

Cementos Pacasmayo S.A.A. and Subsidiaries

Unaudited interim consolidated financial statements as of March 31, 2026
and for the three-month period then ended

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Cementos Pacasmayo S.A.A. and Subsidiaries

Interim consolidated unaudited statements of financial position

As of March 31, 2026 (unaudited) and December 31, 2025 (audited)

	Note	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Assets			
Current assets			
Cash and cash equivalents	6	78,573	53,571
Trade and other receivables, net	7	143,164	146,674
Income tax prepayments		48,727	24,857
Inventories	8	695,442	707,143
Prepayments		37,040	17,503
Total current assets		<u>1,002,946</u>	<u>949,748</u>
Non-current assets			
Trade and other receivables, net	7	29,623	28,450
Financial investments designated at fair value through other comprehensive income		71	163
Property, plant and equipment, net	9	1,980,943	2,005,714
Intangible assets, net	10	61,408	62,800
Goodwill		4,459	4,459
Deferred income tax assets	14	35,027	34,994
Right of use assets		15,627	16,988
Other assets		52	50
Total non-current assets		<u>2,127,210</u>	<u>2,153,618</u>
Total assets		<u>3,130,156</u>	<u>3,103,366</u>
Liabilities and equity			
Current liabilities			
Trade and other payables	11	250,209	283,907
Financial obligations	13	585,346	532,346
Lease liabilities		4,856	4,879
Income tax payable		2,122	3,784
Provisions	12	12,590	47,689
Total current liabilities		<u>855,123</u>	<u>872,605</u>
Non-current liabilities			
Financial obligations	13	841,046	879,809
Lease liabilities		10,612	11,350
Provisions	12	31,562	29,005
Deferred income tax liabilities	14	118,567	119,232
Total non-current liabilities		<u>1,001,787</u>	<u>1,039,396</u>
Total liabilities		<u>1,856,910</u>	<u>1,912,001</u>
Equity	15		
Capital stock		423,868	423,868
Investment shares		40,279	40,279
Investment shares held in treasury		(121,258)	(121,258)
Additional paid-in capital		432,779	432,779
Legal reserve		168,636	168,636
Other accumulated comprehensive loss		(17,031)	(16,966)
Retained earnings		345,973	264,027
Total equity		<u>1,273,246</u>	<u>1,191,365</u>
Total liabilities and equity		<u>3,130,156</u>	<u>3,103,366</u>

The accompanying notes are an integral part of the interim consolidated unaudited financial statements.

Cementos Pacasmayo S.A.A. and Subsidiaries

Interim consolidated unaudited statements of profit or loss

For the three-month period ended March 31, 2026 (unaudited) and March 31, 2025 (unaudited)

	Note	For the three-month period ended March 31,	
		2026 S/(000)	2025 S/(000)
Sales of goods	16	555,669	499,168
Cost of sales	17	(321,280)	(315,810)
Gross profit		<u>234,389</u>	<u>183,358</u>
Operating (expenses) income			
Administrative expenses	18	(69,497)	(69,987)
Selling and distribution expenses	19	(30,259)	(22,712)
Other operating income (expenses), net		5,053	4,978
Total operating expenses, net		<u>(94,703)</u>	<u>(87,721)</u>
Operating profit		<u>139,686</u>	<u>95,637</u>
Other income (expenses)			
Finance income		398	644
Finance costs	21	(21,653)	(23,131)
(Loss) gain from exchange difference, net	5	(412)	791
Total other expenses, net		<u>(21,667)</u>	<u>(21,696)</u>
Profit before income tax		118,019	73,941
Income tax expense	14	(36,073)	(21,268)
Profit for the period		<u>81,946</u>	<u>52,673</u>
Earnings per share			
Basic profit for the period attributable to holders of common and investment shares of Cementos Pacasmayo S.A.A. (S/ per share)	23	0.19	0.12

The accompanying notes are an integral part of the interim consolidated unaudited financial statements.

Cementos Pacasmayo S.A.A. and Subsidiaries

Interim consolidated unaudited statements of other comprehensive income

For the three-month period ended March 31, 2026 (unaudited) and March 31, 2025 (unaudited)

	Note	For the three-month period ended March 31,	
		2026 S/(000)	2025 S/(000)
Profit for the period		<u>81,946</u>	<u>52,673</u>
Other comprehensive loss			
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent years:</i>			
Change in fair value of financial instruments designated at fair value through other comprehensive loss		(92)	(63)
Deferred income tax	14	<u>27</u>	<u>18</u>
Other comprehensive loss for the period, net of income tax		<u>(65)</u>	<u>(45)</u>
Total comprehensive income for the period, net of income tax		<u>81,881</u>	<u>52,628</u>

The accompanying notes are an integral part of the interim consolidated unaudited financial statements.

Cementos Pacasmayo S.A.A. and Subsidiaries

Interim consolidated unaudited statements of changes in equity

For the three-month period ended March 31, 2026 (unaudited) and March 31, 2025 (unaudited)

	Capital stock S/(000)	Investment shares S/(000)	Investments shares held in treasury S/(000)	Additional paid-in capital S/(000)	Legal reserve S/(000)	Unrealized loss on financial instruments designated at fair value S/(000)	Retained earnings S/(000)	Total equity S/(000)
Balance as of January 1, 2025	423,868	40,279	(121,258)	432,779	168,636	(16,551)	285,345	1,213,098
Profit for the period	-	-	-	-	-	-	52,673	52,673
Other comprehensive income for the period, net of income tax	-	-	-	-	-	(45)	-	(45)
Total comprehensive income	-	-	-	-	-	(45)	52,673	52,628
Balance as of March 31, 2025	423,868	40,279	(121,258)	432,779	168,636	(16,596)	338,018	1,265,726
Balance as of January 1, 2026 (note 15)	423,868	40,279	(121,258)	432,779	168,636	(16,966)	264,027	1,191,365
Profit for the period	-	-	-	-	-	-	81,946	81,946
Other comprehensive income for the period, net of income tax	-	-	-	-	-	(65)	-	(65)
Total comprehensive income	-	-	-	-	-	(65)	81,946	81,881
Balance as of March 31, 2026 (note 15)	423,868	40,279	(121,258)	432,779	168,636	(17,031)	345,973	1,273,246

The accompanying notes are an integral part of the interim consolidated unaudited financial statements.

Cementos Pacasmayo S.A.A. and Subsidiaries

Interim consolidated unaudited statements of cash flows

For the three-month period ended March 31, 2026 (unaudited) and March 31, 2025 (unaudited)

	Note	For the three-month period ended March 31,	
		2026 S/(000)	2025 S/(000)
Operating activities			
Profit before income tax		118,019	73,941
Non-cash adjustments to reconcile profit before income tax to net cash flows provided by operating activities			
Depreciation and amortization		38,242	38,988
Finance costs	21	21,653	23,131
Estimate expected credit loss	7(e)	4,567	1,314
Long-term incentive plan	12(c) y 20	855	1,262
Unrealized exchange difference related to monetary transactions		147	(89)
Net gain on disposal of property, plant and equipment		(734)	(188)
Finance income		(398)	(644)
Other items that do not generate operating flows, net		3,577	1,263
Working capital adjustments			
Increase in trade and other receivables		(2,221)	(18,254)
Decrease in inventories		11,701	23,574
Increase in prepayments		(19,529)	(31,187)
(Decrease) increase in trade and other payables		(39,483)	23,137
		<u>136,396</u>	<u>136,248</u>
Interest received		373	984
Interest paid		(33,851)	(38,039)
Income tax paid		(62,275)	(39,516)
Net cash flows provided by operating activities		<u>40,643</u>	<u>59,677</u>

Interim consolidated unaudited statements of cash flows (continued)

	Note	For the three-month period ended March 31,	
		2026 S/(000)	2025 S/(000)
Investing activities			
Purchase of property, plant and equipment		(26,838)	(33,964)
Purchase of intangible assets		(2,226)	(1,483)
Purchase of investments available for sale		-	(507)
Loans granted		-	(462)
Cash flow proceeds from sale of property, plant and equipment		2,166	235
Net cash flows used in investing activities		(26,898)	(36,181)
Financing activities			
Payment of bank loans	25	(190,291)	(190,291)
Lease payments		(2,035)	(2,009)
Dividends paid	25	(470)	(454)
Bank loans received	25	204,200	151,200
Net cash flows provided by (used in) financing activities		11,404	(41,554)
Net increase (decrease) in cash and cash equivalents		25,149	(18,058)
Net foreign exchange difference		(147)	89
Cash and cash equivalents as of January 1		53,571	72,723
Cash and cash equivalents as of March 31	6	78,573	54,754
Transactions with no effect on cash flows:			
Outstanding accounts payable related to acquisition of property, plant and equipment	9(e)	10,109	10,046
Unrealized exchange difference related to monetary transactions		(147)	(89)

The accompanying notes are an integral part of the interim consolidated unaudited financial statements.

Notes to interim consolidated unaudited financial statements

Cementos Pacasmayo S.A.A. and Subsidiaries

Notes to interim consolidated unaudited financial statements

As of March 31, 2026 and 2025 (unaudited), and December 31, 2025 (audited)

1. Corporate information

Cementos Pacasmayo S.A.A. (hereinafter "the Company") was incorporated in 1957 and, under the Peruvian General Corporation Law, is an open stock corporation, its shares are listed in the Lima and New York Stock Exchange. The Company is a subsidiary of Inversiones ASPI S.A., which holds 50.01 percent of the Company's common shares as of March 31, 2026 and 2025 and December 31, 2025.

The Company's registered address is Calle La Colonia No.150, Urbanización El Vivero, Santiago de Surco, Lima, Peru. All the subsidiaries are domiciled and operate in Peru.

The Company and its subsidiaries' main activity is the production and marketing of cement, concrete, precast and other minors in northern of Peru.

The issuance of the interim consolidated unaudited financial statements of the Company and its subsidiaries (hereinafter "the Group") as of March 31, 2026 and for the three-month periods then ended, were authorized by the Company's Management on April 24, 2026. The consolidated audited financial statements as of December 31, 2025 and for the year then ended were approved by the Annual General Shareholders' Meeting of Shareholders, on March 24, 2026.

The Group has prepared the consolidated unaudited financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements as of March, 2026, 2025 (unaudited) and December 31, 2025 (audited), comprise the financial statements of the Company and its subsidiaries: Cementos Selva S.A.C. and subsidiaries, Distribuidora Norte Pacasmayo S.R.L. and subsidiary, Empresa de Transmisión Guadalupe S.A.C., Salmueras Sudamericanas S.A., Soluciones Crealo 150 S.A.C, Soluciones Takay S.A.C., 150Krea Inc, Vanguardia Constructora del Perú S.A.C. and Corporación Materiales Piura S.A.C. As of these dates, the Company maintained a 100 percent interest in all its subsidiaries.

The main activities of the subsidiaries incorporated in the consolidated financial statements are described as follows:

- Cementos Selva S.A.C. is engaged in production and marketing of cement and other construction materials in the northeast region of Peru. Also, it holds 100 percent of the shares in Dinonselva Iquitos S.A.C. (a cement and construction materials distributor in the north of Peru, which also produces and sells precast, cement bricks and ready-mix concrete) and in Acuícola Los Paiches S.A.C. (a fish farm entity).
- Distribuidora Norte Pacasmayo S.R.L. is mainly engaged in selling cement produced by the Company. Additionally, it produces and sells precast, cement bricks and ready-mix concrete. It is the main partner of

Notes to interim consolidated unaudited financial statements (continued)

- the Consorcio Constructor Norte del Peru, an entity established for the execution of the work “Mejoramiento del Sistema de Pistas y Cerco Perimétrico del Aeropuerto de Piura”.
- Empresa de Transmisión Guadalupe S.A.C. is mainly engaged in providing electric energy transmission services to the Company.
 - Salmueras Sudamericanas S.A. (“Salmueras”) In December 2017, the Company decided not to continue with the activities related to this project of Salmueras.
 - Soluciones Takay S.A.C., entity constituted on March 29, 2019 whose corporate purpose is to provide advisory services and information, promotion, acquisition and intermediation services for the management and development of real estate projects by natural and/or legal persons.
 - 150Krea Inc., entity constituted on June 3, 2021 whose corporate purpose is the lease of intangible assets.
 - Corporación Materiales Piura S.A.C., entity acquired on January 4, 2023 whose corporate purpose is the extraction of stone, sand and clay.
 - Soluciones Créalo 150 S.A.C., an entity established on June 21, 2024, under the trade name Makers150, is mainly dedicated to the research and development of digital solutions for companies in the construction sector in Latin America.
 - Vanguardia Constructora del Perú S.A.C., an entity established on June 21, 2024, whose corporate purpose is the performance of all construction activities, engineering services and management consulting.

On December 16, 2025, the majority shareholders of Inversiones ASPI S.A. and Holcim Ltd. entered into a Share Purchase Agreement, subject to certain conditions precedent, for the sale of 99.99 percent of the shares of Inversiones ASPI S.A. under the terms and conditions set forth in said agreement.

As of March 31, 2026, the transfer of ownership of the shares representing the capital stock of Inversiones ASPI S.A. to the Holcim Group has been completed.

2. Significant accounting policies

2.1 Basis of preparation -

The interim consolidated unaudited financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

The interim consolidated unaudited financial statements have been prepared on a historical cost basis, except for financial instruments designated at fair value through other comprehensive income (OCI) that have been measured at fair value. The interim consolidated financial statements are presented in Soles and all values are rounded to the nearest thousand S/(000), except when otherwise indicated.

Notes to interim consolidated unaudited financial statements (continued)

The consolidated financial statements provide comparative information in respect of the previous period or periods. There are certain standards and amendments applied for the first time by the Group during 2026, that did not require the restatement of previous financial statements, as explained in note 2.3.17.

The Company classifies costs and expenses by function in the consolidated statement of income, in accordance with industry practices.

The consolidated unaudited statement of cash flows is presented using the indirect method.

2.2 Basis of consolidation -

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of March 31, 2026 and 2025 (unaudited) and for the year ended December 31, 2025 (audited). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if it has: (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee), (ii) exposure, or rights, to variable returns from its involvement with the investee, and (iii) the ability to use its power over the investee to affect its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The accounting policies are in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.3 Summary of significant accounting policies -

2.3.1 Cash and cash equivalents -

Cash and cash equivalents presented in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

Notes to interim consolidated unaudited financial statements (continued)

2.3.2 Financial instruments-initial recognition and subsequent measurement –

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets -

Initial recognition and measurement -

Financial assets are classified at initial recognition as measured at amortized cost, fair value through OCI or fair value through profit or loss.

The Group's financial assets include cash and cash equivalents, trade and other receivables and other financial investments at fair value through OCI.

Subsequent measurement -

For purposes of subsequent measurement, financial assets are classified into the following categories:

- Financial assets at amortized cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI without recycling of cumulative gains and losses upon derecognition (equity instruments).

The classification depends on the business model of the Group and the contractual terms of the cash flows.

Financial assets at amortized cost (debt instruments) -

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to collect contractual cash flows and not sale or trade it, and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets are not reclassified after their initial recognition, except if the Group changes its business model for its management.

Notes to interim consolidated unaudited financial statements

(continued)

As of March 31, 2026 and December 31, 2025, the Group held trade and other receivables in this category; because they meet the conditions described above.

Financial assets at fair value through OCI (equity instruments) -

Upon initial recognition, the Group can elect to irrevocably classify its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

As of March 31, 2026 and December 31, 2025, the Group elected to classify irrevocably its listed equity investments in Fossal S.A.A. under this category.

(ii) Impairment of financial assets -

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to interim consolidated unaudited financial statements (continued)

The Group considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iii) Financial liabilities -

Initial recognition and measurement -

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest-bearing loans and borrowings.

Subsequent measurement -

The subsequent measurement of financial liabilities depends on their classification, the Group maintains Loans and Borrowings, which accounting treatment is explained below:

After their initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of profit or loss.

As of March 31, 2026 and December 31, 2025, the Group included trade and other payables and financial liabilities in this category, for more information refer to notes 11 and 13.

Derecognition -

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognized in the consolidated statement of profit or loss.

Notes to interim consolidated unaudited financial statements (continued)

(iv) Fair value measurement -

The Group measures financial instruments such as equity investments, at fair value at each period end.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value accounting hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to interim consolidated unaudited financial statements

(continued)

The Group's management determines the policies and procedures for recurring and non-recurring fair value measurements.

At each reporting date, the Financial Management analyzes the changes in the values of the assets and liabilities that must be measured or determined on a recurring and non-recurring basis according to the Group's accounting policies. For this analysis, Management contrasts the main variables used in the latest assessments made with updated information available from valuations included in contracts and other relevant documents.

Management also compares the changes in the fair value of each asset and liability with the relevant external sources to determine whether the change is reasonable.

For purposes of disclosure of fair value, the Group has determined classes of assets and liabilities based on the inherent nature, characteristics and risks of each asset and liability, and the level of the fair value accounting hierarchy as explained above, see note 26(a).

2.3.3 Foreign currencies -

The functional and presentation currency for the interim consolidated financial statements of the Group is soles, which is also the functional currency for its subsidiaries.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.3.4 Inventories -

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials, spare part and supplies

- Initially at cost and are recorded at the lower of cost and net realizable value.

Notes to interim consolidated unaudited financial statements (continued)

Finished goods and work in progress

- Cost of direct materials and supplies, services provided by third parties, direct labor and a proportion of manufacturing overheads is based on normal operating capacity, excluding borrowing costs and exchange currency differences.

Inventory in transit

- Cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs of inventory necessary to make the sale.

2.3.5 Borrowing costs -

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the consolidated statement of profit or loss in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

When the funds are used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of interest rates applicable to relevant general borrowings of the Group during the period. All other borrowing costs are recognized in the consolidated statement of profit or loss in the period in which they are incurred.

2.3.6 Property, plant and equipment -

Property, plant and equipment is stated at acquisition cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met, see note 2.3.5. The capitalized value of a finance lease is also included within property, plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as operation cost or expense in the consolidated statement of profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgments, estimates and assumptions, see note 3, and quarry rehabilitation cost provisions, see note 12.

Notes to interim consolidated unaudited financial statements (continued)

Depreciation of assets is determined using the straight-line method over the estimated useful lives of such assets as follows:

	Years
Buildings and other construction:	
Minor installations related to buildings	Between 10 and 35
Administrative facilities	Between 20 and 51
Main production structures	Between 20 and 56
Minor production structures	Between 20 and 35
Machinery and equipment:	
Mills	Between 24 and 45
Horizontal and vertical furnaces, crushers and grinders	Between 23 and 36
Electricity facilities and other minors	Between 10 and 35
Furniture and fixtures	10
Transportation units:	
Heavy units	Between 5 and 15
Light units	Between 5 and 10
Computer equipment	Between 3 and 10
Tools	Between 5 and 10

The asset's residual value, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.

2.3.7 Mining concessions -

Mining concessions correspond to the exploration rights in areas of interest acquired. Mining concessions are stated at cost, net of accumulated amortization and/or accumulated impairment losses, if any, and are presented within the "Property, plant and equipment, net" caption of consolidated statement of financial position. Those mining concessions are amortized following the straight-line method. In the event the Group abandons the concession, the costs associated, see note 9(b), are written-off in the consolidated statement of profit or loss.

As of March 31, 2026 and December 31, 2025, mining concessions of the Group correspond to areas that contain raw material necessary for cement production.

Notes to interim consolidated unaudited financial statements

(continued)

2.3.8 Quarry development costs and stripping costs -

Quarry development costs -

Quarry development costs incurred are stated at cost and are the next step in development of quarries after the exploration and evaluation stage. Quarry development costs are, upon commencement of the production phase, presented net of accumulated amortization and/or accumulated impairment losses, if any, and are presented within the property, plant and equipment caption. The amortization is calculated using the straight-line method based on the useful life of the quarry to which it relates. Expenditures that significantly increase the economic life of the quarry under exploitation are capitalized.

Stripping costs -

Stripping costs incurred in the development of a mine before production commences are capitalized as part of mine development costs and subsequently amortized over the life of the mine on a units-of-production basis, using the proved reserves.

Stripping costs incurred subsequently during the production phase of its operation are recorded as part of cost of production.

2.3.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the cost or expense category that is consistent with the function of the intangible assets.

The Group's intangible assets with finite useful lives are amortized over an average term between three and ten years.

Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Notes to interim consolidated unaudited financial statements

(continued)

Exploration and evaluation assets -

Exploration and evaluation activity involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity include:

- Researching and analyzing historical exploration data.
- Gathering exploration data through geophysical studies.
- Exploratory drilling and sampling.
- Determining and examining the volume and grade of the resource.
- Surveying transportation and infrastructure requirements.
- Conducting market and finance studies.

Once the legal right to explore has been acquired, exploration and evaluation costs are charged to the consolidated statement of profit or loss, unless management concludes that a future economic benefit is more likely than not to be realized, in which case such costs are capitalized, see note 10(b). These costs include directly attributable employee remuneration, materials and fuel used, surveying costs, drilling costs and payments made to contractors.

In evaluating if costs meet the criteria to be capitalized, several different sources of information are used, including the nature of the assets, extension of the explored area and results of sampling, among others. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

Exploration and evaluation costs are capitalized when the exploration and evaluation activity is within an area of interest for which it is expected that the costs will be recouped by future exploitation and active and significant operations in relation to the area are continuing or planned for the future.

Exploration costs are amortized based on the estimated useful life of the mining property from the moment the commercial exploitation of the reserves begins. All capitalized exploration and evaluation costs are monitored for indications of impairment. Where a potential impairment indicator is identified, an assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash generating unit) to which the exploration is attributed.

At each reporting date, the Group assesses at each reporting date whether there is an indication that exploration and evaluation assets may be impaired, see note 10(c).

Notes to interim consolidated unaudited financial statements

(continued)

2.3.10 Ore reserve and resource estimates -

Ore reserves are estimates of the amount of ore that can be extracted legally, socially, environmentally and economically from the Group's mining properties and concessions. The Group estimates its ore reserves and mineral resources, based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying value of exploration and evaluation assets, provision for quarry rehabilitation and depreciation and amortization charges.

2.3.11 Provisions -

General -

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost in the consolidated statement of profit or loss.

Quarry rehabilitation provision -

The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. Quarry rehabilitation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current risk-free rate. The unwinding of the discount is expensed as incurred and recognized in the consolidated statement of profit or loss as a finance cost. The estimated future costs of quarry rehabilitation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset, see note 12.

Environmental expenditures and liabilities -

Environmental expenditures that relate to current or future revenues are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations and do not contribute to current or future earnings are expensed.

Notes to interim consolidated unaudited financial statements

(continued)

Liabilities for environmental costs are recognized when a clean-up is probable, and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites.

The amount recognized is the best estimate of the expenditure required. Where the liability will not be settled for a number of years, the amount recognized is the present value of the estimated future expenditure.

Onerous contracts -

If the Group has an onerous contract, the present obligations arising from it should be recognised and measured as a provision. However, before recognising a provision for an onerous contract, the Group recognises any impairment loss on the assets used to fulfil the obligations arising from that contract.

An onerous contract is one in which the unavoidable costs (i.e. the costs that the Group cannot avoid because it has the contract) of fulfilling the obligations under it exceed the economic benefits expected to be received from it. Unavoidable costs correspond to the lower of the cost of complying with the terms of the contract and the amount of payments or penalties arising from non-compliance. The cost of fulfilling a contract includes costs directly related to the contract (i.e. incremental costs and an allocation of costs that directly relate to contract activities).

2.3.12 Employees benefits -

The Group has short-term obligations for employee benefits including salaries, severance contributions, legal bonuses, performance bonuses and profit sharing. These obligations are recorded monthly on an accrual basis.

Additionally, the Group has a long-term incentive plan for key management. This benefit is settled in cash, measured on the salary of each officer and upon fulfilling certain conditions such as years of experience within the Group and permanency. The Group recognizes the long-term obligation at its present value at the end of the reporting period using the projected credit unit method. To calculate the present value of these long-term obligations the Group uses a government bond discount rate at the date of the consolidated financial statements. This liability is annually reviewed on the date of the consolidated audited financial statements, and the accrual updates and the effect of changes in discount rates are recognized in the consolidated statement of profit or loss.

Notes to interim consolidated unaudited financial statements (continued)

2.3.13 Revenue recognition -

The Group is dedicated to the production and trading of cement, concrete, precast and other minors, as well as trade of construction supplies. These goods are sold in contracts with customers.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties.

The following specific recognition criteria must also be met before revenue is recognized:

Sales of goods -

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Group considers whether there are other terms in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Rendering of services –

Transport services

In the business segments cement, concrete, precast and construction supplies, the Group provides transportation services. These services are sold together with the sale of the goods to the customer.

Transportation services are satisfied when the transport service is concluded, which coincides with the moment of delivery of the goods to the customers.

Paving services

In the paving business, to satisfy performance obligations over time, the Group shall recognize revenue by measuring progress as progress is made (transferring control of the services) in accordance with the relevant contract.

To measure the progress of the paving service, the Group uses the resource method, which states that revenue should be recognized on the basis of the efforts or resources incurred to satisfy the performance obligation (for example, resources consumed, labour hours expended, costs incurred, elapsed time or machinery hours used) in relation to the total resources expected to satisfy the performance obligation.

The Group shall present the right or obligation it holds for the delivery of the transferred services to a customer as a contract asset or a contract liability in its statement of financial position when that right or obligation is conditioned by something other than the passage of time.

Notes to interim consolidated unaudited financial statements (continued)

2.3.14 Taxes -

Current income tax -

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in Peru, where the Group operates and generates taxable income.

Deferred tax -

Deferred tax is determined on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, and for the future offset of unused tax credits and carryforward tax losses, provided they are considered recoverable.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax related to items recognized outside profit or loss are recognized outside the consolidated statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.3.15 Treasury shares-

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Notes to interim consolidated unaudited financial statements

(continued)

2.3.16 Impairment of non-financial assets –

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required (goodwill and Intangible assets with indefinite useful lives), the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group supports its impairment calculation by using detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

Impairment losses related to continuing operations, including impairment on inventories, are recognized in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

In addition, an assessment is made at each reporting date to determine whether there is any indication that previously recognized impairment losses may no longer exist or have decreased. If such an indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss.

Exploration and evaluation assets are tested for impairment annually as of December 31, either individually or at the cash-generating unit level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

As of March 31, 2026 and December 31, 2025 there were no indications of impairment for long-lived assets.

Notes to interim consolidated unaudited financial statements (continued)

2.3.17 New amended standards and interpretations –

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognized on the ‘settlement date’ and the introduction of an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature [1] dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the ‘own-use’ requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The amendments had no impact on the Group’s consolidated financial statements.

Notes to interim consolidated unaudited financial statements

(continued)

3. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

If signs of impairment are identified, the most significant estimate considered by the Company's Management will correspond to the evaluation of the impairment of long-lived assets. As of March 31, 2026 and December 31, 2025, Management has not identified signs of impairment for long-lived assets, which is why it considers that there are no significant estimates for those dates.

4. Standards issued but not yet effective

The standards and interpretations relevant to the Group, that will have effect at January 1, 2027 are below:

- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
- Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

The adoption of these new regulations is not expected to have a material impact on the Group's consolidated financial statements.

5. Transactions in foreign currency

Transactions in foreign currency take place at the open-market exchange rates published by the Superintendence of Banks, Insurance and Pension Funds Administration. As of March 31, 2026, the exchange rates for transactions in United States dollars, published by this institution, were S/3.486 for purchase and S/3.495 for sale (S/3.358 for purchase and S/3.368 for sale as of December 31, 2025).

As of March 31, 2026 and December 31, 2025, the Group had the following assets and liabilities in United States dollars:

	As of March 31, 2026 US\$(000)	As of December 31, 2025 US\$(000)
Assets		
Cash and cash equivalents	7,315	6,508
Trade and other receivables, net	5,617	9,578
	<u>12,932</u>	<u>16,086</u>
Liabilities		
Trade and other payables	(8,677)	(11,262)
	<u>(8,677)</u>	<u>(11,262)</u>
Net monetary position	<u>4,255</u>	<u>4,824</u>

Notes to interim consolidated unaudited financial statements (continued)

As of March 31, 2026, the net loss originated by the exchange difference was approximately S/412,000 (the net gain from exchange difference amounted to S/791,000 as of March 31, 2025). All these results are presented in the heading "(Loss) gain from exchange difference, net" in the interim consolidated unaudited financial statement of profit and loss.

6. Cash and cash equivalents

(a) This caption was made up as follows:

	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Cash on hand	143	167
Cash at banks (b)	57,130	37,904
Short-term deposits (c)	21,300	15,500
	<u>78,573</u>	<u>53,571</u>

(b) Cash at banks is denominated in local and foreign currency, are deposited in local and foreign bank and are freely available. The demand deposits interest yield is based on daily bank deposit rates.

(c) The short-term deposits held in domestic banks were freely available and earned interest at the respective short-term market rates and original maturity less than three months.

Notes to interim consolidated unaudited financial statements (continued)

7. Trade and other receivables

(a) This caption was made up as follows:

	Current		Non-current	
	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Trade receivables (b)	115,037	107,496	-	-
Contract asset (c)	25,000	26,263	-	-
Other accounts receivable	12,376	10,293	-	-
Loans granted	2,136	2,130	-	-
Funds restricted to tax payments	1,996	4,022	-	-
Loans to employees	798	776	-	-
Interest receivable	592	568	-	-
Accounts receivable from Parent company and affiliates, note 22	110	2,633	-	-
Allowance for expected credit losses (e) and (f)	(18,640)	(14,099)	-	-
Financial assets classified as receivables (f)	139,405	140,082	-	-
Other accounts receivable	-	-	16,170	16,439
Claim to the SUNAT (d)	-	-	11,118	11,118
Value-added tax credit	3,759	6,592	2,335	893
Tax refund receivable	-	-	9,034	9,034
Allowance for expected credit losses (e)	-	-	(9,034)	(9,034)
Non-financial assets classified as receivables	3,759	6,592	29,623	28,450
	143,164	146,674	29,623	28,450

(b) Trade account receivables presented net of discounts and bonuses, have current maturity (30 to 90 days) and those overdue bear interest.

(c) It corresponds mainly to paving services whose recognition is carried out according to the provisions of note 2.3.13.

Notes to interim consolidated unaudited financial statements (continued)

- (d) On March 22, 2021, the Company received Tax Court Resolution N° 00905-4-21 that declares the calculation of Mining Royalty should be based on gross sale of the final product (cement) for the years 2008 and 2009. This is an opposite position to what is established by the Constitutional Court in the STC Exp. N° 1043-2013-PA/TC that declares founded the writ of protection presented by the Company recognizing our right to calculate mining royalties exclusively based on the value of the mining component, without considering in any way the value of the final products derived from industrial and manufacturing processes.

Pursuant to this, the Company initiated two legal proceedings: (i) a constitutional process to denounce the repression of homogeneous harmful acts, filed on March 31, 2021; and, (ii) a contentious-administrative claim filed before the ordinary court, the object of which was the annulment and return of securities, filed on June 22, 2021.

To date, both processes have culminated with resolutions favorable to the Company's claims. In this regard, the ruling issued by the Constitutional Court in the proceedings for the complaint of repression of homogeneous harmful acts, dated December 16, 2024, declares the constitutional grievance appeal well-founded and consequently the respective RTF void, ordering the Tax Court to comply with the issuance of new resolutions complying with the judgment issued in STC 1043-2013-PA/TC in the sense that the method for calculating mining royalties established therein also applies to the 2008 and 2009 fiscal years and not only from 2011 onwards, as argued by the Tax Court and the National Superintendency of Tax Administration (SUNAT).

As a consequence of said ruling, it is appropriate for the National Superintendency of Tax Administration (SUNAT), either directly or through enforcement, to proceed with the return of the amounts paid by the Company amounting to S/29,559,000, since this constitutes a direct effect of the execution of the mandate ordered by the Constitutional Court.

As of August 20, 2025, The National Superintendency of Tax Administration (SUNAT) made a partial refund of accounts receivable for mining royalties in the amount of S/18,441,000, leaving an outstanding balance of S/11,118,000 to be collected as of March 31, 2026. In the opinion of Management and its external legal advisors, there is a very high probability of obtaining a favorable outcome.

Notes to interim consolidated unaudited financial statements (continued)

- (e) The movement of the allowance for expected credit losses is as follows:

	As of March 31, 2026	As of December 31, 2025
	S/(000)	S/(000)
Opening balance	23,133	20,520
Additions, note 19	4,567	3,467
Recoveries	(26)	(854)
Ending balance	<u>27,674</u>	<u>23,133</u>

As of March 31, 2026, the additions include S/4,567,000 related to the provision for expected credit losses for trade receivables (S/1,314,000 as of March 31, 2025), which are presented in the caption "selling and distribution expenses" on the interim consolidated unaudited financial statement of profit and loss, see note 19.

Notes to interim consolidated unaudited financial statements
(continued)

(f) The aging analysis of trade and other accounts receivable, classified as financial assets, as of March 31, 2026 and December 31, 2025, is as follows:

			Past due but not impaired				
As of March 31, 2026	Total	Neither past due nor	< 30 days	30-60 days	61-90 days	91-120 days	> 120 days
	S/(000)	impaired	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
Expected credit loss rate	11.8%	0.6%	5.9%	18.5%	22.9%	25.7%	47.2%
Carrying amount 2026	158,045	112,587	6,664	863	1,041	1,189	35,701
Expected credit loss	18,640	680	393	160	238	305	16,864

			Past due but not impaired				
As of December 31, 2025	Total	Neither past due nor	< 30 days	30-60 days	61-90 days	91-120 days	> 120 days
	S/(000)	impaired	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)
Expected credit loss rate	9.1%	0.4%	2.7%	7.5%	22.9%	21.2%	61.1%
Carrying amount 2025	154,181	113,149	13,522	2,889	2,741	2,362	19,518
Expected credit loss	14,099	463	363	218	628	501	11,926

Notes to interim consolidated unaudited financial statements

(continued)

8. Inventories

(a) This caption is made up as follows:

	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Goods and finished products	10,969	13,214
Work in progress	201,507	205,321
Raw materials	192,662	209,023
Packages and packing	4,078	4,236
Fuel	3,771	3,894
Spare parts and supplies	274,138	264,450
Inventory in transit	8,317	7,005
	<u>695,442</u>	<u>707,143</u>

(b) Movement in the provision for inventory obsolescence value is set forth below:

	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Opening balance	27,530	33,880
Additions	-	1,469
Reversal from disposal	-	(7,819)
Ending balance	<u>27,530</u>	<u>27,530</u>

Notes to interim consolidated unaudited financial statements
(continued)

9. Property, plant and equipment

(a) The composition and movement of the item as of the date of the consolidated statement of financial position is presented below:

	Mining concessions (b) S/(000)	Mine development costs S/(000)	Land S/(000)	Buildings and other construction S/(000)	Machinery, equipment and related spare parts S/(000)	Furniture and accessories S/(000)	Transportation units S/(000)	Computer equipment and tools S/(000)	Quarry rehabilitation costs S/(000)	Capitalized interest (f) S/(000)	Work in progress (d) and units in transit S/(000)	Total S/(000)
Cost												
As of January 1, 2025	110,430	63,789	260,143	1,036,526	1,740,246	11,964	105,093	50,727	17,698	74,297	37,942	3,508,855
Additions	-	133	-	-	5,582	31	5,088	485	-	-	15,568	26,887
Sales and/or retirement	-	-	-	-	(82)	(12)	(472)	(59)	-	-	(28)	(653)
Transfers	-	-	-	1,697	8,630	42	1,156	-	-	-	(11,547)	(22)
As of March 31, 2025	<u>110,430</u>	<u>63,922</u>	<u>260,143</u>	<u>1,038,223</u>	<u>1,754,376</u>	<u>12,025</u>	<u>110,865</u>	<u>51,153</u>	<u>17,698</u>	<u>74,297</u>	<u>41,935</u>	<u>3,535,067</u>
As of January 1, 2026	110,651	64,875	263,662	1,053,016	1,787,854	12,280	124,474	56,284	19,785	74,297	49,639	3,616,817
Additions	-	579	-	-	1,687	30	-	1,380	-	-	6,545	10,221
Sales and/or retirement	(11)	-	-	-	(1,235)	-	(3,806)	(149)	-	-	(29)	(5,230)
Transfers	-	-	-	2,849	7,852	222	46	151	(37)	-	(11,149)	(66)
As of March 31, 2026	<u>110,640</u>	<u>65,454</u>	<u>263,662</u>	<u>1,055,865</u>	<u>1,796,158</u>	<u>12,532</u>	<u>120,714</u>	<u>57,666</u>	<u>19,748</u>	<u>74,297</u>	<u>45,006</u>	<u>3,621,742</u>
Accumulated depreciation												
As of January 1, 2025	12,285	11,487	-	307,248	874,836	9,131	84,296	32,811	2,817	13,813	-	1,348,724
Additions	18	91	-	7,194	23,822	141	1,421	1,083	13	411	-	34,194
Sales and/or retirement	-	-	-	-	(76)	(12)	(425)	(56)	-	-	-	(569)
As of March 31, 2025	<u>12,303</u>	<u>11,578</u>	<u>-</u>	<u>314,442</u>	<u>898,582</u>	<u>9,260</u>	<u>85,292</u>	<u>33,838</u>	<u>2,830</u>	<u>14,224</u>	<u>-</u>	<u>1,382,349</u>
As of January 1, 2026	12,216	12,089	-	336,446	969,213	9,670	87,049	37,036	3,082	15,459	-	1,482,260
Additions	23	92	-	7,275	23,026	130	1,267	1,016	74	411	-	33,314
Sales and/or retirement	-	-	-	-	(1,011)	-	(2,531)	(76)	-	-	-	(3,618)
As of March 31, 2026	<u>12,239</u>	<u>12,181</u>	<u>-</u>	<u>343,721</u>	<u>991,228</u>	<u>9,800</u>	<u>85,785</u>	<u>37,976</u>	<u>3,156</u>	<u>15,870</u>	<u>-</u>	<u>1,511,956</u>
Impairment (g)												
As of January 1, 2025	50,964	24,573	3,985	31,038	12,918	200	26	454	-	1,413	3,421	128,992
Lows	-	-	-	-	-	1	-	(3)	-	-	1	(1)
As of March 31, 2025	<u>50,964</u>	<u>24,573</u>	<u>3,985</u>	<u>31,038</u>	<u>12,918</u>	<u>201</u>	<u>26</u>	<u>451</u>	<u>-</u>	<u>1,413</u>	<u>3,422</u>	<u>128,991</u>
As of January 1, 2026	50,964	24,573	3,839	31,038	12,918	200	26	451	-	1,413	3,421	128,843
As of March 31, 2026	<u>50,964</u>	<u>24,573</u>	<u>3,839</u>	<u>31,038</u>	<u>12,918</u>	<u>200</u>	<u>26</u>	<u>451</u>	<u>-</u>	<u>1,413</u>	<u>3,421</u>	<u>128,843</u>
Net book value												
As of March 31, 2025	<u>47,163</u>	<u>27,771</u>	<u>256,158</u>	<u>692,743</u>	<u>842,876</u>	<u>2,564</u>	<u>25,547</u>	<u>16,864</u>	<u>14,868</u>	<u>58,660</u>	<u>38,513</u>	<u>2,023,727</u>
As of January 1, 2026	<u>47,471</u>	<u>28,213</u>	<u>259,823</u>	<u>685,532</u>	<u>805,723</u>	<u>2,410</u>	<u>37,399</u>	<u>18,797</u>	<u>16,703</u>	<u>57,425</u>	<u>46,218</u>	<u>2,005,714</u>
As of March 31, 2026	<u>47,437</u>	<u>28,700</u>	<u>259,823</u>	<u>681,106</u>	<u>792,012</u>	<u>2,532</u>	<u>34,903</u>	<u>19,239</u>	<u>16,592</u>	<u>57,014</u>	<u>41,585</u>	<u>1,980,943</u>

Notes to interim consolidated unaudited financial statements

(continued)

- (b) Mining concessions mainly include acquisitions costs related to coal concessions acquired in previous years and the cost of certain concessions acquired in January 2023 for exploration activities in areas of interest to the cement business, through the purchase of the company Corporación Materiales Piura S.A.C.
- (c) The Group has assessed the recoverable value of its remaining property, plant and equipment and, except as specifically mentioned in (g), has not identified indications of impairment losses for these assets as of March 31, 2026 and December 31, 2025.
- (d) Work in progress included in property, plant and equipment as of March 31, 2026 and December 31, 2025, is mainly related to complementary facilities of the cement plants.
- (e) As of March 31, 2026, the Group maintains accounts payable related to the acquisition of property, plant and equipment for S/10,109,000 (S/26,754,000 as of December 31, 2025), see note 11.
- (f) The borrowing costs are mainly related to the construction of the cement plant located in Piura and to a lesser extent to the construction of the Clinker Lines Optimization Project – Kiln 4 in the city of Pacasmayo. Both plants are already in operation.
- (g) In previous years, management recognized a full impairment related to the total net book value of a closed zinc mining unit which included concession costs, development costs and related facilities and equipment.

At the end of 2023, Management recognized a specific impairment to retirement for the net value of the assets of the vertical clinker kilns located at the Pacasmayo cement plant. This deterioration estimate was carried out as a consequence of replacing the old technology of these kilns due to the entry into operation of the Clinker Lines Optimization Project – Kiln 4 in said plant, which is more efficient and produces fewer emissions. This amount was recorded in the impairment of property, plant and equipment item in the consolidated statement of profit or loss.

Likewise, in that year, Management recognized an impairment to retirement of the value of the coal concessions (northern zone).

Notes to interim consolidated unaudited financial statements

(continued)

10. Intangible assets, net

(a) The composition and movements of this caption as of the date of the consolidated statement of financial position is presented below:

	IT applications S/(000)	Finite life intangible S/(000)	Indefinite life intangible S/(000)	Exploration cost and mining evaluation (b) S/(000)	Total S/(000)
Cost					
As of January 1, 2025	87,211	24,543	1,975	52,800	166,529
Additions	1,437	-	-	65	1,502
As of March 31, 2025	<u>88,648</u>	<u>24,543</u>	<u>1,975</u>	<u>52,865</u>	<u>168,031</u>
As of January 1, 2026	102,427	24,543	1,975	53,188	182,133
Additions	1,254	-	-	944	2,198
Transfers	27	-	-	-	27
As of March 31, 2026	<u>103,708</u>	<u>24,543</u>	<u>1,975</u>	<u>54,132</u>	<u>184,358</u>
Accumulated amortization					
As of January 1, 2025	42,863	15,527	71	10,095	68,556
Additions	2,901	614	-	19	3,534
As of March 31, 2025	<u>45,764</u>	<u>16,141</u>	<u>71</u>	<u>10,114</u>	<u>72,090</u>
As of January 1, 2026	56,883	17,981	71	10,021	84,956
Additions	2,985	614	-	18	3,617
As of March 31, 2026	<u>59,868</u>	<u>18,595</u>	<u>71</u>	<u>10,039</u>	<u>88,573</u>
Impairment (c)					
As of January 1, 2025	456	-	-	33,921	34,377
As of March 31, 2025	<u>456</u>	<u>-</u>	<u>-</u>	<u>33,921</u>	<u>34,377</u>
As of January 1, 2026	456	-	-	33,921	34,377
As of March 31, 2026	<u>456</u>	<u>-</u>	<u>-</u>	<u>33,921</u>	<u>34,377</u>
Net Carrying Value					
As of March 31, 2025	<u>42,428</u>	<u>8,402</u>	<u>1,904</u>	<u>8,830</u>	<u>61,564</u>
As of January 1, 2026	<u>45,088</u>	<u>6,562</u>	<u>1,904</u>	<u>9,246</u>	<u>62,800</u>
As of March 31, 2026	<u>43,384</u>	<u>5,948</u>	<u>1,904</u>	<u>10,172</u>	<u>61,408</u>

(b) As of March 31, 2026 and December 31, 2025, the exploration cost and mining evaluation include mainly capital expenditures related to the coal project and to other minor projects related to the cement business.

(c) As of March 31, 2026 and December 31, 2025, the Group evaluated the conditions of use of the projects related to the exploration and mining evaluation costs and its other intangibles and did not identify indications of impairment losses for these assets as of those dates.

Notes to interim consolidated unaudited financial statements (continued)

11. Trade and other payables

(a) This balance is made up as follows:

	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Trade accounts payable (b)	83,841	94,657
Remuneration payable	40,671	28,757
Taxes and contributions	29,426	54,393
Interest payable (d)	14,181	26,954
Dividends payable, note 15(g)	11,353	11,823
Advances from customers	10,976	12,118
Accounts payable related to the acquisition of property, plant and equipment, note 9(e)	10,109	26,754
Guarantee deposits	4,434	3,741
Board of Directors' fees	1,273	4,790
Other accounts payable (c)	43,945	19,920
	<u>250,209</u>	<u>283,907</u>

(b) Trade accounts payable result from the purchases of material, services and supplies for the Group's operations, and mainly correspond to invoices payable to domestic suppliers. Trade payables are non-interest bearing and are normally settled within 60 to 120 days term.

(c) Other accounts payable are non-interest bearing and have an average term of 3 months.

(d) Interest payable is normally settled semiannually throughout the financial year.

Notes to interim consolidated unaudited financial statements (continued)

12. Provisions

(a) This balance is made up as follows:

	Workers' profit-sharing (b) S/(000)	Long-term incentive plan (c) S/(000)	Quarry Rehabilitation provision (d) S/(000)	Provision of legal contingencies S/(000)	Total S/(000)
At January 1, 2025	38,263	13,938	19,005	1,203	72,409
Additions (b), note 20	8,279	1,262	-	-	9,541
Exchange difference	-	-	(422)	-	(422)
Unwinding of discounts, note 21	-	216	39	-	255
Payments and advances	(14,342)	(2,825)	-	-	(17,167)
At March 31, 2025	<u>32,200</u>	<u>12,591</u>	<u>18,622</u>	<u>1,203</u>	<u>64,616</u>
Balance as of December 31, 2025					
Current portion	44,364	3,325	-	-	47,689
Non-current portion	-	9,208	18,594	1,203	29,005
	<u>44,364</u>	<u>12,533</u>	<u>18,594</u>	<u>1,203</u>	<u>76,694</u>
At January 1, 2026	44,364	12,533	18,594	1,203	76,694
Additions (b), note 20	13,724	855	-	506	15,085
Exchange difference	-	-	667	-	667
Unwinding of discounts, note 21	-	297	30	-	327
Change in accounting estimate	-	-	(28)	-	(28)
Payments and advances	(45,498)	(3,043)	(52)	-	(48,593)
At March 31, 2026	<u>12,590</u>	<u>10,642</u>	<u>19,211</u>	<u>1,709</u>	<u>44,152</u>
Current portion	12,590	-	-	-	12,590
Non-current portion	-	10,642	19,211	1,709	31,562
	<u>12,590</u>	<u>10,642</u>	<u>19,211</u>	<u>1,709</u>	<u>44,152</u>

Notes to interim consolidated unaudited financial statements (continued)

(b) Workers' profit sharing -

In accordance with Peruvian legislation, the Group is obliged to pay its employees profit sharing of between 8% and 10% of annual taxable income. Distributions to employees under the plan are based 50% on the number of days that each employee worked during the preceding year and 50% on proportionate annual salary levels.

The workers' profit sharing is recognized in the following line items:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Administrative expenses	7,195	3,886
Cost of sales	5,527	3,856
Selling and distribution expenses	976	518
Total of cost of sales and expenses, note 20	13,698	8,260
Investment	26	19
Total	13,724	8,279

(c) Long-term incentive plan -

In 2011, the Group implemented a compensation plan for its key management. This long-term benefit is payable in cash, based on the salary of each officer and depends on the years of service of each officer in the Group. According to the latest plan update, the executive would receive the equivalent of an annual salary for each year of service beginning to accrue from 2019. This benefit accrues and accumulates for each officer and is payable in two installments: the first payment will be made on the sixth year after the creation of this bonus plan, and the last payment will be made on the ninth year from the creation of the plan. If the executive decides to voluntarily leave the Group before a scheduled distribution, they will not receive this compensation. The Group used the Projected Unit Credit Method to determine the present value of this deferred obligation and the related current deferred cost, considering the expected increases in salary base and the corresponding current government bond discount rate (risk-free rate).

(d) Quarry Rehabilitation provision -

As of March 31, 2026 and December 31, 2025, it corresponds to the provision for the future costs of rehabilitating the quarries exploited in Group operations. The provision has been created based on studies made by internal specialists. Management believes that the assumptions used, based on current economic environment, are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material change to the assumptions. However, actual quarry rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required to reflect future economic conditions.

Notes to interim consolidated unaudited financial statements

(continued)

Future cash flows have been estimated based on financial budgets approved by Management. The range of the risk-free discount rate in dollars used in the calculation of the provision was from 0.49 to 4.84 percent.

Management expects to incur a significant part of this obligation in the medium and long-term. The Group estimates that this liability is sufficient according to the current environmental protection laws approved by the Ministry of Energy and Mines of Peru.

Notes to interim consolidated unaudited financial statements (continued)

13. Financial obligations

(a) This caption is made up as follows:

	Currency	Nominal interest rate	Maturity	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)
Short-term promissory notes					
Banco GNB Perú	S/	5.00%	January 8, 2026	-	19,000
Interbank	S/	5.07%	January 8, 2026	-	57,000
Interbank	S/	4.92%	February 15, 2026	-	38,000
Scotiabank	S/	4.70%	March 5, 2026	-	37,200
Banco de Crédito del Perú	S/	4.82%	May 22, 2026	36,000	36,000
Banco de Crédito del Perú	S/	3.97%	June 10, 2026	15,000	-
Banco de Crédito del Perú	S/	4.72%	November 12, 2026	38,000	38,000
BBVA Perú	S/	4.64%	November 24, 2026	38,000	38,000
Banco de Crédito del Perú	S/	4.58%	November 26, 2026	38,000	38,000
Banco de Crédito del Perú	S/	4.53%	November 30, 2026	76,000	76,000
Banco de Crédito del Perú	S/	4.77%	January 8, 2027	76,000	-
Banco BanBif	S/	4.48%	February 8, 2027	38,000	-
Banco BanBif	S/	4.48%	February 22, 2027	38,000	-
Banco de Crédito del Perú	S/	4.06%	February 26, 2027	37,200	-
				<u>430,200</u>	<u>377,200</u>
Senior Notes (b)					
Principal, net of issuance costs	S/	6.69%	February 1, 2029	259,825	259,810
Principal, net of issuance costs	S/	6.84%	February 1, 2034	309,616	309,604
				<u>569,441</u>	<u>569,414</u>
Short and long-term Corporate Loan under “Club deal” (c)					
Banco de Crédito del Perú	S/	5.82%	December 1, 2028	213,376	232,771
Scotiabank	S/	5.82%	December 1, 2028	213,375	232,770
				<u>426,751</u>	<u>465,541</u>
				<u>1,426,392</u>	<u>1,412,155</u>
Maturity					
Current				585,346	532,346
Non-current				<u>841,046</u>	<u>879,809</u>
				<u>1,426,392</u>	<u>1,412,155</u>

Notes to interim consolidated unaudited financial statements (continued)

(b) Senior Notes-

(b.1) Senior Notes

On January 31, 2019, senior notes were issued in soles for S/260,000,000 at a rate of 6.688 percent per year and maturity of 10 years and; 15-year bonds for S/310,000,000 at a rate of 6.844 percent per year.

The Senior Notes in soles issued in 2019 are guaranteed by the following Company's subsidiaries: Cementos Selva S.A.C., Distribuidora Norte Pacasmayo S.R.L., Empresa de Transmisión Guadalupe S.A.C. and Dinospelva Iquitos S.A.C.

(b.2) Financial covenants

The corporate bond contracts have the following covenants to limiting the incurring of indebtedness for the Company and its collateral subsidiaries, which are measured prior to the following transactions: issuance of debt or equity instruments, merger with another company or disposition or rental of significant assets. The covenants are the following:

- A fixed charge covenant ratio of at least 2.5 to 1.
- A consolidated debt to EBITDA ratio of no greater than 3.5 to 1.

As of March 31, 2026 and December 31, 2025, these covenants have not been activated because no situation has occurred that requires their measurement, as indicated in the previous paragraph.

For the three-months period ended March 31, 2026 and 2025, senior notes generated interest that have been recognized in the interim consolidated unaudited statement of profit or loss for S/9,651,000, respectively, see note 21.

(c) Medium-term Corporate Loan under "Club Deal" modality -

On August 6, 2021, the Company established the conditions of a medium-term corporate loan under "Club Deal" modality with Banco de Crédito del Perú S.A. and Scotiabank Perú S.A.A. The loan amounted to S/860,000,000 that allowed the payment of all the financial obligations that the Company maintained with a maturity until February 2023. The loan conditions included a grace/availability period of 18 months from August 6, 2021 and a payment term of 7 years from the last disbursement, which was in February 2023. Since that date, the loan will be paid in 22 equal quarterly installments and has an annual interest rate of 5.82 percent.

Notes to interim consolidated unaudited financial statements (continued)

As part of the loan conditions, the Company assumed the following obligations:

I. Comply with the following financial covenants:

- (a) Debt Ratio (Financial Debt / EBITDA) $\leq 3.50x$
- (b) Debt Service Coverage Ratio (CFDS / DS) $\geq 1.15x$
- (c) Debt Service Coverage Ratio (EBITDA / DS) $\geq 1.50x$

These financial safeguards are calculated and verified at the end of each calendar quarter, considering the information of the consolidated financial statements of the Company for the last 12 months, prepared in accordance with IFRS.

As of March 31, 2026 and December 31, 2025, the Company complies with the ratios contained in the conditions of the Club Deal and corporate bonds and have certain do's and don'ts obligations that have been complying with to date.

Notes to interim consolidated unaudited financial statements (continued)

14. Deferred income tax assets and liabilities

The following is the composition of the caption according to the items that originated it:

	As of January 1, 2025 S/(000)	Effect on profit or loss S/(000)	Effect on OCI S/(000)	Additions about IFRS 16 S/(000)	As of March 31, 2025 S/(000)	As of January 1, 2026 S/(000)	Effect on profit or loss S/(000)	Effect on OCI S/(000)	As of March 31, 2026 S/(000)
Movement of deferred income tax assets:									
Deferred income tax assets									
Impairment of investments in subsidiary	7,375	2,950	-	-	10,325	17,700	-	-	17,700
Provision for expected credit losses on trade accounts receivable	3,291	184	-	-	3,475	4,061	1,340	-	5,401
Provision of discounts and bonuses to customers	2,691	437	-	-	3,128	4,621	(1,157)	-	3,464
Provision for vacations	2,458	(42)	-	-	2,416	2,727	(68)	-	2,659
Lease liability	144	(93)	-	1,467	1,518	1,259	(40)	-	1,219
Effect of differences between book and tax bases of inventories	863	125	-	-	988	1,352	(136)	-	1,216
Effect of differences between book and tax bases of fixed assets	1,278	(67)	-	-	1,211	1,154	(56)	-	1,098
Legal claim contingency	313	-	-	-	313	313	134	-	447
Estimate for devaluation of spare parts and supplies	599	72	-	-	671	256	80	-	336
Tax loss carryforward	-	1,658	-	-	1,658	-	-	-	-
Others	2,848	44	-	-	2,892	2,793	(154)	-	2,639
	<u>21,860</u>	<u>5,268</u>	<u>-</u>	<u>1,467</u>	<u>28,595</u>	<u>36,236</u>	<u>(57)</u>	<u>-</u>	<u>36,179</u>
Deferred income tax liabilities									
Right of use assets	(61)	83	-	(1,467)	(1,445)	(1,259)	90	-	(1,169)
Others	17	-	-	-	17	17	-	-	17
	<u>(44)</u>	<u>83</u>	<u>-</u>	<u>(1,467)</u>	<u>(1,428)</u>	<u>(1,242)</u>	<u>90</u>	<u>-</u>	<u>(1,152)</u>
Total deferred income tax liabilities, net	<u>21,816</u>	<u>5,351</u>	<u>-</u>	<u>-</u>	<u>27,167</u>	<u>34,994</u>	<u>33</u>	<u>-</u>	<u>35,027</u>

Notes to interim consolidated unaudited financial statements
(continued)

	As of January 1, 2025 S/(000)	Effect on profit or loss S/(000)	Effect on OCI S/(000)	Additions about IFRS 16 S/(000)	As of March 31, 2025 S/(000)	As of January 1, 2026 S/(000)	Effect on profit or loss S/(000)	Effect on OCI S/(000)	As of March 31, 2026 S/(000)
Movement of deferred income tax liabilities:									
Deferred income tax assets									
Impairment of investment in Salmueras Project	18,437	63	-	-	18,500	18,698	55	-	18,753
Impairment of fixed assets	8,606	(81)	-	-	8,525	8,241	(81)	-	8,160
Financial instrument at fair value with changes in other comprehensive income	6,923	-	18	-	6,941	7,096	-	27	7,123
Estimate for depreciation of spare parts and supplies	8,408	(1,382)	-	-	7,026	6,877	243	-	7,120
Estimation for impairment of mining assets	7,085	(78)	-	-	7,007	6,594	(106)	-	6,488
Provision for quarry closure	5,645	11	-	-	5,656	6,495	(14)	-	6,481
Provision for vacations	4,396	(210)	-	-	4,186	4,794	(215)	-	4,579
Provision for compensation to officials	4,111	(398)	-	-	3,713	3,696	(558)	-	3,138
Lease liability	1,934	(329)	-	1,552	3,157	2,823	(191)	-	2,632
Provision for expected credit losses on trade accounts receivable	1,038	(1)	-	-	1,037	101	-	-	101
Legal claim contingency	41	-	-	-	41	41	16	-	57
Others	2,946	(2,367)	-	-	579	589	35	-	624
	<u>69,570</u>	<u>(4,772)</u>	<u>18</u>	<u>1,552</u>	<u>66,368</u>	<u>66,045</u>	<u>(816)</u>	<u>27</u>	<u>65,256</u>
Deferred income tax liabilities									
Effect of the difference between accounting and tax bases of fixed assets and the difference in depreciation rates	(183,982)	328	-	-	(183,654)	(180,981)	1,039	-	(179,942)
Right of use assets	(1,895)	333	-	(1,552)	(3,114)	(3,041)	318	-	(2,723)
Effect of costs incurred from bond issuance	(1,588)	97	-	-	(1,491)	(1,196)	97	-	(1,099)
Others	(42)	-	-	-	(42)	(59)	-	-	(59)
	<u>(187,507)</u>	<u>758</u>	<u>-</u>	<u>(1,552)</u>	<u>(188,301)</u>	<u>(185,277)</u>	<u>1,454</u>	<u>-</u>	<u>(183,823)</u>
Total deferred income tax liabilities, net	<u>(117,937)</u>	<u>(4,014)</u>	<u>18</u>	<u>-</u>	<u>(121,933)</u>	<u>(119,232)</u>	<u>638</u>	<u>27</u>	<u>(118,567)</u>
		<u>1,337</u>	<u>18</u>				<u>671</u>	<u>27</u>	

Notes to interim consolidated unaudited financial statements (continued)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities, and the tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The legal right is defined for each individual determination of the income tax of the Company and its Subsidiaries.

A reconciliation between tax expense and the product of the accounting profit multiplied by Peruvian tax rate as of March 31, 2026 and 2025, are as follows:

	For the three-months period ended March 31,	
	2026	2025
	S/(000)	S/(000)
Profit before income tax	118,019	73,941
Income tax expense calculated at the statutory income tax rate of 29.5%	(34,816)	(21,813)
Permanent differences		
Non-deductible expenses, net	(763)	2,592
Effect of tax-loss carry forward not recognized	(494)	(2,047)
Total income tax	(36,073)	(21,268)

The components of the deferred income tax related to the items recognized in the consolidated statements unaudited of profit or loss as of March 31, 2026 and 2025, are as follow:

	For the three-months period ended March 31,	
	2026	2025
	S/(000)	S/(000)
Consolidated unaudited statement of profit or loss		
Current	(36,744)	(22,605)
Deferred	671	1,337
	(36,073)	(21,268)

As of March 31, 2026 and 2025, the Group had not recognized a deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's subsidiaries. The Group has determined that the timing differences will be reversed by means of dividends to be received in the future that, according to the current tax rules in effect in Peru, are not subject to income tax.

Notes to interim consolidated unaudited financial statements

(continued)

As of March 31, 2026, certain subsidiaries of the Group had tax loss carryforwards of S/120,961,000 (S/128,609,000, as of December 31, 2025). These tax loss carryforwards do not expire, are related to subsidiaries that have a history of losses for some time and cannot be used to offset future taxable profits of other Group subsidiaries. No deferred tax assets have been recognized in relation to these tax loss carryforwards, since there are no possibilities of tax planning opportunities or other evidence of recovery in the near future.

For information purposes, as of March 31, 2026, the temporary difference associated with investments in subsidiaries, would generate an aggregate deferred tax liability amounting to S/90,310,000 (S/89,541,000, as of December 31, 2025), which should not be recognized in the consolidated unaudited financial statements as it is not expected to reverse in the foreseeable future and the Company is in control of such reversal.

15. Equity

(a) Capital stock -

As of March 31, 2026 and December 31, 2025, share capital was represented by 423,868,449 authorized common shares subscribed and fully paid, with a nominal value of one Soles per share.

As of March 31, 2026, the total outstanding common shares were as follows; 36,566,921 were listed on the New York Stock Exchange and 387,301,528 were listed on the Lima Stock Exchange. As of December 31, 2025, the total outstanding common shares were as follows, 35,458,546 were listed on the New York Stock Exchange and 388,409,903 were listed on the Lima Stock Exchange.

(b) Investment shares -

Investment shares do not have voting rights or participate in shareholder's meetings or the appointment of directors. Investment shares confer upon the holders thereof the right to participate in dividends distributed according to their nominal value, in the same manner as common shares. Investment shares also confer the holders thereof the right to:

- (i) maintain the current proportion of the investment shares in the case of capital increase by new contributions;
- (ii) increase the number of investment shares upon capitalization of retained earnings, revaluation surplus or other reserves that do not represent cash contributions;
- (iii) participate in the distribution of the assets resulting from liquidation of the Company in the same manner as common shares; and,
- (iv) redeem the investment shares in case of a merger and/or change of business activity of the Company.

As of March 31, 2026 and December 31, 2025, the Company had 40,278,894 investment shares subscribed and fully paid, with a nominal value of one Sol per share.

(c) Treasury shares -

As of March 31, 2026 and December 31, 2025, the Company maintains 36,040,497 investment shares held in treasury amounting to S/121,258,000.

Notes to interim consolidated unaudited financial statements (continued)

(d) Additional paid-in capital -

As of March 31, 2026 and December 31, 2025, the additional capital amounted to S/432,779,000 and arises mainly as a result of the excess of total proceeds obtained versus par value in the issuance of 111,484,000 common shares and 927,783 investment shares corresponding to a public offering of American Depositary Shares (ADS) registered with the New York Stock Exchange and Lima Stock Exchange.

(e) Legal reserve -

Provisions of the General Corporation Law require that a minimum of 10 per cent of the distributable earnings for each period, after deducting the income tax, be transferred to a legal reserve until such is equal to 20 per cent of the capital. This legal reserve can offset losses or can be capitalized, and in both cases, there is the obligation to replenish it.

(f) Other accumulated comprehensive results -

This reserve records changes in the fair value of financial instruments at fair value through OCI.

(g) Distributions made and proposed –

	As of December 31, 2025
Common stock dividends	
Approval date by Board of Directors	October 21, 2025
Declared dividends per share to be paid in cash S/.	0.41000
Declared dividends S/(000):	175,524

As of March 31, 2026 and December 31, 2025, dividends payable amounted to S/11,353,000 and S/11,823,000, respectively, see note 11.

Notes to interim consolidated unaudited financial statements (continued)

16. Sales of goods

This caption is made up as follows:

For the three-month period ended March 31, 2026						
	Cement S/(000)	Concrete, pavement and mortar S/(000)	Precast S/(000)	Construction supplies S/(000)	Other S/(000)	Total S/(000)
Segments						
Sale of cement, concrete, pavement, mortar and precast	466,389	66,047	6,591	-	-	539,027
Sale of construction supplies	-	-	-	9,439	-	9,439
Sale of other	-	-	-	-	7,203	7,203
	<u>466,389</u>	<u>66,047</u>	<u>6,591</u>	<u>9,439</u>	<u>7,203</u>	<u>555,669</u>
Timing of revenue recognition						
Goods and services transferred at a point in time	466,389	65,418	6,591	9,439	7,082	554,919
Services transferred over time	-	629	-	-	121	750
Total revenues from contracts with customers	<u>466,389</u>	<u>66,047</u>	<u>6,591</u>	<u>9,439</u>	<u>7,203</u>	<u>555,669</u>
For the three-month period ended March 31, 2025						
	Cement S/(000)	Concrete, pavement and mortar S/(000)	Precast S/(000)	Construction supplies S/(000)	Other S/(000)	Total S/(000)
Segments						
Sale of cement, concrete, pavement, mortar and precast	402,220	77,759	6,325	-	-	486,304
Sale of construction supplies	-	-	-	10,001	-	10,001
Sale of other	-	-	-	-	2,863	2,863
	<u>402,220</u>	<u>77,759</u>	<u>6,325</u>	<u>10,001</u>	<u>2,863</u>	<u>499,168</u>
Timing of revenue recognition						
Goods and services transferred at a point in time	402,220	58,075	6,325	10,001	2,850	479,471
Services transferred over time	-	19,684	-	-	13	19,697
Total revenues from contracts with customers	<u>402,220</u>	<u>77,759</u>	<u>6,325</u>	<u>10,001</u>	<u>2,863</u>	<u>499,168</u>

For all segments the terms of payment are usually between 30 and 90 days from the date of dispatch.

For all segments, the amounts presented as sales of the different products are already net of discounts and bonuses.

Notes to interim consolidated unaudited financial statements (continued)

17. Cost of sales

This caption is made up as follows:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Beginning balance of goods and finished products	14,732	19,916
Beginning balance of work in progress	205,976	222,492
Consumption of miscellaneous supplies	85,867	91,131
Maintenance and third-party services	64,235	68,431
Shipping costs	50,258	42,115
Personnel expenses, note 20(b)	37,625	45,742
Depreciation and amortization	33,075	33,621
Other manufacturing expenses	30,307	25,098
Costs of packaging	13,853	13,691
Ending balance of goods and finished products	(12,487)	(16,718)
Ending balance of work in progress	(202,161)	(229,709)
	<u>321,280</u>	<u>315,810</u>

18. Administrative expenses

This caption is made up as follows:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Personnel expenses, note 20(b)	39,325	40,624
Third-party services	20,744	19,029
Depreciation and amortization	3,556	3,813
Board of Directors compensation	1,398	1,471
Donations	1,068	1,819
Consumption of supplies	368	405
Other	3,038	2,826
	<u>69,497</u>	<u>69,987</u>

Notes to interim consolidated unaudited financial statements

(continued)

19. Selling and distribution expenses

This caption is made up as follows:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Personnel expenses, note 20(b)	12,644	11,670
Advertising and promotion	7,269	5,076
Allowance for expected credit losses, note 7(e)	4,567	1,314
Third-party services	4,070	3,286
Depreciation	1,640	1,344
Other	69	22
	<u>30,259</u>	<u>22,712</u>

20. Employee benefits expenses

(a) Employee benefits expenses are made up as follow:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Wages and salaries	48,771	60,008
Workers profit sharing, note 12(b)	13,698	8,260
Social contributions	10,838	11,996
Vacations	6,935	6,252
Legal bonuses	6,779	6,864
Cessation payments	1,161	2,939
Long-term incentive plan, note 12	855	1,262
Training	482	405
Other	75	138
	<u>89,594</u>	<u>98,124</u>

Notes to interim consolidated unaudited financial statements

(continued)

(b) Employee benefits expenses are allocated as follows:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Administrative expenses, note 18	39,325	40,624
Cost of sales, note 17	37,625	45,742
Selling and distribution expenses, note 19	12,644	11,670
Miscellaneous expenses	-	88
	<u>89,594</u>	<u>98,124</u>

21. Finance costs

This caption is made up as follows:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Interest on Club Deal promissory note and loan, note 13(c)	11,054	12,641
Interest on senior notes, note 13 (b.2)	9,651	9,651
Amortization of issuance costs of senior notes	328	328
Interest on lease liabilities	216	255
Other	77	1
Total interest expense	<u>21,326</u>	<u>22,876</u>
Unwinding of discount of provisions, note 12	327	255
	<u>21,653</u>	<u>23,131</u>

Notes to interim consolidated unaudited financial statements

(continued)

22. Related parties

Transactions with related entities -

During the three-month periods ended March 31, 2026 and 2025, the Group carried out the following transactions with its parent company Inversiones ASPI S.A. and its other related parties:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Income		
Parent		
Inversiones ASPI S.A. (ASPI)		
Fees for management and administrative services	50	23
Income from office lease	3	4
Other related parties		
Compañía Minera Ares S.A.C. (Ares) (a)		
Income from land lease, note 24	268	303
Income from parking leases	95	92
Fosfatos del Pacífico S.A. (Fospac) (a)		
Fees for management and administrative services	76	35
Income from office lease	1	4
Fossal S.A.A. (Fossal) (a)		
Fees for management and administrative services	18	13
Income from office lease	1	4
Asociación Sumac Tarpuy (a)		
Fees for management and administrative services	3	-
Income from office lease	1	4
Inversiones Moray S.A.C. (a)		
Fees for management and administrative services	4	-
Income from office lease	1	-
Expenses		
Other related parties		
Security services provided by Compañía Minera Ares S.A.C. (Ares) (a)	(1,357)	(563)

- (a) As of March 31, 2026, Compañía Minera Ares, Fosfatos del Pacífico S.A., Fossal S.A.A., Asociación Sumac Tarpuy and Inversiones Moray were no longer related parties of Cementos Pacasmayo S.A.A. due to the acquisition of 99.99% of Inversiones Aspi S.A. by Holcim Ltd. upon ceasing to be part of the Hochschule Pacasmayo Group.

Notes to interim consolidated unaudited financial statements (continued)

As a result of these transactions, the Group had the following rights as of March 31, 2026 and December 31, 2025:

	Accounts receivable	
	March 31, 2026	December 31, 2025
	S/(000)	S/(000)
Parent		
Inversiones ASPI S.A.	110	-
	<u>110</u>	<u>-</u>
Other related parties		
Fosfatos del Pacífico S.A.	-	1,885
Compañía Minera Ares S.A.C.	-	350
Fossal S.A.A.	-	227
Other	-	171
	<u>-</u>	<u>2,633</u>
	<u>110</u>	<u>2,633</u>

Terms and conditions of transactions with related parties –

Sales and purchases with related parties are made under market conditions equivalent to those applied to transactions between independent parties. Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. As of March 31, 2026 and December 31, 2025, the Group had not recorded an allowance for expected credit losses relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Lease transactions with related parties are described in note 25.

Compensation of key management personnel of the Group -

The compensation paid to key management personnel of the Company includes expenses for profit-sharing, compensation and other concepts for members of the Board of Directors and the key management. The total short-term compensation amounted to S/6,428,000 during the three-month period ended March 31, 2026 (S/6,272,000 during the three-month period ended March 31, 2025), and the total long-term compensations expense amounted to S/855,000 during the three-month period ended March 31, 2026 (S/1,263,000 during the three-month period ended March 31, 2025), and there were no post-employment or contract termination benefits or share-based payments.

Notes to interim consolidated unaudited financial statements (continued)

23. Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing the profit for the three-month period ended March 31, 2026 and 2025 by the weighted average number of common shares and investment shares outstanding during those periods.

The Group does not have potential common shares with a dilutive effect as of March 31, 2026 and 2025.

The calculation of basic earnings per share is shown below:

	For the three-month period ended March 31,	
	2026 S/(000)	2025 S/(000)
Numerator		
Net profit attributable to the owners of the Holding Company	<u>81,946</u>	<u>52,673</u>
Denominator		
Weighted average number of common and investment shares (thousands)	<u>428,107</u>	<u>428,107</u>
Basic profit for common and investment shares	<u>0.19</u>	<u>0.12</u>

There have been no other transactions involving common shares or investment shares between the reporting date and the date of the authorization of these interim consolidated unaudited financial statements.

24. Commitments and contingencies

Operating lease commitments – Group as lessor

As of March 31, 2026, the Group, as lessor, has a land lease with Compañía Minera Ares S.A.C. This lease is renewable annually and provided an annual rent expense for the three-month period ended March 31, 2026 and 2025 for S/268,000 and S/303,000, respectively, see note 22.

Consortium contract –

On December 19, 2022, Distribuidora Norte Pacasmayo S.R.L., subsidiary of the Group, subscribed a collaboration contract, with the purpose to participate in the project “Mejoramiento del Sistema de Pistas y Cerco Perimétrico del Aeropuerto de Piura”. As of December 31, 2025, the project has been completed.

Capital commitments

As of March 31, 2026 and December 31, 2025, the Group had no significant capital commitments.

Notes to interim consolidated unaudited financial statements

(continued)

Usufruct Concessions

In December 2013, the Company signed an agreement with a third party, related to the use of the Virrilá concession, to carry out other non-metallic mining activities related to cement production. This agreement has a term of 30 years, with fixed annual payments of US\$600,000 for the first three years and variable payments for the rest of the contract. The related expense for the years ended March 31, 2026 and 2025 amounted to S/1,337,000 and S/1,322,000, respectively, and was recognized as part of cost of inventory production. As part of this agreement, the Company is required to pay an equivalent amount of S/4.5 for each metric ton of calcareous extracted that is indexed by inflation after the first year of exploitation; the annual royalty may not be less than the equivalent to 850,000 metric tons after the beginning of the fourth year of production.

The Company signed an agreement with two third parties in October 2007, related to usufruct of the Bayovar 4 concession for an indefinite period to extract seashells and other minerals. As consequence, the Group made payments amounting to US\$250,000 for each third party for the first five years and variable payments for the rest of the contract. As part of this agreement, the Company is required to pay an equivalent amount of US\$5.1 to each third party for every metric ton of calcareous extracted, with the minimum production level for the calculation of 20,000 metric tons every six months following the beginning of the sixth year of production.

Mining royalty

According with the Royalty Mining Law in force since October 1, 2011, the royalty for the exploitation of metallic and nonmetallic resources is payable on a quarterly basis in an amount equal to the greater of: (i) an amount determined in accordance with a statutory scale of rates based on operating profit margin that is applied to the quarterly operating profit, adjusted by certain items, and (ii) 1% of net sales, in each case during the applicable quarter. These amounts are estimated based on the separated financial statements of Cementos Pacasmayo S.A.A. and each of the subsidiaries affected by this mining royalty, prepared in accordance with IFRS. Mining royalty payments will be deductible for income tax purposes in the fiscal year in which such payments are made.

The mining royalty expense paid to the Peruvian State for the three-month periods ended March 31, 2026 and 2025 amounted to S/377,000 and S/413,000, respectively, and is recognized as part of the cost of inventory production.

Tax situation

The Company and its subsidiaries are subject to Peruvian tax law. As of March 31, 2026 and 2025, the income tax rate is 29.5 percent of the taxable profit after deducting employee participation, which is calculated at a rate of 8 to 10 percent of the taxable income.

For purposes of determining income tax, transfer pricing for transactions with related companies and companies resident in territories with low or no taxation, must be supported with documentation including information on the valuation methods used and the criteria considered for determination. Based on the operations of the Group, Management and its legal advisors believe that as a result of the application of these standards will not result in significant contingencies for the Group as of March 31, 2026 and December 31, 2025.

Notes to interim consolidated unaudited financial statements (continued)

The tax authority has the power to review and, if applicable, adjust the income tax calculated by each company, in the four years subsequent after the year of filing the tax return.

The statements of income tax and value-added tax corresponding to the years indicated in the attached table are subject to review by the tax authorities:

Entity	Years open to review by Tax Authority	
	Income tax	Value-added tax
Cementos Pacasmayo S.A.A.	2022 – 2025	Dec. 2021 - Mar. 2026
Cementos Selva S.A.C.	2021 – 2025	Dec. 2021 - Mar. 2026
Distribuidora Norte Pacasmayo S.R.L.	2021 – 2025	Dec. 2021 - Mar. 2026
Empresa de Transmisión Guadalupe S.A.C.	2021 – 2025	Dec. 2021 - Mar. 2026
Salmueras Sudamericanas S.A.	2021 – 2025	Dec. 2021 - Mar. 2026
Calizas del Norte S.A.C. (liquidated during 2022)	2021 – 2022	Dec. 2021 - Dec. 2022
Soluciones Takay S.A.C.	2021 – 2025	Dec. 2021 - Mar. 2026
Corporación Materiales Piura S.A.C.	2021 – 2025	Dec. 2021 - Mar. 2026
Soluciones Crealo 150 S.A.C.	2024- 2025	Sep. 2024 - Mar. 2026
Vanguardia Constructora del Perú S.A.C.	2024 - 2025	Oct. 2024 - Mar. 2026

Due to possible interpretations that the tax authority may give to legislation in effect, it is not possible to determine whether or not any of the tax audits will result in increased liabilities for the Group. For that reason, tax or surcharge that could arise from future tax audits would be applied to the income of the period in which it is determined. However, in management's opinion and that of its legal advisors, any possible additional payment of taxes would not have a material effect on the consolidated unaudited financial statements as of March 31, 2026 and the consolidated audited financial statements December 31, 2025.

Notes to interim consolidated unaudited financial statements (continued)

Environmental matters

The Group’s exploration and mining activities are subject to compliance with the environmental obligations defined by the competent authorities and environmental protection regulations.

Environmental remediation -

Law No. 28271 which regulates the environmental liabilities in mining activities, aims to regulate the identification of mining activity’s environmental liabilities and financing the remediation of the affected areas. According to this law, environmental liabilities refer to the impact caused to the environment by abandoned or inactive mining operations.

In compliance with the above-mentioned laws, the Group presented environmental impact studies (EIS), declaration of environmental studies (DES) and Environmental Adaptation and Management Programs (EAMP) as well as the respective closure plans for its operating units
The Peruvian authorities approved the EAMP submitted by the Group for its mining units concessions and exploration projects as presented bellow:

Project unit	Resource	Resolution Number	Year of approval	Program approved	For the three-month period ended March 31,	
					2026 S/(000)	2025 S/(000)
Tembladera	Limestone	RD304-18-PRODUCE/DVMYPE-I/DIGGAM	2018	EAMP	66	63
					66	63

As of March 31, 2026 and December 31, 2025, the Group had no liabilities related to environmental remediation expenses because all were paid before the end of the year.

Quarry rehabilitation provision -

The Law No. 28090 regulates the obligations and procedures that must be met by the holders of mining activities for the preparation, filing and implementation of Quarry Closure Plans, as well as the establishment of the corresponding environmental guarantees to secure fulfillment of the investments that this includes, subject to the principles of protection, preservation and recovery of the environment. In connection with this obligation, as of March 31,2026 and December 31, 2025, the Group maintained a provision for the closing of the quarries exploited by its operations amounting to S/19,211,000 and S/18,594,000, respectively. The Group believes that this liability is adequate to meet the current environmental protection laws approved by the Ministry of Energy and Mines, refer to note 12.

Notes to interim consolidated unaudited financial statements (continued)

Legal claim contingency -

As of March 31, 2026, the Group had received claims from third parties in relation with its operations which in aggregate represent S/2,289,000 that corresponded to labor claims from former employees.

Management expects that these claims will be resolved within the next five years based on prior experience; however, the Group cannot assure that these claims will be resolved within this period because the authorities do not have a maximum term to resolve cases.

The Group has been advised by its legal counsel that it is only possible, but not probable, that these actions will succeed. Accordingly, no provision for any liability has been made in these interim consolidated unaudited financial statements.

Works for taxes –

As of March 31, 2026 and December 31, 2025, the Company had commitments to execute projects under the works for taxes modality for amounts totaling S/349,668,000 and S/387,437,000 respectively. The execution of the projects committed as of March 31, 2026 and December 31, 2025, will be carried out as planned for S/214,353,000 and S/274,388,000 in 2026 and S/135,315,000 and S/113,005,000 in 2027, respectively.

25. Financial risk management, objectives and policies

The Group's main financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's main financial assets include cash and short-term deposits and trade and other receivables that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by Financial Management that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial management provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

Management reviews and implements policies for managing each of these risks, which are summarized below.

Market risk -

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, foreign currency risk and other price risk (such as equity price risk and commodity risk).

The sensitivity analyses shown in the following sections relate to the Group's consolidated position as of March 31, 2026 and December 31, 2025.

Notes to interim consolidated unaudited financial statements (continued)

Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As of March 31, 2026 and December 31, 2025, all of the Group's borrowings are at a fixed rate of interest; consequently, the management evaluated that it is not relevant to do an interest rate sensitivity analysis.

Foreign currency risk -

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Group's exposure to foreign exchange risk relates primarily to the Group's operating activities (when income or expenses are denominated in a currency other than the Group's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant. The impact on the Group's profit before income tax is due to changes in the fair value of monetary assets and liabilities.

As of March 31, 2026 U.S. Dollar	Change in US\$ rate	Effect on consolidated profit before tax
	%	S/(000)
	+5	744
	+10	1,487
	-5	(744)
	-10	(1,487)
As of December 31, 2025 U.S. Dollar	Change in US\$ rate	Effect on consolidated profit before tax
	%	S/(000)
	+5	812
	+10	1,625
	-5	(812)
	-10	(1,625)

Notes to interim consolidated unaudited financial statements (continued)

Credit risk -

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to a credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. As of March 31, 2026 and December 31, 2025, the Group had 9 customers, that owed the Group more than S/3,000,000 each accounting for approximately 48% and 55% of all trade receivables outstanding, respectively. There were 32 and 26 customers with balances greater than S/700,000 and less than S/3,000,000, which accounted for approximately 34% and 28% of the total trade receivables, respectively. The evaluation for allowance for expected credit losses is updated at the date of the consolidated financial statements and individually for the main customers. This calculation is based on actual historical data incurred.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 7. The Group does not maintain credit insurance for its accounts receivable.

Cash deposits-

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties of first level. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. As of March 31, 2026 and December 31, 2025, the Group's maximum exposure to credit risk for the components of carrying amounts as showed in note 6.

Liquidity risk -

The Group monitors its risk of shortage of funds using a recurring liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and long term debentures. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over under the same conditions with existing lenders, if is necessary.

Notes to interim consolidated unaudited financial statements (continued)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Less than 3 months S/(000)	3 to 12 months S/(000)	1 to 5 years S/(000)	More than 5 years S/(000)	Total S/(000)
As of March 31, 2026					
Financial obligations	90,092	496,472	657,636	186,000	1,430,200
Interest	15,081	58,159	129,076	22,276	224,592
Trade and other payables	129,010	80,797	-	-	209,807
Lease liabilities	1,308	3,548	10,208	404	15,468
As of December 31, 2025					
Financial obligations	190,292	343,272	665,727	217,000	1,416,291
Interest	26,674	44,729	145,449	29,703	246,555
Trade and other payables	157,001	60,395	-	-	217,396
Lease liabilities	1,278	3,601	10,849	501	16,229

The changes in liabilities arising from financing activities are presented below:

	Balance as of January 1, 2026 S/(000)	Cash inflow S/(000)	Cash outflow S/(000)	Amortization of costs of issuance of senior notes S/(000)	Balance as of March 31, 2026 S/(000)
Dividends payable	11,823	-	(470)	-	11,353
Financial obligations	1,412,155	204,200	(190,291)	328	1,426,392
	Balance as of January 1, 2025	Cash inflow	Cash outflow	Amortization of costs of issuance of senior notes	Balance as of March 31, 2025
Dividends payable	11,097	-	(454)	-	10,643
Financial obligations	1,493,191	151,200	(190,291)	328	1,454,428

Notes to interim consolidated unaudited financial statements (continued)

Capital management -

For the purpose of the Group's capital management, capital includes capital stock, investment shares, additional paid-in capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximize the shareholders' value.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the creditors to immediately call the senior notes. There have been no breaches in the financial covenants of Senior Notes in any of the years presented.

The Group manages its capital structure and adjusts it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the periods ended March 31, 2026 and December 31, 2025.

26. Fair value of financial assets and liabilities

Financial assets -

Except for derivative financial instruments and financial instruments designated at fair value through OCI, all financial assets which included trade and other receivables are classified in the category of loans and receivables, which are non-derivative financial assets carried at amortized cost, held to maturity, and generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Financial liabilities -

All financial liabilities of the Group including trade and other payables financial obligations are classified as loans and borrowings and are carried at amortized cost.

Notes to interim condensed consolidated unaudited financial statements (continued)

(a) Fair values and fair value accounting hierarchy –

Set out below is a comparison of the carrying amounts and fair values of financial instruments of the Group, as well as the fair value accounting hierarchy:

	Carrying amount		Fair value		Fair value hierarchy 2026/2025
	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)	As of March 31, 2026 S/(000)	As of December 31, 2025 S/(000)	
Financial assets					
Cash and cash equivalents	78,573	53,571	78,573	53,571	Level 1
Trade and other receivables	172,787	175,124	172,787	175,124	Level 2
Financial investments designated at fair value through other comprehensive income	71	163	71	163	Level 3
Total financial assets	251,431	228,858	251,431	228,858	
Financial liabilities					
Trade and other payables	250,209	283,907	250,209	283,907	Level 2
Senior notes	569,441	569,414	587,578	541,619	Level 1
Fixed rate notes and loans	856,951	842,741	851,905	834,838	Level 2
Total financial liabilities	1,676,601	1,696,062	1,689,692	1,660,364	

Notes to interim condensed consolidated unaudited financial statements (continued)

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchies are those described in note 2.3.2 (iv).

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy. As of March 31, 2026 and December 31, 2025, there were no transfers between the fair value hierarchies.

Management assessed that cash and cash equivalents; trade and other receivables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair value of quoted corporate bonds is based on the current value of the notes in the market as of the reporting date.
- The fair value of the fixed rate promissory note it is calculated using the results of cash flow discounted at the average indebtedness rates effective as of the reporting date.
- The fair value of financial instruments at fair value with changes in OCI has been determined through the percentage of the Company's shareholding in the equity of Fossal S.A.A.

Notes to interim condensed consolidated unaudited financial statements (continued)

27. Segment information

For management purposes, the Group is organized into business units based on their products and activities, and have two reportable segments as follows:

- Production and sales of cement, concrete, pavement, mortar and precast in the northern region of Peru.
- Sale of construction supplies in the northern region of Peru.

No other operating segments have been aggregated to form the above reportable operating segments.

Management monitors the profit before income tax of each business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit before income tax and is measured consistently with profit before income tax in the consolidated statement of profit and loss.

Transfer prices between operating segments are on an arm's length basis in a similar manner to transactions with third parties.

	For the three-month period ended March 31, 2026				For the three-month period ended March 31, 2025			
	Cement, concrete, pavement, mortar and precast S/(000)	Construction supplies S/(000)	Others (*) S/(000)	Total consolidated S/(000)	Cement, concrete, pavement, mortar and precast S/(000)	Construction supplies S/(000)	Others (*) S/(000)	Total consolidated S/(000)
Revenues from external customers	539,027	9,439	7,203	555,669	486,304	10,001	2,863	499,168
Gross profit	236,428	275	(2,314)	234,389	185,528	253	(2,423)	183,358
Administrative expenses	(68,064)	(768)	(665)	(69,497)	(68,545)	(773)	(669)	(69,987)
Selling and distribution expenses	(29,635)	(334)	(290)	(30,259)	(22,243)	(251)	(218)	(22,712)
Other operating income (expense), net	5,053	-	-	5,053	4,982	(2)	(2)	4,978
Finance income	398	-	-	398	619	4	21	644
Finance cost	(21,603)	(50)	-	(21,653)	(23,128)	-	(3)	(23,131)
(Loss) Gain from exchange difference, net	(416)	-	4	(412)	807	(4)	(12)	791
Profit (loss) before income tax	122,161	(877)	(3,265)	118,019	78,020	(773)	(3,306)	73,941
Income tax expense	(36,186)	(2)	115	(36,073)	(22,441)	223	950	(21,268)
Profit (loss) for the period	85,975	(879)	(3,150)	81,946	55,579	(550)	(2,356)	52,673

(*) The "others" segment includes activities that do not meet the threshold for disclosure under IFRS 8.13 and represent non-material operations of the Group (including brine projects).

Notes to interim consolidated unaudited financial statements
(continued)

	As of March 31, 2026				As of March 31, 2025			
	Cement, concrete, pavement, mortar and precast	Construction supplies	Others (*)	Consolidated	Cement, concrete, pavement, mortar and precast	Construction supplies	Others (*)	Consolidated
Segment assets	3,061,230	7,794	61,061	3,130,085	2,976,370	31,337	95,496	3,103,203
Other assets (*)	-	-	71	71	-	-	163	163
Total assets	3,061,230	7,794	61,132	3,130,156	2,976,370	31,337	95,659	3,103,366
Total liabilities	1,847,303	7,548	2,059	1,856,910	1,825,277	83,586	3,138	1,912,001
Capital expenditure (**)	12,382	-	-	12,382	144,276	-	-	144,276
Depreciation and amortization	(37,215)	(171)	(856)	(38,242)	(154,164)	(1,033)	(4,284)	(159,481)
Provision for inventory obsolescence	(1,082)	-	-	(1,082)	(1,469)	-	-	(1,469)

- (*) As of March 31, 2026 and December 31, 2025, corresponds to the financial instruments designated at fair value through other comprehensive income for S/71,000 and S/163,000, respectively.
- (**) Capital investments amounting to S/12,382,000 and S/38,603,000 during the three-month period ended March 31, 2026 and year ended December 31, 2025, respectively, and correspond to additions of property, plant and equipment, intangibles and other minor non-current assets.

Geographic information

As of March 31, 2026 and December 31, 2025, all non-current assets are located in Peru and all revenues are from clients located in the north region of the country.