

Corporate Presentation

August 2021





Ferreycorp Strategy and Capabilities

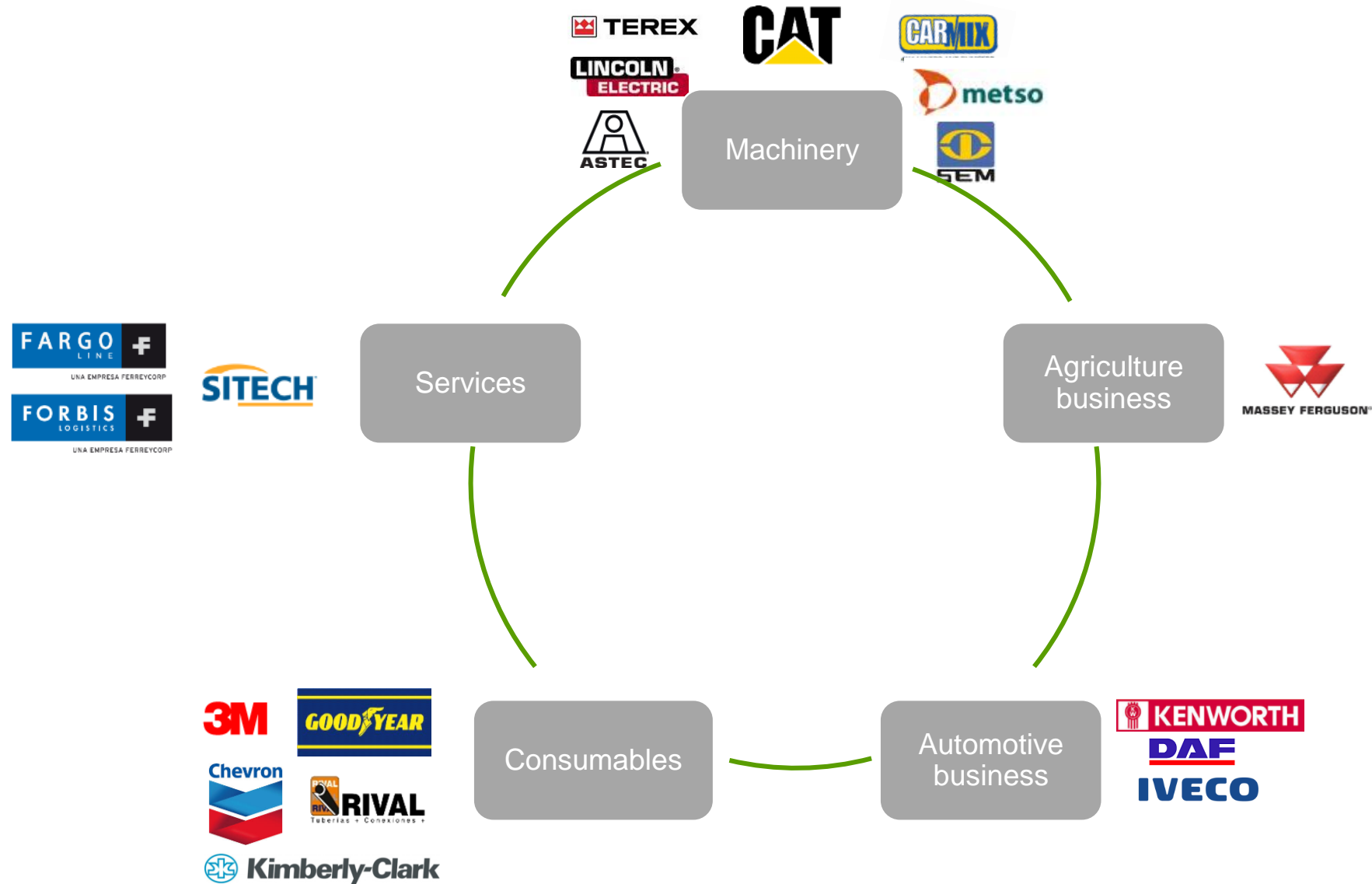
erreycorp

Overview of the Company



- **Ferreycorp was established in 1922 with focus in the commercialization of consumption products.**
- **In 1942 , the company assumes the representation and strategic alliance with Caterpillar Tractor (almost 80 years ago) in Peru and entered in the capital goods field.**
- **In the same decade, aiming to achieve greater market coverage, began its decentralization and expansion of its footprint: establishes offices in provinces as well as several subsidiaries.**
- **In 2010 Ferreycorp acquired the Caterpillar dealers in Guatemala, El Salvador y Belize.**
Other brands than Caterpillar : Metso, Paus, Kenworth, Iveco, Chevron, 3M, Good Year, Genie, Terex, Wacker, Carmix.
- **Ferreycorp is a proxy of the Peruvian economy and serves all economic sectors: mining, construction, agriculture, fishing, industry, commerce, telecom, oil, transportation.**
- **Ferreycorp and its subsidiaries have a workforce of 6,500 employees.**

Complete Value Proposition



Portfolio Diversification



Thanks to the experience and knowledge acquired with Caterpillar, the corporation and its subsidiaries have established strong long-term relationships with a number of global brands. Ferreycorp has consolidated as a prestigious portfolio of represented brands, becoming the leader in its field.



Corporate Structure



BVL: FERREYC1

Caterpillar dealers and allied brands in Peru



Caterpillar dealers and other businesses in Central America



Guatemala



El Salvador



Belize



Nicaragua



El Salvador, Honduras

Other subsidiaries in Peru and abroad



Chile, Colombia, Ecuador, Perú



Allows achieve diversification



YTD2021
(S/. Million)

Caterpillar dealers and allied brands in Peru

Caterpillar dealers and other businesses in Central America

Other subsidiaries in Peru and abroad

Sales

1993

263

464

% of Total Sales

73%

10%

17%

EBITDA

330

36

63

% of Total EBITDA

77%

8%

15%

EBITDA Margin

17%

14%

14%

of employees

4,666

758

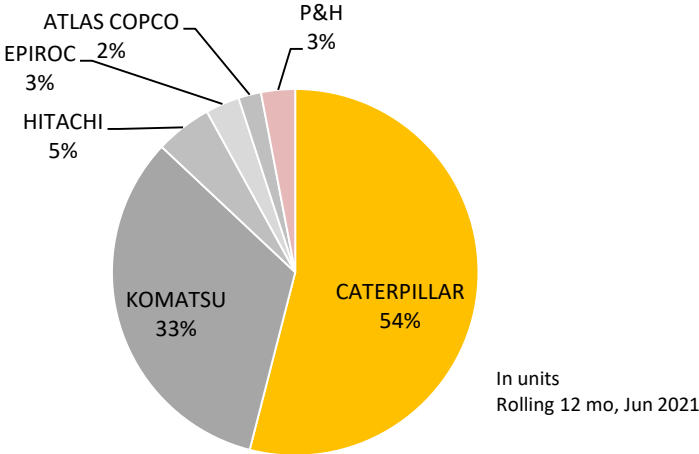
995

Third group of companies is increasing their share in total sales: 2013 (10%), 2014 (11%), 2015 (12%), 2017 and 2018 (16%) – as a result of diversification strategy through complementary businesses.

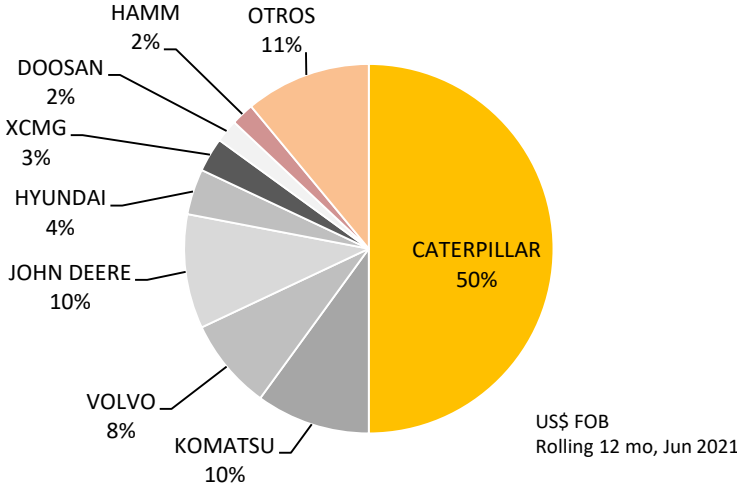
With a strong market share in order to *take all the market opportunities*



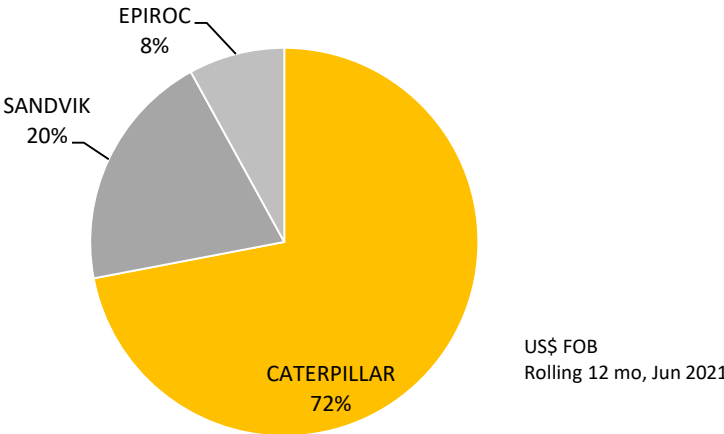
Open pit mining



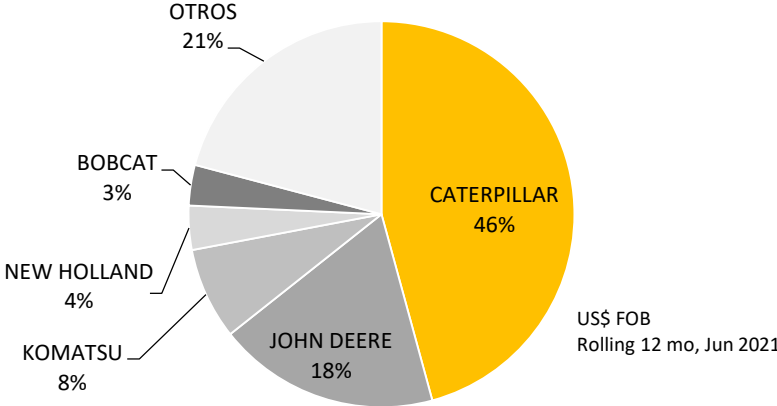
Heavy construction



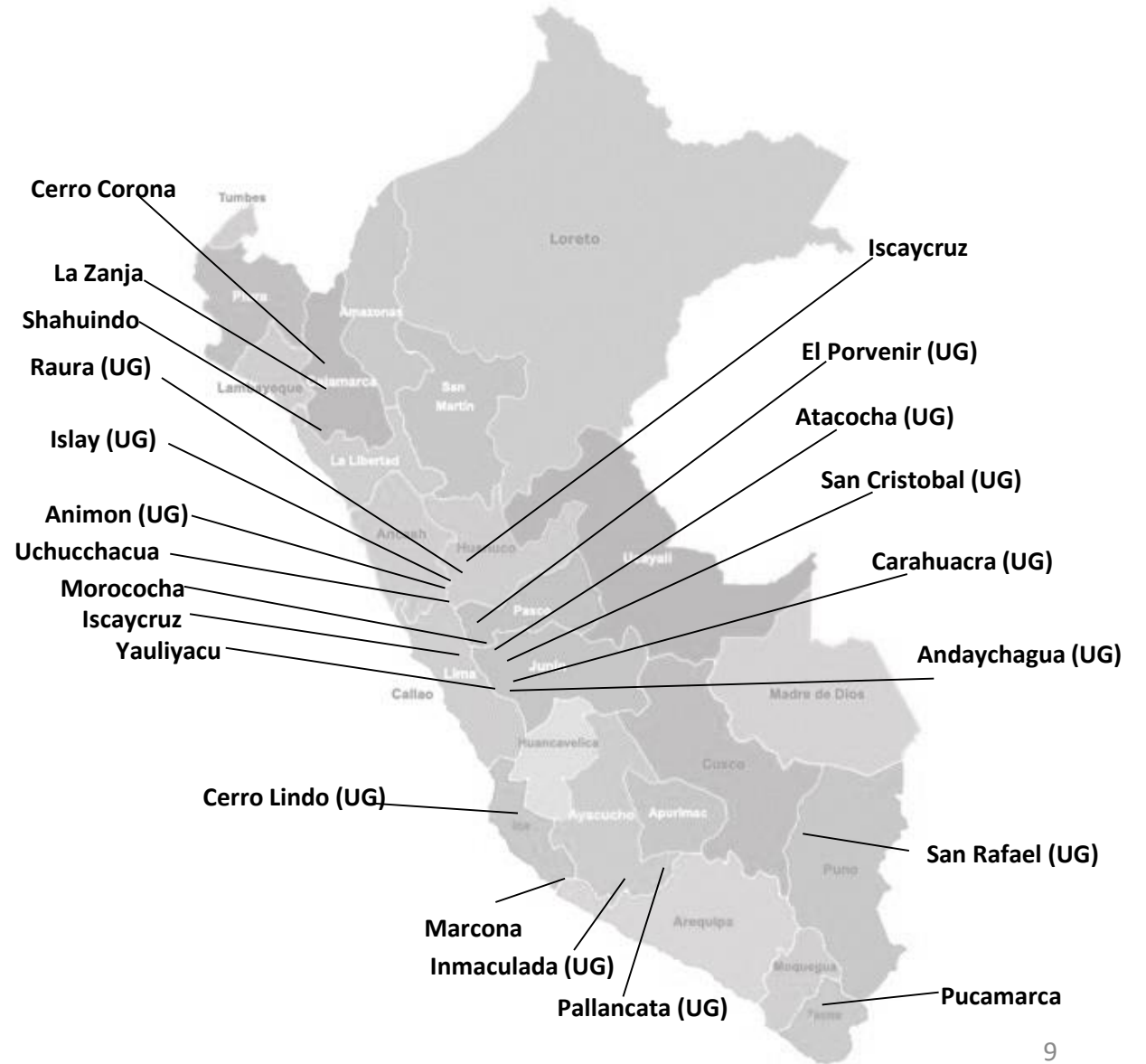
Underground mining



General construction



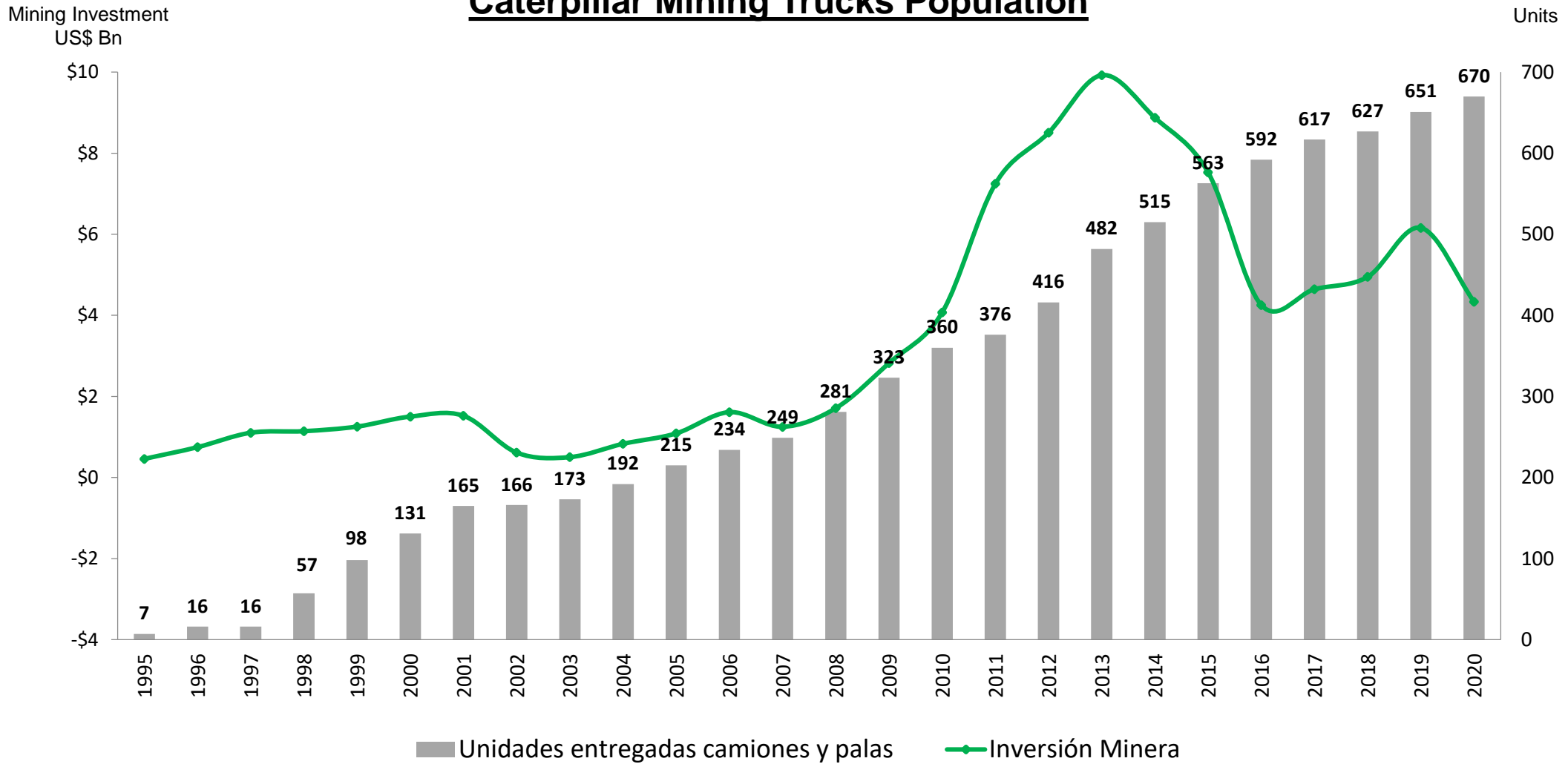
Supported by current Mining customers: *50% of sales*



Increasing Caterpillar mining trucks population over the years



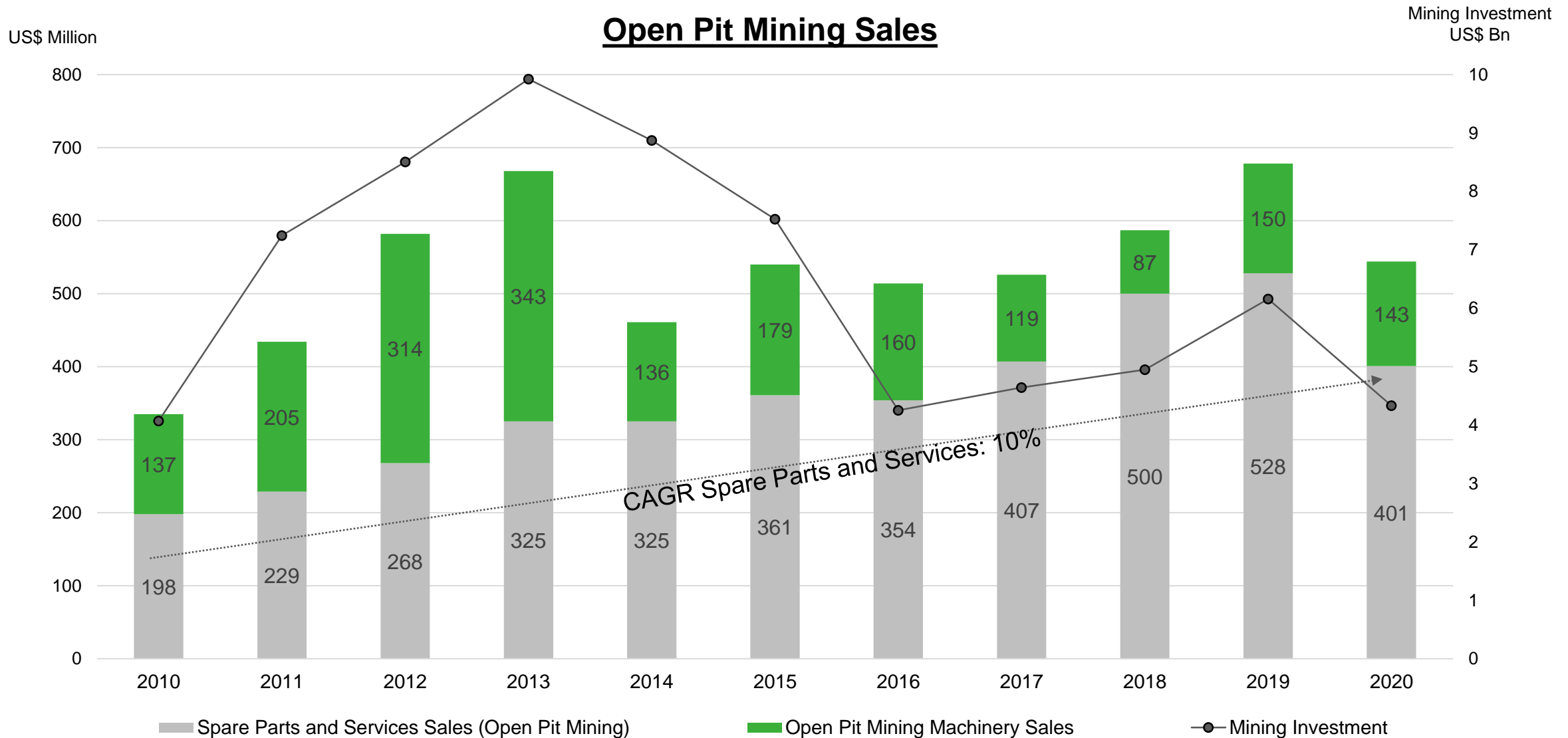
Caterpillar Mining Trucks Population



Leverage our sales



Open Pit Mining Sales



Key Capabilities developed over the years



Long-term strategic alliances. Access to best practices, Xcellence programs.

Market coverage

Unmatched supply chain and logistics capabilities

Excellence in after market with experienced technicians and accumulated data

Financial strength and funding sources

Innovation and technology

Ethics and compliance, Corporate Governance and Sustainability

Ferreycorp

Company Results



Quarantine management in Ferreycorp



Continuous communication: from the corporation, managers, health specialists through emails, webinars, intranet
Monitoring staff health: surveys, communication with leaders.

Focus on the following areas:



Staff health

Monitoring cases
Protocols
Tests
Access to health system and medicines



Access to financial resources

Investors
Banks
Suppliers
Receivables surveillance
Capital market



Factory availability

Monitoring factories operation
Availability of spare parts



Customers business recovery

Close to customers
Macroeconomic analysis and recovery expectations



Expenses control Monitoring assets

Consulting, travel, events, training, transportation, maintenance.
Capex reduction
Inventory monitoring: looking for efficiencies

Recover profitability

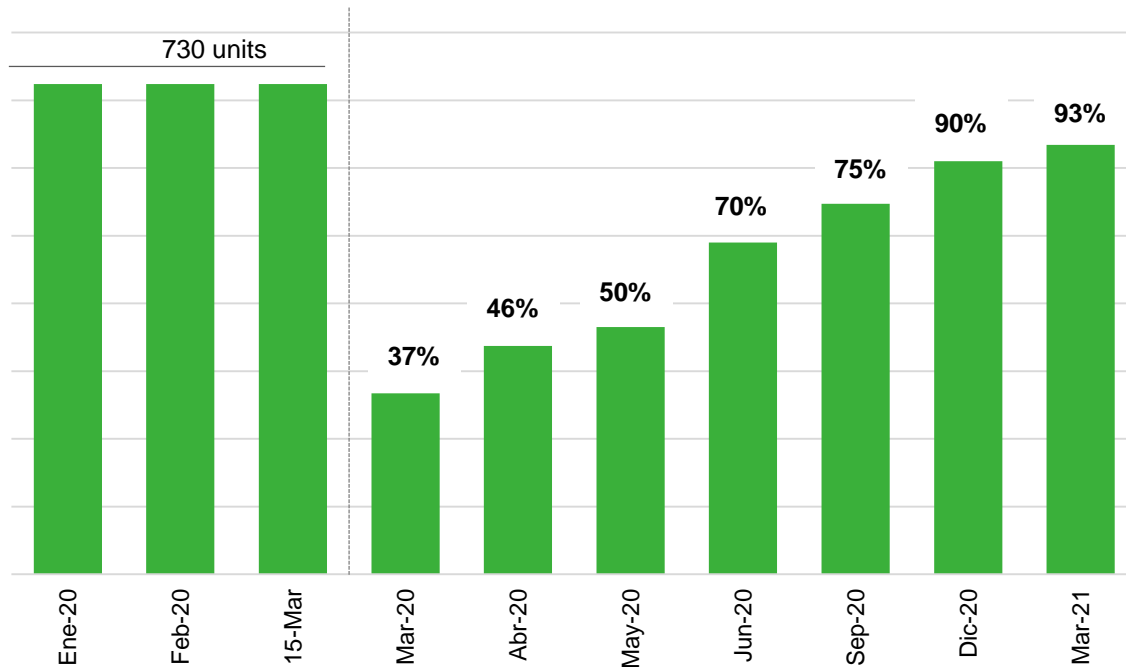
Efficient market coverage
Closing sales

Mining and Construction Capacity Evolution

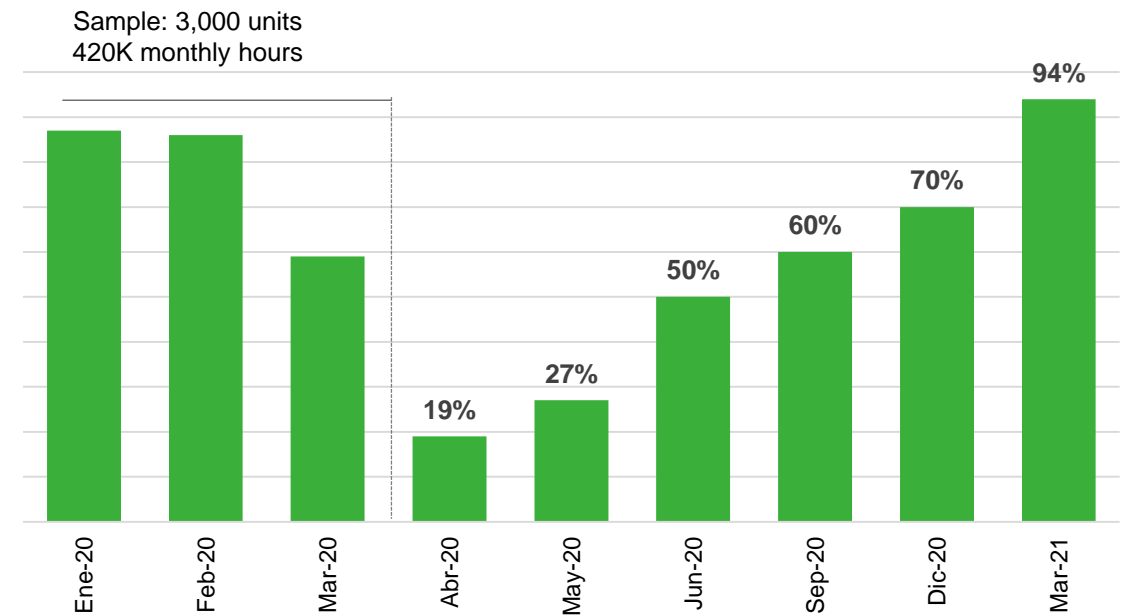
Customers machines connected



Open pit mining equipment
(Units)



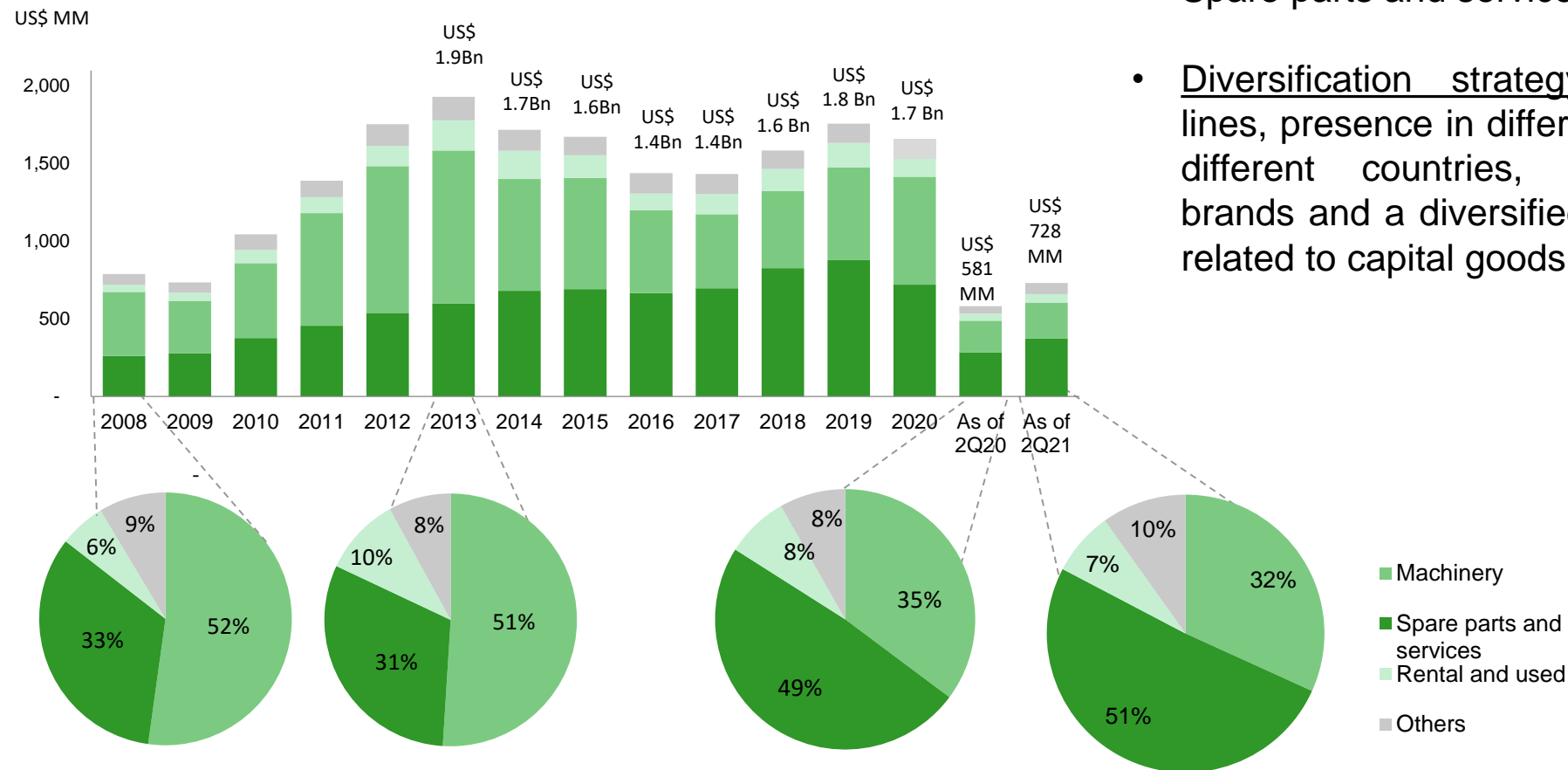
Heavy construction machines
(Monthly hours)



Resilient Business Model



Sales by Business Line



- Spare parts and services support business.
- Diversification strategy through business lines, presence in different economic sectors, different countries, various represented brands and a diversified portfolio of products related to capital goods.

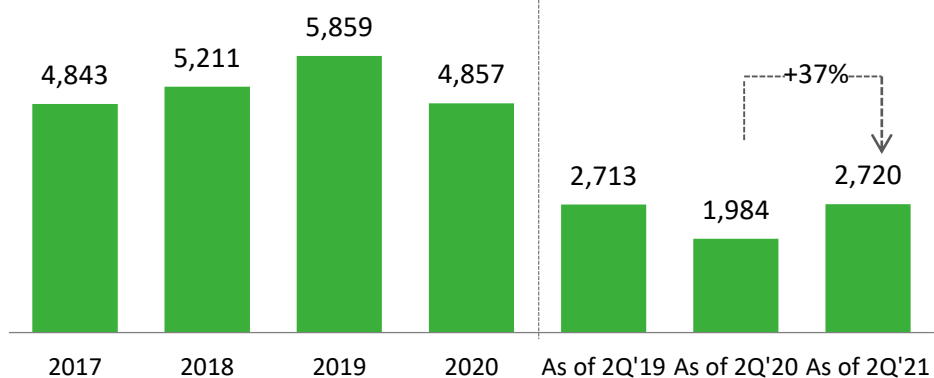
(*) Other lines include: logistic businesses, lubricants and consumables.

Reflected in strong financial results

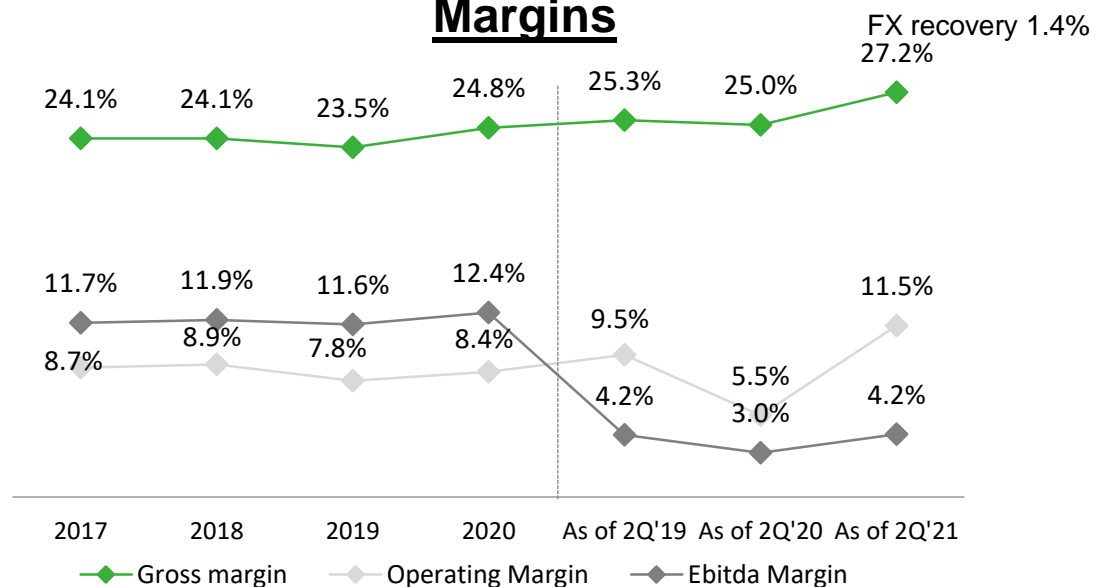
Million soles (S/ mm)



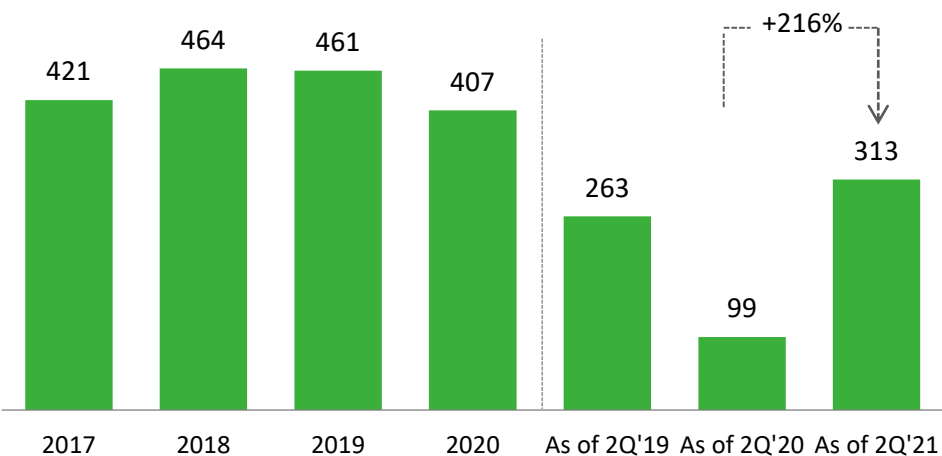
Sales



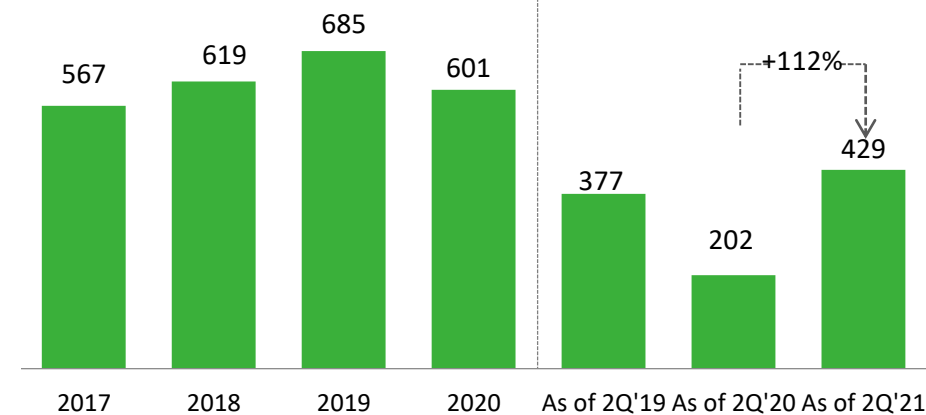
Margins



Operating Profit



EBITDA

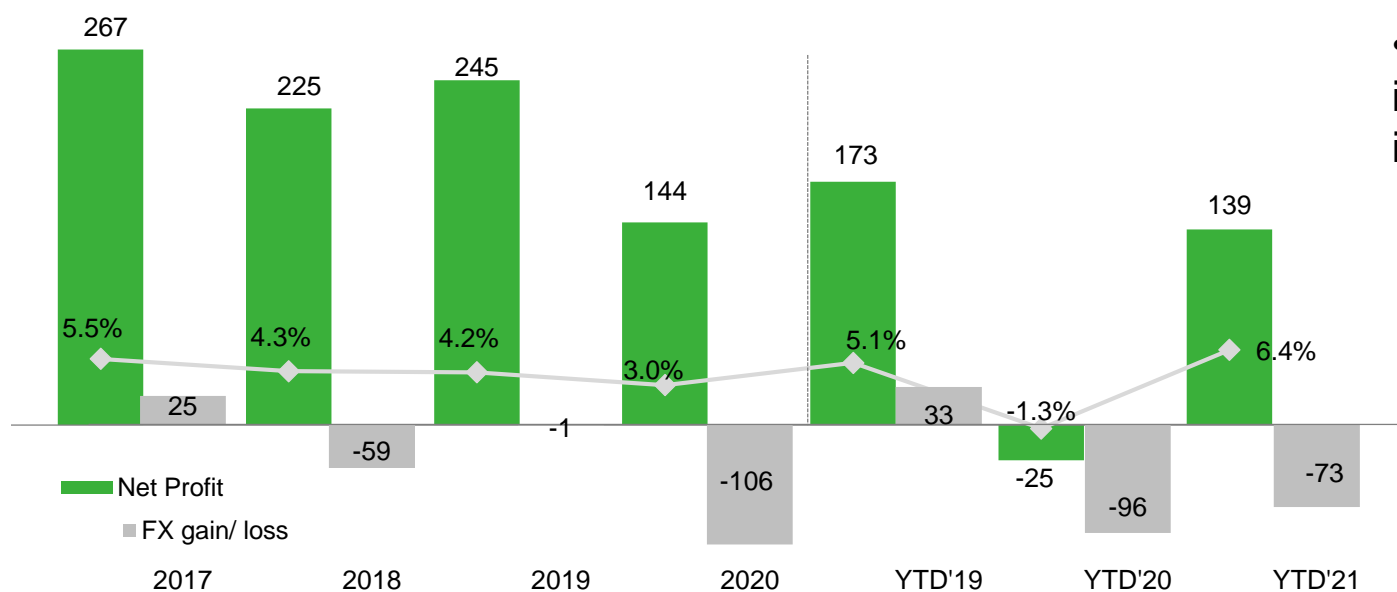


Net Profit impacted by FX Loss



Net Profit, Margin and FX impact

(In million S/)



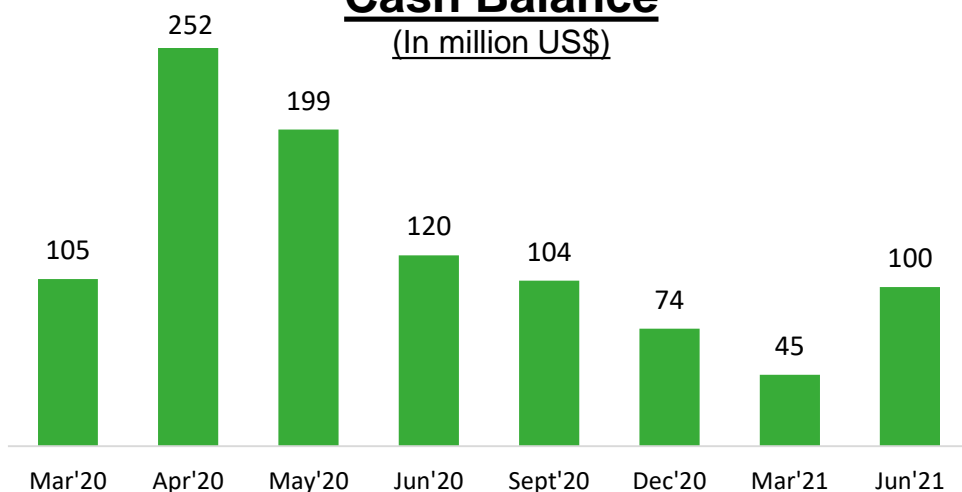
- FX loss as of Jun'21: S/ 73 million
- Recovered through:
 - i) Inventory reserve as of June - S/ 55mm
 - ii) Recovery through gross margin – S/ 40mm

Liquidity and working capital trends



Cash Balance

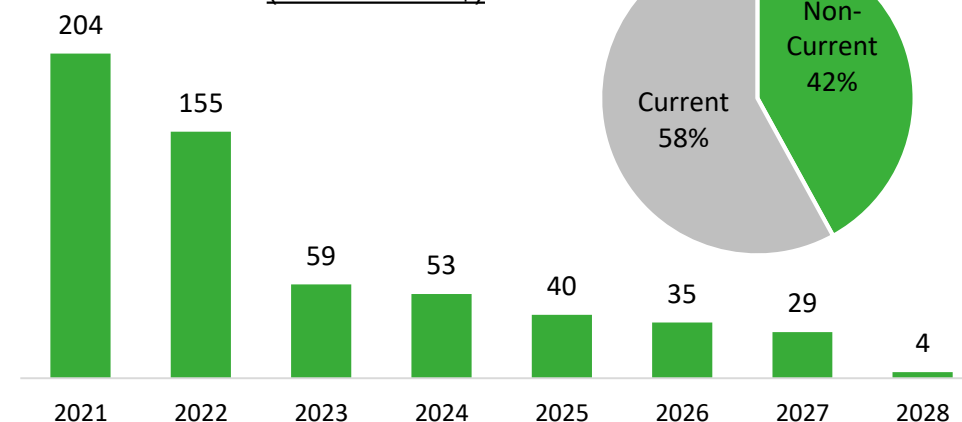
(In million US\$)



Target: 50% - 50%

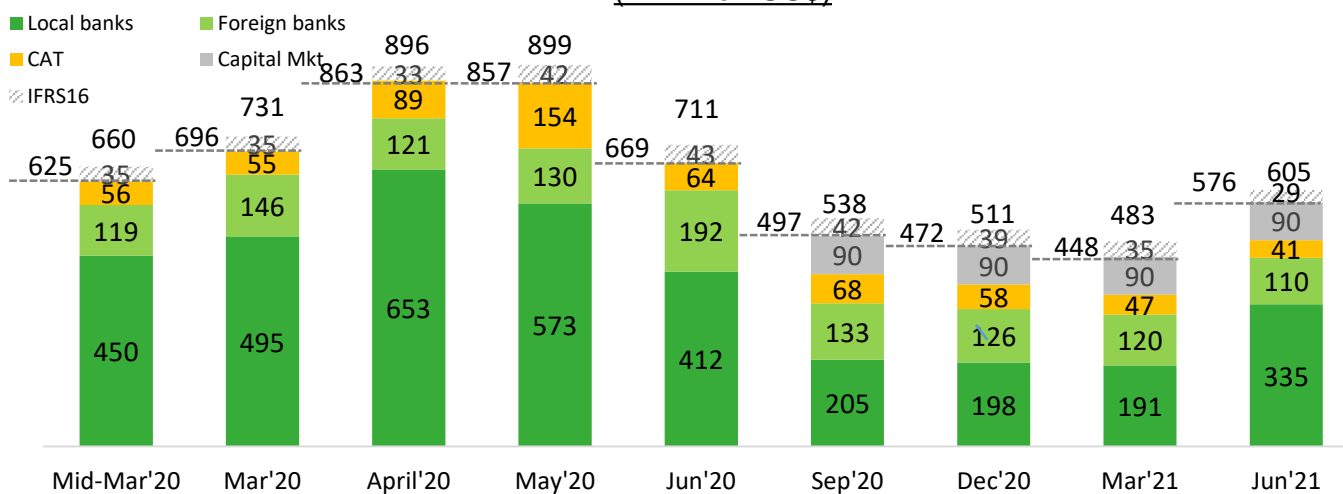
Debt Maturity

(In million US\$)



Debt

(In million US\$)

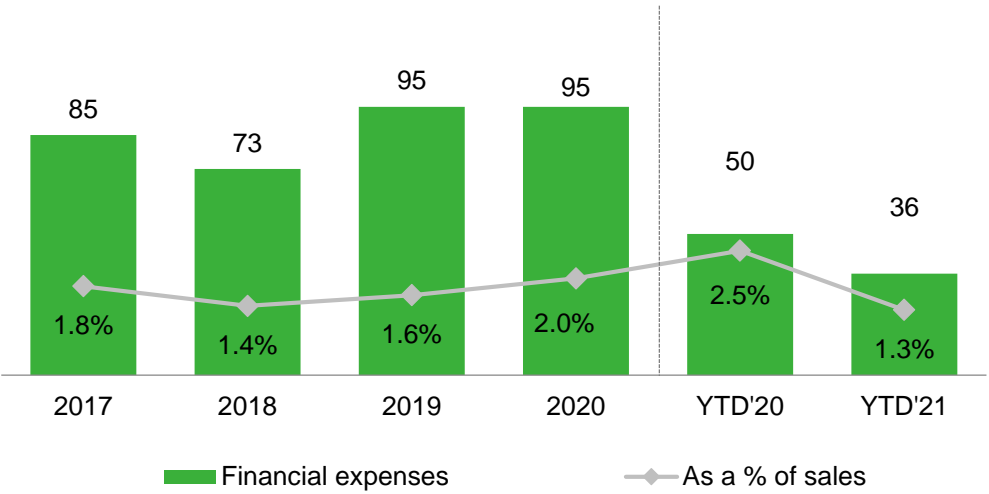


	Dic-19	Mar-20	Jun-20	Set-20	Dic-20	Mar-21	Jun-21
Net debt / EBITDA	3.21	3.35	4.05	3.19	2.64	2.53	2.35
Adjusted Debt / EBITDA	2.36	2.5	3.22	3.07	2.37	1.92	1.71

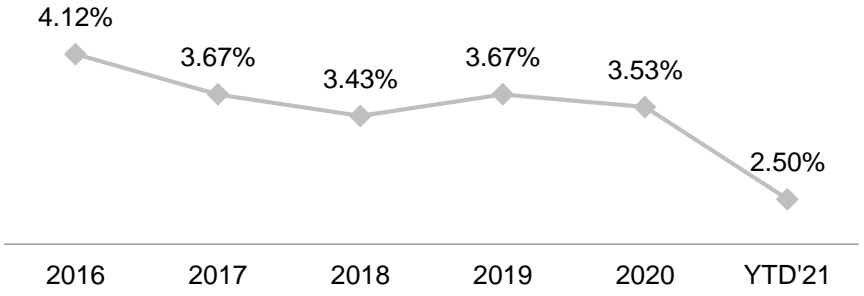
Financial expenses and controlled average cost of debt



Financial Expenses
(In million S/)



Average cost of debt

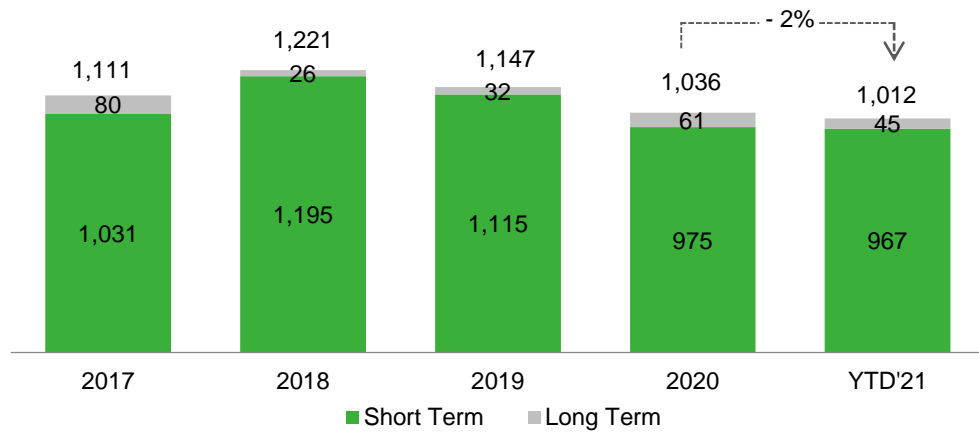


Controlling main assets and CAPEX



Account Receivables

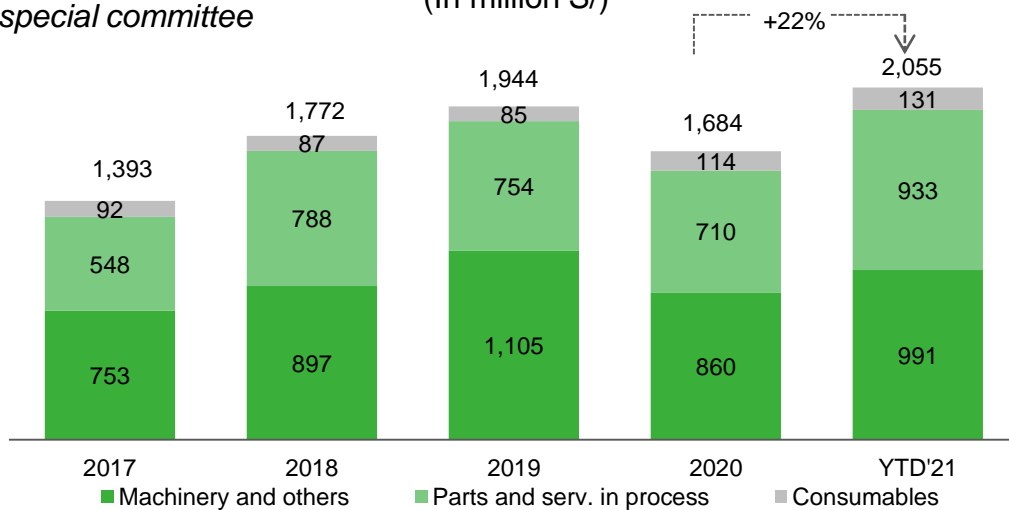
(In million S/)



Controlling inventories thru special committee

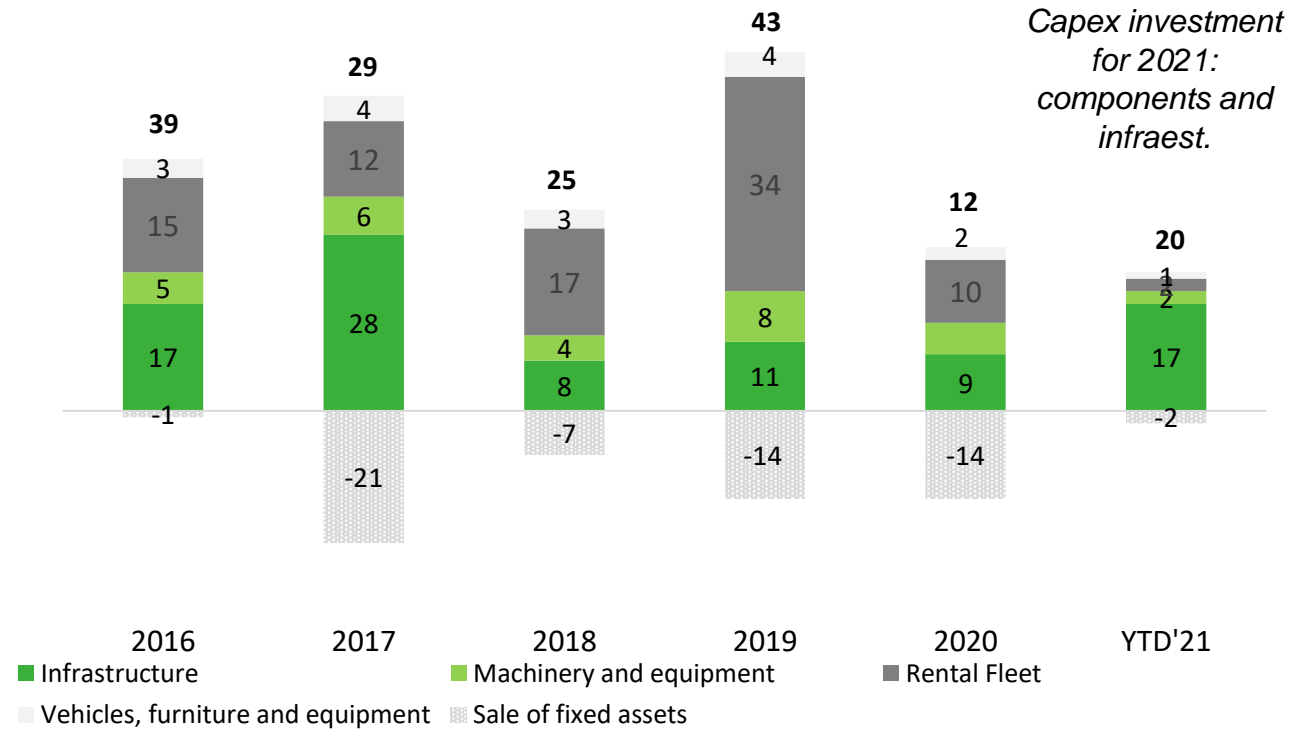
Inventories

(In million S/)



Capex

(In million US\$)



Budget 2021:
US\$ 30mm (fixed assets)
//US\$ 2mm (intangibles)

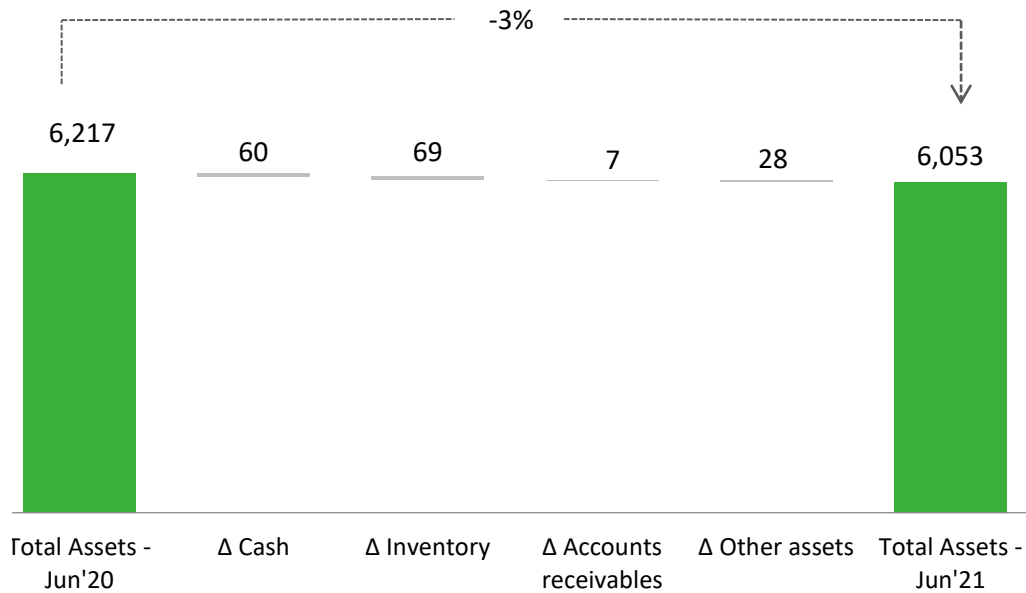
Important Investment in Assets

Mainly cash and inventory



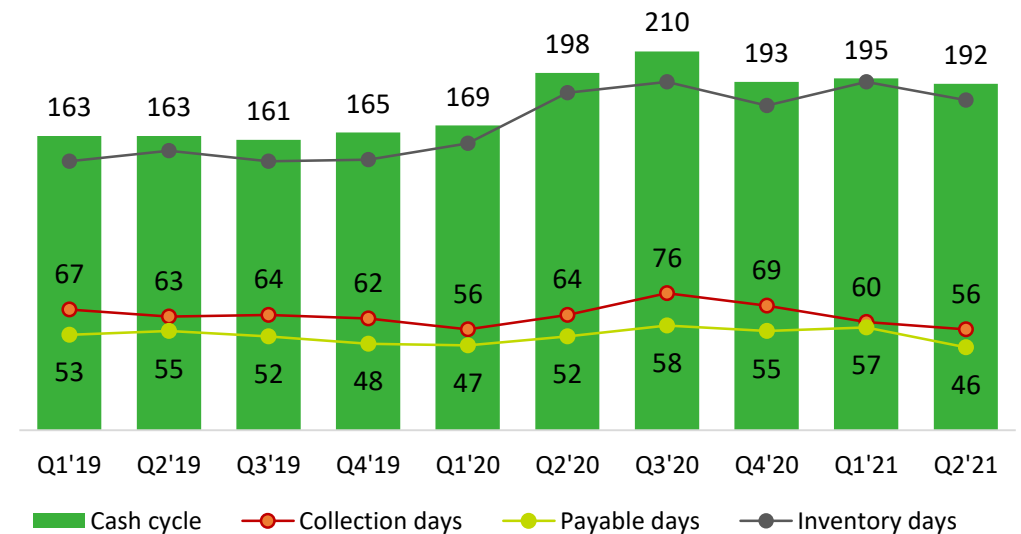
Total Assets

(In million S/)



Cash Cycle

(Days)



- Positive variations
- Negative variations



Ferreycorp

Thanks