

1Q 2025 EARNINGS REPORT

Lima, Peru, April 30th, 2025. Corporación Aceros Arequipa S.A. ("the Company" or "Aceros Arequipa") (BVL ticker: CORAREC1 and CORAREI1) announced its unaudited consolidated financial results corresponding to the First Quarter ("1Q 2025") period ended March 31, 2025. Financial figures are reported on a consolidated and individual basis in nominal Peruvian Soles (S/) and are in accordance with International Financial Reporting Standards ("IFRS"). The following report should be read together with the Financial Statements and Notes, published at the Peruvian Securities and Exchange Commission (*Superintendencia del Mercado de Valores – SMV*).

I. Highlights

- 1 **Revenue reached S/ 1,289 million** (+14% YoY) as a result of higher sales in Peru, Bolivia and by-product sales, partially offset by lower revenue from Colombia.
- 2 **Gross Profit and Gross Margin reached S/ 220 million** (+14% YoY) **and 17%** (+118 bps vs 1Q24), respectively due to higher prices in Bolivia, higher by-product sales, and higher volume in Peru.
- 3 **EBITDA rose by S/ 32 million YoY** (+20% YoY) and reached **S/195 million**, while **EBITDA Margin** was 15% (+72 bps YoY).
- 4 **Net Profit reached S/ 79 million**, while **Net Margin** reached 6.1% (+78 bps YoY) mainly due to a higher gross profit.
- 5 **Operating Working Capital requirements were S/ 90 million lower** from S/ 1,384 million to S/ 1,293 million, mainly due to lower inventories and accounts receivable while an increase in accounts payable.
- 6 **CAPEX was S/ 51 million**, mainly explained by the new rolling mill #3, wire and nails plant, among others.
- 7 As of March 31, 2025, the **Net Debt / EBITDA** ratio decreased to **2.7x**, lower than as of Dec 2024 (3.1x) due to a lower net debt and higher LTM EBITDA.
- 8 In March the Annual Shareholders Meeting approved a dividend payment of US\$ 7.9 million, which was paid on April 21, 2025.



"Higher sales and profitability boosted net profit, increasing 31% from last year's figure"

Revenue
S/ 1,288.7 million
(+14% YoY)

EBITDA
S/ 194.8 million
(EBITDA margin 15.1%)

Net Profit
S/ 78.7 million
(Net margin 6.1%)

Net Debt / EBITDA
2.7x

CONTACT
INVESTOR RELATIONS

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Financial Summary

(S/ million)	1Q 2024	1Q 2025	YoY
Financial Figures			
Revenue	1,131.0	1,288.7	13.9%
Gross Profit	180.1	220.5	22.4%
Operating Profit	110.3	138.9	25.9%
EBITDA	162.8	194.8	19.6%
Net Profit	60.2	78.7	30.6%
CAPEX	99.0	51.1	-48.3%
Financial Margins & ratio			
Gross Margin	15.9%	17.1%	1.2 p.p.
Operating Margin	9.8%	10.8%	1.0 p.p.
EBITDA Margin	14.4%	15.1%	0.7 p.p.
Net Margin	5.3%	6.1%	0.8 p.p.
Earnings per share ¹	0.09	0.20	135.3%
Other Figures, as of			
	Dec, 2024	Mar, 2025	YTD
Net Debt ²	1,994.9	1,837.3	-7.9%
Net Debt ² / LTM ³ EBITDA	3.05x	2.68x	-0.37x

1. Earnings per share (EPS) is defined as Net Profit LTM / Total Stock at the end of the quarter. Expressed in S/ per share
2. Net Debt = Total Financial Debt (includes supplier leases) – Cash
3. LTM: last twelve months

III. Income Statement

Revenue

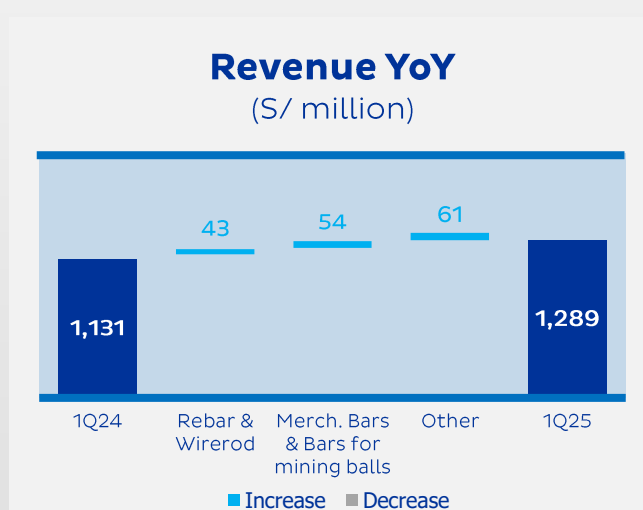
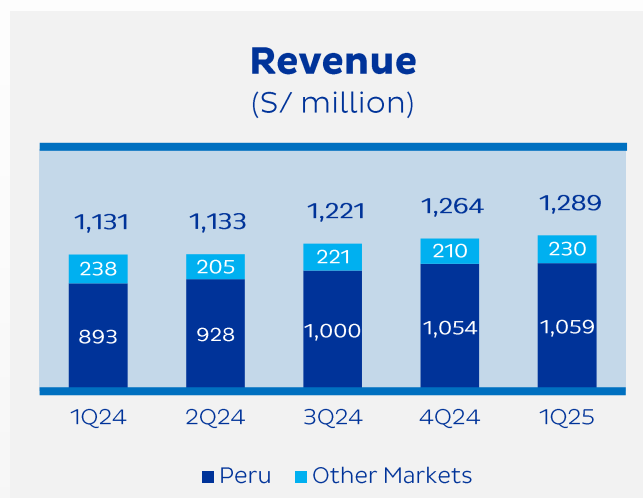
During 1Q25, Revenue reached S/ 1,288.7 million (+13.9% YoY).

Revenue increased 18.6% YoY in Peru and was 3.4% lower YoY in Other Markets.

Domestic revenue increased mainly driven by a higher volume in most product categories, mainly explained by round bars for mining balls and rebar. Revenue from Other Markets was lower due to lower Revenue in Colombia and a non-recurrent sale to Brazil during 1Q 2024.

During the quarter, Revenue from Other Markets represented 18% of total Revenue. Bolivia remained the main source of Revenue among “Other Markets” for the Company during the quarter.

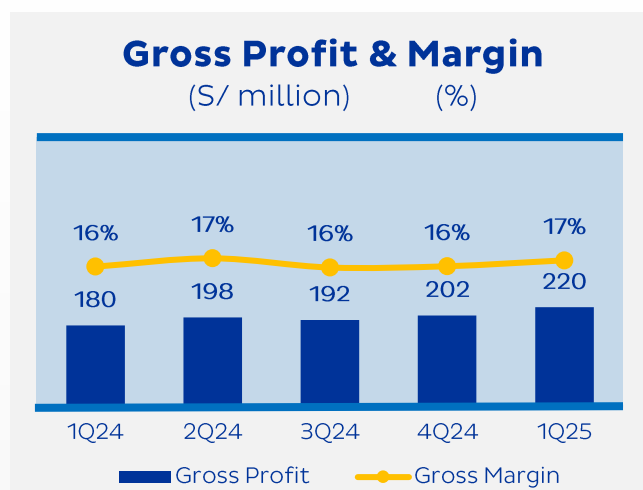
On a per-category basis, the “Rebars & Wire Rod” category increased 5.6% YoY mainly due to higher volume in Peru and better prices in Bolivia. Revenue for the “Merchant bars & Bars for mining balls” category rose 49.3% YoY due to an increase in volume for Round Bars for Mining Balls. Higher Revenue from Nails & Wires, the sale of by-products, and steel sheets, coils and tubes led to an increase of 23.5% YoY in the “Other” products category.



Gross Profit

Gross Profit reached S/ 220.5 million (+22.4% YoY) with a margin of 17.1%.

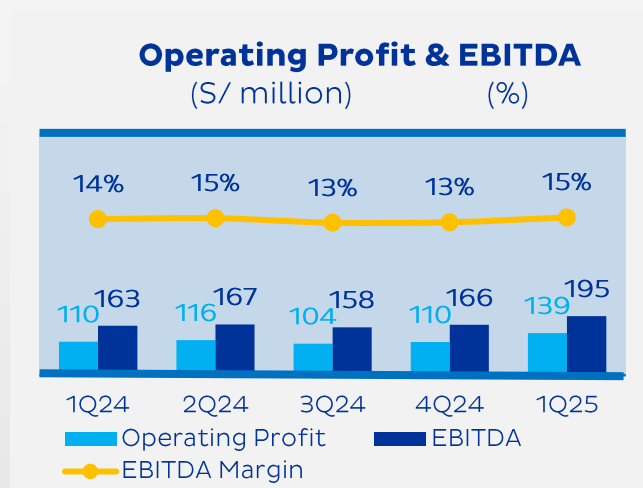
Gross profit increased led by an improvement in profitability in Bolivia - driven by better prices-, Peru - driven mainly by a higher profit in nails & wires and round bars for mining balls - and sales of by-products.



Operating Profit & EBITDA

Operating Profit reached S/ 138.9 million (+25.9% YoY), while the operating margin was 10.8% (+102 bps vs 1Q24).

The Operating Profit increase was largely explained by a better Gross Profit, partially offset by higher SG&A, mainly higher variable personnel expenses and higher expenses for acquiring US Dollars in Bolivia.



EBITDA reached S/ 194.8 million (+19.6% YoY), while EBITDA Margin reached 15.1% (+72 bps vs 1Q24).

Net Financial Expenses

Net Financial Expenses reached S/ 26.8 million, a 13.7% decrease YoY mainly due to lower financial debt and interest rates.

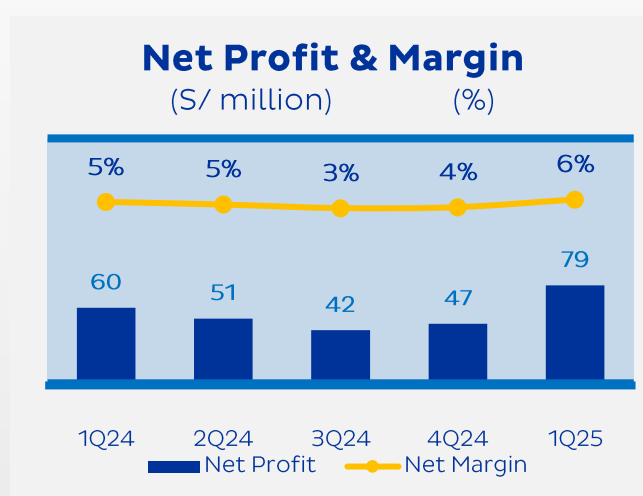
Net Exchange Rate Difference was -S/ 7.4 million, compared to S/ 4.5 million Exchange Rate difference in 1Q24, which includes part of the effect of expenses for obtaining US Dollar in Bolivia.

Net Profit

Net Profit rose by 30.6% YoY and reached S/ 78.7 million while Net Margin reached 6.1%.

Net Profit increased because of higher Operating Profit and lower Net Financial Expenses, partially offset by higher Exchange-rate differences and higher income taxes.

Earnings per Share, based on Net Profit for the last twelve months (LTM), reached S/ 0.20 as of March 2025, higher compared to S/ 0.09 reported as of March 2024.



IV. Balance Sheet

Assets

As of March 31, 2025, Total Assets reached S/ 6,249.4 million, a S/ 12.3 million or 0.2% reduction YTD.

The decrease in assets was driven by a S/ 5.2 million and S/ 7.1 million reduction in current assets and non-current assets, respectively.

Current Assets were lower mainly due to:

- i Inventories (-S/ 44 million, or -3% YTD)
- ii Accounts receivable (-S/ 17 million, or -3% YTD)
- iii Income tax assets (-S/ 12 million, or -25% YTD).

Days of Sales Outstanding reached 36 days as of Mar 2025 (vs 38 days as of Dec 2024).

Days in Inventory reached 115 days as of Mar 2025 (vs 122 days as of Dec 2024).

Days Payable Outstanding reached 48 days same figure as of Mar 2025.

Non-Current Assets' decrease was mainly due to lower Financial Assets, fixed assets, non-current accounts receivables, and deferred income assets.

Liabilities

As of March 31, 2025, Total Liabilities reached S/ 3,336.0 million, a S/ 61 million or 2% reduction YTD, driven by a S/ 63 million reduction in Non-Current Liabilities.

Current Liabilities increased by S/ 2.1 million mainly due to a higher balance of accounts payable (dividends payable in April) partially offset by lower current financial liabilities.

Total Financial Debt (including supplier leases) reached S/ 2,406 million (-3.6% YTD vs Dec 24).

Current Financial Debt reached S/ 1,409 million, of which S/1,177 million represented working capital financing. Total current financial debt was S/ 15 million lower than that as of December 2024.

Non-Current Financial Debt amounted to S/ 996 million, S/ 75 million lower than that as of December 2024.

As of March 2025, 39% of Total Financial Debt was denominated in Peruvian Soles, while 49% was denominated in U.S. Dollars, 7% in Bolivianos, and the remaining 5% in Colombian and Chilean Pesos.

Net Debt to EBITDA ratio reached 2.7x as of March 2025, a 0.4x reduction compared to December 2024 mainly due to lower Net Debt and a higher LTM EBITDA.

Shareholders' Equity

At the close of March 2025, Shareholders' Equity reached S/ 2,913 million, an increase of S/ 49 million compared to December 2024, mainly explained by accrued results after deducting the cash dividend provision of S/ 29 million that was paid in April.

V. Cash Flow Statement

Cash Flow from Operations

As of March 2025, Cash Flow from Operations amounted to S/ 197 million, mainly explained by EBITDA generation.

Cash Flow from Investing

As of March 2025, Cash Flow from Investing amounted to -S/ 37 million which included S/ 51 million in capital expenditures and intangibles partially offset by S/ 8 million in dividends received and S/ 7 million in interests received. Investments were mainly explained by the new rolling mill, and the wires and nails plant, among others. These figures do not consider capital lease agreements.

Cash Flow from Financing

As of March 2025, Cash Flow from Financing amounted to -S/ 92 million, which included net financing of -S/ 59 million and interest payments of S/ 34 million.

VI. Relevant Events

1. In March, the Shareholders' Meeting approved a cash dividend payment of approximately S/ 28.9 million which was paid in US\$ (US\$ 7.9 million) on April the 21st 2025.
2. Sustainability:
 - a. Aceros Arequipa has been included in the S&P Global Sustainability Yearbook for the fifth consecutive year.
 - b. Aceros Arequipa improved its S&P Global Corporate Sustainability Assessment (CSA) score in 2025 compared to the score obtained in 2024.
 - c. Aceros Arequipa is ranked among the top 5 firms with sustainability best practices within the global steel sector in the CSA.

Conference Call Information

Corporacion Aceros Arequipa S.A. cordially invites you to participate in its First Quarter 2025 Earnings Conference Call.

Date: Tuesday, April 30, 2025

Time: 1:00 pm ET / 12:00 pm PET (UTC-5)

To access the live presentation via Zoom, visit the following URL:

<https://us02web.zoom.us/meeting/register/6CEJ2pPvSp6LAqAsVY-AvA>

About CORPORACIÓN ACEROS AREQUIPA S.A.

CORPORACIÓN ACEROS AREQUIPA S.A., founded in 1964, is the leading Peruvian company in the production and commercialization of steel products, with exports to Bolivia, Colombia, Ecuador, among other countries in the region. Its core products are rebars and wire rods, and other products for the construction industry as well as merchant bars and flat steel products. The Company has an industrial facility located in Pisco, Peru with an average per-year capacity of 1,250 thousand tons for its new melt shop, 850 thousand tons for its old melt shop (which will stay on stand-by), and 1,250 thousand tons in its steel rolling mills. Aceros Arequipa employs over 1,100 people across its operations in Peru and its subsidiaries. The Company's common and investment (non-voting) shares are listed on the Lima Stock Exchange under the ticker symbols CORAREC1 and CORAREI1, respectively. Currently, Aceros Arequipa has a stake in the following companies:

• Corporación Aceros Arequipa S.R.L. (Bolivia):	99.00%
• Aceros America S.A.S. (Colombia):	100.00%
• Aceros America Corporation:	100.00%
• Corporación Aceros Arequipa S.P.A. (Chile):	100.00%
• Corporación Aceros Arequipa AA S.A.S. (Ecuador):	100.00%
• Corporación Aceros Arequipa Iquitos S.A.C.:	99.90%
• Transportes Barcino:	99.99%
• Tecnología y Soluciones Constructivas:	99.99%
• Comfer S.A. (in liquidation process):	100.00%
• Comercial del Acero (in liquidation process):	99.99%
• Inmobiliaria Comercial del Acero Cajamarquilla:	33.65%
• Inmobiliaria Comercial del Acero Argentina:	33.65%
• Celepsa:	10.00%

Disclaimer

This Earnings Report may contain forward-looking statements concerning management's current expectations for future operating and financial performance, based on assumptions currently believed to be valid and recent acquisitions, their financial and business impact, and management's beliefs and objectives with respect thereto. Forward-looking statements are all statements other than statements of historical facts. The words "anticipates," "may," "can," "plans," "believes," "estimates," "expects," "projects," "intends," "likely," "will," "should," "to be," and any similar expressions or other words of similar meaning are intended to identify those assertions as forward-looking statements. It is uncertain whether the events anticipated will transpire, or if they do occur what impact they will have on the results of operations and financial condition of Aceros Arequipa whether individually or as a consolidated Company. Aceros Arequipa does not undertake any obligation to update the forward-looking statements included in this Earnings Report to reflect subsequent events or circumstances.

III. Unaudited Financial Statements

Corporación Aceros Arequipa S.A.

Consolidated Financial Statement of Financial Position (in thousands of Peruvian Soles)

	Notes	March 31, 2025	December 31, 2024
Assets			
Current Assets			
Cash and Cash Equivalents	5	568,303	500,114
Accounts Receivable	6	466,802	471,108
Accounts Receivable from related parties	7	29,902	28,533
Other Accounts Receivable	8	80,880	113,381
Inventories	9	1,307,924	1,352,005
Deferred Income tax Assets	20	36,491	48,446
Other Assets	10	28,183	10,109
Assets classified as held for sale		-	-
Total Current Assets		2,518,485	2,523,696
Non-Current Assets			
Other financial assets	13	27,447	31,802
Investments in subsidiaries, affiliates, or joint ventures	11	90,550	93,446
Accounts Receivable from related parties	7	-	-
Other Accounts Receivable	8	16,830	10,508
Investment Property	14	80,044	80,231
Property, Plant and Equipment, Net	12	3,385,047	3,386,814
Intangible Assets, Net	15	72,567	74,039
Deferred Assets	20	24,302	26,963
Other non-financial assets	16	34,158	34,239
Total Non-Current Assets		3,730,945	3,738,042
TOTAL ASSETS		6,249,430	6,261,738
Liabilities and Shareholders' Equity			
Current Liabilities			
Other Financial Liabilities	17	1,409,421	1,424,078
Accounts Payable	18	502,093	499,695
Accounts Payable to related parties	7	41,967	25,132
Other Accounts Payable	19	112,772	115,250
Current Income Tax		-	-
Total Current Liabilities		2,066,253	2,064,155
Non-Current Liabilities			
Other Financial Liabilities	17	996,160	1,070,958
Other Accounts Payable	19	15,605	9,285
Deferred Income Tax Liabilities	20	257,981	252,606
Total Non-Current Liabilities		1,269,746	1,332,849
Total Liabilities		3,335,999	3,397,004
Shareholders' Equity			
Share Capital	21	890,858	890,858
Investment Shares	21	182,408	182,408
Treasury Shares		-	-
Other Capital Reserves	21	178,927	178,927
Retained Earnings	21	1,473,562	1,423,956
Other Shareholders' Equity Reserves	21	187,676	188,585
Non-controlling interest		-	-
Total Shareholders' Equity		2,913,431	2,864,734
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,249,430	6,261,738

Corporación Aceros Arequipa S.A.

Consolidated Financial Statement of Comprehensive Income (in thousands of Peruvian Soles)

	Notes	1Q 2025	1Q 2024	January to March 2025	January to March 2024
Revenue	22	1,288,713	1,131,004	1,288,713	1,131,004
Cost of Goods Sold	23	-1,068,241	-950,894	-1,068,241	-950,894
Gross Profit (Loss)		220,472	180,110	220,472	180,110
Selling and Distribution Expenses	24	-36,392	-36,138	-36,392	-36,138
Administrative Expenses	25	-34,593	-27,487	-34,593	-27,487
Other Operating Income	27	5,861	2,844	5,861	2,844
Other Operating Expenses	27	-16,482	-8,997	-16,482	-8,997
Other Income (Expenses)		-	-	-	-
Operating Profit (Loss)		138,866	110,332	138,866	110,332
Financial Income	28	6,880	6,970	6,880	6,970
Financial Expenses	28	-33,696	-38,053	-33,696	-38,053
Other income (Expenses) from subsidiaries, affiliates, and joint ventures	11	4,250	1,115	4,250	1,115
Exchange Rate Differences, Net	32	-7,433	4,507	-7,433	4,507
Profit (Loss) before taxes		108,867	84,871	108,867	84,871
Income Tax Expense	20	-30,203	-24,658	-30,203	-24,658
Profit (Loss) from Discontinued Operations		-	-	-	-
Net Profit (Loss)		78,664	60,213	78,664	60,213
Earnings Per Share					
Basic in Continued Operations of Common Stock		0.073	0.056	0.073	0.056
Basic in Discontinued Operations of Common Stock					
Total Earnings Per Share of Common Stock		0.073	0.056	0.073	0.056
Basic in Continued Operations of Investment Stock (Non-voting)		0.073	0.056	0.073	0.056
Basic in Discontinued Operations of Investment Stock (Non-voting)					
Total Earnings Per Share of Investment Stock (Non-Voting)		0.073	0.056	0.073	0.056

Corporación Aceros Arequipa S.A.

Consolidated Financial Statement of Cash Flow - Direct Method (in thousands of Peruvian Soles)

	Notes	January to March 2025	January to March 2024
Cash Flow from Operating Activities			
Collections due to Operating Activities			
Sales of Goods and Services Offered		1,291,650	1,133,122
Other Operating Collections		31,846	19,173
Payments due to Operating Activities			
Suppliers of Goods and Services		-1,041,310	-912,863
Payments and payments on account to employees		-72,707	-64,970
Income Tax		-12,239	0
Other Payments			
Net Cash Generated by Operating Activities		197,240	174,462
Cash Flow from Investing Activities			
Collections due to Investing Activities			
Sale of Property, Plant and Equipment	27	0	0
Interests Received	28	6,880	6,956
Dividends Received	11	7,504	548
Payments due to Investing Activities			
Acquire control of subsidiaries and other firms	1	-	-
Purchase of Subsidiaries, Net of Cash Acquired	1		
Purchase of Property, Plant and Equipment	12	-50,593	-98,949
Purchase of Intangible Assets	15	-523	-1
Purchase of Other Long-Term Assets		-15	0
Net Cash Generated by Investing Activities		-36,747	-91,446
Cash Flow from Financing Activities			
Collections due to Financing Activities			
Short-term and long-term loans		928,149	1,587,902
Payments due to Financing Activities			
Short-term and long-term loans amortization		-986,757	-1,704,469
Interests paid	28	-33,696	-38,053
Dividends paid	21	0	0
Other collections (payments) of cash related to financial activities			
Net Cash Generated by Financing Activities		-92,304	-154,620
Net Increase (Reduction) of Cash and Equivalents before Exchange Rate Changes		68,189	-71,604
Effects of Exchange Rate Changes on the balance of Cash Held in Foreign Currencies			
Net Increase (Reduction) of Cash and Equivalents		68,189	-71,604
Cash and Cash Equivalents at the beginning of the year		500,114	626,550
Cash and Cash Equivalents at the end of the period		568,303	554,946