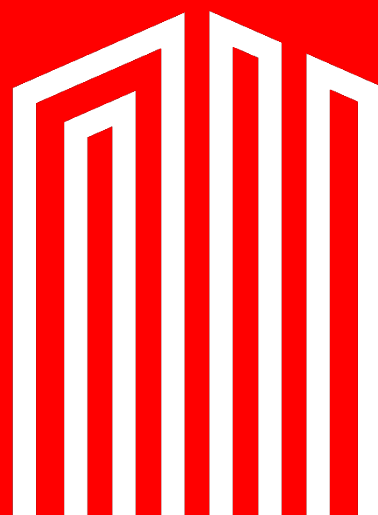




MANAGEMENT COMMENTS

Fourth Quarter 2024



UNACEM Perú S.A.
Management Comments
Fourth Quarter, as of December 31, 2024

INTRODUCTION

UNACEM Peru S.A. (the “Company”), was incorporated in September 2021, as a company specializing in the production and commercialization of clinker and cement and the export of clinker.

PRODUCTION

■ CLINKER

During 4Q24 clinker production decreased by 35.1% compared to 4Q23, from 1,513,044 t to 981,613 t, mainly explained by higher scheduled kiln shutdown days for maintenance during the quarter. Likewise, compared to 3Q24 clinker production decreased by 21.0% in the 4Q24.

■ CEMENT

Cement production in 4Q24 decreased by 1.1% compared to 4Q23, from 1,469,481 t to 1,453,038 t. Likewise, with respect to 3Q24, cement production decreased by 3.4% (from 1,503,630 t to 1,453,038 t). Lower cement production goes in line with the performance of the local demand in the quarter.

Production and Dispatches- Peru					
(in thousand tons)					
Period		Production		Dispatch	
Year	Qtr.	Clinker	Cement	UNACEM	Peru
2023	I	1,618	1,447	1,469	2,874
	II	1,372	1,438	1,411	2,914
	III	1,313	1,496	1,498	3,260
	IV	1,513	1,469	1,456	3,162
	I-IV	5,816	5,850	5,834	12,210
2024	I	1,370	1,355	1,349	2,865
	II	1,335	1,376	1,372	2,908
	III	1,243	1,504	1,512	3,242
	IV	982	1,453	1,446	3,209
	I-IV	4,930	5,688	5,679	12,224
<i>Variation</i>					
24 I-IV/ 23 I-IV		-15.2%	-2.8%	-2.7%	0.1%
24-IV/ 23-IV		-35.1%	-1.1%	-0.7%	1.5%
24-IV/24-III		-21.0%	-3.4%	-4.4%	-1.0%

CEMENT DISPATCHES

■ DOMESTIC MARKET

UNACEM Peru cement dispatches during 4Q24 decreased by 0.7% compared to 4Q23, going from 1,455,761 t to 1,445,884 t. With respect to 3Q24, cement dispatches were 4.4% lower.

Total cement dispatches in Peru - according to the National Institute of Statistics and Informatics - INEI, during the fourth quarter of 2024 increased by 1.5% compared to 4Q23, from 3,162,023 t to 3,209,082 t. With respect to 3Q24, cement dispatches were 1.0% lower.

Therefore, UNACEM Peru market share in the domestic market was 45.1% in the 4Q24, maintaining its leadership in the Peruvian market.

■ PORT OPERATIONS

During 4Q24, clinker exports through the Conchan port terminal reached 108 thousand tons, 57.2% lower than those reached in 4Q23. Additionally, 149 thousand tons of bulk materials were handled in the quarter including grains for third parties and slag.

FINANCIAL INFORMATION

■ LIQUIDITY

As of December 31 2024, the Company's ability to meet short-term obligations is 0.60 per every sol owed.

■ CAPITAL AND FUNDING SOURCES

As of December 31, 2024, CAPEX was S/ 362.8 million. The main projects during the period correspond to the dedusting of the cooler of kiln 3 in Condorcocha plant as well as the roofing project on the clinker yards in both Atocongo and Condorcocha plants.

Gross financial debt amounted to S/ 1,454 million, decreasing by 7.6% with respect to December 31, 2023, mainly explained by payments, net of new debt, mainly through promissory notes. It is worth mentioning that 18.0% of such debt is in foreign currency (20.2% as of December 31, 2023). Likewise, 84.3% of the total debt is held in the short term (29.6% as of December 31, 2023). Finally, 33.0% of the financing corresponds to bank loans, and 67.0% to short term promissory notes (89.4% of the financing corresponded to bank loans and 10.6% to short term promissory notes as of December 31, 2023).

■ ECONOMIC RESULTS

	For the cumulative period from January 1st to December 31st, 2024	For the cumulative period from January 1st to December 31st, 2023
Income from ordinary activities	2,711,531	2,743,791
Cement Sales	2,527,347	2,521,545
Exports of clinker	104,730	160,942
Sale of blocks, concrete pavement and others	79,454	61,303
Cost of Sales	(1,703,157)	(1,807,620)
Profit (Loss) Gross	1,008,374	936,171
Gross margin	37.2%	34.1%

Total sales as of December 31, 2024, were S/ 2,711.5 million, 1.2% lower than sales reached during 2023. Cement sales recorded S/ 2,527.3 (0.2% higher), explained by higher average prices that partially offset the lower volume of cement dispatched (0.7% lower versus 2023).

Export revenues decreased by 34.9% as of December 31, 2024, compared to the same period in 2023. Revenues from Blocks, Concrete Pavements and others increased 29.6% compared to 2023.

Cost of goods sold as of December 31, 2024, amounted to S/ 1,703.2 million, 5.8% lower than in the same period of 2023, mainly due to the lower volume dispatched and operating efficiencies in the fuel mix, mainly due to coal.

The combined gross margin reached 37.2% (34.1% in the same period of the previous year).

Operating expenses amounted to S/ 228.9 million as of December 31, 2024 (19.6% higher compared to the same period of 2023), mainly explained by personnel expenses and higher donations. As of 4Q24 Other operating expenses net from income amounted S/ 105.2 million, mainly due to royalties granted to UNACEM Corp.

As a result of the above, in 2024, operating profit was S/ 674.3 million (7.2% higher compared to 2023) reaching an EBITDA margin of 33.5% (EBITDA margin was 31.1% in 2023).

Net financial expenses amounted to S/ 81.0 million (2.1% higher compared to the same period of 2023), mainly due to higher interest rates throughout the year.

At the end of 4Q24, a foreign exchange gain of S/ 0.6 million was recorded (S/ 11.3 million as of 4Q23), due to the net effect of monetary accounts in US dollars.

The income tax provision for the fiscal year was determined based on the accounting results of the period.

Net income amounted to S/ 410.0 million (5.5% higher compared to the same period of 2023), for the reasons mentioned previously.

The most significant changes in the Company's Financial Statements as of December 31, 2024, compared to December 31, 2023, were the following:

- ▶ Increase in *Trade and other accounts receivable* by S/ 28.7 million due to the increase in account receivables from related parties for clinker and cement sales; partially offset by the decrease in fiscal credit and other collections.
- ▶ Decrease in Inventory by S/ 19.3 million mainly due to the increase in the provision for inventory devaluation.
- ▶ Increase in *Mining concessions and property, plant and equipment* by S/ 136.7 million, mainly due to additions of S/ 362.8 million, net of depreciation of S/ 216.6 million.

- ▶ Decrease in *Other Financial Liabilities* by S/ 120.3 million, due to the amortization of bank loans according to schedules, partially offset by new short-term debt contracted.
- ▶ Increase in *Trade and other accounts payable* by S/ 82.1 million, due to interest on loans and obligations to suppliers; partially offset by dividends and royalties paid to UNACEM Corp.
- ▶ Increase in *Equity* by S/ 223.6 million; due to the net effect of results in the period of S/ 410.0 million and the declaration of dividends to shareholders of S/ 185.5 million.