

UNACEM CORP S.A.A. and Subsidiaries

UNAUDITED Interim Consolidated
Financial Information as of June
30, 2024 and December 31, 2023



UNACEM CORP S.A. AND SUBSIDIARIES
Statement of Financial Position
For the periods ended June 30, 2024 and December 31, 2023
(In thousands of Soles)

	Notes	As of June 30, 2024	As of December 31, 2023
Assets			
Current Assets			
Cash and cash equivalents	5	337,637	401,275
Other Financial Assets		-	-
Trade Accounts Receivable and other accounts receivable		1,018,362	947,994
Trade Accounts Receivable , net	6	826,506	762,267
Other Accounts Receivable , net	6	113,664	112,509
Accounts Receivable from Related Companies	6	39,560	32,877
Advanced payments	6	38,632	40,341
Inventories	7	1,129,739	1,036,574
Biological Assets		-	-
Assets by Income Taxes	6	26,823	39,203
Other Non-Financial Assets		67,829	23,939
Total Current Assets different than assets or groups of assets for its classified as held for sale or for distribution to owners		2,580,390	2,448,985
Non-current assets or groups of assets for disposal Classified as Held for Sale		5,425	30,923
Non-current assets or groups of assets for its classified as held for distribution to owners		-	-
Non-current assets or groups of assets for disposal Classified as Held for Sale or Held for distribution to owners		-	-
Total Current Assets		2,585,815	2,479,908

Non-Current Assets			
Other Financial Assets		7,965	4,198
Investments in subsidiaries, joint ventures and associates		28,230	32,172
Trade Accounts Receivables and other accounts receivables		159,251	141,441
Trade Accounts Receivable		-	-
Other Accounts Receivable	6	122,986	110,183
Accounts Receivable from Related companies		-	-
Advanced payments	6	36,265	31,258
Biological Assets		-	-
Investment Property		-	-
Property, Plant and Equipment , net	9	8,538,473	8,468,208
Intangible Assets , net	10	939,610	905,380
Assets Deferred Income Tax	14	237,354	224,793
Surplus value	11	1,209,540	1,206,331
Other Assets		271,998	233,223
Total Non-current Assets		11,392,421	11,215,746

TOTAL ASSETS 13,978,236 13,695,654

	Notes	As of June 30, 2024	As of December 31, 2023
Liabilities and Stockholders' Equity			
Current Liabilities			
Other Financial Liabilities	12	2,456,893	1,686,759
Trade accounts payable and other payable accounts		1,076,902	1,027,543
Trade Accounts Payable	13	717,421	696,415
Other Accounts Payable	13	320,338	294,645
Accounts payable to related companies	13	33,419	28,886
Deferred income		5,724	7,597
Provision for Employee Benefits		-	-
Other provisions		42,756	70,552
Income tax liabilities		16,822	72,948
Other non-financial liabilities	8(b)y23.A	29,165	23,360
Total Current Liabilities different of Liabilities Included groups of assets for disposal Classified as Held for Sale		3,622,538	2,881,162
Liabilities included in asset groups classified as held for sale		-	-
Total Current Liabilities		3,622,538	2,881,162

Non-Current Liabilities			
Other Financial Liabilities	12	3,250,286	3,811,917
Trade accounts payable and other payable accounts		176,450	180,348
Trade Accounts Payable	13	-	1,983
Other Accounts Payable	13	176,450	178,365
Accounts payable to related companies		-	-
Deferred income		-	-
Provision for Employee Benefits		-	-
Other provisions		121,702	117,078
Liabilities Deferred Income Taxes	14	661,563	670,441
Other non-financial liabilities	8(b)y23.A	182,589	123,843
Total Non-Current Liabilities		4,392,590	4,903,627
Total Liabilities		8,015,128	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	-88,889	-22,948
Other Capital Reserves	15	363,626	363,626
Accrued Results	15	3,418,100	3,353,966
Other Equity Reserves	15	343,036	290,068
Shareholders' equity attribute to the owners of the Parent		5,777,854	5,726,693
Non Controlling interest		185,254	184,172
Total Stockholders' Equity		5,963,108	5,910,865

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY 13,978,236 13,695,654



UNACEM CORP S.A.A. AND SUBSIDIARIES

Income Statement

For the periods ended June 30th, 2024 and 2023

(In thousands of Soles)

	Notes	For the specific quarter from April 1st, to June 30th, 2024	For the specific quarter from April 1st, to June 30th, 2023	For the cumulative period from January 1st to June 30th, 2024	For the cumulative period from January 1st to June 30th, 2023
Incomes from ordinary activities	16	1,666,944	1,558,599	3,272,358	2,968,128
Cost of Sales	17	-1,238,137	-1,165,429	-2,435,849	-2,171,308
Profit (Loss) Gross		428,807	393,170	836,509	796,820
Selling Expenses and distribution		-30,789	-28,901	-57,832	-54,844
Administrative expenses	18	-122,048	-116,002	-256,349	-217,523
Profit (Loss) in the write-off of financial assets carried at amortized cost		-	-	-	-
Other Operating Income		15,752	20,025	79,071	30,032
Other Operating Expenses		-48,884	-30,286	-85,752	-46,660
Other profit (loss)		-	-	-	-
Profit (Loss) from operating activities		242,838	238,006	515,647	507,825
Financial Income		12,628	4,452	24,762	8,801
Financial Expenses	19	-127,644	-74,257	-221,890	-128,362
Exchange differences, net		-14,556	16,000	-32,989	31,192
Share of Profit (Loss) in net results from Equity-Accounted Joint Ventures and related companies		4,548	834	8,388	1,930
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		117,814	185,035	293,918	421,386
Income tax expenses	14(a)	-70,328	-56,480	-135,335	-122,200
Profit (Loss) Net of Continued Operations		47,486	128,555	158,583	299,186
Profit (loss) net of the tax to the profit from discontinued operations		-	-	-	-
Profit (loss) net of the year		47,486	128,555	158,583	299,186
Profit (Loss) net, attributable to :					
Owners of the Parent		47,188	123,882	152,017	288,423
Non-controlling interest		298	4,673	6,566	10,763
Net Profit (Loss) of the Year		47,486	128,555	158,583	299,186



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of Comprehensive Income
For the periods ended June 30th, 2024 and 2023
(In Thousands of Soles)

Notes	For the specific quarter from April 1st, to June 30th, 2024	For the specific quarter from April 1st, to June 30th, 2023	For the cumulative period from January 1st to June 30th, 2024	For the cumulative period from January 1st to June 30th, 2023
Net Profit (Loss) of the year	47,486	128,555	158,583	299,186
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	-580	734	-1,052	150
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	54,906	-76,618	48,480	-87,558
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	54,326	-75,884	47,428	-87,408
Other Comprehensive Income	54,326	-75,884	47,428	-87,408
Total Comprehensive Income for the period , net of income tax	101,812	52,671	206,011	211,778
Comprehensive Income attributable to:				
Owners of the Parent	106,836	50,547	204,985	203,817
Non-controlling interest	-5,024	2,124	1,026	7,961
Total Comprehensive Income of the Year, net	101,812	52,671	206,011	211,778



UNACEM CORP S.A.A. AND SUBSIDIARIES

Statement of Cash Flow

Direct Method

For the periods ended December 31, 2024 and 2023

(In thousands of Soles)

	Notes	For the cumulative period from January 1st to June 30th, 2024	For the cumulative period from January 1st to June 30th, 2023
Operating activities cash flows			
Types of cash collections from operating activities			
Sale of Goods and Services		4,047,264	3,929,701
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		2,330	15,694
Types of cash collections from operating activities			
Suppliers of goods and services		-2,788,013	-2,902,774
Contracts held for brokering or trading purposes		-	-
cash payments to and on behalf of employees		-520,522	-436,588
Elaboration or acquisition of assets to be leased and other assets held for sale		-	-
Other Cash Payments Related to Operating Activity		-189,942	-143,503
Cash flows and cash equivalents from (used in) Operating Activities			
		551,117	462,530
Interests received (not included in the Investment Activities)		-	-
Interests paid (not included in the Investment Activities)		-167,601	-94,091
Dividends Received (not included in the Investment Activities)		-	-
Dividends Paid (not included in the Investment Activities)		-	-
Income tax (paid) reimbursed		-204,132	-271,067
Other cash collections (payments)		-	-
Cash flows and cash equivalents from (used in) Operating Activities		179,384	97,372
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		44,545	16,144
Sale of intangible assets		-	-
Sale of other long- term assets		-	-
Government Subventions		-	-
Interests received		-	-
Dividends received		12,124	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		-	27,926
Purchase of Property, Plant and Equipment	9(b)	-270,045	-223,846
Purchase of intangible assets		-11,967	-11,949
Purchase of other long- term assets		-	-
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to Investment activities		-11,916	3,703
Cash flows and cash equivalents from (used in) Investing activities		-237,259	-188,021
Cash flows from Financing activities			
Type of cash collections from financing activities			
Loan securing		1,785,809	1,261,471
Changes to the subsidiaries ownership interest not resulting in the loss of control		-	-
Share issuance		-	-
Issuance of other Equity Instruments		-	-
Government Subventions		-	-
Type of cash payments from financing activities			
Loan Amortization or Repayment		-1,644,614	-1,064,850
Leasing liabilities		-11,827	-4,617
Changes to the subsidiaries ownership interest not resulting in the loss of control		-7,033	-14,621
Redemption or repurchase of the entities' shares (Shares in the portfolio)		-65,941	2,140
Acquisition of other equity interest		-	-
Interests paid		-	-
Dividends paid		-77,959	-85,055
Income tax (paid) reimbursed		-	-
Other cash receipts (payments) relating to financing activities		3,808	-
Cash flows and cash equivalents from (used in) financing activities		-17,757	94,468
Increase (Decrease) in Net Cash and cash equivalents, before Changes in Foreign Exchange Rates		-75,632	3,819
Effects of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		11,994	-15,107
Increase (Decrease) in Net Cash and Cash Equivalents		-63,638	-11,288
Cash and cash equivalents at beginning of year		401,275	334,845
Cash and cash equivalents at end of year		337,637	323,557



UNACEM CORP S.A.A. AND SUBSIDIARIES
Statement of change in Stockholder's Equity
 For the periods ended June 30, 2024 and 2023
 (In Thousands of Soles)

	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	Other Equity Reserves	Participation in other comprehensive income of related companies and joint ventures accounted for using the equity method	Revaluation Surplus	Actuarial Profit (Loss) on defined benefit pension plans	Changes in the fair value of financial liabilities attributable to changes in the credit risk of the liability	Subtotal	Shareholders' equity attribute to the owners of the Parent	Non-controlling Interest	Total Stockholders' Equity
Balance as of January 1, 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						288,423												288,423	10,763	299,186
7. Other Comprehensive Income:							193			-84,799							-84,606	-84,606	-2,802	-87,408
8. Comprehensive Income - Total year						288,423	193			-84,799							-84,606	203,817	7,961	211,778
9. Cash Dividends Declared						-72,205												-72,205	-14,894	-87,099
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						65,460												65,460	-83,717	-18,257
15. Increase (decrease) for transactions with Treasury Shares in Portfolio				2,140														2,140		2,140
16. Increase (Decrease) for Transfer and other Equity Changes						-4,609												-4,609	-3,292	-7,901
Total Equity Increase (decrease)				2,140		277,069	193			-84,799							-84,606	194,603	-93,942	100,661
Balance as of June 30, 2023	1,818,128	-38,019	-	-21,390	363,626	3,226,071	-1,544			258,382							256,838	5,605,254	192,215	5,797,469
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						152,017												152,017	6,566	158,583
7. Other Comprehensive Income:							7,368			45,600							52,968	52,968	-5,540	47,428
8. Comprehensive Income - Total year						152,017	7,368			45,600							52,968	204,985	1,026	206,011
9. Cash Dividends Declared						-70,407												-70,407	-11,255	-81,662
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						-8,413												-8,413	6,144	-2,269
15. Increase (decrease) for transactions with Treasury Shares in Portfolio				-65,941														-65,941		-65,941
16. Increase (Decrease) for Transfer and other Equity Changes						-9,063												-9,063	5,167	-3,896
Total Equity Increase (decrease)				-65,941		64,134	7,368			45,600							52,968	51,161	1,082	52,243
Balance as of June 30, 2024	1,780,000	-38,019	-	-88,889	363,626	3,418,100	5,739			337,297							343,036	5,777,854	185,254	5,963,108

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 June 30, 2024 and December 31, 2023, the Company is a subsidiary of **INVERSIONES JRPR S.A.** (hereinafter, the “Parent Company” and ultimate controlling party of the economic group), who holds a direct stake of 43.13 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 second 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) – (TEHACHAPI)

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** (hereinafter, 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.** (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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

the applicable regulations, 100% of the shares of **TERMOCHILCA S.A.**

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

TERMOCHILCA is 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 shall be paid directly by **CELEPSA** with funds stemming from financing transactions. As of December 31, 2023, a payment of USD 100,000,000 (equivalent to PEN 371,000,000) was made and the balance of USD 41,000,000 (equivalent to PEN 152,256,000), adjusted to fair value, results in an amount of USD 38,552,000 (equivalent to PEN 147,924,000) to be paid in May 2028 (see 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
June 30, 2024 and December 31, 2023

2. Information on the Structure of Subsidiaries

As of June 30, 2024, and December 31, 2023, the consolidated financial statements of the Group include the following subsidiaries (figures according to IFRS and before consolidation write-offs):

In thousands of Soles	Entity	Main Economic Activity	2024		2023		Assets		Liabilities		Equity		Profit (Loss)	
			Direct (%)	Indirect (%)	Direct (%)	Indirect (%)	2024	2023	2024	2023	2024	2023	2024	2023
Country of Incorporation (ix)														
Peru	UNACEM PERÚ S.A. - UNACEM PERU (x)	Production and sale of cement	99.99	0.01	99.99	0.01	5,000,683	4,814,555	2,413,010	2,346,119	2,587,673	2,468,436	190,888	199,061
Peru / Ecuador	INVERSIONES IMBABURA S.A. and Subsidiaries (i)	Production and sale of cement	100.00	-	100.00	-	2,158,595	2,115,492	438,622	437,904	1,719,973	1,677,588	20,933	25,452
United States	SKANON INVESTMENTS INC. and Subsidiaries (ii)	Production and sale of cement and concrete	95.85	-	95.85	-	3,333,778	3,259,650	2,345,780	2,248,013	987,998	1,011,637	(48,920)	5,443
Peru	COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. and Subsidiaries (iii)	Sale of energy and power	90.00	-	90.00	-	2,021,243	2,015,224	1,145,984	1,156,759	875,259	858,465	30,457	49,227
Peru / Chile	INVERSIONES EN CONCRETO Y AFINES S.A. and Subsidiaries (iv)	Sale of concrete and ready-mix concrete	93.38	-	93.38	-	1,012,066	1,012,503	599,170	586,303	412,896	426,200	(510)	2,360
Chile	UNACEM CHILE S.A. (vi)	Cement and concrete	99.89	0.11	99.89	0.11	355,182	321,165	261,413	235,363	93,769	85,802	(18,896)	1,370
Peru	INVERSIONES NACIONALES Y MULTINACIONALES S.A. – INMA	Real estate services	99.81	0.19	99.81	0.19	128,466	128,883	16,798	16,683	111,668	112,200	(532)	(1,061)
Chile	PREFABRICADOS ANDINOS S.A. - PREANSA CHILE (viii)	Production and sale of precast concrete products	100.00	-	50.00	-	73,572	82,159	71,049	80,350	2,523	1,809	(689)	(3,020)
Peru / Colombia	PREFABRICADOS ANDINOS PERÚ S.A.C. and Subsidiary (v)	Production and sale of precast concrete products	50.00	-	50.00	-	66,122	64,181	56,553	54,798	9,569	9,383	1,127	319
Peru	ARPL TECNOLOGÍA INDUSTRIAL S.A. – ARPL	Technology advisory and support services	100.00	-	100.00	-	60,344	65,831	16,773	13,557	43,571	52,274	5,234	5,598
Peru	GENERACIÓN ELÉCTRICA DE ATOCONGO S.A. – GEA	Thermal power plant operation services	99.85	0.15	99.85	0.15	13,884	17,538	12,689	16,348	1,195	1,190	5	(146)
Peru	MINERA ADELAIDA S.A. – MINERA	Mining of non-ferrous metal ores	100.00	-	100.00	-	29,813	29,547	6,404	3,544	23,409	26,003	(2,594)	(1,564)
Peru	VIGILANCIA ANDINA S.A. – VASA	Surveillance services	55.50	44.50	55.50	44.50	17,255	12,655	8,671	4,308	8,584	8,347	241	272
Peru	DEPÓSITO ADUANERO CONCHÁN S.A. – DECOSA	Warehousing services	99.99	-	99.99	-	1,760	1,922	619	693	1,141	1,229	(88)	86
Peru	DIGICEM S.A. (formerly TRANSPORTES LURÍN S.A.) – DIGICEM	IT services	99.99	-	99.99	-	43,549	38,838	3,019	3,674	40,530	35,164	(6,319)	(3,324)
Peru	UNA BUSINESS SERVICES S.A. – UBS	Services	100.00	-	100.00	-	1,541	16	921	27	620	(11)	(375)	(6)
Peru	CALCEM S.A. (vii)	Production and sale of lime	51.00	-	51.00	-	9,423	6	2,118	18	7,305	(12)	(319)	-

(*) Balances as of June 30, 2024 compared to balances as of June 30, 2023.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 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 the 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% majority interest in **DRM**, at **SKANON**'s sole discretion. **SKANON** and **DRM** also entered into an operating agreement whereby **SKANON** would provide **DRM** with technical and commercial support, short-term financing and other services. **DRM**'s shareholders pledged their interest as collateral in the event **DRM** fails to meet its obligations under the above-mentioned agreement. Furthermore, in May 2018, an agreement was reached whereby **SKANON** has the option to acquire the remaining 30% of **DRM**'s shareholding interest.

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

As of June 30, 2024, **SKANON** is in the process of acquiring the remaining 15% shareholding interest in **DRM**. This acquisition will take place through prepayments over five years or until the completion of the USD 8,000,000 payment. Control of the 100% shareholding interest will be taken on the date the payment is made in full.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 and absolute discretion. In addition, **SKANON** and **DA** entered into an operating agreement whereby **SKANON** will provide **DA** with technical and commercial support, short-term financing and other services. **DA**'s shareholders pledged their interest as collateral in the event **DA** fails to meet its obligations under the operating agreement.

During fiscal year 2023, **SKANON** exercised its call option, effective on 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.C.**, **ECORER S.A.C.** 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 did not give rise to an increase in the capital stock of **MEL20**. Both companies are based in Chile.

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

Production of quicklime 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 name **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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 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) **UNACEM PERU** has incorporated a new subsidiary named **TRANSMICEM S.A.C.**, which is to be mainly engaged in the transmission, generation and distribution of electric power.

3. Summary of Significant Accounting Policies

A. Basis of Preparation and Presentation

The interim unaudited 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 June 30, 2024 and December 31, 2023.

The interim unaudited 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 unaudited 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 June 30, 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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and 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 yet effective.

5. Cash and Cash Equivalents

This caption comprises the following:

<i>In thousands of Soles</i>	As of June 30, 2024	As of December 31, 2023
Checking and savings accounts (a)	164,024	321,056
Time deposits (b)	162,762	78,818
Fixed funds and others	10,851	1,401
	337,637	401,275

- (a) Checking and savings accounts are in domestic 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 domestic and foreign currency, which accrue interest at market rates and have original maturities of less than three (3) months.

6. Trade and Other Accounts Receivable, Net

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	Current		Non-current	
		As of June 30, 2024	As of December 31, 2023	As of June 30, 2024	As of December 31, 2023
Trade Receivables					
Invoices and bills receivable (a)		776,452	736,033	28,079	22,052
Provision for invoices receivable		78,164	56,140	-	-
		854,616	792,173	28,079	22,052
Related Receivables					
Trade Accounts Receivable	<i>20(b)</i>	39,560	32,877	-	-
Miscellaneous Receivables					
Advances to Suppliers		38,632	40,341	36,265	31,258
Claims to the Tax Authority (b)		46,774	43,880	42,786	42,789
Loans to employees		6,839	6,556	-	-
Claims to third parties		4,585	4,527	-	-
Derivative financial instruments	<i>23.A.i</i>	-	-	2,599	2,797
Other Accounts Receivable		24,825	28,404	3,328	3,295
		121,655	123,708	84,978	80,139
Taxes					
Advance payments of income tax		26,823	39,203	-	-
Tax credit in respect of value added tax					

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

(c)				
		37,858	36,333	74,273
		64,681	75,536	74,273
		1,080,512	1,024,294	187,330
Minus – Expected credit loss (d)		(35,327)	(37,097)	(28,079)
		1,045,185	987,197	159,251

(a) Trade receivables are mainly in domestic 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 June 30, 2024 and December 31, 2023, the balance corresponds mainly to payments under protest made by the Company to the Tax Authority required 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 the short- and long-term claims.

(c) As of June 30, 2024, the balance corresponds mainly to tax credit for value-added tax generated by the subsidiaries **DIGICEM, UNACEM PERU, UNACEM ECUADOR** and **UNACEM CHILE** (as of December 31, 2023, the balance 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 June 30, 2024 and December 31, 2023.

(e) As of June 30, 2024 and December 31, 2022, 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 June 30, 2024	As of December 31, 2023
Spare parts and supplies	406,834	364,451
Products in process	387,266	329,443
Raw and auxiliary materials	254,617	257,327
Finished products	56,861	58,820
Containers and packaging materials	33,629	30,643
Inventories receivable	17,718	18,121
	1,156,925	1,058,805
Provision for inventory obsolescence (a)	(27,186)	(22,231)
	1,129,739	1,036,574

(a) In the opinion of the Group's Management, the provision for inventory obsolescence adequately hedges the obsolescence risk as of June 30, 2024 and December 31, 2023.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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

(a) As of June 30, 2024 and December 31, 2023, the net carrying value of lease assets amounts to approximately PEN 170,610,000 and PEN 133,692,000, respectively.

(b) Below is a detail of the balance of lease liabilities:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of December 31, 2023
Classification according to maturity			
Current		27,619	21,821
Non-current		182,589	123,843
		210,208	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 June 30, 2024	As of June 30, 2023
Cost of sales	17	10,346	6,834
Administration expenses	18	1,068	364
Selling expenses		43	94
		11,457	7,292

(d) As of June 30, 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 June 30, 2024	As of December 31, 2023
Cost			
Opening Balance		13,984,385	12,302,409
Additions (b)		304,688	621,659
Acquisition of subsidiary (c)		-	1,376,706
Transfers		(49,048)	-
Withdrawals, sales and others (d)		(45,683)	(198,128)
Translation effect		108,948	(118,261)
Closing Balance		14,303,290	13,984,385
Accumulated Depreciation			
Opening Balance		5,516,177	4,829,026
Depreciation for the period (e)		256,702	468,244
Acquisition of subsidiary (c)		-	402,335
Transfers		(24,123)	-
Withdrawals, sales and others (d)		(20,840)	(145,587)
Translation effect		36,901	(37,841)
Closing Balance		5,764,817	5,516,177
Net Carrying Amount		8,538,473	8,468,208

(a) As of June 30, 2024, the carrying amount of assets acquired under leases and leasebacks amounted to approximately PEN 109,974,000 (PEN 105,922,000 as of December 31, 2023). Leased assets secure leasing liabilities, see note 12(e).

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

(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 73,459,000.
- ii. Additions of the subsidiary **TRANSMICEM** due to the construction of the electric transmission system that will ensure the energy supply in the Atocongo plant for PEN 56,040,000.
- iii. 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 2,075,000 (equivalent to PEN 7,943,000).

Additions of the subsidiary **DRAKE CEMENT** due to the purchase of machinery and equipment for approximately USD 3,753,000 (equivalent to PEN 14,364,000) and **DRM** for approximately USD 3,152,000 (equivalent to PEN 12,063,000).

- iv. 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 3,766,000.
- v. 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 1,813,000 (equivalent to PEN 6,939,000).

Additions during 2023 corresponded 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 at both plants: Atocongo and Condorcocha. The total amount of the aforementioned projects is approximately PEN 103,855,000.
- ii. Additions of the subsidiary **DRAKE CEMENT** due to disbursements made for the following projects: Integral mill project and improvements to the raw mill, roller press, clinker cooler repairs, 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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

- 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) During 2024, asset retirements correspond mainly to (i) sales by **UNACEM ECUADOR** of mixer trucks, pumps and others, the cost and accumulated depreciation of which amounted to PEN 18,108,997 and PEN 17,670,030, and (ii) sale of land owned by **STATEN ISLAND**, the cost of which amounted to PEN 24,699,000.

During 2023, it mainly includes asset retirements made by: (i) the subsidiary **DRM** for sales of mixer trucks, the cost and accumulated depreciation of which amounted to approximately USD 2,205,000 and USD 2,187,000 (equivalent to PEN 8,169,000 and PEN 8,103,000, respectively), (ii) the subsidiary **SUNSHINE** for sales of machinery and equipment, the cost and accumulated depreciation of which amounted to approximately USD 10,120,000 and USD 8,177,000 (equivalent to PEN 37,494,000 and PEN 30,294,000, respectively), (iii) the subsidiary **UNICON PERU** for sales of mixer trucks and front loaders, the cost and accumulated depreciation of which amounted to approximately PEN 29,272,000 and PEN 28,647,000, respectively, and (iv) the subsidiary **CONCREMAX** for sales of mixer trucks and front loaders, the cost and accumulated depreciation of which amounted to approximately PEN 3,729,000 and PEN 3,693,000, respectively.

- (e) Depreciation has been distributed as follows:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of June 30, 2023
Cost of sales	17	249,932	221,814
Administration expenses	18	5,338	9,034
Selling expenses		269	296
Other expenses		1,163	1,409
		256,702	232,553

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

- (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 June 30, 2024	As of December 31, 2023
Cost			
Opening Balance		1,088,928	388,615
Acquisition of subsidiary		-	705,092
Additions		23,374	28,749
Withdrawals and others		2,744	(11,581)
Translation effect		25,319	(21,947)
Closing Balance		1,140,365	1,088,928
Accumulated Amortization			
Opening Balance		183,548	159,426
Acquisition of subsidiary		-	18,486
Amortization for the period (a)		16,842	17,738
Withdrawals and others		1	(11,628)
Translation effect		364	(474)
Closing Balance		200,755	183,548
Net Carrying Amount		939,610	905,380

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

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of June 30, 2023
Administration expenses	18	11,594	3,044
Cost of sales	17	3,781	3,314
Selling expenses		1,398	1,099
Other expenses		69	63
		16,842	7,520

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

11. Goodwill

As of June 30, 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

June 30, 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 June 30, 2024			As of December 31, 2023		
		Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Bank loans (e)		795,649	2,814,698	3,610,347	1,076,441	3,392,456	4,468,897
Bank promissory notes (a) and (b)		1,637,930	-	1,637,930	609,897	-	609,897
Corporate bonds (d)		-	435,588	435,588	-	419,461	419,461
Bank overdrafts (c)		23,314	-	23,314	421	-	421
		2,456,893	3,250,286	5,707,179	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 6.23 and 7.46% per annum in foreign currency and between 5.86 and 7.32% per annum in domestic 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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

As of June 30, 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 Entity				
BANCO DE CRÉDITO DEL PERÚ	PEN	Between July 2024 and May 2025	462,000	-
BANCO INTERNACIONAL DEL PERÚ	PEN	Between March and June 2025	318,000	-
BANCO INTERNACIONAL DEL PERÚ	USD	October 2024	230,220	185,650
BANCO BBVA PERÚ	PEN	Between November 2024 and June 2025	216,300	-
BANCO BBVA PERÚ	USD	Between July 2024 and November 2024	180,952	175,104
SCOTIABANK PERÚ	PEN	June 2025	100,000	-
BANCO DE CRÉDITO E INVERSIONES (BCI)	USD	October 2024 and April 2025	76,740	64,978
BANCO ITAU	USD	September 2024	53,718	51,982
SCOTIABANK PERÚ	USD	April 2024	-	92,713
BANCO DE CRÉDITO DEL PERÚ	USD	Between February and March 2024	-	39,470
			1,637,930	609,897

- (b) As of June 30, 2024 and December 31, 2023, interest payable on bank promissory notes amounted to approximately PEN 16,331,000 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 June 30, 2024 and June 30, 2023, interest expenses amounted to approximately PEN 22,432,000 and PEN 19,380,000, respectively, and are included in "Financial Expenses" in the consolidated statement of profit or loss, see note 19.
- (c) As of June 30, 2024, overdrafts correspond mainly to obligations of **SKANON** in U.S. Dollars for the total amount of USD 6,000,000 (equivalent to PEN 23,022,000).

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

(d) As of June 30, 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 June 30, 2024	As of December 31, 2023
Bonds				
Arizona State Bonds (i)	Between 1.6 and 1.95 + variable rate	September 2035	441,256	426,995
			441,256	426,995
Amortized cost			(5,668)	(7,534)
			435,588	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 22.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 June 30, 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
June 30, 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 June 30, 2024	As of December 31, 2023
Bank loans							
NY MELLON BANK	October 2026	345,000	USD	Financing for the purchase of TEHACHAPI	Joint and several guarantee	1,323,765	1,280,985
BANCO DE CRÉDITO DEL PERÚ	October 2025 and October 2026	782,500	PEN	Redemption of foreign bond and Refinancing of financial liabilities	No guarantee was furnished	384,413	737,275
BBVA PERÚ	June 2025 and January 2027	783,357	PEN	Refinancing of financial liabilities	No guarantee was furnished	410,685	706,021
SCOTIABANK DEL PERÚ	October 2024, March 2025 and January 2027	771,547	PEN	Refinancing of financial liabilities	No guarantee was furnished	398,541	573,348
BANCO DE CRÉDITO E INVERSIONES (BCI)	June 2027	75,000	USD	Financing for the purchase of TERMOCHILCA	Share pledge on the shares of TERMOCHILCA	191,850	278,475
BANK OF NOVA SCOTIA	June 2027	50,000	USD	Financing for the purchase of TERMOCHILCA	Share pledge on the shares of TERMOCHILCA	191,850	-
BANCO INTERNACIONAL DEL PERÚ	January 2027	228,385	PEN	Refinancing of financial liabilities	No guarantee was furnished	175,857	195,269
BANCO DE CRÉDITO DEL PERÚ – BCP	May 2027	26,900	USD	Refinancing of financial liabilities	No guarantee was furnished	82,572	84,898
BANCO DE CRÉDITO DEL PERÚ – BCP	March 2027	34,000	USD	Refinancing of financial liabilities	No guarantee was furnished	71,753	82,057
CITIBANK N.A. (i)	October 2025	50,000	USD	Refinancing of financial liabilities	No guarantee was furnished	76,740	111,390
BANCO DE CRÉDITO E INVERSIONES (Chile)	July 2024	-	CLP	-	Real estate guarantee, note 9(g)	67,950	70,692
BANK OF NOVA SCOTIA (i)	September 2025	30,000	USD	Partial redemption of foreign bond	No guarantee was furnished	28,778	38,987
SCOTIABANK DEL PERÚ	April 2025	72,000	PEN	Financing for the purchase of UNICON CHILE	Real estate guarantee, note 9(g)	14,400	21,600
BANCO SCOTIABANK (Chile) (i)	August 2024	4,000	USD	-	Letter of credit, note 22.A(i)	15,348	14,727
BBVA PERÚ	December 2024	28,773	PEN	-	No guarantee was furnished	10,463	14,125
BANCO BBVA Colombia	August 2025	-	COP	-	Letter of credit, note 22.A(i)	11,378	11,949
CITIBANK N.A. (New York)	July 2024	11,000	USD	-	No guarantee was furnished	3,518	10,211
Less than PEN 10,000,000	-	-	-	-	-	67,592	67,264
						3,527,453	4,299,273
Amortized cost						(16,768)	(15,873)
Total						3,510,685	4,283,400
Leaseback							
SCOTIABANK (Chile)	March 2024	-	CLP	Leased assets	-	-	195
							195
Leasing							
CONSORCIO TRANSMANTARO S.A. (Peru)	July 2039	-	USD	Leased assets	-	-	55,439
BOK FINANCIAL CORPORATION	Between December 2025 and September 2028	-	USD	Leased assets	-	27,161	24,542
BANK OF AMERICA	December 2027	-	USD	Leased assets	-	15,251	16,987
SCOTIABANK DEL PERÚ	Between June 2024 and December 2026	-	-	Leased assets	-	18,275	18,013
Less than PEN 10,000,000						37,300	30,781
						97,987	145,762
Factoring							
						1,675	39,540
Total						3,610,347	4,468,897

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 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 June 30, 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.

UNIÓN DE CONCRETERAS S.A.

- Maintain 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 or equal to 6.5.

COMPAÑÍA ELÉCTRICA EL PLATANAL S.A.

- Maintain a debt service coverage ratio greater than or equal to 1.20.
- Maintain a total financial debt/EBITDA ratio less than or equal to 3.5.

- (ii) As of June 30, 2024, the main financial safeguards based on consolidated financial information were as follows:

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

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 June 30, 2024, except for **UNACEM CHILE**, with a short-term financial liability in the amount of PEN 67,950,000, 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 its 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 June 30, 2024 and December 31, 2023, interest payable on bonds and medium and long-term debt with banks amounted to approximately PEN 24,614,000 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 June 30, 2024 and June 30, 2023, amounted to approximately PEN 152,522,000 and PEN 92,352,000, respectively, and is recorded under "Financial Expenses" in the consolidated statement of profit or loss, see note 19.

- (h) As of June 30, 2024, the Group has bank loans in domestic currency with effective annual interest rates 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 domestic currency with effective annual interest rates ranging from 2.26 to 7.91%. Bank loans in foreign currency are at fixed rates between 0.85 to 17.21% and at variable rates plus a margin. As of December 31, 2023, the Company agreed with the financial 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%..

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

13. Trade and Other Accounts Payable

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of December 31, 2023
Trade accounts payable (a)		717,421	698,398
Account payable for acquisition of subsidiary	<i>1.B</i>	147,924	143,151
Remuneration and vacation payable		113,240	87,118
Customer advances		54,898	51,242
Interest payable	<i>12(b) and 12(g)</i>	40,945	53,059
Accounts payable to related parties	<i>20(b)</i>	33,419	28,886
Taxes, labor and other contributions payable		23,074	15,837
Dividends payable	<i>15(f)</i>	21,709	19,385
Commitments with communities		20,686	20,714
Loans payable to third parties		12,482	11,300
Value added tax payable		12,276	17,826
Accounts payable for purchase of property, plant and equipment		9,993	11,782
Remuneration of the Board of Directors		3,967	7,862
Other accounts payable		35,594	33,734
		1,247,628	1,200,294
Classification by maturity:			
Current		1,071,178	1,019,946
Non-current		176,450	180,348
		1,247,628	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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 June 30, 2024	As of December 31, 2023
Deferred income tax asset			
Opening Balance		483,846	392,703
Effect on the consolidated statement of profit or loss		2,634	(37,576)
Acquisition of subsidiary		-	125,444
Charge to comprehensive income		53	258
Others		(3,151)	11,548
Translation effect		8,379	(8,531)
Closing Balance		491,761	483,846
Deferred income tax liability			
Opening Balance		(929,494)	(770,428)
Effect on the consolidated statement of profit or loss		17,922	104,843
Acquisition of subsidiaries		-	(269,279)
Others		(85)	829
Translation effect		(4,313)	4,541
Closing Balance		(915,970)	(929,494)
Total deferred income tax liability, net		(424,209)	(445,648)

- (a) The income tax expense shown in the consolidated statement of profit or loss for the years ended June 30, 2024 and June 30, 2023 amounts to:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of June 30, 2023
Current		(137,310)	(132,261)
Deferred		20,556	10,061
Income tax expense for 2010	<i>22 D.</i>	(18,581)	-
		(135,335)	(122,200)

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

As of June 30, 2024 and December 31, 2023, the Company's issued capital is represented by 1,780,000,000 fully subscribed and paid-in ordinary shares, with a par value of PEN 1 (One Sol) each. The ordinary shares representing the capital stock of the Company are traded on the Lima Stock Exchange.

	As of June 30, 2024	
	Number of shares	Percentage share
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)	367,845,424	20.67%
Others	469,535,470	26.38%
	1,780,000,000	100.00%

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

	As of December 31, 2023	
	Number of shares	Percentage share
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 June 30, 2024, the stock price of each ordinary share was PEN 1.62 (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, December 28, 2022, and June 28, 2023. In the Board of Directors' meeting held on June 28, 2023, it was resolved to extend the program until June 30, 2025, extending the maximum amount to PEN 112,000,000, without exceeding 4% of the shares issued.

In the meeting held on April 26, 2024, the Board of Directors agreed to a new extension of the share repurchase program for an additional 50 million shares and for an additional amount of PEN 80,000,000, maintaining the term of the program, which expires on June 30, 2025.

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 June 30, 2024, the Company holds 59,809,000 treasury shares equivalent to PEN 88,889,000. As of 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 June 30, 2024 and December 31, 2023, the legal reserve reached the limit of 20% of the issued capital.

E. Unrealized Profits or Losses

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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 ordinary share
Date of Board of Directors' meeting			
January 31, 2024	35,303	March 4, 2024	0.02
April 26, 2024	35,103	May 30, 2024	0.02
	70,406		

Dividends 2023

<i>In thousands of Soles</i>	Dividends declared and paid	Payment date	Dividends per ordinary 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		

During 2024, the subsidiaries **DESERT READY MIX, ENTREPISOS, CELEPSA** and **INVECO** distributed dividends to their non-controlling shareholders for approximately PEN 6,087,000, PEN 1,250,000, PEN 1,641,000 and PEN 2,263,000, 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.

As of June 30, 2024, there is an outstanding balance of dividends of approximately PEN 21,709,000 (PEN 19,385,000 as of December 31, 2023), see note 13.

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 Profits or Losses

Translation profits or 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. Unclaimed Dividends

Unclaimed 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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

16. Net Sales

This caption comprises the following:

<i>In thousands of Soles</i>	As of June 30, 2024	As of June 30, 2023
Segments		
Cement	1,629,495	1,545,493
Concrete	1,329,748	1,189,029
Power and energy	304,408	225,501
Other services	8,707	8,105
	3,272,358	2,968,128
Timing of revenue recognition		
Assets transferred at a point in time	2,906,210	2,683,248
Service delivery at a point in time	366,148	284,880
	3,272,358	2,968,128

17. Cost of Sales

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of June 30, 2023
Initial inventory of finished products and products in process	7	388,263	273,596
Cost of production			
Use of raw materials		627,111	542,918
Fuel		417,847	407,798
Personnel expenses		412,360	351,093
Depreciation	9(e)	249,932	221,814
Maintenance cost		206,843	180,561
Electricity		141,346	118,334
Transportation and freight		85,277	94,758
Use of containers		52,533	67,050
Depreciation of right-of-use assets	8(c)	10,346	6,834
Estimate for inventory impairment		5,219	(597)
Preparation of quarries		3,818	3,590
Amortization	10(a)	3,781	3,314
Depreciation for deferred asset for land clearing		1,503	1,820
Other manufacturing expenses		273,797	254,100
Final inventory of finished products and products in process	7	(444,127)	(355,675)
		2,435,849	2,171,308

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

18. Administrative Expenses

This caption comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of June 30, 2023
Personnel expenses		126,642	112,259
Services provided by third parties		53,300	41,465
Donations		20,337	16,326
Amortization	10(a)	11,594	3,044
Taxes		11,555	9,656
Miscellaneous management expenses		10,800	11,650
Depreciation	9(e)	5,338	9,034
Allowance for expected credit loss		4,105	1,638
Depreciation of right-of-use assets	8(c)	1,068	364
Others		11,610	12,087
		256,349	217,523

19. Financial Expenses

As of June 30, 2024 and June 30, 2023, this caption mainly comprises the following:

<i>In thousands of Soles</i>	<i>Note</i>	2024	2023
Interest on bonds and bank loans	12(d) and (e)	152,522	92,352
Interest on tax obligations	22 D.	28,162	-
Interest on bank promissory notes	12(b)	22,432	19,380
Interest on right-of-use liabilities		8,392	4,354
Other minor expenses		10,382	12,276
		221,890	128,362

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

20. Transactions with Related Companies

- (a) The main transactions with related companies as of June 30, 2024 and June 30, 2023 were as follows:

<i>In thousands of Soles</i>	<i>Note</i>	2024	2023
Revenue			
Sale of cement			
LA VIGA S.A.		263,564	288,318
UNACEM Non-profit Corporation		166	137
Earned Dividends			
SIKA MBCC PERU S.A. (i)		5,071	-
Costs and/or expenses			
Donations			
UNACEM Non-profit Corporation		13,254	14,686
Purchase of additives			
SIKA MBCC PERU S.A.		37,707	30,973
Fees and freights from sale of cement			
LA VIGA S.A.		15,514	20,268
Other expenses			
SIKA MBCC PERU S.A.		3,467	2,208
COMPAÑÍA INVERSIONES SANTA CRUZ S.A.		194	59
Other Revenue			
SIKA MBCC PERU S.A.		1,052	1,584
UNACEM Non-profit Corporation		190	229
LA VIGA S.A.		113	112

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

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

<i>In thousands of Soles</i>	<i>Note</i>	As of June 30, 2024	As of December 31, 2023
Accounts receivable	<i>6</i>		
LA VIGA S.A.		38,505	30,638
SIKA MBCC PERU S.A.		422	154
Other minor accounts		633	2,085
		39,560	32,877
Accounts payable	<i>13</i>		
SIKA MBCC PERU S.A.		26,252	25,177
UNACEM Non-profit Corporation		3,590	-
LA VIGA S.A.		3,551	3,631
Other minor accounts		26	78
		33,419	28,886

- (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 June 30, 2024 and June 30, 2023 amounted to PEN 10,137,000 and

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

PEN 12,867,000, respectively, which include short-term benefits and severance indemnity packages.

- (e) As of June 30, 2024, there were no changes in the ownership interest of the controlling 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 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</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
Purchase of treasury shares	(44,980)	(44,980)	76	(9,366)
Balance as of June 30, 2024	1,720,192	1,720,192		1,755,806
Profit for the year (in thousands of Soles)				152,017
Net basic and diluted earnings per share (expressed in Soles)				0.087

<i>In thousands of</i>	Outstanding shares	Base shares for the calculation	Effective days in the year	Weighted average number of outstanding shares
Year 2023				
Balance as of January 1, 2023	1,805,161	1,805,161	365	1,805,161
Purchase of treasury shares	1,512	1,512	63	261
Purchase of treasury shares	(127)	(127)	57	(20)
Balance as of June 30, 2023	1,806,546	1,806,546		1,805,402
Profit for the year (in thousands of Soles)				288,423
Net basic and diluted earnings per share (expressed in Soles)				0.160

As of June 30, 2024 and June 30, 2023, the Company holds 59,809,000 and 11,582,000 treasury shares with an average of 809 days and 484 days, respectively.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 4,775,000, 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 26,958,000, 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 15,959,000 and USD 1,387,000 equivalent to PEN 5,161,000 maturing in July, August, September 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 October 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 June 30, 2024, for approximately PEN 125,774,000 maturing from September 2024 to April 2025 (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 June 30, 2024, for approximately PEN 2,353,000 maturing from September 2024 to April 2025 (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 June 30, 2024 for approximately USD 100,000, equivalent to PEN 383,700 (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 2,250,000, maturing between July 2024 and January 2026, in

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 3,434,000 maturing in February 2025, in order to avoid illegal coercive collection (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 4,607,000, maturing in August 2024, in order to secure compliance with the obligations of the Natural 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 amount of approximately USD 1,258,000, equivalent to PEN 4,571,000, maturing in August 2024, in order to secure compliance with the obligations under 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 secure 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 secure 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 9,032,000, issued by **SCOTIABANK DEL PERÚ** and USD 2,526,000, equivalent to PEN 9,177,000, 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 secured through a letter of credit of **PREANSA PERU** issued by **SCOTIABANK DEL PERÚ**, maturing in August 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 secured through a letter of credit of **PREANSA PERU** issued by **BBVA PERU**, maturing in August 2024.
- As of December 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 June 2025 (PEN 3,268,000 as of December 31, 2023, maturing in December 2024).

(ii) Guarantees for the payment of financial obligations:

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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

(iii) Indemnification Agreement

The **SKANON** subsidiary establishes indemnification provisions under its agreements with other companies in the normal course of business, generally with business partners, customers, property owners, lenders and lessors. Under such provisions, **SKANON** generally indemnifies and holds harmless the indemnified party for losses suffered or incurred as a result of its activities or, in some cases, as a result of the indemnified party's activities under the agreement. The maximum potential future payments that **SKANON** could make under these indemnification provisions is unlimited. **SKANON** has not incurred any material costs to defend complaints or settle claims related to these indemnification agreements. As a result, **SKANON** considers the estimated fair value of these agreements to be minimal. Accordingly, the Group's Management has no liability recorded for these agreements as of June 30, 2024 and December 31, 2023.

B. Leasing Agreements

Future minimum payments for leasing and leaseback agreements are as follows:

	As of June 30, 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	40,710	37,945	52,458	35,209
Between one year and over	67,690	60,042	222,010	110,748
Total payments due	108,400	97,987	274,468	145,957
Less – financial costs	(10,413)		(128,511)	-
Value of minimum lease payments	97,987	97,987	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 June 30, 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:

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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.

Based on the analysis of the Group's operations, 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 June 30, 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.	2021-2023
UNIÓN DE CONCRETERAS UNICON UCUE CÍA. LTDA.	2021-2023
In Chile	
PREFABRICADOS ANDINOS S.A.	2021-2023
UNACEM CHILE S.A.	2021-2023
INVERSIONES MEL20 LIMITADA	2021-2023
UNICON CHILE S.A.	2021-2023
In Colombia	
PREFABRICADOS ANDINOS COLOMBIA S.A.S.	2019-2023

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

In the United States of America	Period subject to audit
	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 June 30, 2024 and December 31, 2023.

- (d) As of June 30, 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)	1,445,010	1,378,316
COMPAÑÍA ELÉCTRICA EL PLATANAL S.A. and Subsidiaries (ii)	114,200	202,472
UNACEM CHILE S.A.	183,078	190,466
PREFABRICADOS ANDINOS S.A. – PREANSA CHILE (iii)	55,760	58,009
PREFABRICADOS ANDINOS PERÚ S.A.C. – PREANSA PERU (iii)	16,589	15,122
UNICON CHILE S.A. (iii)	23,025	23,954
PREFABRICADOS ANDINOS COLOMBIA S.A.S (iii)	9,667	10,152
DIGICEM S.A. (ii)	23,824	15,571
INVERSIONES NACIONALES Y MULTINACIONALES ANDINAS S.A.(ii)	3,495	2,749
DEPÓSITO ADUANERO CONCHÁN S.A. (ii)	1,026	904
GENERACIÓN ELÉCTRICA DE ATOCONGO S.A. (ii)	1,023	998
Other minor Peruvian subsidiaries (ii)	2,361	1,389

- (i) Tax loss carryforwards of U.S. subsidiaries amount to approximately USD 372,015,000 (equivalent to PEN 1,445,010,000). Such loss will begin to mature as of August 31, 2025 and December 31, 2032. Additionally, from the 2018 profit or loss onwards, the federal loss of approximately USD 124,254,000 (equivalent to PEN 460,361,000) does not expire.
- (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 June 30, 2024 the net income tax credit balance amounts to approximately PEN 10,001,000 and, as of December 31, 2023, the balance payable, net of income tax, amounts to approximately PEN 33,745,000.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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 Customs and 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 mainly related to:

UNACEM CORP S.A.A.

In June 2024, a payment under protest was made in the amount of PEN 52,109,000 on account of income tax for the year 2010, which has been effectively recognized in the statement of profit or loss. This amount is composed of: "Income tax" for PEN 18,581,000 (see note 14(a)); "Expenses arising from fines" for PEN 5,365,000; and "Interest on tax obligations" for PEN 28,162,000 (see note 19). The process is currently underway in the corresponding judicial instances.

As of June 30, 2024 and December 31, 2023, the main tax proceedings pending before the Tax Administration are related to the following matters:

- Income tax for the years 2000, 2001, 2004, 2005 and 2009;
- 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 June 30, 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 as a result 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

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

of June 30, 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 June 30, 2024 and December 31, 2023.

i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The 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
June 30, 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. The details of these transactions are as follows:

<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 June 30, 2024	As of December 31, 2023
Counterpart							
Assets							
CITIBANK N.A.	USD	50,000	October 2025	3-month SOFR + 2.01%	5.730%	1,117	1,117
BANCO DE CRÉDITO E INVERSIONES (BCI) (Chile)	CLP	2,692,424	November 2027	CLP Rate + 6.78%	UF Rate +3.380%	1,016	1,035
BANK OF NOVA SCOTIA	USD	30,000	September 2025	3-month SOFR + 2.86%	5.695%	466	645
						2,599	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 June 30, 2024 and June 30, 2023, the Group recognized a negative variation of approximately PEN 1,052,000 and a positive variation of approximately PEN 150,000, respectively, under "Unrealized profits and losses" of the consolidated statement of changes in net equity, which are recorded net of the income tax effect, respectively.

Likewise, as of June 30, 2024 and June 30, 2023, the Group recognized financial income for these derivative financial instruments in the amount of approximately PEN 1,078,100 and PEN 1,164,000, respectively; said amounts were actually collected and/or paid during the year and are presented in the statement of profit or loss under "Financial Income."

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 as a result 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 denominated 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 June 30, 2024 and June 30, 2023 resulted in net losses of PEN 32,989,000 and net profits for approximately PEN 31,192,000, respectively, which are recorded under "Exchange difference, net" in the consolidated statement of profit or loss.

As of June 30, 2024 and December 31, 2022, the Group has a derivative financial instrument liability corresponding to a "Cross Currency Interest Rate Swap" amounting to PEN 1,546,000 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 June 30, 2024 and June 30, 2023, changes in fair value are recognized as expense or income. As of June 30, 2024 and June 30, 2023, the effect corresponds to a net financial income of approximately PEN 7,000 and PEN 1,638,000 and is recorded under "Financial income" in the consolidated statement of profit or loss.

Likewise, as of June 30, 2024 and June 30, 2023, a net financial expense was recognized for these derivative financial instruments amounting to approximately PEN 420,000 and PEN 326,000, respectively. These amounts have been effectively paid during the year and are recorded under "Financial expenses" and "Financial Income" in the consolidated statement of profit or loss.

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 (SBS). As of June 30, 2024, the weighted average free market exchange rates for U.S. dollar transactions were PEN 3.827 for buying and PEN 3.837 for selling (PEN 3.705 for buying and PEN 3.713 for selling as of December 31, 2023), respectively.

As of June 30, 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

June 30, 2024 and December 31, 2023

<i>In thousands of U.S. Dollars</i>	2024	2023
Assets		
Cash and cash equivalents	23,338	21,479
Trade and other accounts receivable	172,803	199,307
	196,141	220,786
Liabilities		
Other financial liabilities	(202,031)	(238,305)
Trade and other accounts payable	(219,231)	(211,006)
	(421,262)	(449,311)
Foreign currency derivative financial instruments	(402)	(414)
Liabilities, net	(225,523)	(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 June 30, 2024	As of June 30, 2023
Change in exchange rates in U.S. Dollars		
%		
+5	(43,364)	(13,699)
+10	(86,729)	(27,401)
-5	43,364	13,699
-10	86,729	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 items in the consolidated financial statements as of June 30, 2024 and December 31, 2023, is represented by the sum of the items of cash and cash equivalents, and trade and other accounts receivable.

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:

As of June 30, 2024

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

<i>In thousands of Soles</i>	From 1 to 12 months	From 1 to 3 years	Over 4 years	Total
Trade and other accounts payable (*)	980,930	16,487	159,963	1,157,380
Other financial liabilities				
Principal repayment	2,456,893	2,788,258	462,028	5,707,179
Cash flows from interest payment	853,861	802,621	76,800	1,733,282
Lease liabilities				
Principal repayment	27,619	46,819	135,770	210,208
Cash flows from interest payment	18,358	42,635	89,444	150,437
Total liabilities	4,337,661	3,696,820	924,005	8,958,486

<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 flows from interest payment	279,296	337,688	153,284	770,268
Lease liabilities				
Principal repayment	21,821	38,076	85,767	145,664
Cash flows 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 June 30, 2024 and December 31, 2023, this item does not include customer advances, taxes, labor contributions and value added tax for approximately PEN 90,248,000 and PEN 84,905,000, respectively.

D. Capital Management

During the years ended June 30, 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 June 30, 2024		
Financial assets		
Derivative financial instruments	2,599	2,599
Financial liabilities		
Derivative financial instruments	(1,546)	(1,546)
Total financial assets, net	1,053	1,053
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.

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

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

<i>In thousands of Soles</i>	As of June 30, 2024		As of December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Other financial liabilities (*)	4,045,935	4,075,789	4,888,358	4,992,509
	4,045,935	4,075,789	4,888,358	4,992,509

(*) As of June 30, 2024 and December 31, 2023, the balance does not include bank promissory notes and 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.

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

<i>In thousands of Soles</i>	As of June 30, 2024						
	Cement	Concrete	Electricity	Others	Total segments	Adjustments and eliminations	Consolidated
Revenue							
External customers	1,629,495	1,329,748	304,408	8,707	3,272,358		3,272,358
Inter-segments	246,928	56,213	48,451	269,536	621,128	(621,128)	-
Total revenue	1,876,423	1,385,961	352,859	278,243	3,893,486	(621,128)	3,272,358
Gross profit	582,438	149,176	86,904	230,756	1,049,274	(212,765)	836,509
Operating income (expenses)							
Administration expenses	(152,528)	(44,141)	(15,072)	(63,135)	(274,876)	18,527	(256,349)
Selling expenses	(33,568)	(16,817)	(4,335)	(3,112)	(57,832)		(57,832)
Other operating income (expense), net	(44,714)	(20,704)	(1,909)	(27,781)	(95,108)	88,427	(6,681)
Operating profit	351,628	67,514	65,588	136,728	621,458	(105,811)	515,647
Other income (expense)							
Share in net profits of associated companies	-	4,352	-	-	4,352	4,036	8,388
Financial income	4,402	1,102	18,028	5,872	29,404	(4,642)	24,762
Financial expenses	(77,065)	(13,042)	(24,518)	(111,907)	(226,532)	4,642	(221,890)
Exchange difference, net	(12,839)	1,380	(23,617)	2,087	(32,989)	-	(32,989)
Profit before income tax	266,126	61,306	35,481	32,780	395,693	(101,775)	293,918
Income tax	(89,866)	(10,341)	(5,024)	(30,104)	(135,335)	-	(135,335)
Net profit by segment	176,260	50,965	30,457	2,676	260,358	(101,775)	158,583
Segment profits before taxes	338,789	68,894	41,971	134,779	584,433	(290,515)	293,918

UNACEM CORP S.A.A. and Subsidiaries

Notes to the UNAUDITED Consolidated Financial Statements

June 30, 2024 and December 31, 2023

	As of June 30, 2023							
<i>In thousands of Soles</i>	Cement	Concrete	Electricity	Others	Total segments	Adjustments and eliminations	Consolidated	
Revenue								
External customers	1,545,493	1,189,029	225,501	8,105	2,968,128	-	2,968,128	
Inter-segments	226,177	52,532	58,174	255,400	592,283	(592,283)	-	
Total revenue	1,771,670	1,241,561	283,675	263,505	3,560,411	(592,283)	2,968,128	
Gross profit	560,370	123,321	92,754	224,653	1,001,098	(204,278)	796,820	
Operating income (expenses)								
Administration expenses	(118,587)	(45,512)	(15,274)	(56,919)	(236,292)	18,769	(217,523)	
Selling expenses	(33,020)	(16,064)	(4,696)	(1,064)	(54,844)	-	(54,844)	
Other operating income (expense), net	(57,678)	(9,535)	(4,556)	(16,711)	(88,480)	71,852	(16,628)	
Operating profit	351,085	52,210	68,228	149,959	621,482	(113,657)	507,825	
Other income (expense)								
Share in net profits of associated companies	-	1,658	-	-	1,658	272	1,930	
Financial income	4,544	1,242	1,257	7,255	14,298	(5,497)	8,801	
Financial expenses	(67,364)	(13,228)	(18,719)	(34,548)	(133,859)	5,497	(128,362)	
Exchange difference, net	20,958	655	13,044	(3,465)	31,192	-	31,192	
Profit before income tax	309,223	42,537	63,810	119,201	534,771	(113,385)	421,386	
Income tax	(89,840)	(4,429)	(14,583)	(13,348)	(122,200)		(122,200)	
Net profit by segment	219,383	38,108	49,227	105,853	412,571	(113,385)	299,186	
Segment profits before taxes	372,043	52,865	81,272	146,222	652,402	(231,016)	421,386	

Eliminations and reconciliation

Financial income and expenses and profits 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 managed centrally as well.

<i>In thousands of Soles</i>	As of June 30, 2024	As of June 30, 2023
Reconciliation of profit or loss		
Segment profits before taxes before adjustments and eliminations	584,433	652,402
Financial income	24,762	8,801
Financial expenses	(221,890)	(128,362)
Share in net profits of associated companies	8,388	1,930
Elimination of transactions with related companies	(101,775)	(113,385)
Segment profits before taxes	293,918	421,386

Geographic Information

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

<i>In thousands of Soles</i>	As of June 30, 2024	As of June 30, 2023
Revenues from customers		
Peru	2,039,877	1,919,432
United States of America	718,195	498,406
Ecuador	287,140	299,524
Chile	208,450	245,643
Colombia	18,696	5,123
Total revenue according to the consolidated statement of profit or loss	3,272,358	2,968,128

<i>In thousands of Soles</i>	As of June 30, 2024	As of December 31, 2023
Non-current assets		
Peru	7,433,850	7,256,095
United States of America	2,845,346	2,792,335
Ecuador	856,898	839,131
Chile	230,274	300,404
Colombia	26,053	27,781
Total non-current assets according to the consolidated statement of financial position	11,392,421	11,215,746

26. Subsequent Events

In the opinion of the Group's Management, between July 1, 2024 and the date of issuance of these separate financial statements, no significant financial and accounting events have occurred that could affect the interpretation of these consolidated financial statements.