



1Q 2024
**EARNINGS
PRESENTATION**



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RELEVANT EVENTS

Cash dividends

The Shareholders' meeting approved a cash dividend of US\$ 3.7 million. This dividend was paid in April 2024.

Merco Responsabilidad ESG 2023

Aceros Arequipa moved up 22 spots last year compared to previous year, and is ranked number 27 among the leading 100 most responsible companies in Peru by MERCO Empresas.

Aceros Arequipa stand out in the Global Sustainability Yearbook 2024

Aceros Arequipa reached the top 15% score within its industry peers under the S&P Global ESG Score.

Aceros Arequipa has once again been granted the **Great Place to Work certification** for the period from December 2023 to December 2024



Global Sustainability
Yearbook 2024

Great
Place
To
Work®

RESULTS SNAPSHOT

S/ million

1Q

REVENUE

1,131.0 ▼ 89.1 (-7.3%)
YoY



OPER. WORKING CAPITAL BALANCE

1,337.9 ▼ 48.8 (-3.5%)
YTD



EBITDA (Margin)

162.8 (14%) ▲ 34.8 (+27.1%)
YoY



CAPEX

99.0 ▼ 1.9 (-1.9%)
YoY



NET INCOME (Margin)

60.2 (5%) ▲ 25.6 (+74.3%)
YoY



NET DEBT

1,948.5 ▼ 53.1 (-2.7%)
YTD

4.1x EBITDA



REVENUE

S/ million

Revenue decreased by S/ 89 million or 7% YoY

By destination

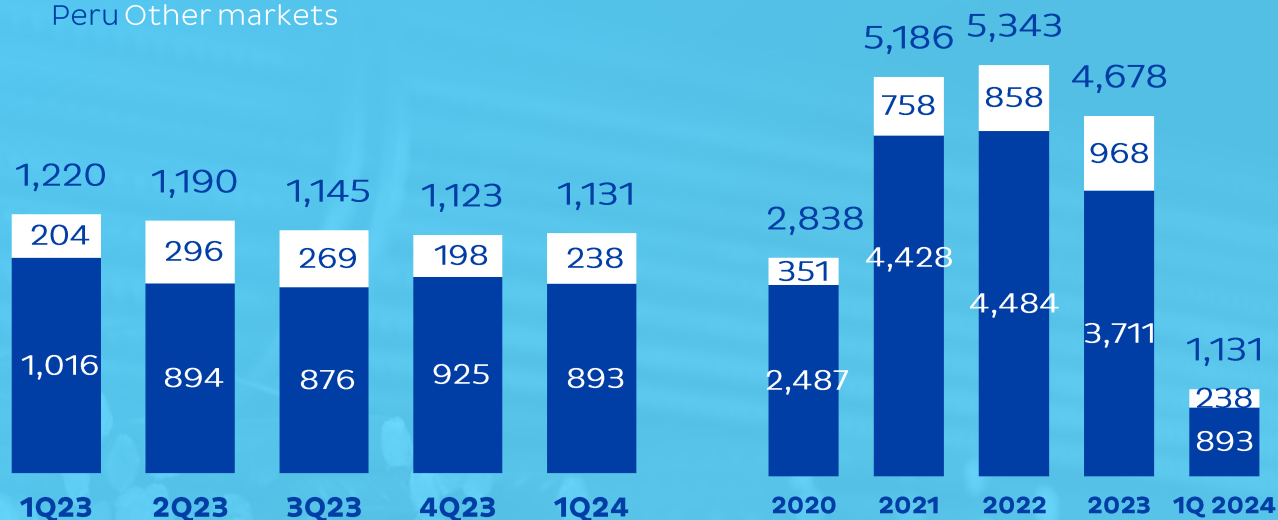
- **Peru:** reduced S/ 123 million (-12%), due to lower volumen and prices
- **Other markets:** grew S/ 33 million (16%) due to higher volumen sold in recurrent makets (Bolivia, Ecuador and Colombia), sale of non-ferrous scrap and by-products, partially offset by lower volume sold of rebar to non-recurrent markets.

By product category

- **Rebar & wirerod:** lower volumen sold in Peru and non-recurrent markets, partially compensated by higher volumen sold to recurrent markets (mainly Bolivia and Ecuador).
- **Merchant bars & bars for mining balls:** higher volumen sold and prices in bars for mining balls but lower volumen and prices of merchant bars
- **Others:** lower prices partially compensated by higher volumen sold that includes non-ferrous scrap

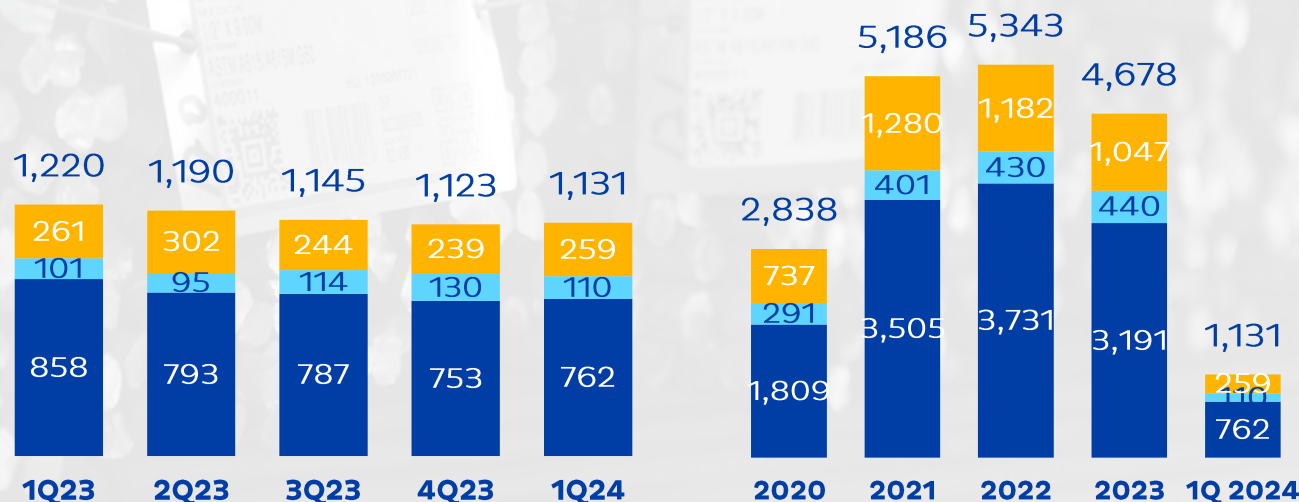
Revenue by destination

Peru Other markets



Revenue by product category

Rebar & Wirerod Merchant bars & Bars for mining balls Others

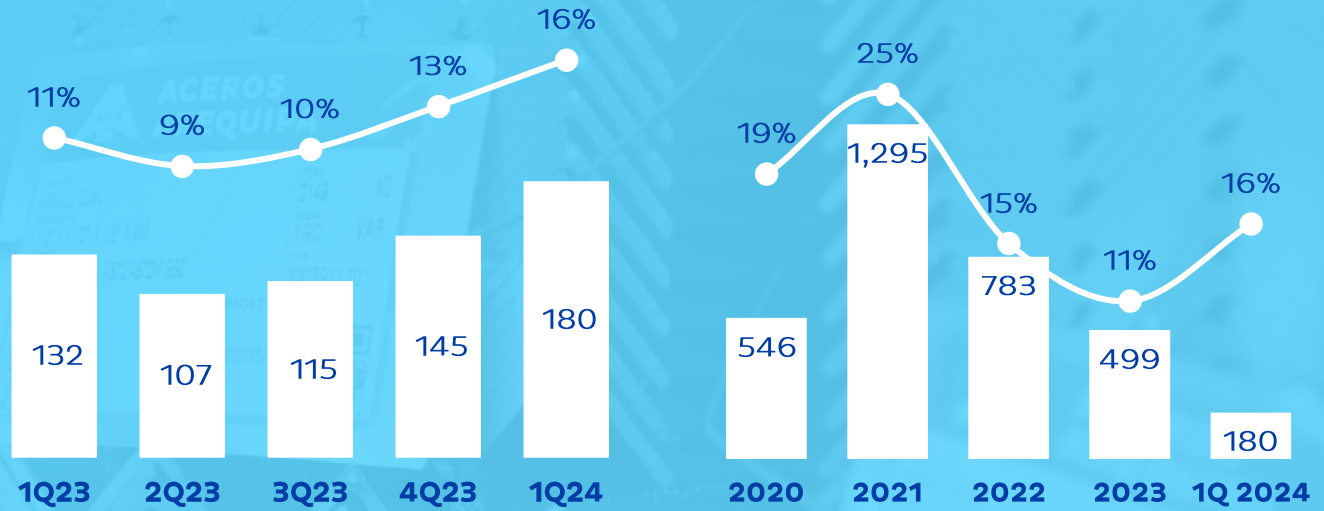


OPERATING PROFITABILITY

S/ million

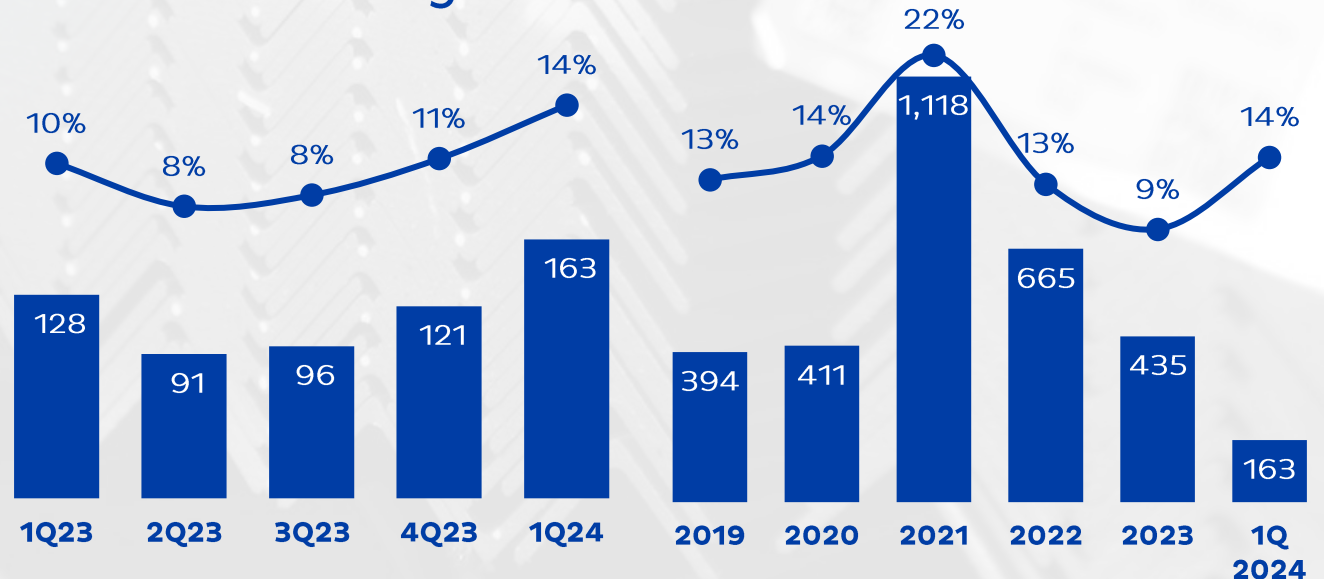
Gross profit recovery in Peru (mainly tubes, sheets and coils) and in other markets, mainly Colombia and Bolivia

Gross Profit & Gross Margin



EBITDA grew due to an increase in gross profit

EBITDA & margin



EBITDA

S/ million

Higher EBITDA mainly explained by an increase in gross profit

SG&A were higher mainly due to an increase in personnel expenses and third party expenses

EBITDA margin drivers

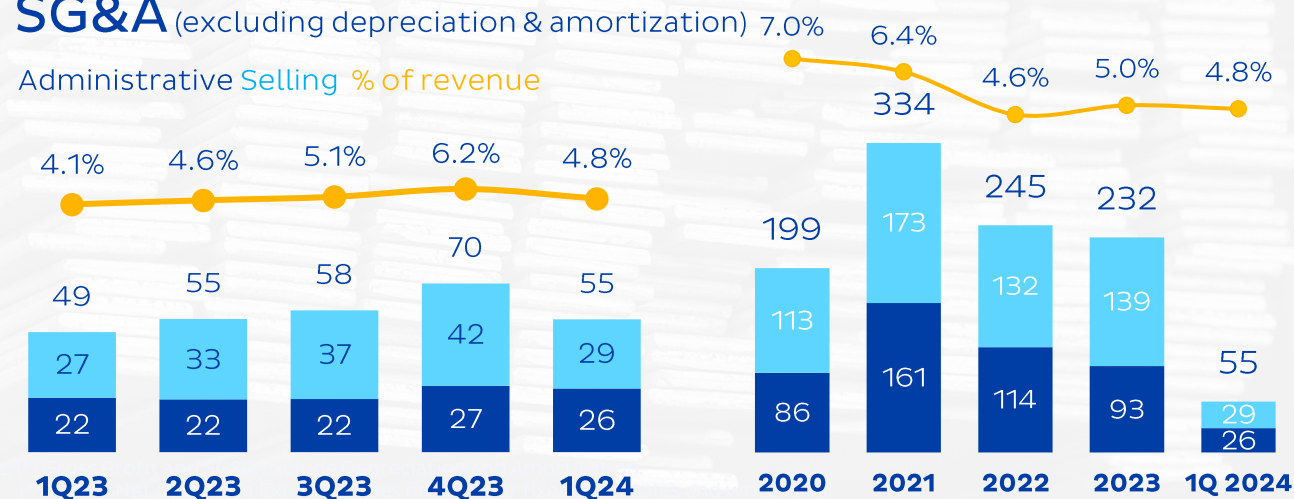


EBITDA drivers



Note: (*) Gross profit and SG&A does not consider Depreciation & Amortization
 (**) Other net operating expenses do not consider asset sales and write-offs

SG&A



NET PROFIT

S/ million

Higher Net profit by S/ 26 million due to an increase in operating profit

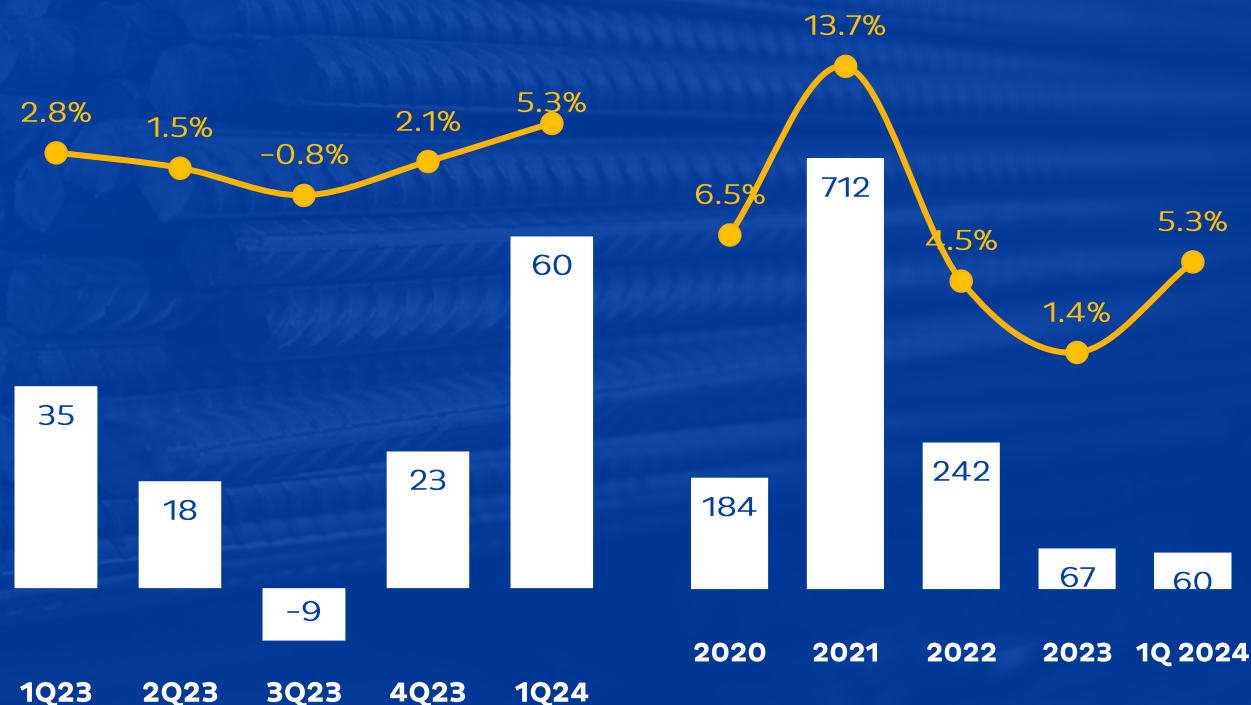
Lower profit from exchange rate differences was partially compensated by lower net financial expenses

Lower income tax by S/ 8 million

Net profit & net margin

Net profit

Net margin



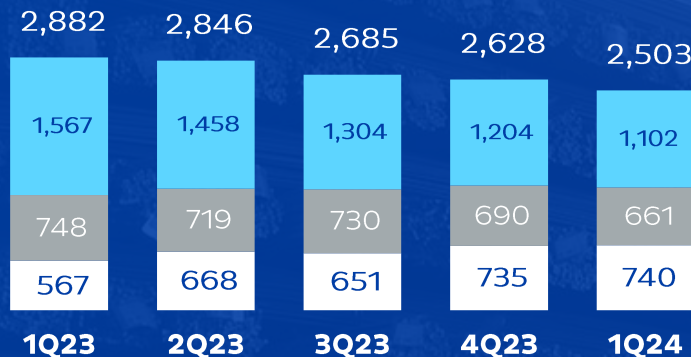
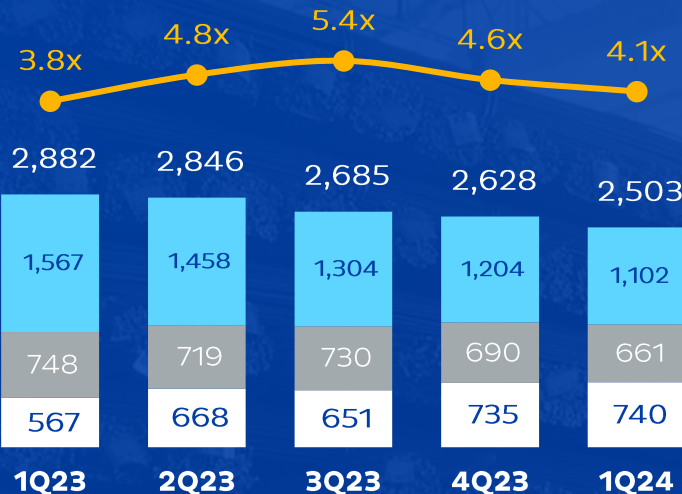
DEBT METRICS

S/ million

Lower short-term debt YTD in line with lower working capital requirements and disbursements of S/ 19 million for financing capex in Peru

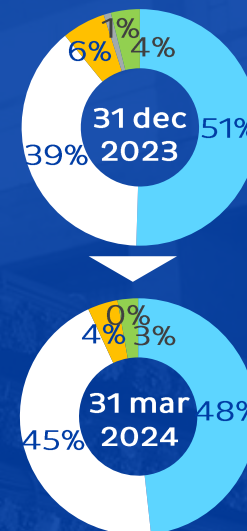
Total debt by type

Other Long-Term Melt shop lease ST Debt Net debt / EBITDA



By currency

S/ US\$ BOL CLP COP



Other ratios as of march 2024

Leverage

(Total Liabilities / Shareholders' equity)

1.22x

Fin. Expen. coverage

(EBITDA LTM / Fin. Expense LTM)

2.67x

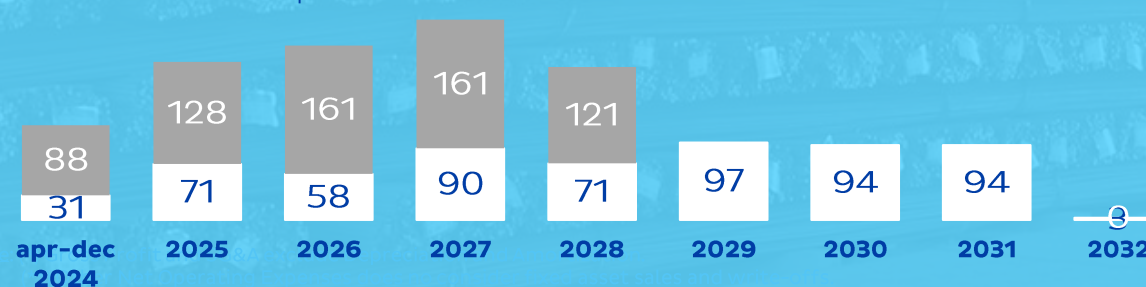
Liquidity

(Current Assets / Current Liabilities)

1.31x

LT debt amortization schedule ⁽¹⁾ (planned ⁽²⁾)

LT Debt Melt shop lease⁽³⁾



Note:

(1) Planned amortization schedule with financial institutions. Does not consider operating leases with suppliers. Operating leases with suppliers appear in the Total Debt by Type graph.

(2) For illustration purposes USD / PEN = 3.72

(3) The amortization Schedule of BCP and Interbank loans consider the full disbursement of those loans.

WORKING CAPITAL & CAPEX

\$/ million

Lower working capital requirements vs December 2023, mainly due to lower inventories.

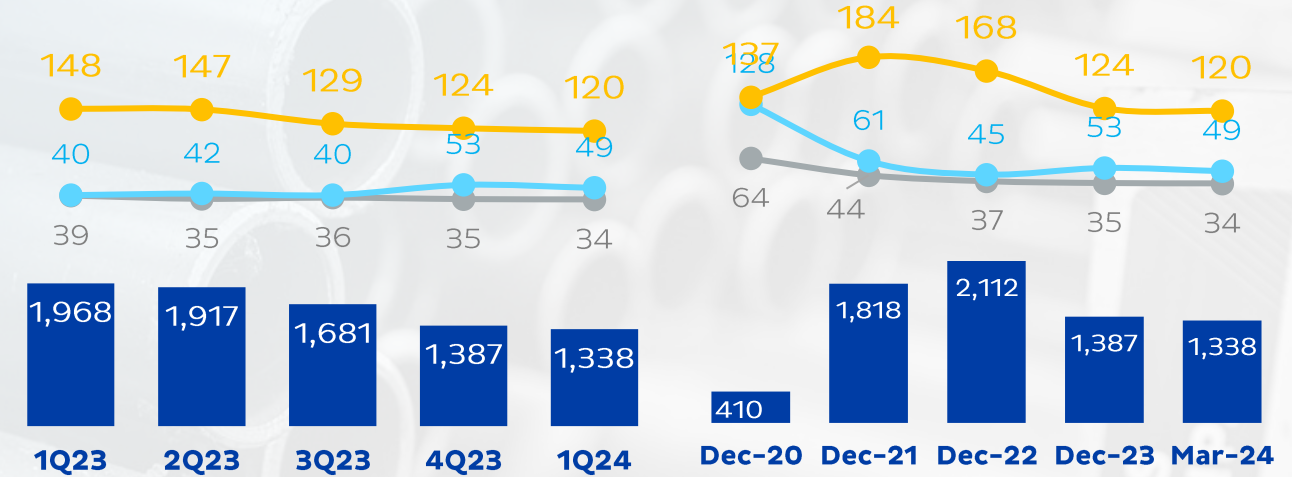
“Other” CAPEX category includes:

- Nails & wires plant (\$/ 21 million)
- Lime furnace enhancement (\$/12 million)
- Scrap cleaning machine (\$/ 7 million)
- Coil cutting machine (\$/ 4 million)

among others

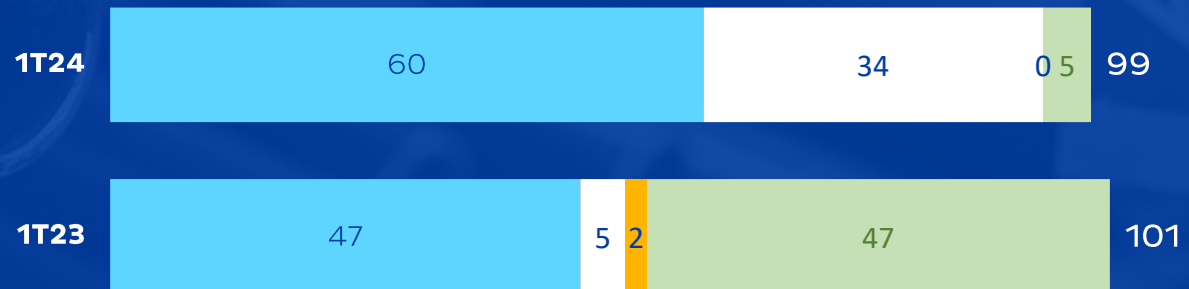
Operating Working Capital (end of period)

Working Capital Acc. Payables (days) Acc. Receivables (days) Inventory (days)



Capex

Other Melt Shop Lurin Distribution Center Rolling Mill #3



CASH FLOW

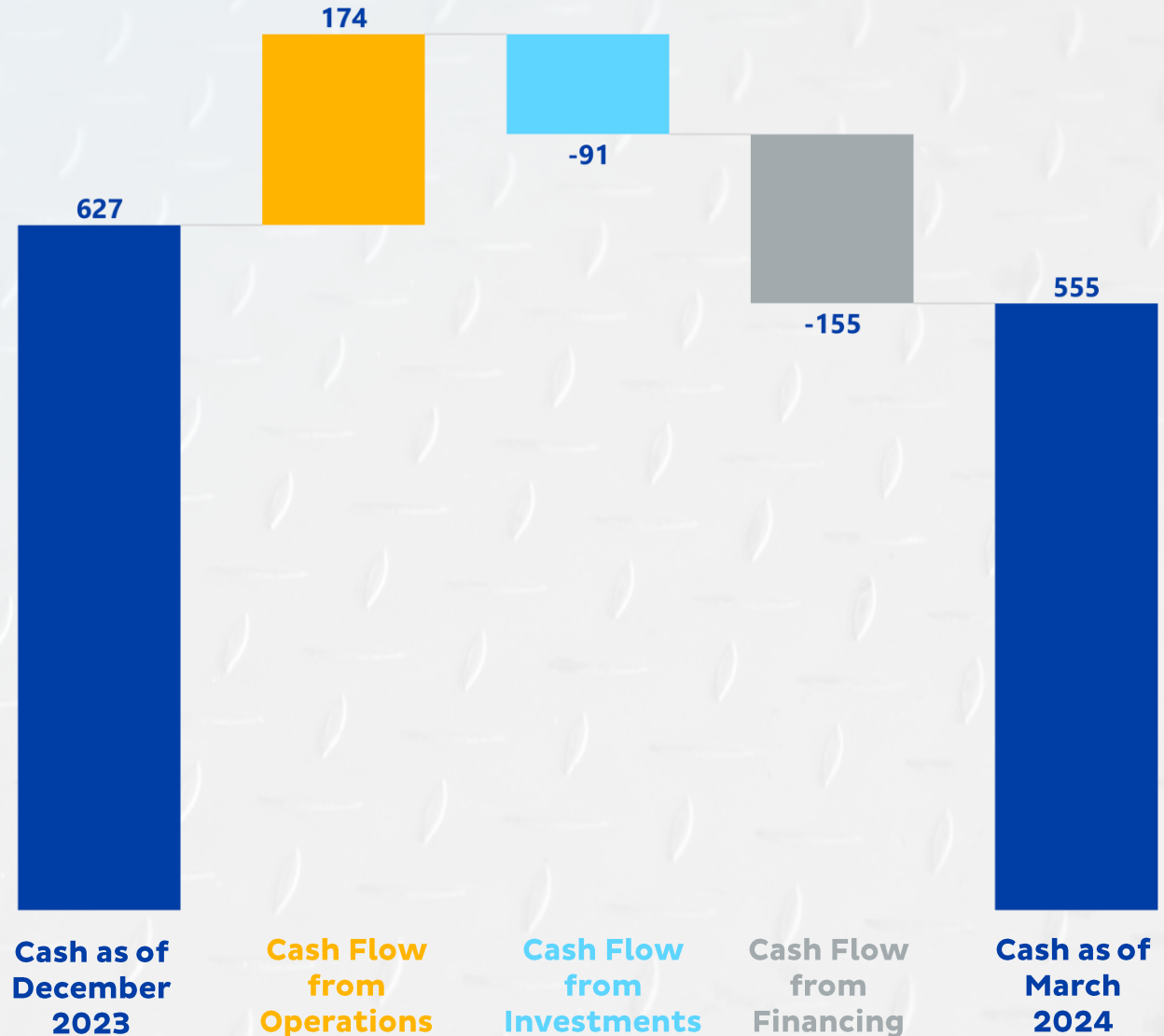
S/ million

Operating cash Flow mainly explained by EBITDA and by a reduction in inventories

Investments in PPE and intangibles were S/ 99.0 million, partially compensated by interests received of S/7.0 million and dividends received by S/0.5 million

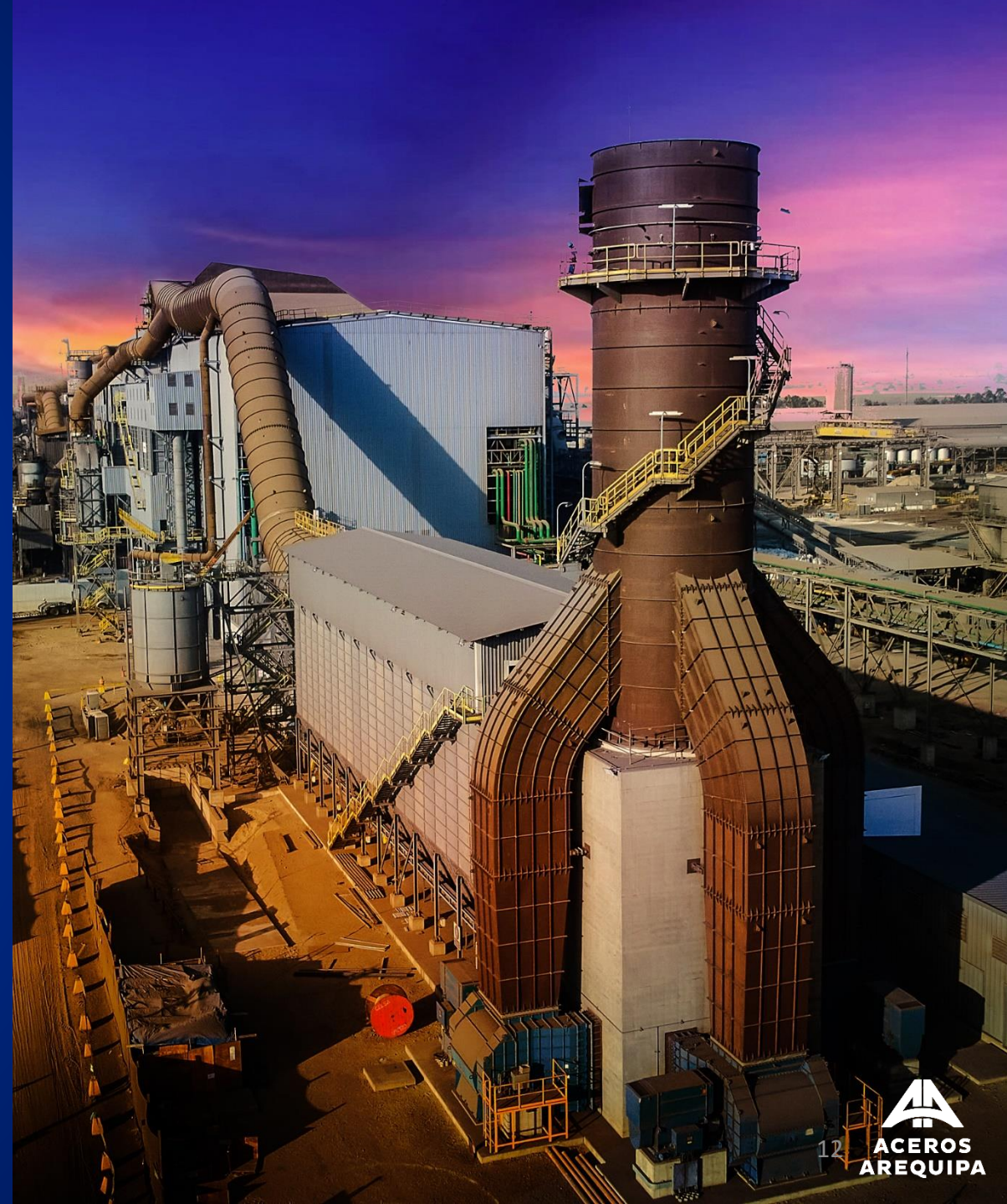
Net financing of S/ 116.6 million and interests paid of S/ 38.1 million

Cash Flow as of March 2024



GUIDANCE

	2023	GUIDANCE 2024
Revenue growth	-12%	>2%
EBITDA S/ million	435	~630
CAPEX S/ million	479	~230
Dividends paid S/ million	44	>60
EPS S/	0.06	>0.20



Q&A

If you wish to ask a question contact the moderator through the chat window during the presentation



Mr. Tulio
Silgado
CEO



Mr. Ricardo
Guzmán
CFO, IRO

1Q 2024

EARNINGS PRESENTATION



1Q 2024
**EARNINGS
PRESENTATION**

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