

UNACEM Corp

3Q2022 Conference Call

Nov 17th, 2022



Disclaimer...



Please note that this presentation might disclose some forward-looking statements related to UNACEM Corp and its subsidiaries based on currently known facts, expectations and forecasts, circumstances and assumptions regarding future events. Many factors could cause the future results, performance or achievements of UNACEM Corp and its subsidiaries to be different from those expressed or assumed herein, so this should be considered for reference only

Presenting today



Pedro Lerner

Corporate CEO



Alvaro Morales

Corporate CFO



**UNIDOS
LLEGAMOS
MÁS
LEJOS**

3Q2022 HIGHLIGHTS

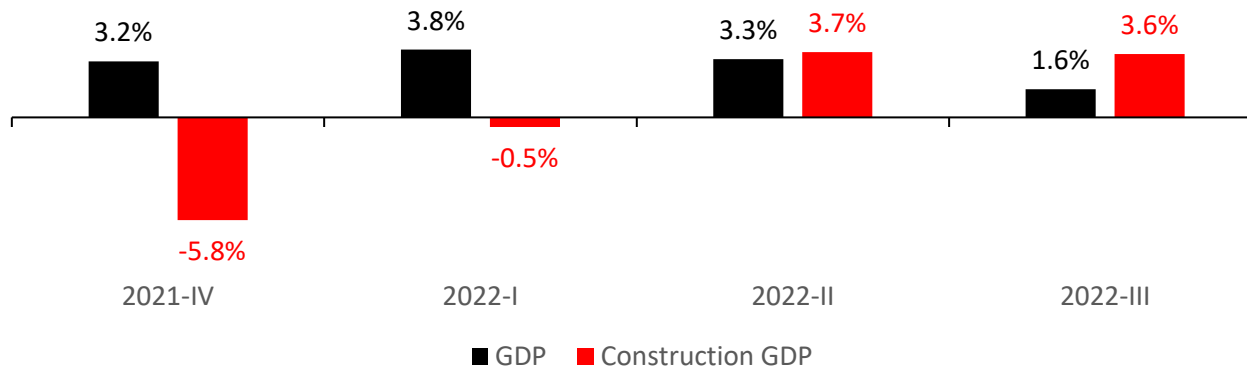


- Revenues increased +15.9%
- EBITDA decreased -1.7%
- Leverage ratio: 2.1x , within our target
- Peruvian and US operations maintain a double-digit growth and enabled us to partially offset other operations

With strong performance in the Peruvian units despite political turbulence ...

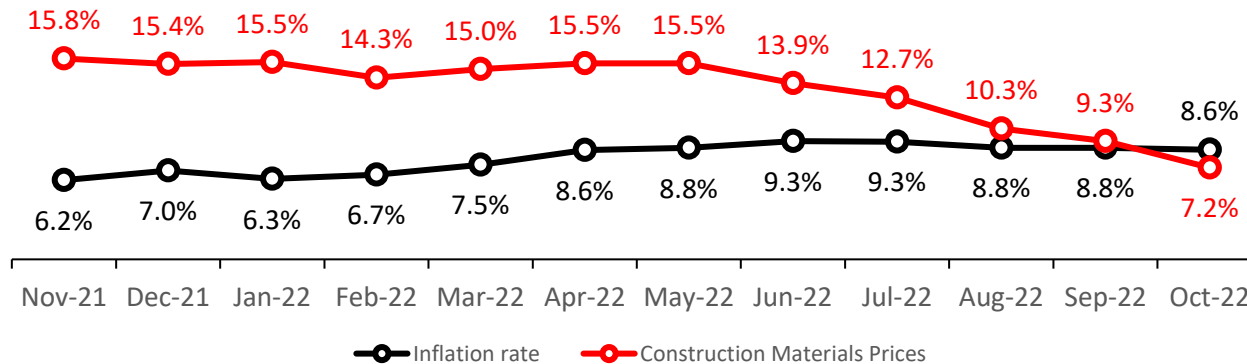
Peru GDP

% Var



Inflation rate & Construction Materials Prices

% Var



Peru operational highlights



Cement and ready mix volumes up by 5.3% and 6.5% vs 3Q21.



Considerable decrease of cement imports



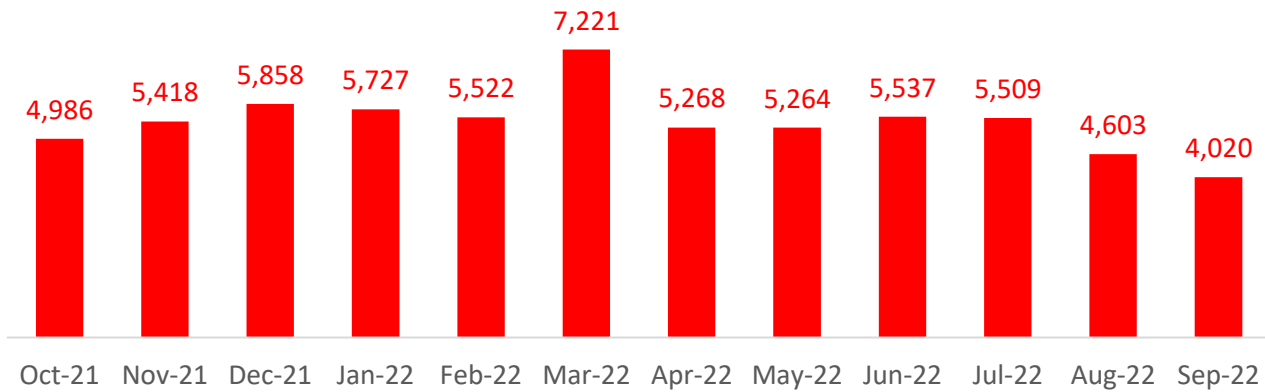
Over 95% cement market share in Lima



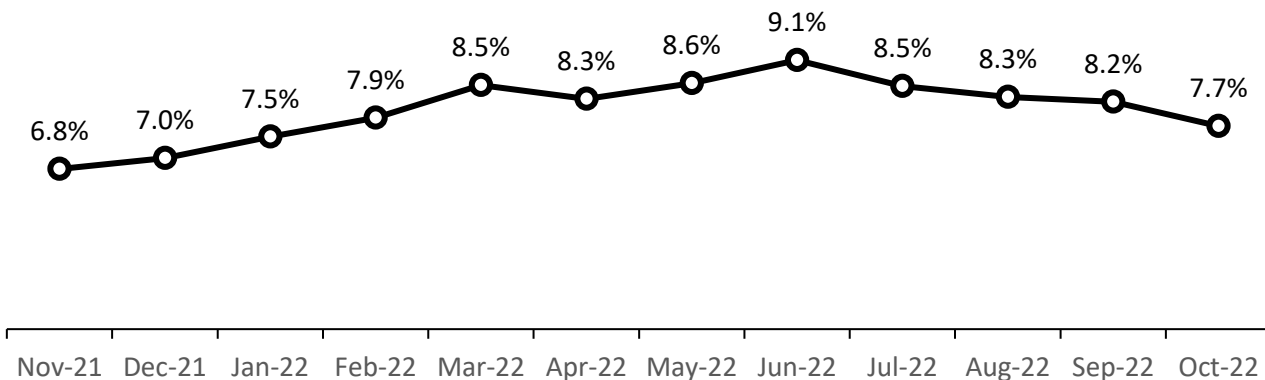
Ramp up of infrastructure projects

... and a continued uptrend in our US operations

Arizona building permits
(thousand)



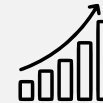
Arizona inflation rate
% Var



US operational highlights



78.0% EBITDA increase vs 3Q21



49.3% revenue increase vs 3Q21



65,000 building permits per year in Arizona



Arizona is the 5th highest in residential construction state

... Overcoming challenging conditions in Ecuador and Chile ...

Ecuador operational highlights



High increases in fuel and energy costs



+10.6% cement volumes vs 3Q21 and +3.5% vs YTD 3Q21



25.0% EBITDA decrease vs 3Q21



9.9% revenues increase vs 3Q21

Chile operational highlights



Self sufficient in cement for all our ready-mix operations



Doubled cement market share ~ 10-11%



49.1% increase in cement sales volumes



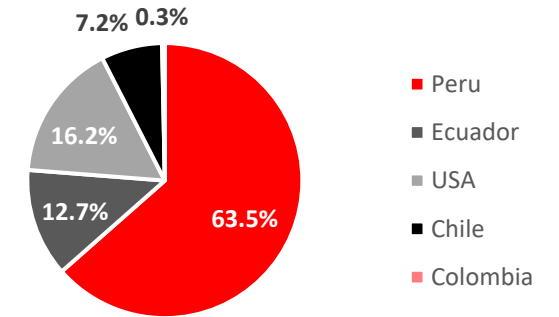
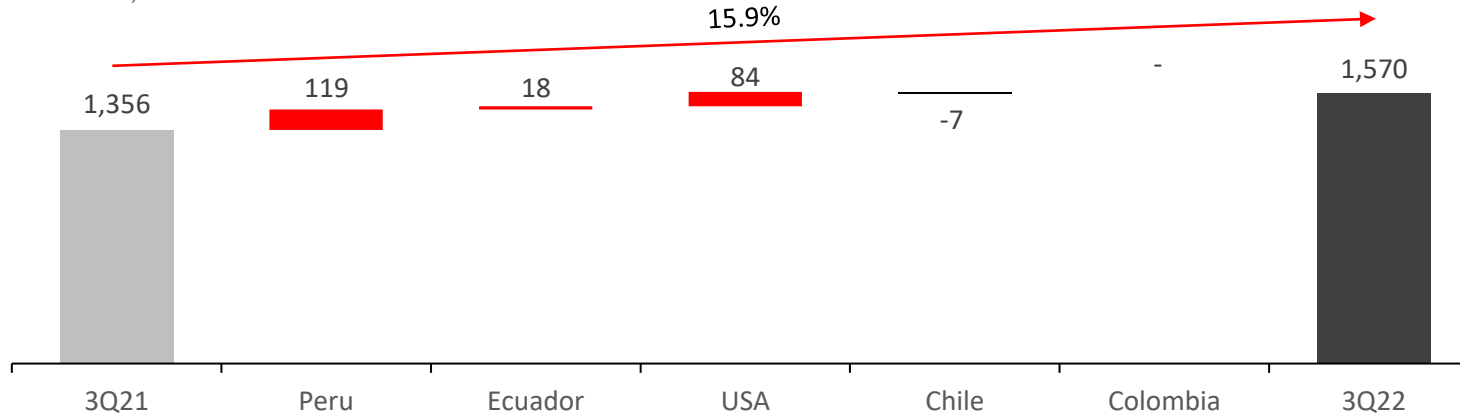
0.7% decrease in ready-mix unit

Forward looking 2022 expectations... 

Important growth in revenues YoY

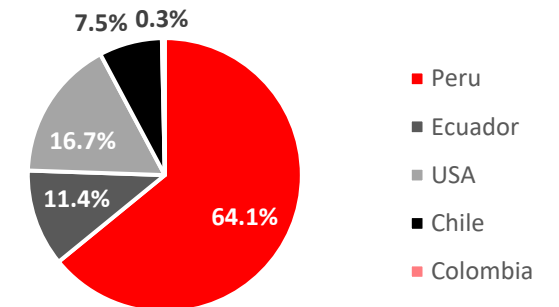
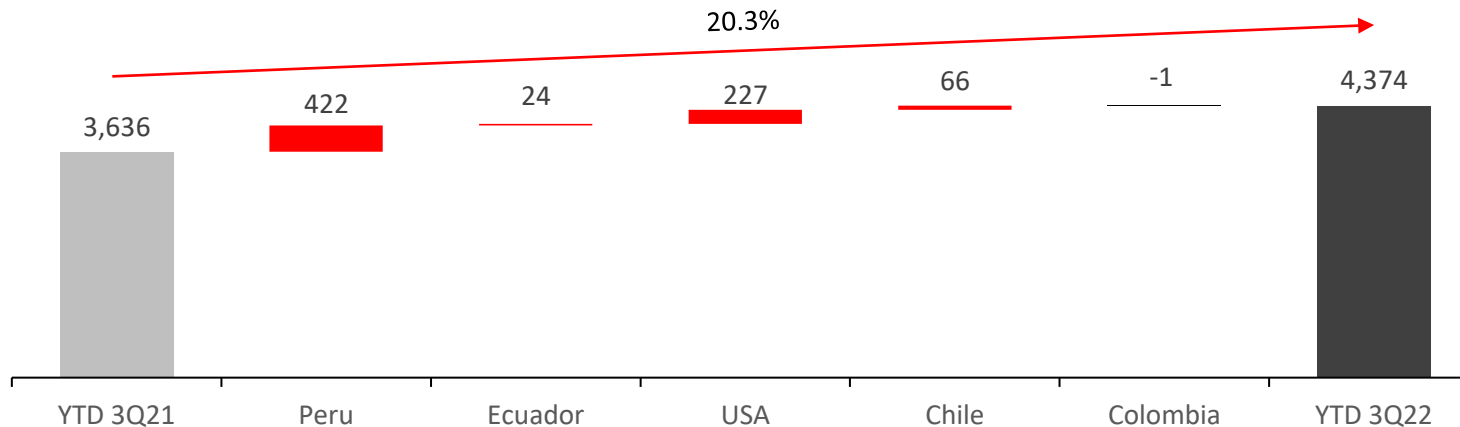
3Q22 Revenue contribution by country

PEN Million, %



























YTD 3Q22 Revenue contribution by country

PEN Million, %



With strong volumes in 3Q22 and YTD 3Q22

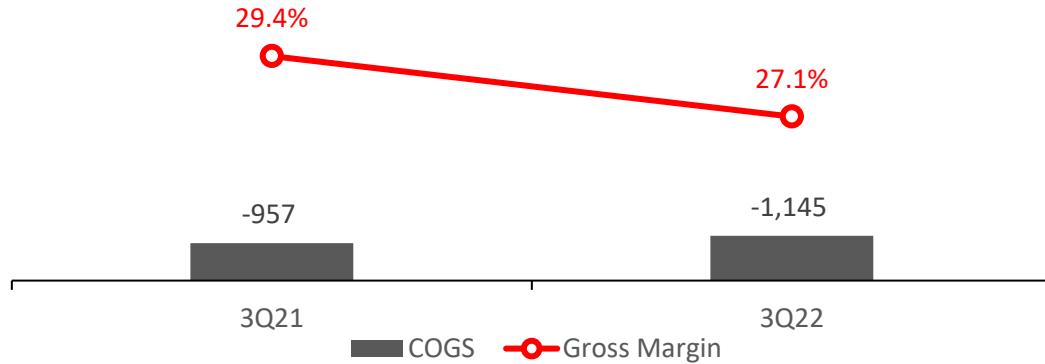
	Volume 3Q22			Volume YTD 3Q22		
1 	+5.3%  1.7 M mt	+6.5%  640k m ³	+15.9%  497 GWh	+9.7%  5.0 M mt	+2.3%  1.8 M m ³	+21.8%  1,497 GWh
2 	+10.6%  381k mt	+44.7%  39k m ³		+3.5%  973k mt	+13.0%  99k m ³	
3 	+25.4%  168k mt	+25.0%  230k m ³	+24.1%  802k mt	+22.8%  516k mt	+27.5%  734k m ³	+34.7%  2.4 M mt
4 	+49.1%  118k mt	-0.7%  230k m ³		+76.8%  310k mt	+19.9%  734k m ³	



COGS increase due to higher volumes with gross margin control

3Q22 Cost of goods sold & gross margin

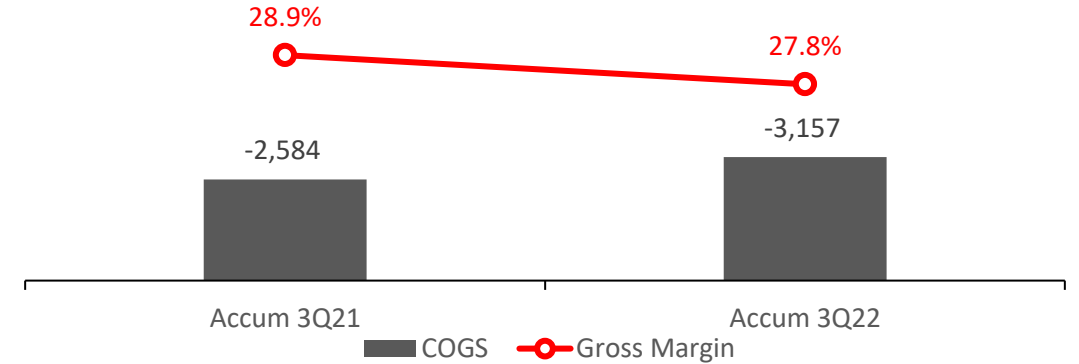
PEN Million, %



- **19.6% COGS increase & lower gross margin due to:**
 - Higher sales volumes
 - Higher fuel costs
 - Higher raw materials costs

YTD 3Q22 Cost of goods sold & gross margin

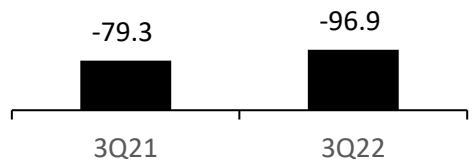
PEN Million, %



- **22.2% COGS increase & lower gross margin due to:**
 - Higher sales volumes
 - Higher fuel costs
 - Higher raw materials costs

And an organic increase of operating expenses with some non-recurring expenses ...

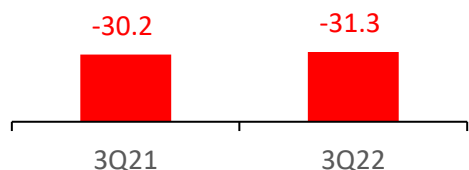
3Q22 Administrative expenses
PEN Million



22.2% increase due to:

- Higher personnel expenses: workers profit sharing & boards fee.

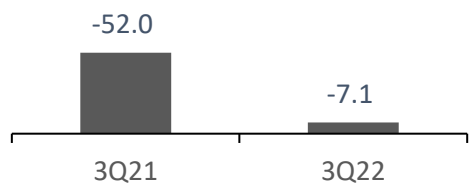
3Q22 Selling expenses
PEN Million



3.9% increase due to:

- Higher volumes sold
- Increase in advertising and branding expenses

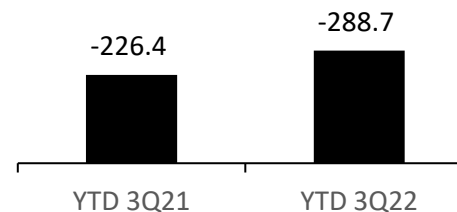
3Q22 Other income / expenses
PEN Million



PEN44.9 M net increase due:

- Non-recurring income from dividends in 3Q22
- Voluntary retirement program in 3Q22
- Badwill adjustment

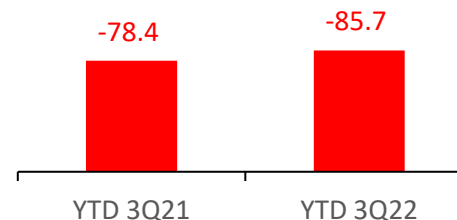
YTD 3Q22 Administrative expenses
PEN Million



27.5% increase due to:

- Higher personnel expenses: workers profit sharing & boards fee.

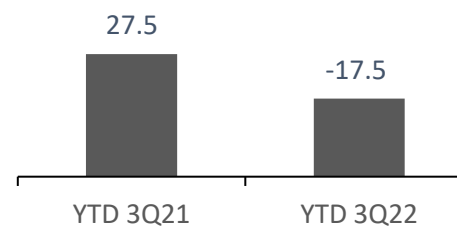
YTD 3Q22 Selling expenses
PEN Million



9.3% increase due to:

- Higher volumes sold
- Increase in advertising and branding expenses

YTD 3Q22 Other income / expenses
PEN Million



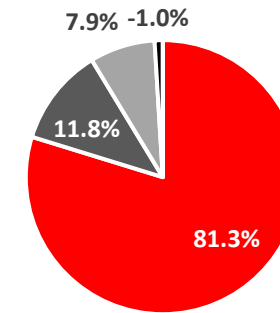
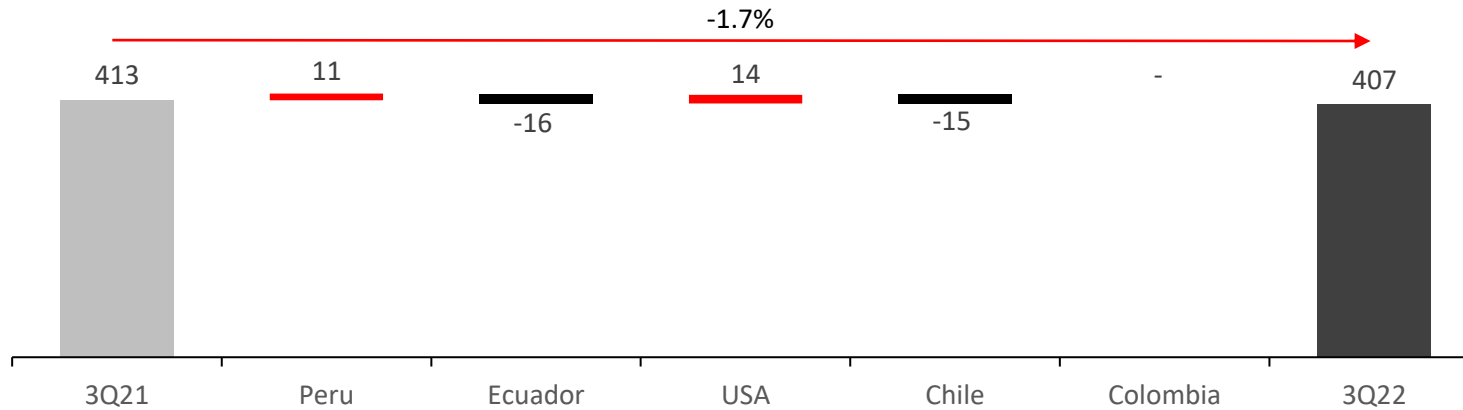
PEN45.0 M net decrease due:

- Non-recurring income from dividends in 2021
- Voluntary retirement program

Resulting in a solid EBITDA YoY and LTM ...

3Q22 EBITDA contribution by country

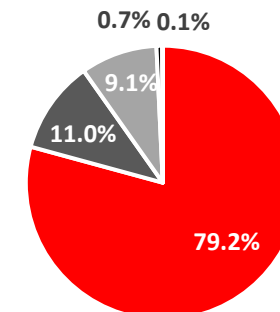
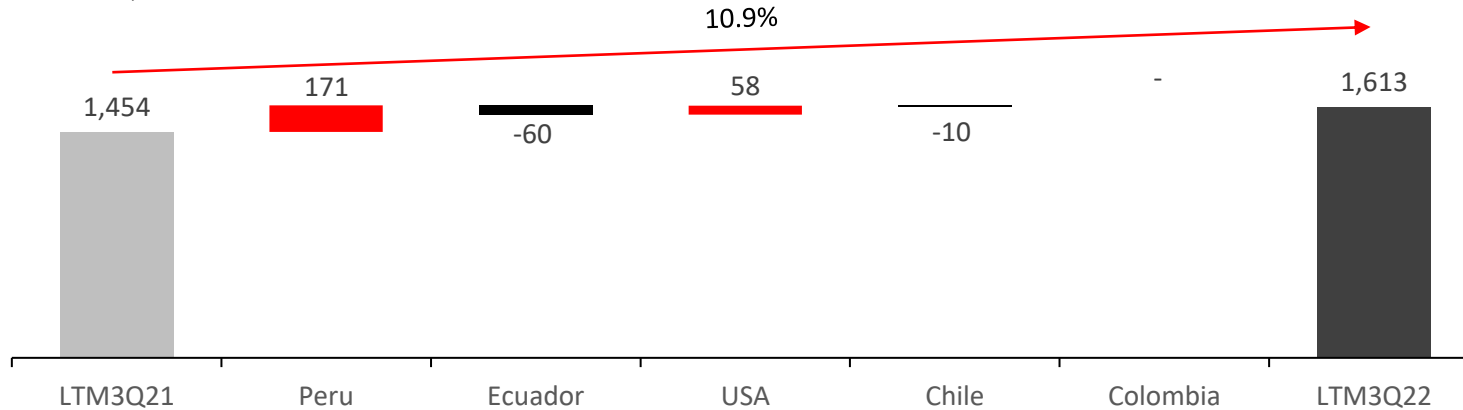
PEN Million, %



- Peru
- Ecuador
- USA
- Chile
- Colombia

LTM EBITDA contribution by country

PEN Million, %

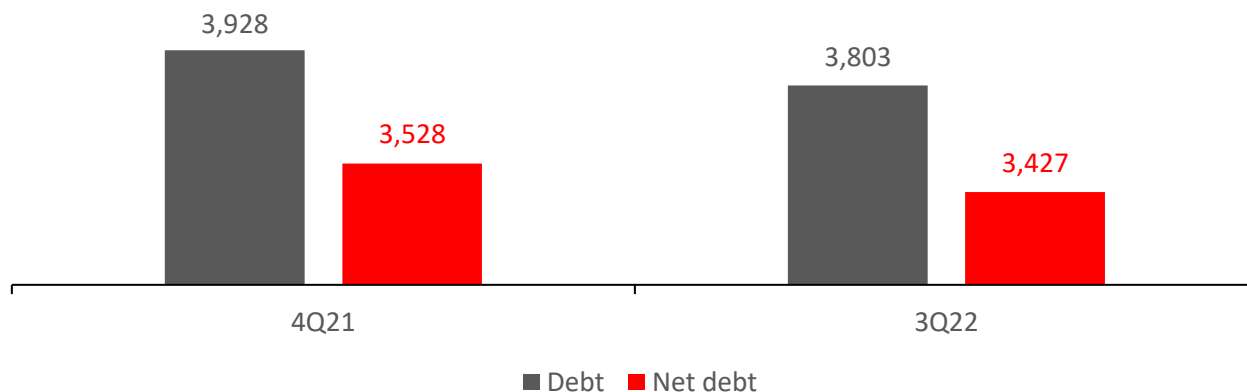


- Peru
- Ecuador
- USA
- Chile
- Colombia

Achieving our leverage target ...

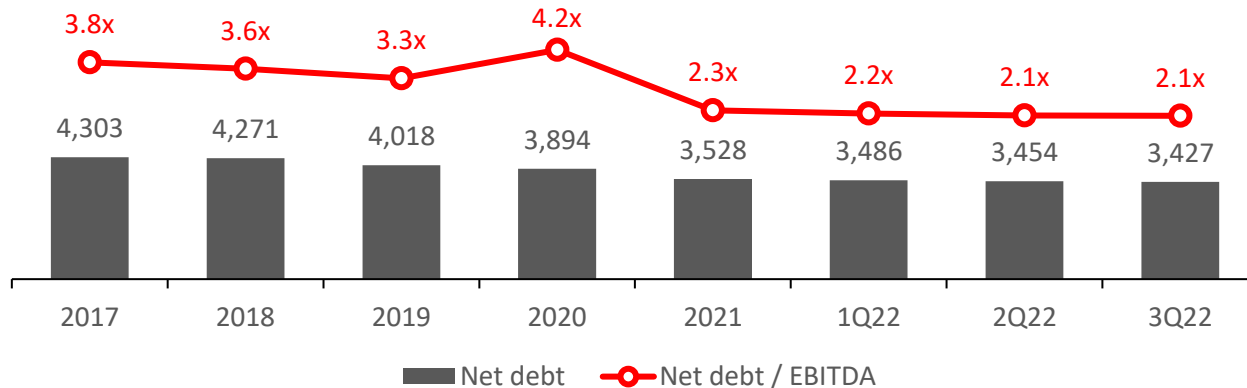
Total debt and net debt

PEN Million



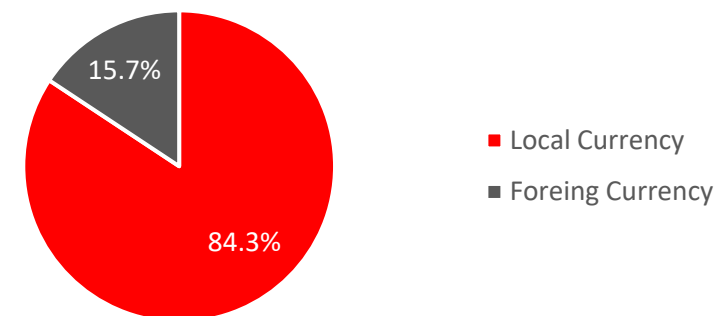
Net debt and leverage ratio

PEN Million, times



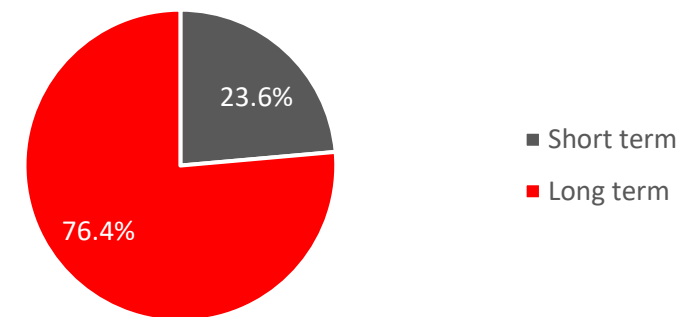
Total debt FX exposure 3Q22

%



Total debt maturity composition 3Q22

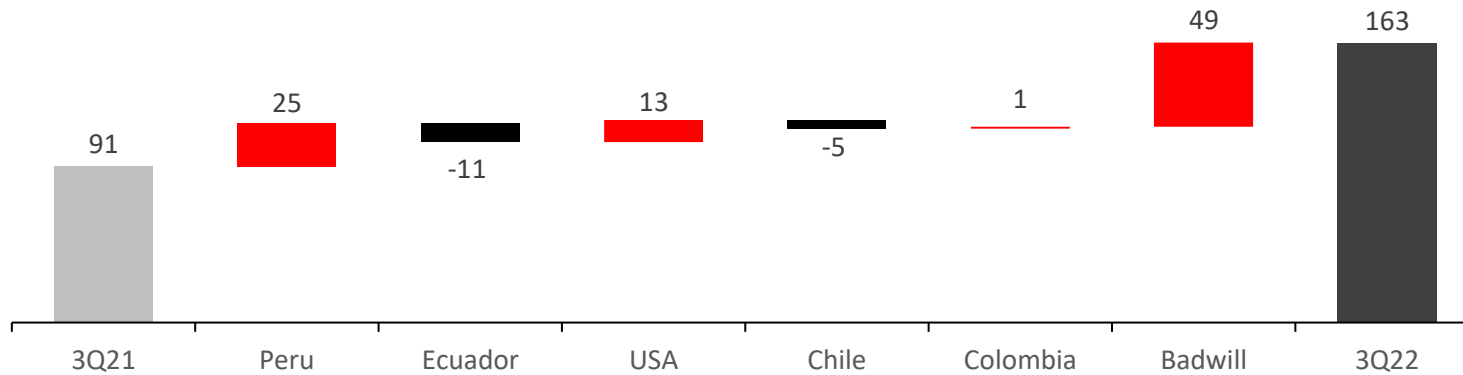
%



Delivering solid net profit results in the quarter and YTD

3Q22 Net profit

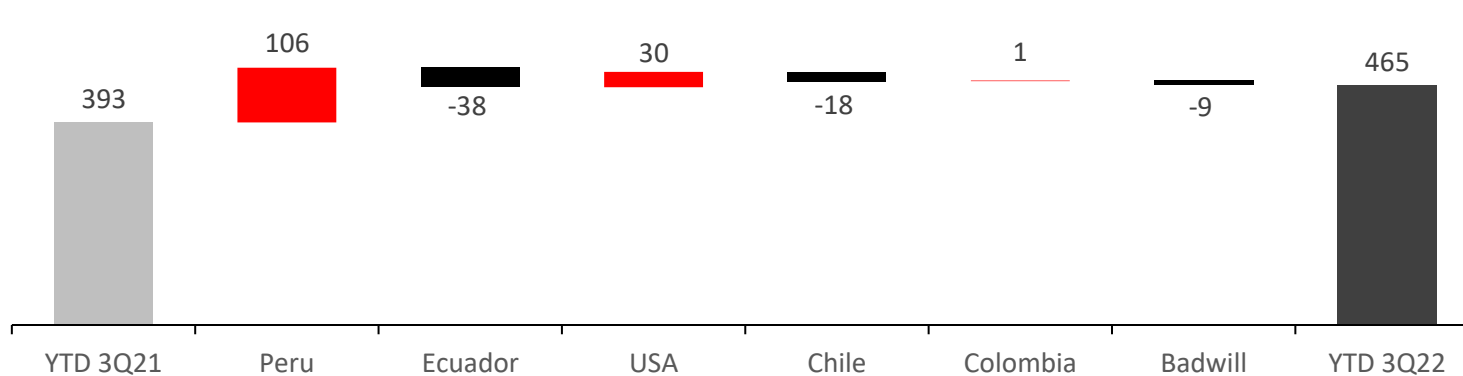
PEN Million



- **79.1%** increase compared to 3Q21
- Lower FX losses in the quarter despite higher income tax.

YTD 3Q22 Net profit

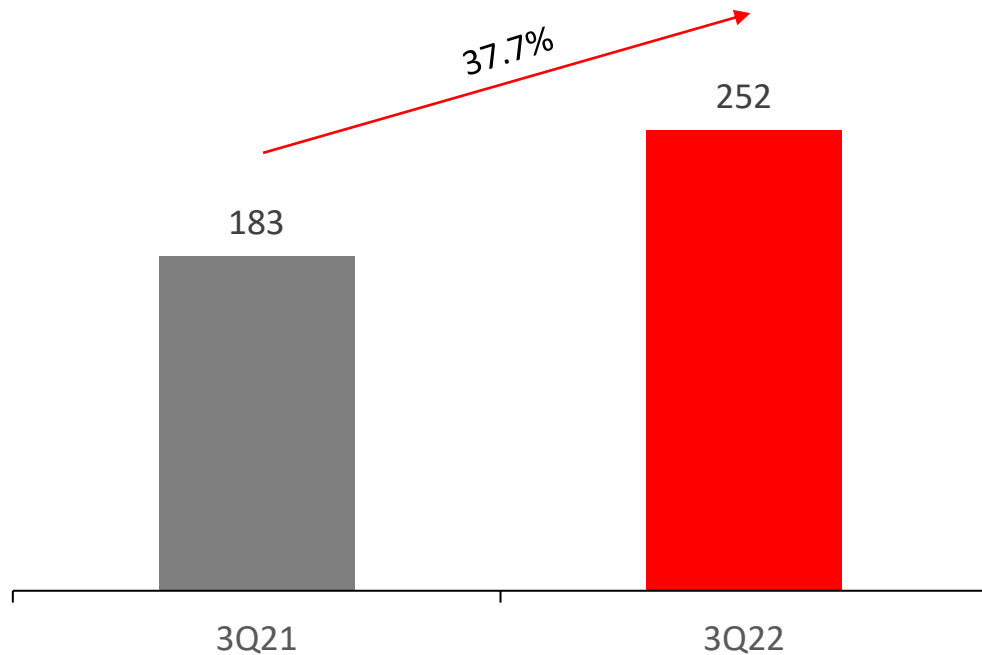
PEN Million



- **18.3%** increase compared to YTD 3Q21
- FX gain in YTD 3Q22 vs FX losses in YTD 3Q21 despite higher income tax.

Executing investment projects that guarantee sustainable operations

YTD 3Q22 CAPEX
PEN Million



- New automated packaging system
- Reinforcement of the multisilo
- Mixer trucks & front loaders



- New milling
- Warehouse



- Debottlenecking project in Kiln 2



- Precast mobile plant
- Mixer trucks & front loaders

Q&A



Growing together to build a more sustainable world

