

4Q2024

EARNINGS
PRESENTATION



AGENDA



1

Relevant events



2

Results snapshot



3

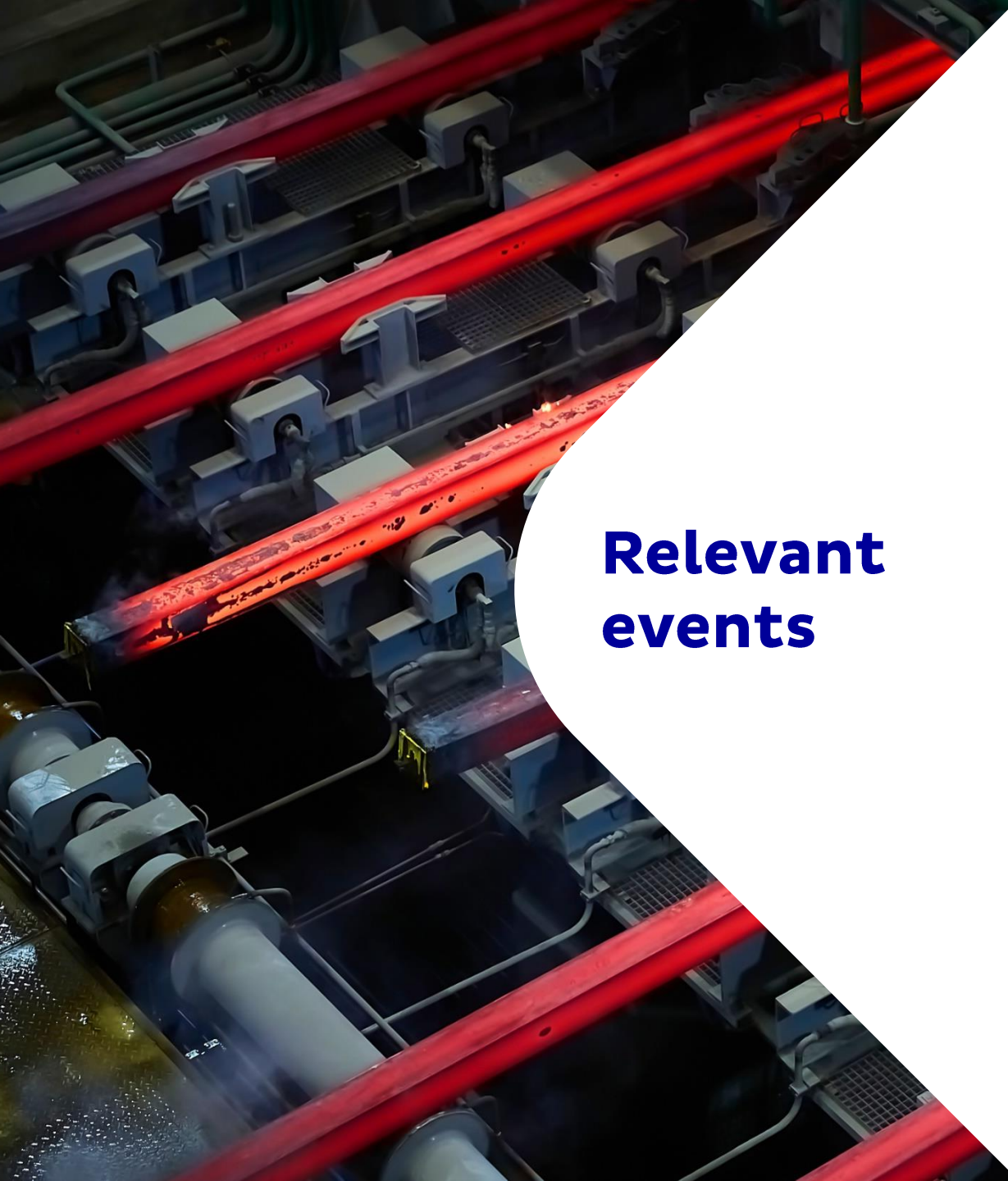
Operational & financial results



4

Guidance





Relevant events



Fourth Star of "Carbon Footprint Peru"

Aceros Arequipa was recognized by MINAM with the fourth star for its efforts to strengthen its environmental management. The fourth star is the highest recognition granted by the Peruvian State to organizations that measure, certify and reduce their emissions.



Aceros Arequipa celebrated its 60th anniversary

In these 6 decades, Aceros Arequipa has built a solid trajectory promoting innovation and excellence, reaffirming its commitment to sustainable development.

“Net income doubled in the quarter and tripled for the year”



**4Q24
Results**
S/ million

Revenue
1,264.3 (+13% YoY)

EBITDA
166.1 (+37% YoY)

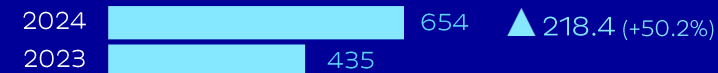
Net profit
47.0

Operating Working Capital
1,383.5

Capex
80.5

Net debt
1,994.9
3.1x EBITDALTM

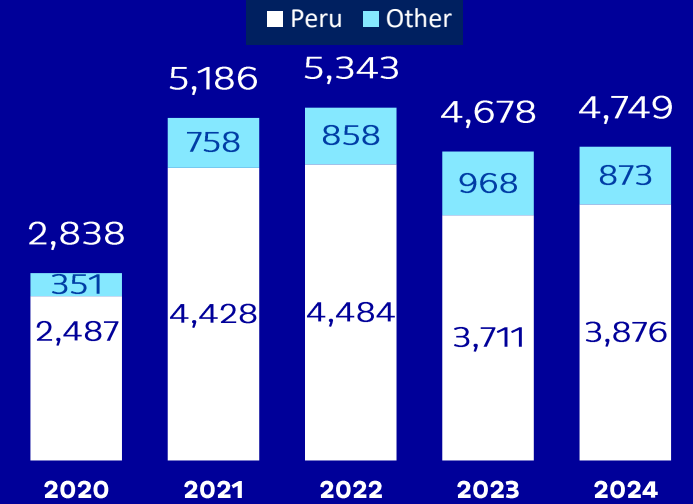
■ 4Q ■ FY



Revenue s/ million

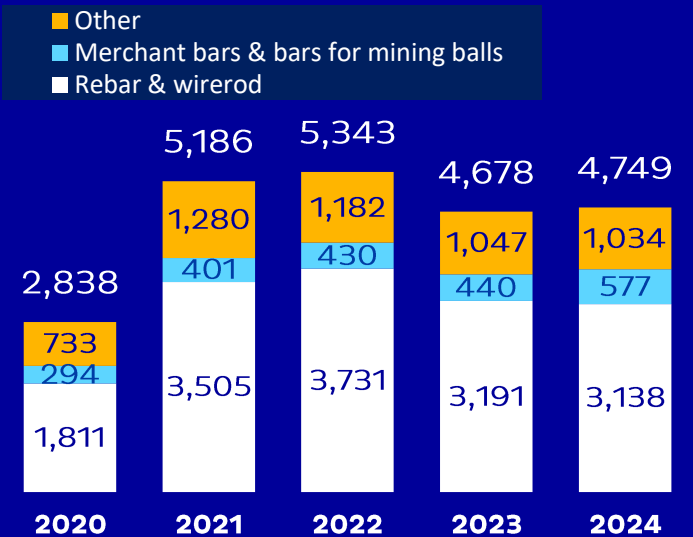
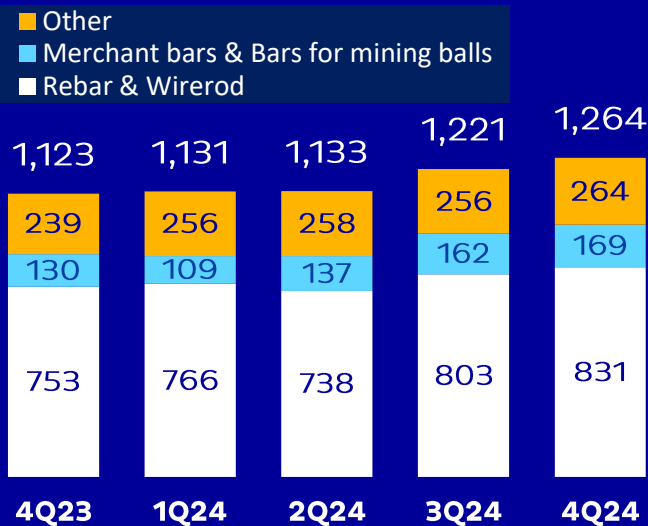
By destination

- **Peru:** mainly higher rebar sales (volume); followed by bars for mining balls (volume) and nails and wires (volume and price)
- **Other:** higher rebar sales in Bolivia (prices) and other markets, partially offset by lower sales in Colombia and Ecuador.



By product type

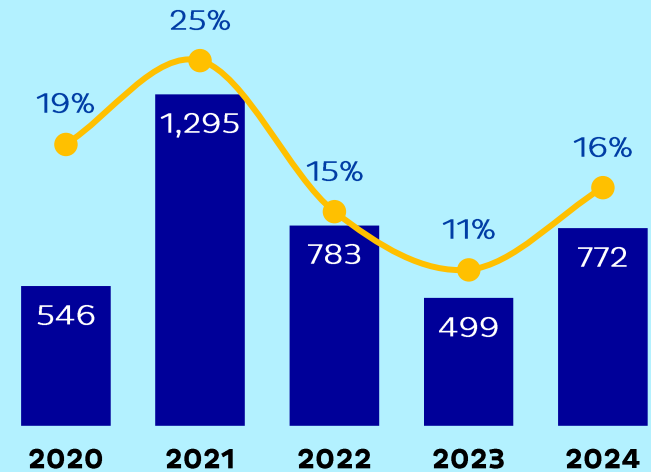
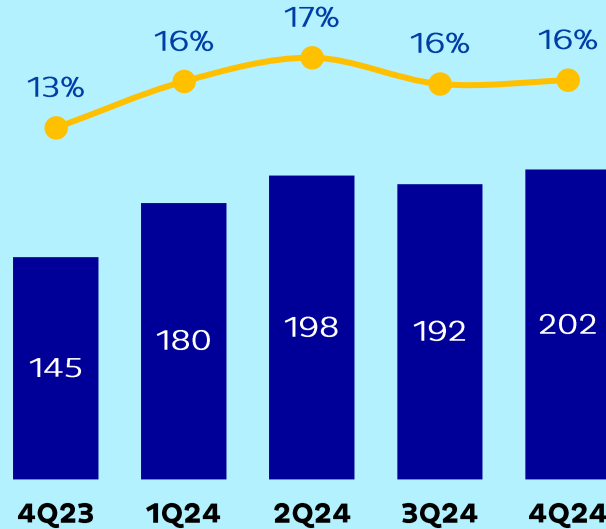
- **Rebar & wirerod:** higher sales in Peru (volume) and Bolivia (price) but lower sales to other markets.
- **Merchant bars & bars for mining balls:** higher volume of bars for mining balls.
- **Other:** higher sales of nails & wires and by-products.



Operating profitability S/ million

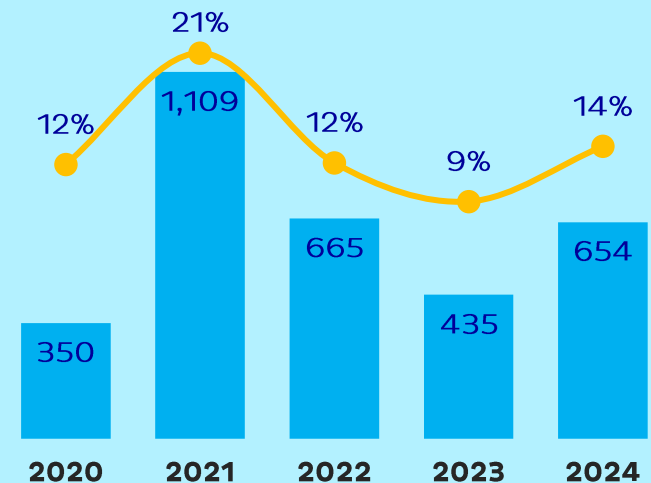
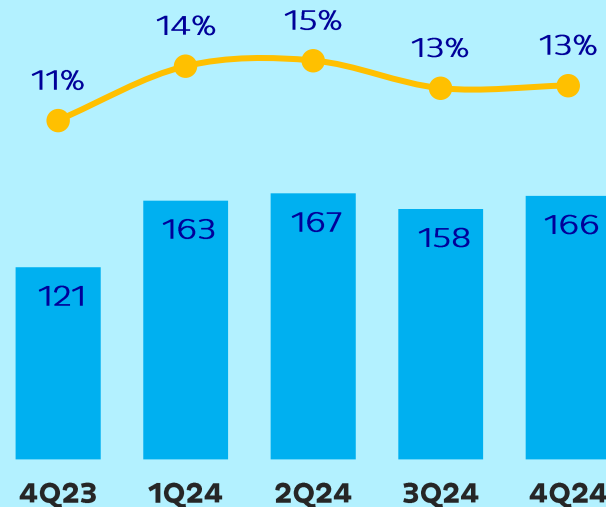
Gross Profit & Margin

- Higher profit in Bolivia boosted by higher prices
- Higher profit in Peru due to better results in rebar and nails & wire
- By-products sales



EBITDA & Margin

Higher gross profit contributed to an increase in EBITDA by S/ 45 million YoY



EBITDA S/ million

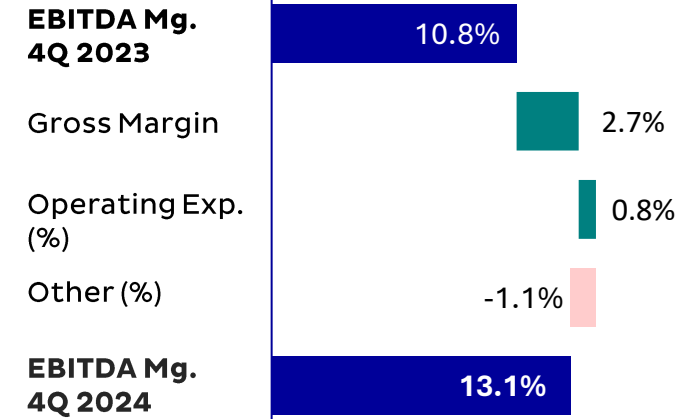
EBITDA improved by S/ 45 million YoY

- **Gross Profit** increased in Bolivia, Peru and other markets
- **Operating expenses** higher variable personnel costs offset by lower allowances for doubtful accounts
- **Otros** lower income from reversion of allowances for doubtful accounts and higher expenses for transfers abroad (Bolivia).

EBITDA S/ million



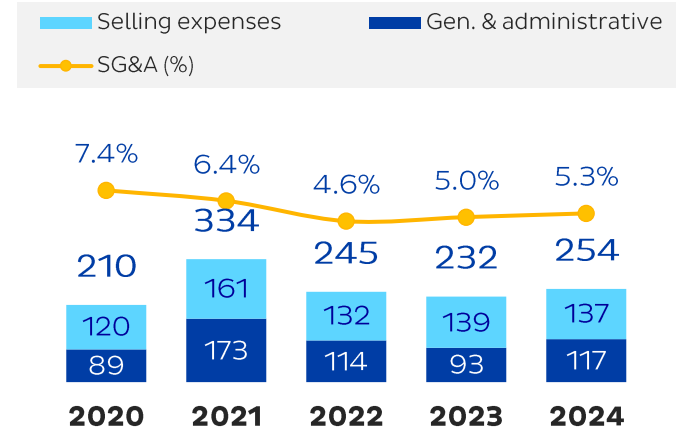
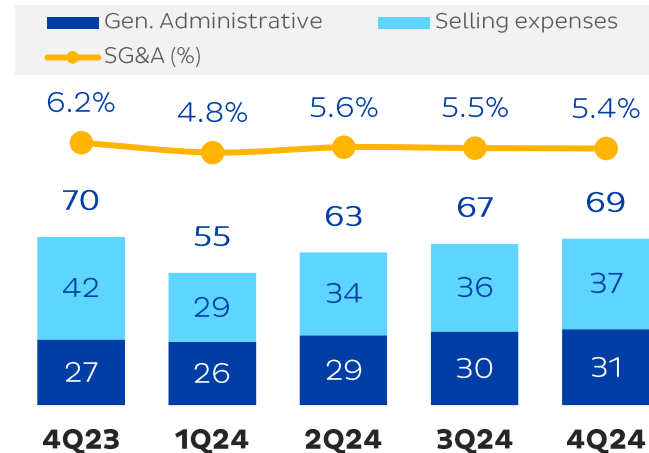
EBITDA margin (%)



Note: does not consider depreciation, amortization and other adjustments to EBITDA.

Operating expenses

- **Selling expenses:** lower allowances for doubtful accounts.
- **General & Administrative:** higher variable personnel costs



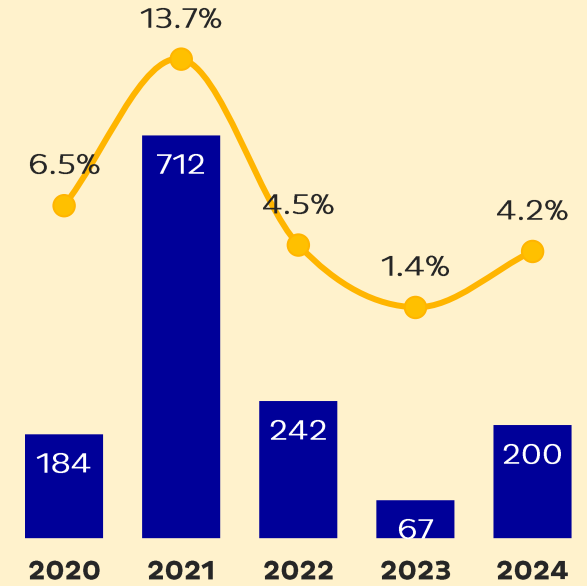
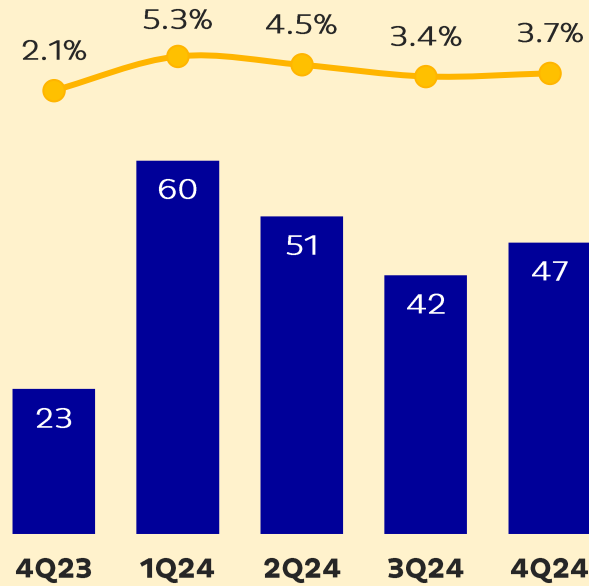
Note: does not consider depreciation, amortization and other adjustments to EBITDA.

Net profit S/ million

Net profit & margin

Net profit improved by S/ 24 million

- Higher operating profit
- Lower financial expenses
- Higher income from subsidiaries
- Loss from net exchange rate differences compared to positive effect on 4Q 2023
- Higher Income tax due to better results



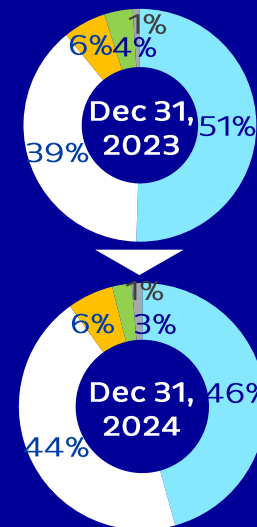
Financial debt s/ million

Debt by type

- **Short-term debt:** in line with working capital requirements
- **Long-term debt/ Meltshop lease:** debt in line with amortization schedule



Debt by currency



Other ratios

Leverage
Total Liabilities / Equity

1.19x

Fin. Exp. Coverage
LTM EBITDA / LTM Financial expenses

4.53x

Liquidity
Current Assets / Current Liabilities

1.22x

Amortization schedule



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.

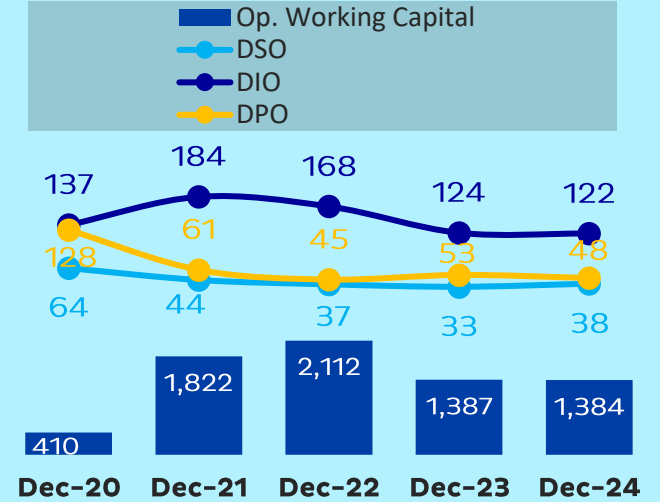
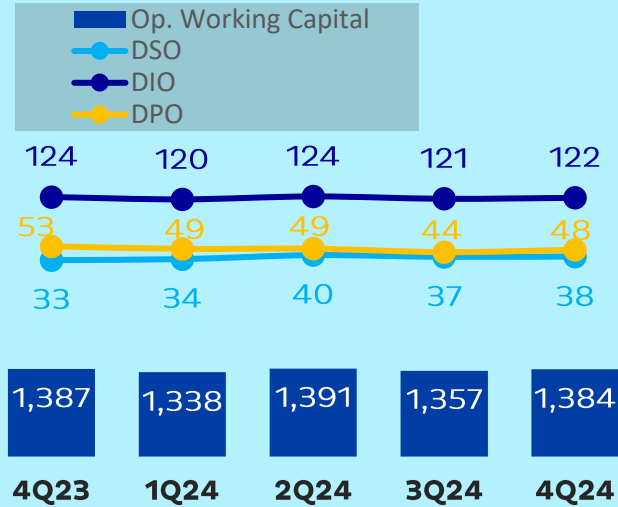
(2) For illustration purposes USD / PEN = 3.75

(3) The amortization Schedule consider planned disbursement of loans.

Working Capital & Capex S/ million

Operating Working Capital

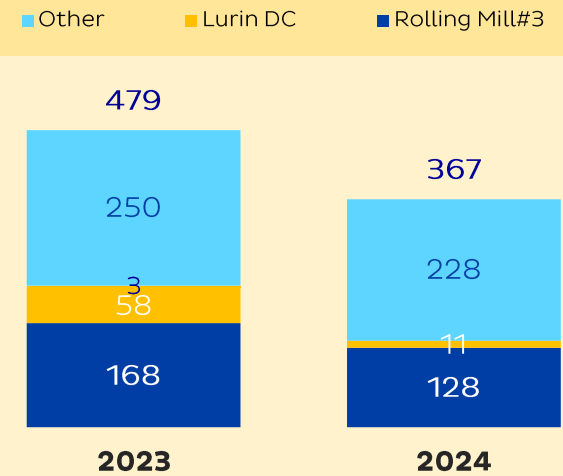
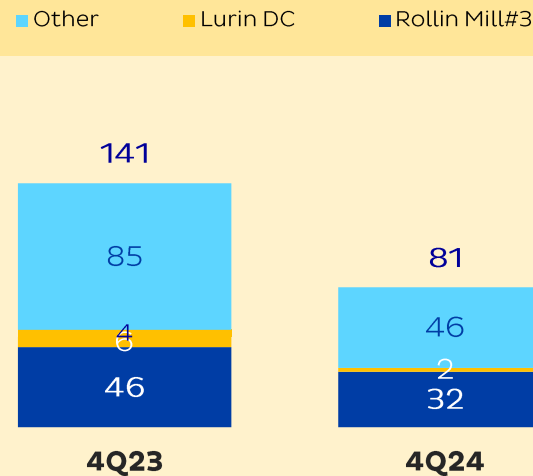
- Reduction in inventory and Income tax assets
- Decrease in accounts payables
- Partially offset by higher accounts receivables



Capex

Other projects (4Q 2024):

- Lime furnace(S/5.3m)
- Nail & Wire plant (S/5.2 m)
- Repair of reheating furnace(S/ 2.1 m)
- Among other



Note: Capex consider financial leases.

Cash Flow S/ million

Operating activities

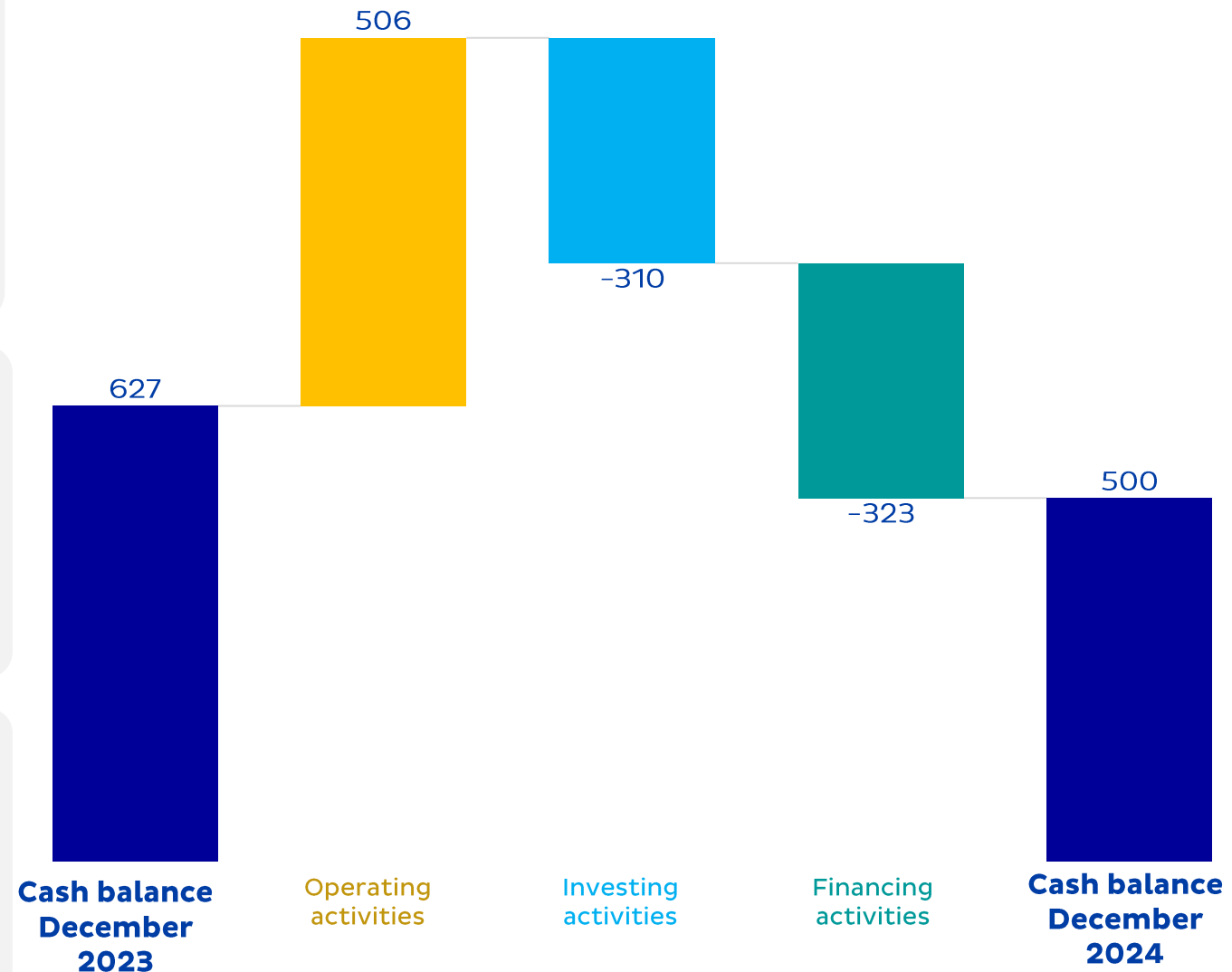
- EBITDA improvement
- Higher working capital requirements (higher accounts receivables, lower accounts payables partially offset by lower inventories)

Investing activities

- Investments in Property, Plant, and Equipment (PP&E) and intangibles for S/ 353 million
- Interest received for S/ 30 million
- Assets sale for S/7 million
- Dividends received of S/6 million

Financing activities

- Net financing of-S/ 115 million
- Interest payments of S/ 144 million
- Dividend payments of S/64 million



Note: Investing Activities do not consider capex from leasings.

Guidance



2024

GUIDANCE
2025

**Revenue
growth**
(YoY %)

1.5%

>2.5%

EBITDA
\$/ million

654

>700

CAPEX
\$/ million

367.4

~260

**Dividends
paid**
\$/ million

63.5

88.0

EPS
\$/

0.19

~0.26



60 AÑOS
TRASCENDIENDO
EN LA REGIÓN



Mr. Ricardo Guzmán
CFO, IRO

Q&A

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

4Q2024

EARNINGS PRESENTATION



**ACEROS
AREQUIPA**

60 AÑOS
TRASCENDIENDO
EN LA REGIÓN

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