31, 2024, the carrying amount of assets acquired under leases and leasebacks amounted to approximately PEN 96,715,000 (PEN 105,922,000 as of December 31, 2023). Leased assets secure finance lease liabilities, see note 12(e).

(b) Additions during 2024 correspond mainly to:

i. Additions of the subsidiary **UNACEM PERU** due to disbursements made for the projects of the Kiln 3 cooler dedusting system of 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.

ii. Additions of the subsidiary **DRAKE CEMENT** due to disbursements made for the following projects: Integral mill project and improvements to the raw mill, mechanical workshop and rail car maintenance for approximately USD 1,622,000 (equivalent to PEN 6,027,000).

Additions of the subsidiary **DRAKE CEMENT** due to the purchase of machinery and equipment for approximately USD 2,190,000 (equivalent to PEN 8,136,000) and DRM for approximately USD 1,119,000 (equivalent to PEN 4,156,000).

iii. Additions of the subsidiary **UNICON PERU** for i) acquisitions of mixer trucks for approximately PEN 5,225,000; ii) front loaders for approximately PEN 1,616,000; and iii) works in progress for the repair of trucks for approximately PEN 2,976,000.

iv. Additions of works in progress of the subsidiary **UNACEM ECUADOR** for projects to increase Kiln 1 production capacity and change of crusher level for approximately USD 1,769,000 (equivalent to PEN 6,568,000).

Additions during 2023 correspond mainly to:

i. Additions of the subsidiary **UNACEM PERU** for the projects of the Kiln 3 cooler dedusting system of the Condorcocha plant. Moreover, the expansion of packaging and product delivery capacity is still in progress in both plants: Atocongo and Condorcocha. The total amount of the aforementioned projects is approximately PEN 103,855,000.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

- ii. Additions of the subsidiary **DRAKE CEMENT** due to disbursements made for the following projects: Integral mill project and improvements to the raw mill, roller press, clinker cooler repairs, mechanical workshop and preoperative expenses for the opening of the Frenchy Hill quarry for approximately USD 22,007,000 (equivalent to PEN 81,535,000), as well as the purchase of machinery and equipment for approximately USD 4,013,000 (equivalent to PEN 14,867,000).
 - iii. Additions of works in progress of the subsidiary **UNACEM ECUADOR** for projects to increase Kiln 1 production capacity and Kiln 1 hydrogen injection for approximately USD 18,372,000 (equivalent to PEN 68,068,000).
 - iv. Additions of the subsidiary **UNICON PERU** for i) acquisitions of mixer trucks for approximately PEN 22,644,000, ii) concrete guns and pumps for approximately PEN 1,616,000, front loaders for approximately PEN 1,545,000, iii) works in progress for repair of trucks for approximately PEN 2,885,000, and iv) repair and refurbishment of mixing plants for approximately PEN 4,773,000.
 - v. Additions of the subsidiary **CELEPSA** for the expansion of the control center, buffer reservoir, acquisition of an impeller, improvements in the Paucarcocha instrumentation system and relocation of the data center for approximately PEN 10,558,000.
 - vi. Additions of the subsidiary **UNICON CHILE** for the acquisition of (i) the new Panamericana and San Antonio plants; as well as improvements to other plants for approximately PEN 10,491,000 and (ii) overhaul of trucks for approximately PEN 2,715,000.
 - vii. Additions of the subsidiary **CONCREMAX** (currently **UNICON PERU**) for (i) overhaul of trucks and assembly of plants for approximately PEN 5,208,000, (ii) assembly of the Toromocho aggregates plant for approximately PEN 4,404,000 and (iii) two secondary and tertiary impactor mills and excavator for approximately PEN 2,823,000.
 - viii. Additions of the subsidiary **CERE** for the investment in social commitments for approximately PEN 6,800,000.
 - ix. Additions of the subsidiary **INMA** for disbursements for office improvements for approximately PEN 7,032,000.
 - x. Additions of the subsidiary **SUNSHINE CONCRETE & MATERIALS INC.** for the acquisition of aggregates production equipment for approximately USD 1,380,000 (equivalent to PEN 5,114,000).
- (c) During 2023, they correspond to assets from the acquisition of **TERMOCHILCA** and **TEHACHAPI**.
- (d) In 2023, mainly includes asset retirements made by: (i) the subsidiary DRM for sales of mixer trucks, whose cost and accumulated depreciation amounted to approximately US\$ 2,205,000 and US\$ 2,187,000 (equivalent to S/ 8,169,000 and S/ 8,103,000, respectively), (ii) the subsidiary Sunshine for sales of machinery and equipment, whose cost and accumulated depreciation amounted to approximately US\$ 10,120,000 and US\$ 8,177,000 (equivalent to S/ 37,494,000 and S/ 30,294,000, respectively), (iii) the subsidiary UNICON Perú for sales of mixer trucks and front loaders, whose cost and accumulated depreciation amounted to approximately S/ 29,272,000 and S/ 28,647,000, respectively, and (iv) the subsidiary CONCREMAX for sales of mixer trucks and front loaders, whose cost and accumulated depreciation amounted to approximately S/ 3,729,000 and S/ 3,693,000, respectively.

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

(e) Depreciation has been distributed as follows:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of March 31, 2023
Cost of Sales	17	123,370	107,901
Administration Expenses	18	3,337	5,561
Selling Expenses		124	144
Other Expenses		667	892
		127,498	114,498

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

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

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

(g) The Group maintains insurance policies in force on its main assets, in accordance with the policies established by the Group’s Management. In the opinion of the Group’s Management, its insurance policies are consistent with international industry practices.

(h) In the Management’s opinion, the Group has insurance policies that sufficiently cover all of its fixed assets.

10. Intangible Assets, Net

This caption comprises the following components and changes:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of December 31, 2023
Cost			
Opening Balance		1,088,928	388,615
Acquisition of subsidiary		-	705,092
Additions		4,417	28,749
Withdrawals and others		1,711	(11,581)
Translation effect		670	(21,947)
Closing Balance		1,095,726	1,088,928
Accumulated Amortization			
Opening Balance		183,548	159,426
Acquisition of subsidiary		-	18,486
Amortization for the period (a)		9,164	17,738
Withdrawals and others		(109)	(11,628)
Translation effect		(454)	(474)
Closing Balance		192,149	183,548
Net carrying amount		903,577	905,380

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

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

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of March 31, 2023
Administration Expenses	18	6,020	1,662
Cost of Sales	17	2,855	2,478
Selling Expenses		252	571
Other Expenses		37	33
		9,164	4,744

11. Goodwill

As of March 31, 2024 and December 31, 2023, the balance of goodwill is mainly composed of the higher value paid for the acquisition of **UNACEM ECUADOR** amounting to PEN 1,023,795,000.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

12. Other Financial Liabilities

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024			As of December 31, 2023		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bank loans (e)		1,051,027	3,212,793	4,263,820	1,076,441	3,392,456	4,468,897
Bank promissory notes (a) and (b)		823,166	-	823,166	609,897	-	609,897
Corporate bonds (d)		-	420,706	420,706	-	419,461	419,461
Bank overdrafts (c)		63,620	-	63,620	421	-	421
		1,937,813	3,633,499	5,571,312	1,686,759	3,811,917	5,498,676

- (a) Bank promissory notes correspond mainly to working capital financing with fixed interest rates ranging between 6.19 and 7.46% per annum in foreign currency, and between 6.05 and 7.32% per annum in local currency (fixed interest rates ranging between 6.19 and 7.87% per annum in foreign currency as of December 31, 2023). They do not have specific guarantees and are renewed depending on the Group's working capital needs. As of March 31, 2024 and December 31, 2023, the balance by bank is composed as follows:

<i>In thousands of Soles</i>	Currency of origin	Maturity	2024	2023
Financial Institution				
BANCO DE CRÉDITO DEL PERÚ	PEN	Between April 2024 and March 2025	236,515	-
BANCO INTERNACIONAL DEL PERÚ	USD	April 2024	186,050	185,650
BANCO BBVA PERÚ	USD	Between July 2024 and November 2024	175,482	175,104
SCOTIABANK PERÚ	USD	April 2024	93,025	92,713
BANCO INTERNACIONAL DEL PERÚ	PEN	March 2025	80,000	-
BANCO ITAU	USD	June 2024	52,094	51,982
BANCO DE CRÉDITO E INVERSIONES (BCI)	USD	March 2024	-	64,978
BANCO DE CRÉDITO DEL PERÚ	USD	Between April 2024 and March 2025	-	39,470
			823,166	609,897

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

- (b) As of March 31, 2024 and December 31, 2023, interest payable on bank promissory notes amounted to approximately PEN 19,287,000 and PEN 13,012,000, respectively, and is recognized in "Trade and Other Accounts Payable" in the consolidated statement of financial position, see note 13. As of March 31, 2024 and March 31, 2023, interest expenses amounted to approximately PEN 8,943,000 and PEN 6,453,000, respectively, and are included in the item "Financial expenses" in the consolidated statement of income, see note 19.
- (c) As of March 31, 2024, overdrafts correspond to obligations in U.S. Dollars of **SKANON** for a total of USD 17,000,000 (equivalent to PEN 63,257,000).
- (d) As of March 31, 2024 and December 31, 2023, the balance of corporate bonds is detailed below:

<i>In thousands of Soles</i>	Annual interest rate %	Maturity	As of March 31, 2024	As of December 31, 2023
Bonds				
Arizona State Bonds (i)	Between 1.6 and 1.95 + variable rate	September 2035	427,915	426,995
			427,915	426,995
Amortized cost			(7,209)	(7,534)
			420,706	419,461

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

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

These bonds were issued under the following conditions:

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

In the Management's opinion, **SKANON** and **DRAKE CEMENT** do not comply with any of the restrictive considerations and the financial safeguard as of March 31, 2024, which obtained a waiver duly approved and granted by the creditor bank in 2023. For this reason, they have incurred indebtedness according to the initially approved maturities.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

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

<i>In thousands of Soles</i>	Maturity	Initial amount	Currency	Destination of funds	Guarantees	As of March 31, 2024	As of December 31, 2023
Bank loans							
BANCO NY MELLON	October 2026	345,000	USD	Financing for the purchase of TEHACHAPI	Joint and several guarantee	1,283,745	1,280,985
BANCO DE CRÉDITO DEL PERÚ	June 2025 and October 2026	782,500	PEN	Redemption of foreign bond and Refinancing of financial liabilities	No guarantee was furnished	700,843	737,275
BBVA PERÚ	June 2025 and January 2027	783,357	PEN	Refinancing of financial liabilities	No guarantee was furnished	687,353	706,021
SCOTIABANK DEL PERÚ	October 2024, March 2025 and January 2027	771,547	PEN	Refinancing of financial liabilities	No guarantee was furnished	532,744	573,348
BANCO DE CRÉDITO E INVERSIONES (BCI)	June 2024	75,000	USD	Financing for the purchase of TERMOCHILCA	Share pledge on the shares of TERMOCHILCA	279,075	278,475
BANCO INTERNACIONAL DEL PERÚ	January 2027	228,385	PEN	Refinancing of financial liabilities	No guarantee was furnished	187,275	195,269
BANCO INTERNACIONAL DEL PERÚ	May 2027	26,900	USD	Refinancing of financial liabilities	No guarantee was furnished	82,578	84,898
BANCO DE CRÉDITO DEL PERÚ	March 2027	34,000	USD	Refinancing of financial liabilities	No guarantee was furnished	75,912	82,057
CITIBANK N.A. (I)	October 2025	50,000	USD	Refinancing of financial liabilities	No guarantee was furnished	74,420	111,390
BANCO DE CRÉDITO E INVERSIONES (CHILE)	June 2024	-	CLP	-	Real estate guarantee, see note 9(g)	63,792	70,692
BANK OF NOVA SCOTIA (I)	September 2025	30,000	US\$	Partial redemption of foreign bond	No guarantee was furnished	33,489	38,987
SCOTIABANK DEL PERÚ	April 2025	72,000	PEN	Financing for the purchase of UNICON CHILE	Real estate guarantee, see note 9(g)	18,000	21,600
BANCO SCOTIABANK (CHILE) (I)	April 2024	4,000	USD	-	Letter of credit, see note 22.A(i)	14,874	14,727
BBVA PERÚ	December 2024	28,773	PEN	-	No guarantee was furnished	12,294	14,125
BANCO BBVA COLOMBIA	August 2025	-	COP	-	Letter of credit, see note 22.A(i)	11,659	11,949
CITIBANK N.A. (NEW YORK)	July 2024	11,000	USD	-	No guarantee was furnished	6,821	10,211
Less than PEN 10,000,000	-	-	-	-	-	66,652	67,264
						4,131,526	4,299,273
Amortized cost						(14,574)	(15,873)
Total						4,116,952	4,283,400
Lease-back							
SCOTIABANK (CHILE)	March 2024	-	CLP	Leased assets	-	-	195
						.	195
Leasing							
CONSORCIO TRANSMANTARO S.A. (PERÚ)	July 2039	-	USD	Leased assets	-	55,407	55,439
	Between December 2025 and September 2028	-	USD	Leased assets	-	22,742	24,542
BOK FINANCIAL CORPORATION	September 2028	-	USD	Leased assets	-	15,776	16,987
BANK OF AMÉRICA	December 2027	-	USD	Leased assets	-	15,566	18,013
SCOTIABANK DEL PERÚ	Between June 2024 and December 2026	-	-	Leased assets	-	36,254	30,781
Less than PEN 10,000,000						145,745	145,762
Factoring						1,123	39,540
Total						4,263,820	4,468,897

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

- (i) The Group entered into swap contracts to reduce the variable rate risk related to these loans, see note 23.A.i.
- (f) The financial safeguards applicable to local financial liabilities are monitored quarterly, semi-annually and annually and must be calculated based on the separate and/or consolidated financial information of the Company and its subsidiaries and the calculation methodologies required by each financial institution.
- (i) As of March 31, 2024 and December 31, 2023, the main financial safeguards based on separate financial information are as follows:

UNACEM CORP S.A.A. (*)

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

() Safeguards calculated based on information combined with UNACEM PERU.*

UNACEM PERÚ S.A.

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

UNACEM ECUADOR S.A.

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

UNIÓN DE CONCRETERAS S.A.

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

UNACEM CHILE S.A.

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

COMPAÑÍA ELÉCTRICA EL PLATANAL S.A.

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

- (ii) As of March 31, 2024, the main financial safeguards based on the consolidated financial information were as follows:

UNACEM CORP S.A.A. and Subsidiaries

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

SKANON INVESTMENTS INC. and Subsidiaries

- Maintain a leverage ratio less than 1.

In the opinion of the Group's Management, the Company and its subsidiaries have complied with the financial safeguards as of March 31, 2024, except for UNACEM CHILE, with a short-term financial liability in the amount of PEN 63,692,000, and **SKANON** for the leverage ratio, for which a waiver was negotiated with the creditor bank. Therefore, the debt is presented in accordance with the initially approved maturity terms. As of December 31, 2023 the Company and subsidiaries have complied with the financial safeguards, except for **UNACEM CHILE**, with a short-term financial liability in the amount of PEN 70,692,000, and **SKANON** for the leverage ratio, for which a waiver was duly approved and granted by the creditor bank during the year 2023. For this reason, the debt is presented according to the initially approved maturity terms.

- (g) As of March 31, 2024 and December 31, 2023, interest payable on bonds and medium and long-term debt with banks amounted to approximately PEN 41,667,000 and PEN 40,047,000, respectively, and are recorded under "Trade and Other Accounts Payable" in the consolidated statement of financial position, see note 13.

Interest accrued by bonds and bank loans as of March 31, 2024 and March 31, 2023, amounted to approximately PEN 78,042,000 and PEN 42,291,000, respectively, and is recorded under "Financial Expenses" in the consolidated income statement, see note 19.

- (h) As of March 31, 2024, the Group has bank loans in local currency with effective annual interest rates in local currency ranging from 2.26 to 7.91%. Bank loans in foreign currency are at fixed rates ranging from 1.50 to 18.16% and at variable rates plus a margin. The SOFR ranges from 2.01 to 2.86%.

As of December 31, 2023, the Group has bank loans in local currency with effective annual interest rates in local currency ranging from 2.26 to 7.91%. Bank loans in foreign currency are at fixed rates ranging from 0.85 to 17.21% and at variable rates plus a margin. As of December 31, 2023, the Company agreed with the lending entities to change the variable rate for the two 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%.

13. Trade and Other Accounts Payable

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of December 31, 2023
Trade accounts payable (a)		717,375	698,398
Accounts payable for purchase of subsidiary	1.B	143,479	143,151
Remuneration and vacation payable		101,265	87,118
Interest payable	12(b) and 12(g)	60,954	53,059
Taxes, labor and other contributions payable		36,192	15,837
Customer advances		35,037	51,242
Accounts payable to related parties	20(b)	34,727	28,886
Commitments with communities		20,351	20,714
Dividends payable	15(F)	20,255	19,385
Value added tax payable		14,591	17,826
Loans payable to third parties		11,322	11,300
Accounts payable for purchase of property, plant and equipment		10,565	11,782
Remuneration of the Board of Directors		3,208	7,862
Other accounts payable		31,869	33,734
		1,241,190	1,200,294
Classification by maturity:			
Current		1,061,510	1,019,946
Non-current		179,680	180,348
		1,241,190	1,200,294

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

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

All obligations with its suppliers, including balances payable, are maintained according to the contractual agreements entered into with them. As of March 31, 2024 and December 31, 2023, the balances related to these transactions amount to PEN 93,751,000 and PEN 115,530,000, respectively.

14. Income Tax

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

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of December 31, 2023
Deferred income tax asset			
Opening Balance		483,846	392,703
Effect on consolidated income statement		(1,522)	(37,576)
Acquisition of subsidiary		-	125,444
Charge to comprehensive income		(16)	258
Others		430	11,548
Translation effect		(1,677)	(8,531)
Closing Balance		481,061	483,846
Deferred income tax liability			
Opening Balance		(929,494)	(770,428)
Effect on consolidated income statement		8,263	104,843
Acquisition of subsidiaries		-	(269,279)
Others		(88)	829
Translation effect		1,159	4,541
Closing Balance		(920,160)	(929,494)
Total deferred income tax liability, net		(439,099)	(445,648)

- (a) The income tax expense shown in the consolidated income statement for the years ended March 31, 2024 and March 31, 2023 amounts to approximately PEN 65,007,000 and PEN 65,720,000, respectively.

15. Net Equity

A. Issued Capital

As of March 31, 2024 and December 31, 2023, the Company's issued capital is represented by 1,780,000,000 fully subscribed and paid-in common shares, with a par value of PEN 1 (One Sol) each. The common shares representing the capital stock of the Company are traded on the Lima Stock Exchange.

	As of March 31, 2024	
	Number of shares	Shareholding %
Shareholders		
INVERSIONES JRPR S.A.	483,489,609	27.16
NUEVAS INVERSIONES S.A.	459,129,497	25.79
Private Pension Fund Management Companies (AFPs)	424,800,465	23.87
Others	412,580,429	23.18
	1,780,000,000	100.00
As of December 31, 2023		
	Number of shares	Shareholding %
Shareholders		
INVERSIONES JRPR S.A.	483,489,609	27.16
NUEVAS INVERSIONES S.A.	459,129,497	25.79
Private Pension Fund Management Companies (AFPs)	422,287,829	23.73
Others	415,093,065	23.32
	1,780,000,000	100.00

As of March 31, 2024, the stock price of each common share was PEN 1.71 (PEN 1.52 as of December 31, 2023).

B. Additional Capital

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

C. Treasury Shares

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

In a meeting held on June 28, 2023, the Board of Directors agreed to extend the program until June 30, 2025, increasing the maximum amount to PEN 112,000,000, without exceeding 4% of the shares issued.

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

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

As of March 31, 2024 and December 31, 2023, the Company holds 14,828,000 treasury shares equivalent to PEN 22,948,000.

D. Legal Reserve

As provided for in the Business Corporations' Act, a minimum of 10% of distributable profit for each year, net of income tax, is required to be transferred to a legal reserve until such reserve reaches 20% of the issued capital. The legal reserve may offset losses or may be capitalized, in both cases there is an obligation to replenish it. As of March 31, 2024 and December 31, 2023, the legal reserve reached the limit of 20% of the issued capital.

E. Unrealized Gains and Losses

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

F. Dividend Distribution

The information on dividends distributed in 2024 and 2023 is shown below:

Dividends 2024

<i>In thousands of Soles</i>	Dividends declared and paid	Payment date	Dividends per common share
Date of Board of Directors' meeting			
January 31, 2024	35,303	March 4, 2024	0.02
	35,303		

Dividends 2023

<i>In thousands of Soles</i>	Dividends declared and paid	Payment date	Dividends per common share
Date of Board of Directors' meeting			
January 25, 2023	36,103	February 27, 2023	0.02
April 27, 2023	36,102	May 31, 2023	0.02
July 26, 2023	36,099	August 31, 2023	0.02
October 23, 2023	35,464	November 28, 2023	0.02
	143,768		

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

As of March 31, 2024, there is an outstanding balance of dividends of approximately PEN 20,255,000 (PEN 19,385,000 as of December 31, 2023), see note 13.

During 2024, the subsidiaries DESERT READY MIX, ENTREPISOS, CELEPSA and INVECO distributed dividends to their non-controlling shareholders for approximately PEN 3,276,000, PEN 1,250,000, PEN 546,000, and PEN 629,000, respectively.

During 2023, the subsidiaries DESERT READY MIX, DESERT AGGREGATES, ENTREPISOS, CELEPSA, INVECO and UNACEM ECUADOR distributed dividends to their non-controlling shareholders for approximately PEN 29,963,000, PEN 1,160,000, PEN 2,957,000, PEN 1,220,000, PEN 242,000 and PEN 76,000, respectively.

By means of a Shareholders' Meeting held on December 14, 2021, it was resolved to replace the dividend policy approved by the Annual Shareholders' Meeting held on March 31, 2015, with a new dividend policy, consisting of the distribution, as from this resolution, of quarterly dividends in cash, in Soles or in U.S. Dollars, within a range between USD 0.005 and USD 0.010 per share issued by the Company, charged to retained earnings, beginning with the oldest and ending with the most recent.

G. Translation Gains and Losses

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

H. Prescribed Dividends

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

16. Net Sales

This caption comprises the following:

<i>In thousand Soles</i>	As of March 31, 2024	As of March 31, 2023
Segments		
Cement	774,805	769,053
Concrete	669,145	571,178
Energy and power	156,972	64,929
Other services	4,492	4,369
	1,605,414	1,409,529
Timing of revenue recognition		
Assets transferred at a point in time	1,417,681	1,314,249
Service delivery at a point in time	187,733	95,280
	1,605,414	1,409,529

17. Cost of Sales

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of March 31, 2023
Initial inventory of finished goods and work in progress	7	388,263	273,596
Cost of production			
Use of raw materials		276,512	252,017
Fuel		220,394	197,760
Personnel expenses		211,724	170,449
Depreciation	9(e)	123,370	107,901
Maintenance cost		85,389	81,958
Transportation and freight		43,660	47,863

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

Electricity		63,710	42,624
Use of packaging		26,317	35,400
Amortization	10(a)	2,855	2,478
Depreciation of right-of-use assets	8(c)	5,713	1,895
Preparation of quarries		1,904	1,647
Depreciation for deferred asset for land clearing		738	1,057
Allowance for inventory obsolescence		2,509	(1,848)
Other manufacturing expenses		153,050	144,716
Ending inventory of finished goods and work in progress	7	(408,396)	(353,634)
		1,197,712	1,005,879

18. Administrative Expenses

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of March 31, 2023
Personnel expenses		66,407	61,945
Services rendered by third parties		25,516	15,128
Donations		13,215	5,413
Taxes		6,124	4,645
Amortization	10(a)	6,020	1,662
Miscellaneous management expenses		5,712	2,701
Depreciation	9(e)	3,337	5,561
Allowance for expected credit loss		1,700	637
Depreciation of right-of-use assets	8(c)	359	147
Others		5,911	3,682
		134,301	101,521

19. Financial Expenses

As of March 31, 2024 and March 31, 2023, this caption mainly comprises interest on bonds issued and bank debt in the amount of PEN 86,985,000 and PEN 48,744,000, respectively, see notes 12(b) and 12(g).

20. Transactions with Related Companies

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

<i>In thousands of Soles</i>	<i>Note</i>	2024	2023
Revenue			
Sale of cement			
LA VIGA S.A.		130,522	145,768
UNACEM Non-profit Corporation		88	27
Dividends earned			
SIKA MBCC PERU S.A (i)		2,599	-
Costs and/or expenses			
Donations			
UNACEM Non-profit Corporation		5,193	5,737
Purchase of additives			
SIKA MBCC PERU S.A		17,696	16,438
Commissions and freight for cement sales			
LA VIGA S.A.		7,847	11,972
Other expenses			
SIKA MBCC PERU S.A		1,624	988
COMPAÑÍA INVERSIONES SANTA CRUZ S.A.		97	31
Other income			
SIKA MBCC PERU S.A		356	632
UNACEM Non-profit Corporation		271	137

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

<i>In thousands of Soles</i>	<i>Note</i>	2024	2023
LA VIGA S.A.		66	47

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

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

<i>In thousands of Soles</i>	<i>Note</i>	As of March 31, 2024	As of March 31, 2023
Accounts receivable	6		
LA VIGA S.A.		38,160	30,638
SIKA MBCC PERU S.A		164	154
Other minor accounts		485	2,085
		38,809	32,877
Accounts payable	13		
SIKA MBCC PERU S.A		25,400	25,177
LA VIGA S.A.		4,396	3,631
UNACEM Non-profit Corporation		4,848	-
Other minor accounts		83	78
		34,727	28,886

(i) The corporate name of MASTER BUILDERS SOLUTIONS PERÚ S.A. changed to SIKA MBCC PERU S.A.

- (c) The Group carries out its operations with related companies under the same conditions as those carried out with third parties. Accordingly, there are no differences in pricing policies or in the tax settlement base; in relation to payment methods, these do not differ from policies granted to third parties.
- (d) The total remuneration received by the directors and key officers of the Group's Management as of March 31, 2024 and March 31, 2023 amounted to PEN 5,709,000 and PEN 10,132,000, respectively, which include short-term benefits and severance indemnity packages.
- (e) As of March 31, 2024, there were no changes of ownership interest of the parent companies **NUEVAS INVERSIONES S.A.** and **INVERSIONES JRPR S.A.** in the Company, see note 15.A.

21. Earnings per Share

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

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

<i>In thousands of Soles</i>	Outstanding shares	Base shares for the calculation	Effective days in the year	Weighted average number of outstanding shares
Year 2024				
Balance as of January 1, 2024	1,765,172	1,765,172	365	1,765,172
Balance as of March 31, 2024	1,765,172	1,765,172		1,765,172
Profit for the year (in thousands of Soles)				104,829
Net basic and diluted earnings per share (expressed in Soles)				0.059

<i>In thousands of Soles</i>	Outstanding shares	Base shares for the calculation	Effective days in the year	Weighted average number of outstanding shares
Year 2023				
Balance as of January 1, de 2023	1,805,161	1,805,161	365	1,805,161
Purchase of treasury shares	(57)	(57)	14	(2)
Balance as of March 31, 2023	1,805,104	1,805,104		1,805,159
Profit for the year (in thousands of Soles)				164,541
Net basic and diluted earnings per share (expressed in Soles)				0.091

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

As of March 31, 2024 and March 31, 2023, the Company holds 14,828,000 and 13,024,000 treasury shares with an average of 726 and 402 days, respectively.

22. Commitments and Contingencies

A. Financial and Purchase Commitments

(i) The subsidiaries have the following letters of guarantee in force:

- Letter of guarantee granted by **UNACEM PERU** in favor of the **MINISTRY OF ENERGY AND MINES (MEM)**, issued by **BANCO INTERNACIONAL DEL PERÚ S.A.A. - INTERBANK**, for a total of approximately USD 1,245,000, equivalent to PEN 4,633,000 maturing in January 2025, in order to secure compliance with the Mine Closure Plan of its mining concessions.
- Letter of guarantee granted by **UNACEM PERU** in favor of the **MINISTRY OF FISHERIES AND INDUSTRIES**, issued by **BANCO INTERNACIONAL DEL PERÚ S.A.A. - INTERBANK**, for a total of approximately USD 7,026,000, equivalent to PEN 26,144,000, maturing in December 2024 and January 2025, in order to secure compliance with the Mine Closure Plan of its mining concessions.
- Letters of guarantee granted by **UNACEM PERU** in favor of the **NATIONAL SUPERINTENDENCY OF TAX ADMINISTRATION (SUNAT)** for a total of PEN 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 secure the customs tax debt.
- Letters of guarantee issued by **UNACEM PERU** in favor of third parties for a total of PEN 321,000, maturing in April 2024 and March 2025.
- Letters of guarantee issued by financial institutions on behalf of **UNICON PERU S.A.** in order to guarantee the supply of concrete to certain customers, as of March 31, 2024, for approximately PEN 130,896,000 maturing from April to December 2024 (PEN 114,344,000 as of December 31, 2023 maturing from February to December 2024).
- Letters of guarantee issued by financial institutions on behalf of **ENTREPISOS S.A.** in order to guarantee the supply of slabs and pre-cast concrete to certain customers, as of March 31, 2024, for approximately PEN 3,472,000 maturing from April to December 2024 (PEN 1,944,000 as of December 31, 2023 maturing from February to November 2024).
- Letters of guarantee issued by financial institutions on behalf of **DEPÓSITO ADUANERO CONCHÁN S.A.** in order to secure its obligations generated in the performance of its duties as a bonded warehouse in accordance with the Customs Act, its regulations and other applicable administrative provisions, as of March 31, 2024 for approximately USD 100,000, equivalent to PEN 371,400 (USD 100,000, equivalent to PEN 377,000 as of December 31, 2023).
- Letter of guarantee granted by **CELEPSA** in favor of **CONSORCIO TRANSMANTARO S.A.** for a total of USD 3,000,000, maturing in July 2024, issued by **SCOTIABANK DEL PERÚ** in order to secure compliance with the obligations of the power transmission contract.
- Letters of guarantee granted by **CELEPSA** in favor of the **MINISTRY OF ENERGY AND MINES (MEM)**, issued by **BANCO DE CRÉDITO DEL PERÚ**, for a total of approximately PEN 2,900,000, maturing between May 2024 and January 2026, in order to secure compliance with various projects (PEN 2,860,000 as of December 31, 2023).
- Letters of guarantee granted by **CELEPSA** in favor of the **MUNICIPALITY OF ZUÑIGA** located in the Province of Cañete, Department of Lima, issued by **SCOTIABANK**, for a total of approximately PEN 3,559,000 maturing in February 2025, in order to avoid illegal coercive collection

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

(PEN 3,510,000 as of December 31, 2023).

- Letter of guarantee granted by **CELEPSA** in favor of **HUNT OIL COMPANY OF PERÚ LLC SUCURSAL DEL PERÚ**, issued by **SCOTIABANK**, for a total of approximately USD 1,268,000, equivalent to PEN 4,774,000 maturing in August 2024, in order to secure compliance with the obligations of the Gas Supply Contract (USD 1,268,000, equivalent to PEN 4,708,000 as of December 31, 2023).
- Letter of guarantee granted by **CELEPSA** in favor of **PLUSPETROL CAMISEA S.A.**, issued by **SCOTIABANK**, for a total of approximately USD 1,258,000, equivalent to PEN 4,736,000 maturing in August 2024, in order to secure compliance with the obligations of the Natural Gas Supply Contract (USD 1,258,000, equivalent to PEN 4,671,000 as of December 31, 2023).
- Letter of guarantee granted by **TERMOCHILCA** in favor of **CONSORCIO TRANSMANTARO S.A.**, for a total of USD 2,000,000, maturing in December 2024, issued by **SCOTIABANK DEL PERÚ** in order to guarantee compliance with the obligations of the power transmission contract.
- Letter of guarantee granted by **TERMOCHILCA** in favor of **CONSORCIO TRANSMANTARO S.A.**, for a total of USD 12,747,000, maturing in August 2024, issued by **SCOTIABANK DEL PERÚ** in order to guarantee the payment of the net balance of amortization in the event of termination of the power transmission contract for facilities of the Complementary Transmission System and its respective addenda.
- Letters of guarantee granted by **TERMOCHILCA** in favor of **CONSORCIO CAMISEA** to guarantee compliance with the obligations assumed by **TERMOCHILCA** in the "Natural Gas Supply Contract" entered into in 2020, for a total of approximately USD 2,486,000 equivalent to PEN 9,360,000 issued by **SCOTIABANK DEL PERÚ** and USD 2,526,000 equivalent to PEN 9,511,000 issued by **BANCO DE CRÉDITO DEL PERÚ**, maturing in August 2024.
- On September 23, 2016, **SCOTIABANK CHILE** approved a credit facility of up to USD 4,000,000 in favor of **PREANSA CHILE**, which is guaranteed through a letter of credit of **PREANSA PERU** issued by **SCOTIABANK DEL PERÚ**, maturing in May 2024.
- On December 13, 2016, **BBVA COLOMBIA** approved a credit facility of up to USD 3,550,000 in favor of **PREANSA COLOMBIA**, which is guaranteed through a letter of credit of **PREANSA PERU** issued by **BBVA PERU**, maturing in August 2024.
- As of March 31, 2023, the subsidiary **VIGILANCIA ANDINA S.A.** has letters of guarantee issued by financial institutions to secure the payment of remunerations of personnel under labor intermediation to customers for PEN 3,254,000 maturing in March 2025 (PEN 3,268,000 as of December 31, 2023, maturing in December 2024).

(ii) Guarantees for the payment of financial obligations:

- 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**.
- Letter of credit for USD 40,447,000, dated November 18, 2010 and amended on November 10, 2020, entered into between **BANK OF NOVA SCOTIA U.S. OPERATIONS** (issuer) and **U.S. BANK NATIONAL ASSOCIATION** (trustee). On November 1, 2010, **U.S. BANK NATIONAL ASSOCIATION** entered into a trust agreement with the Industrial Development Authority (authority) of the County of Yavapai. Similarly, on November 10, 2020 the letter of credit was renewed for an additional period of five (5) years, see note 12(d)(i).

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

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

(iii) Indemnification Agreement

The **SKANON** subsidiary establishes indemnification provisions under its agreements with other companies in the normal course of business, generally with business partners, customers, property owners, lenders and lessors. Under such provisions, **SKANON** generally indemnifies and holds harmless the indemnified party for losses suffered or incurred as a result of its activities or, in some cases, as a result of the indemnified party's activities under the agreement. The maximum potential future payments that **SKANON** could make under these indemnification provisions is unlimited. **SKANON** has not incurred any material costs to defend complaints or settle claims related to these indemnification agreements. As a result, **SKANON** considers the estimated fair value of these agreements to be minimal. Accordingly, the Group's Management has no liability recorded for these agreements as of March 31, 2024 and December 31, 2023.

B. Finance Leases

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

	As of March 31, 2024		As of December 31, 2023	
	Minimum payments	Present value of lease payments	Minimum payments	Present value of lease payments
<i>In thousands of Soles</i>				
In one year	49,258	35,858	52,458	35,209
Between one year and over	217,856	109,887	222,010	110,748
Total payments due	267,114	145,745	274,468	145,957
Less - financial costs	(121,369)	-	(128,511)	-
Value of minimum lease payments	145,745	145,745	145,957	145,957

C. Tax Situation

- (a) The Group's companies are subject to the tax regime of the country in which they operate and are taxed separately on the basis of their unconsolidated profit or loss. As of March 31, 2024 and December 31, 2023, the income tax rate on taxable profits in the main countries in which the Company and its subsidiaries operate are as follows:

In percentages	Tax Rates	
	2024	2023
Peru	29.5	29.5
Ecuador	25.0	25.0
United States of America (*)		
Arizona	21.0 and 4.9	21.0 and 4.9
California	21.0 and 8.8	21.0 and 8.8
Chile	27.0	27.0

(*) According to the laws of the United States of America, the subsidiary is subject to the application of the 21% federal rate and the 4.9 and 8.8% state rate in the States of Arizona and California, respectively.

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

Based on the analysis of the Group's operations, the Management and its legal advisors are of the opinion that, as a result of the implementation of these standards, no significant contingencies will arise for the Group as of March 31, 2024 and December 31, 2023.

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

	Period subject to audit
In Peru	
UNACEM CORP S.A.A.	2018 – 2023
UNACEM PERÚ S.A.	2021 – 2023
COMPAÑÍA ELÉCTRICA EL PLATANAL S.A.	2019 – 2023
CELEPSA RENOVABLES S.R.L.	2019 – 2023
GENERACIÓN ELÉCTRICA ATOCONGO S.A.	2019 – 2023
UNIÓN DE CONCRETERAS S.A.	2020 – 2023
INVERSIONES EN CONCRETO Y AFINES S.A.	2019 – 2023
PREFABRICADOS ANDINOS PERÚ S.A.C.	2019 – 2023
DIGICEM S.A.	2019 – 2023
DEPÓSITO ADUANERO CONCHÁN S.A.	2019 – 2023
INVERSIONES IMBABURA S.A.	2019 – 2023
INVERSIONES NACIONALES Y MULTINACIONALES ANDINAS S.A.	2019 – 2023
ARPL TECNOLOGÍA INDUSTRIAL S.A.	2019 – 2023
VIGILANCIA ANDINA S.A.	2019 – 2023
ENTREPISOS LIMA S.A.C.	2019 – 2023
In Ecuador	
UNACEM ECUADOR S.A.	2019 – 2023
UNIÓN DE CONCRETERAS UNICON UCUE CÍA. LTDA.	2019 – 2023
In Chile	
PREFABRICADOS ANDINOS S.A.	2020 – 2023
UNACEM CHILE S.A.	2020 – 2023
INVERSIONES MEL20 LIMITADA	2020 – 2023
UNICON CHILE S.A.	2020 – 2023
In Colombia	
PREFABRICADOS ANDINOS COLOMBIA S.A.S.	2019 – 2023
In the United States of America	
	2020 – 2023

Due to the possible ways in which the Tax Authorities of each country in which the Group operates may interpret the legal regulations in force, it is not possible to determine, as of this date, whether or not the reviews will result in liabilities for the Company and its Subsidiaries. Therefore, any higher tax or surcharge that may result from the tax reviews would be applied to the profit or loss for the year in which it is determined. In the opinion of the Group's Management and its legal advisors, any additional tax settlement would not be material to the consolidated financial statements as of March 31, 2024 and December 31, 2023.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

- (d) As of March 31, 2024 and December 31, 2023, the tax loss carryforwards of the subsidiaries are as follows:

<i>In thousands of Soles</i>	2024	2023
SKANON INVESTMENTS, INC. and Subsidiaries (i)	1,402,343	1,378,316
COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. and Subsidiaries (ii)	120,301	202,472
UNACEM CHILE S.A	171,876	190,466
PREFABRICADOS ANDINOS S.A. – PREANSA CHILE (III)	59,467	58,009
PREFABRICADOS ANDINOS PERÚ S.A.C. – PREANSA PERÚ (III)	14,759	15,122
UNICON CHILE S.A. (iii)	21,616	23,954
PREFABRICADOS ANDINOS COLOMBIA S.A.S (III)	9,906	10,152
DIGICEM S.A. (II)	19,758	15,571
INVERSIONES NACIONALES Y MULTINACIONALES ANDINAS S.A.(II)	3,745	2,749
DEPÓSITO ADUANERO CONCHÁN S.A. (II)	941	904
GENERACIÓN ELÉCTRICA DE ATOCONGO S.A. (II)	1,022	998
Other minor Peruvian subsidiaries (ii)	1,319	1,389

- (i) Tax loss carryforwards of U.S. subsidiaries amount to approximately USD 377,583,000 (equivalent to PEN 1,402,223,000). Such loss will begin to expire as of August 31, 2025 and December 31, 2032. Additionally, from the 2018 profit/loss onwards, the federal loss of approximately USD 124,254,000 (equivalent to PEN 460,361,000) does not expire.

Under U.S. laws, the Group's subsidiaries in such country are subject to federal and state taxes, which are levied at a federal rate of 21% and state rate of 4.9 and 8.8% in the States of Arizona and California, respectively.

- (ii) The Management of each Peruvian subsidiary with tax loss carryforwards has elected both the option that allows offsetting tax losses up to 50% of the taxable income generated in each year, for an indefinite term, and the option that allows offsetting tax losses over the four years starting from the date of their generation.
- (iii) Tax loss carryforwards of the subsidiaries in Chile (which do not expire) and Colombia (which expire during the following twelve years after the tax loss is generated), will be offset against future profits of the subsidiaries in accordance with the corresponding tax requirements.

- (e) As of March 31, 2024 and December 31, 2023, the net income tax credit balance amounts to approximately PEN 35,633,000 and PEN 33,745,000, respectively.

D. Contingencies

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

Peru**i. Tax Contingencies**

As a result of audits carried out in previous years, the Company and its subsidiaries have been notified by the National Superintendency of Tax Administration (SUNAT) with various resolutions for alleged income tax omissions. In some cases, the Company and its subsidiaries have filed appeals to appellate courts as they did not find that such resolutions are in accordance with the law, but in other cases they paid the tax assessments received under protest. These tax proceedings are related to:

UNACEM CORP S.A.A.

- Income tax for the years 2000, 2001, 2004, 2005 and 2009

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

- Contribution to the supplementary mining, metallurgical and steel retirement fund from 2013 to 2017
- Mining Royalties, formerly CEMENTOS LIMA, years 2008 and 2009
- Mining Royalties, formerly CEMENTO ANDINO, year 2008

As of March 31, 2024 and December 31, 2023, the Company has balances receivable related to these tax proceedings since, in the opinion of the Company's Management and its legal advisors, there are reasonable grounds to obtain an outcome favorable to the Company's interests, see note 6(b).

E. Environmental Commitments

The Group's activities are subject to environmental protection standards. These standards are the same as those described in the note to the annual consolidated financial statements as of December 31, 2023.

23. Financial Risk Management Objectives and Policies

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

A. Market Risk

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

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

These sensitivity analyses have been prepared on the assumption that the amount of net debt, the ratio of fixed to floating interest rates on debt and derivative financial instruments, and the proportion of financial instruments in foreign currencies are all constant as of 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 because of changes in market interest rates. The Group's exposure to market interest rate risk relates primarily to long-term debt obligations with variable interest rates.

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

▪ **Hedging derivative financial instruments**

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

<i>In thousands of Soles</i>	Currency	Reference amount (000)	Maturity	Received at a variable rate of:	Paid at a fixed rate of:	Fair value	
						As of March 31, 2024	As of December 31, 2023
Counterpart							
Assets							
CITIBANK N.A.	USD	50,000	October 2025	3-month SOFR + 2.01%	5.730%	1,211	1,117
BANCO DE CRÉDITO E INVERSIONES (BCI) (Chile)	CLP	2,692,424	November 2027	CLP Rate + 6.78%	UF Rate + 3.380%	560	1,035
BANK OF NOVA SCOTIA	USD	30,000	September 2025	3-month SOFR+ 2.86%	5.695%	603	645
						2,374	2,797

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

The effective portion of changes in the fair value of derivative financial instruments that qualify as hedges are recognized as assets or liabilities, with a balancing entry in equity. As of March 31, 2024 and March 31, 2023, the Group recognized a negative variation in the fair value of approximately PEN 472,000 and PEN 584,000, respectively, under "Unrealized gains and losses" of the consolidated statement of changes in net equity, which are recorded net of the income tax effect, respectively.

As of March 31, 2024 and March 31, 2023, the Group has recognized financial income from these derivative financial instruments amounting to approximately PEN 562,100 and PEN 577,000 respectively, which amounts have been effectively collected and/or paid during the year and are recorded under the item "Financial income" of the consolidated income statement.

Interest Rate Sensitivity

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

ii. Currency Risk

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

The Management of each company monitors this risk through the analysis of the country's macroeconomic variables.

The result of maintaining balances in foreign currency for the Group in the periods ended March 31, 2024 and March 31, 2023 resulted in net losses of PEN 18,433,000 and net gains for approximately PEN 15,192,000, respectively, which are recorded under "Exchange difference, net" in the consolidated income statement.

As of March 31, 2024 and December 31, 2023, the Group has a derivative financial instrument liability corresponding to a "Cross Currency Interest Rate Swap" amounting to PEN 1,375,000 and PEN 1,539,000 in favor of **BBVA PERU**, in order to hedge its currency fluctuation risks. These instruments were designated as held for trading.

As of March 31, 2024 and March 31, 2023, changes in fair value are recognized as expense or income. As of March 31, 2024 and March 31, 2023, the effect corresponds to a net financial income of approximately PEN 164,000 and PEN 555,000 and is recorded under "Financial income" in the consolidated income statement.

Likewise, as of March 31, 2024 and March 31, 2023, a net financial expense was recognized for these derivative financial instruments amounting to approximately PEN 175,000 and PEN 200,000, respectively. These amounts have been effectively paid during the year and are recorded under "Financial expenses" and "Financial income" in the consolidated income statement.

Exchange Rate Sensitivity

Transactions in foreign currency are carried out at the free-market exchange rates published by the Superintendency of Banking, Insurance and Private Pension Fund Management Companies. As of March 31, 2024, the weighted average free market exchange rates for U.S. dollar transactions were PEN 3.714 for buying and PEN 3.721 for selling (PEN 3.705 for buying and PEN 3.713 for selling as of December 31, 2023), respectively.

As of March 31, 2024 and December 31, 2023, the main foreign currency in which the Group maintains assets and liabilities is the U.S. Dollar. The balances of assets and liabilities in such foreign currency are shown below:

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

<i>In thousands of U.S. Dollars</i>	2024	2023
Assets		
Cash and cash equivalents	24,783	21,479
Trade and other accounts receivable	173,895	199,307
	198,678	220,786
Liabilities		
Other financial liabilities	(218,671)	(238,305)
Trade and other accounts payable	(220,508)	(211,006)
	(439,179)	(449,311)
Foreign currency derivative financial instruments	(369)	(414)
Liabilities, net	(240,870)	(228,939)

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

<i>In thousands of Soles</i>	Impact on profit before income tax	
	As of March 31, 2024	As of March 31, 2023
Change in exchange rates in U.S. Dollars		
%		
+5	(44,883)	(13,699)
+10	(89,767)	(27,401)
-5	44,883	13,699
-10	89,767	27,401

B. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or commercial contract, resulting in a financial loss. The Group is exposed to credit risk due to its operating activities (in particular trade debtors) and its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk for the components of the consolidated financial statements as of March 31, 2024 and December 31, 2023, is represented by the sum of cash and cash equivalents and trade and other receivables.

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

C. Liquidity Risk

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

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

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

UNACEM CORP S.A.A. and Subsidiaries
Notes to the UNAUDITED Consolidated Financial Statements
March 31, 2024 and December 31, 2023

<i>In thousands of Soles</i>	As of March 31, 2024			
	From 1 to 12 months	From 1 to 3 years	Over 4 years	Total
Trade and other accounts payable (*)	975,690	20,649	159,031	1,155,370
Other financial liabilities				
Principal repayment	1,937,813	2,948,812	684,687	5,571,312
Cash flow from interest payment	288,438	278,745	158,150	725,333
Lease liabilities				
Principal repayment	25,436	39,315	82,999	147,750
Cash flow from interest payment	7,376	11,628	16,340	35,344
Total liabilities	3,234,753	3,299,149	1,101,207	7,635,109

<i>In thousands of Soles</i>	As of December 31, 2023			
	From 1 to 12 months	From 1 to 3 years	Over 4 years	Total
Trade and other accounts payable (*)	935,041	20,373	159,975	1,115,389
Other financial liabilities				
Principal repayment	1,686,759	3,131,535	680,382	5,498,676
Cash flow from interest payment	279,296	337,688	153,284	770,268
Lease liabilities				
Principal repayment	21,821	38,076	85,767	145,664
Cash flow from interest payment	3,346	4,876	5,835	14,057
Total liabilities	2,926,263	3,532,548	1,085,243	7,544,054

(*) As of March 31, 2024 and December 31, 2023, this item does not include customer advances, taxes, labor contributions and value added tax for approximately PEN 85,820,000 and PEN 84,905,000, respectively.

D. Capital Management

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

24. Fair Value

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

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

<i>In thousands of Soles</i>	Level 2	Total
As of March 31, 2024		
Financial assets		
Derivative financial instruments	2,374	2,374
Financial liabilities		
Derivative financial instruments	(1,375)	(1,375)
Total financial assets, net	999	999
As of December 31, 2023		
Financial assets		
Derivative financial instruments	2,797	2,797
Financial liabilities		
Derivative financial instruments	(1,539)	(1,539)
Total financial assets	1,258	1,258

Fair value of financial instruments carried at amortized cost

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

Level 1

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

Level 2

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

<i>In thousands of Soles</i>	As of March 31, 2024		As of December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Other financial liabilities (*)	4,684,528	4,797,334	4,888,358	4,992,509
	4,684,528	4,797,334	4,888,358	4,992,509

(*) *As of March 31, 2024 and December 31, 2023, the balance does not include bank notes and bank overdrafts, see note 12.*

25. Information by Operating Segments

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

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

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

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

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

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

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

<i>In thousands of Soles</i>	As of March 31, 2024						Adjustments and eliminations	Consolidated
	Cement	Concrete	Electricity	Others	Total segments			
Revenues								
External customers	774,805	669,145	156,972	4,492	1,605,414	-	1,605,414	
Inter-segments	121,501	29,812	24,182	143,285	318,780	(318,780)	-	
Total revenues	896,306	698,957	181,154	147,777	1,924,194	(318,780)	1,605,414	
Gross profit	262,514	85,211	52,208	124,676	524,609	(116,907)	407,702	
Operating income (expenses)								
Administration expenses	(81,794)	(21,545)	(8,876)	(31,569)	(143,784)	9,483	(134,301)	
Selling expenses	(15,875)	(7,783)	(1,620)	(1,765)	(27,043)	-	(27,043)	
Other operating income (expense), net	(21,488)	21,781	(1,334)	(9,721)	(10,762)	37,213	26,451	
Operating profit	143,357	77,664	40,378	81,621	343,020	(70,211)	272,809	
Other income (expense)								
Share in net profits of associated companies	-	1,608	-	-	1,608	2,232	3,840	
Financial income	2,982	511	7,992	2,813	14,298	(2,164)	12,134	
Financial expenses	(37,370)	(6,805)	(10,878)	(41,357)	(96,410)	2,164	(94,246)	
Exchange difference, net	(14,606)	(2,387)	(1,508)	68	(18,433)	-	(18,433)	
Profit before income tax	94,363	70,591	35,984	43,145	244,083	(67,979)	176,104	
Income tax	(42,970)	(5,289)	(8,825)	(7,923)	(65,007)	-	(65,007)	
Net profit by segment	51,393	65,302	27,159	35,222	179,076	(67,979)	111,097	
Segment profits before taxes	128,751	75,277	38,870	79,457	322,355	(146,251)	176,104	

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

March 31, 2024 and December 31, 2023

	As of March 31, 2023							
<i>In thousands of Soles</i>	Cement	Concrete	Electricity	Others	Total segments	Adjustments and eliminations	Consolidated	
Revenues								
External customers	769,053	571,178	64,929	4,369	1,409,529	-	1,409,529	
Inter-segments	118,311	18,268	34,358	110,236	281,173	(281,173)	-	
Total revenues	887,364	589,446	99,287	114,605	1,690,702	(281,173)	1,409,529	
Gross profit	294,049	55,510	45,982	95,155	490,696	(87,046)	403,650	
Operating income (expenses)								
Administration expenses	(60,031)	(19,282)	(5,762)	(26,816)	(111,891)	10,370	(101,521)	
Selling expenses	(15,928)	(7,922)	(1,637)	(456)	(25,943)	-	(25,943)	
Other operating income (expense), net	(27,851)	(4,197)	(134)	(8,543)	(40,725)	34,358	(6,367)	
Operating profit	190,239	24,109	38,449	59,340	312,137	(42,318)	269,819	
Other income (expense)								
Share in net profits of associated companies	-	912	-	-	912	184	1,096	
Financial income	2,401	942	129	2,176	5,648	(1,299)	4,349	
Financial expenses	(30,258)	(5,948)	(3,954)	(15,244)	(55,404)	1,299	(54,105)	
Exchange difference, net	13,831	664	1,595	(898)	15,192	-	15,192	
Profit before income tax	176,213	20,679	36,219	45,374	278,485	(42,134)	236,351	
Income tax	(48,349)	(2,823)	(10,974)	(3,574)	(65,720)	-	(65,720)	
Net profit by segment	127,864	17,856	25,245	41,800	212,765	(42,134)	170,631	
Segment profits before taxes	204,070	24,773	40,044	58,258	327,145	(90,794)	236,351	

Eliminations and reconciliation

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

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

<i>In thousands of Soles</i>	As of March 31, 2024	As of March 31, 2023
Reconciliation of profit or loss		
Segment profits before taxes before adjustments and eliminations	329,407	327,145
Financial income	12,134	4,349
Financial expenses	(94,246)	(54,105)
Share in net profits of associated companies	(3,212)	1,096
Elimination of transactions with related companies	(67,979)	(42,134)
Segment profits before taxes	176,104	236,351

Geographic Information

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

<i>In thousands of Soles</i>	As of March 31, 2024	As of March 31, 2023
Revenues from customers		
Peru	1,028,830	914,228
United States of America	327,160	228,096
Ecuador	133,126	148,038
Chile	107,915	117,158
Colombia	8,383	2,009
Total revenues according to the consolidated income statement	1,605,414	1,409,529

<i>In thousands of Soles</i>	As of March 31, 2024	As of December 31, 2023
Non-current assets		
Peru	7,316,205	7,256,095
United States of America	2,790,818	2,792,335
Ecuador	841,193	839,131
Chile	221,227	300,404
Colombia	26,847	27,781
Total non-current assets according to the consolidated statement of financial position	11,196,290	11,215,746

26. Subsequent Events

In the opinion of the Group's Management, between April 1, 2024 and the date of issuance of these consolidated financial statements, no other significant events of a financial-accounting nature have been identified that may affect the interpretation of these consolidated financial statements.