

Corporate Presentation

March 2021





Ferreycorp Strategy and Capabilities

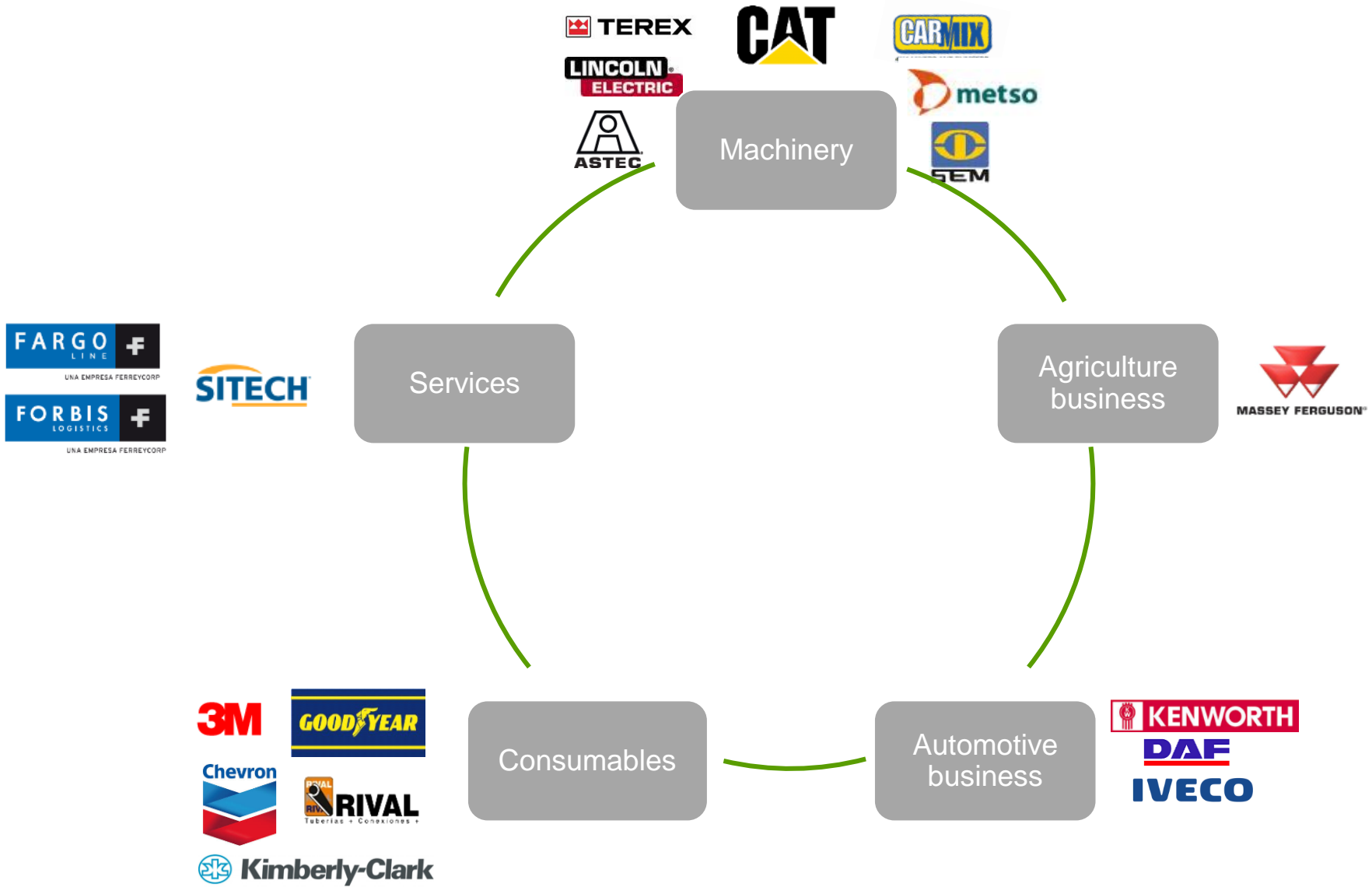
 **Ferreycorp**

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



2020
(S/. Million)

Caterpillar dealers and
allied brands in Peru

Caterpillar dealers and other
businesses in Central America

Other subsidiaries in Peru
and abroad

Sales

3,544

436

877

% of Total Sales

73%

9%

18%

EBITDA

445

51

108

% of Total EBITDA

74%

8%

18%

EBITDA Margin

13%

12%

12%

of employees

4,267

741

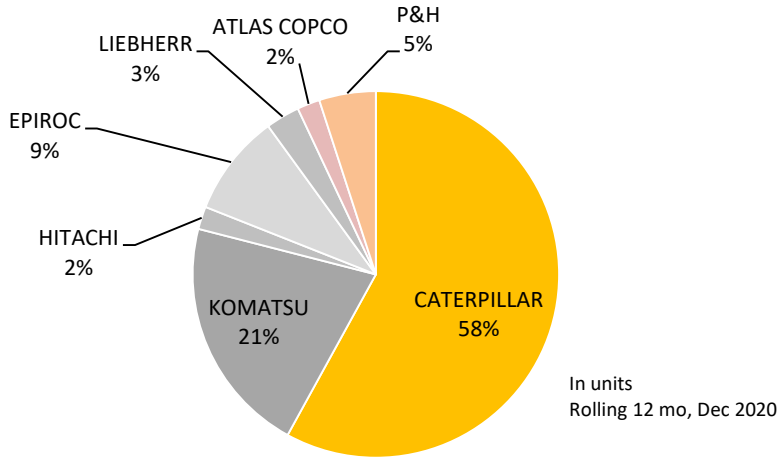
1,051

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.

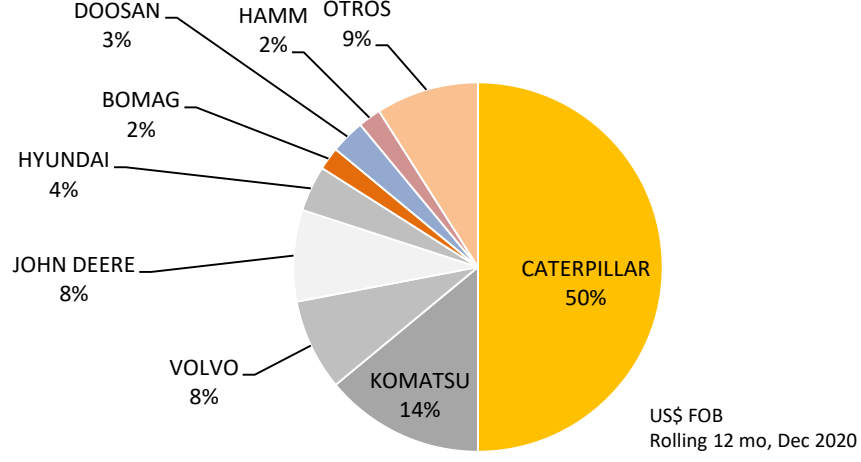
With a strong market share taking all the market opportunities



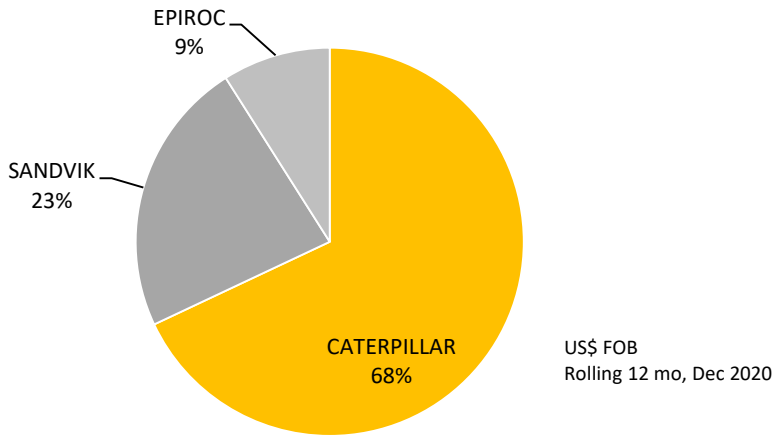
Open pit mining



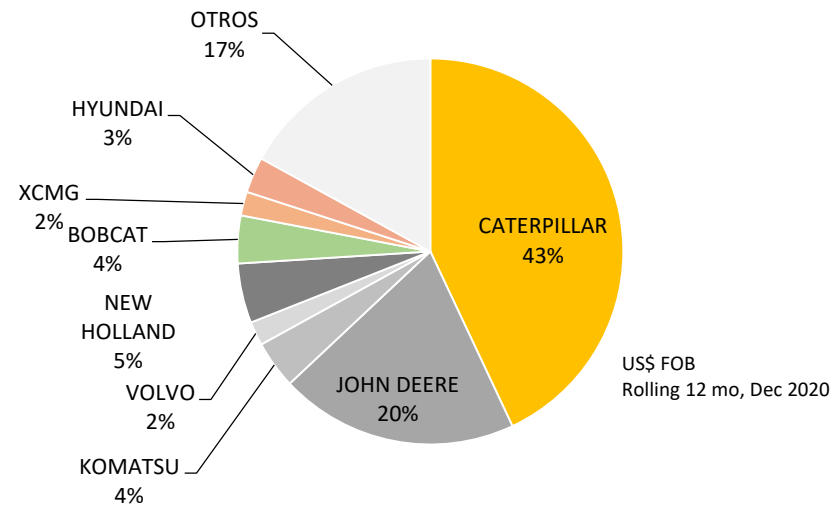
Heavy construction



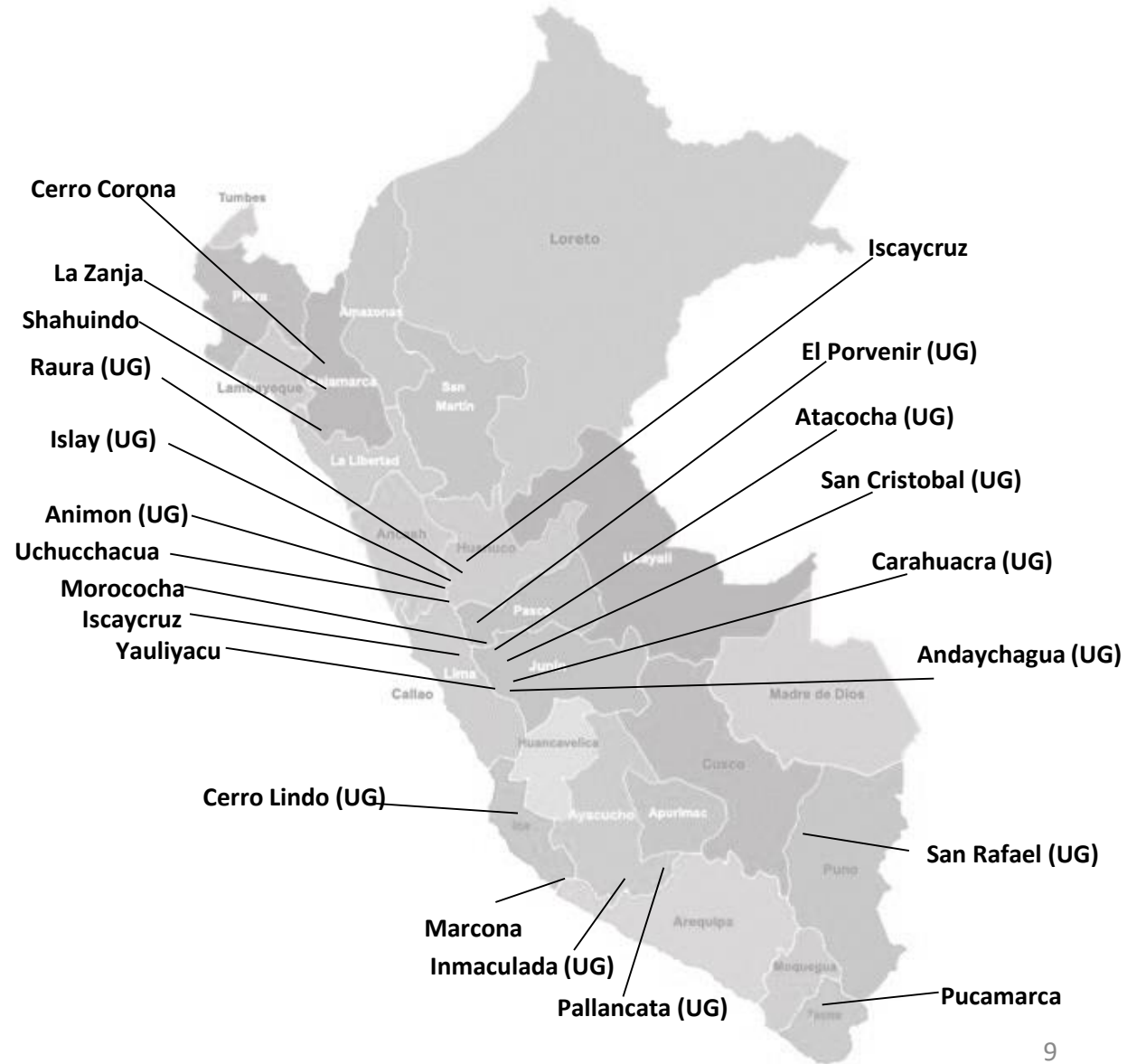
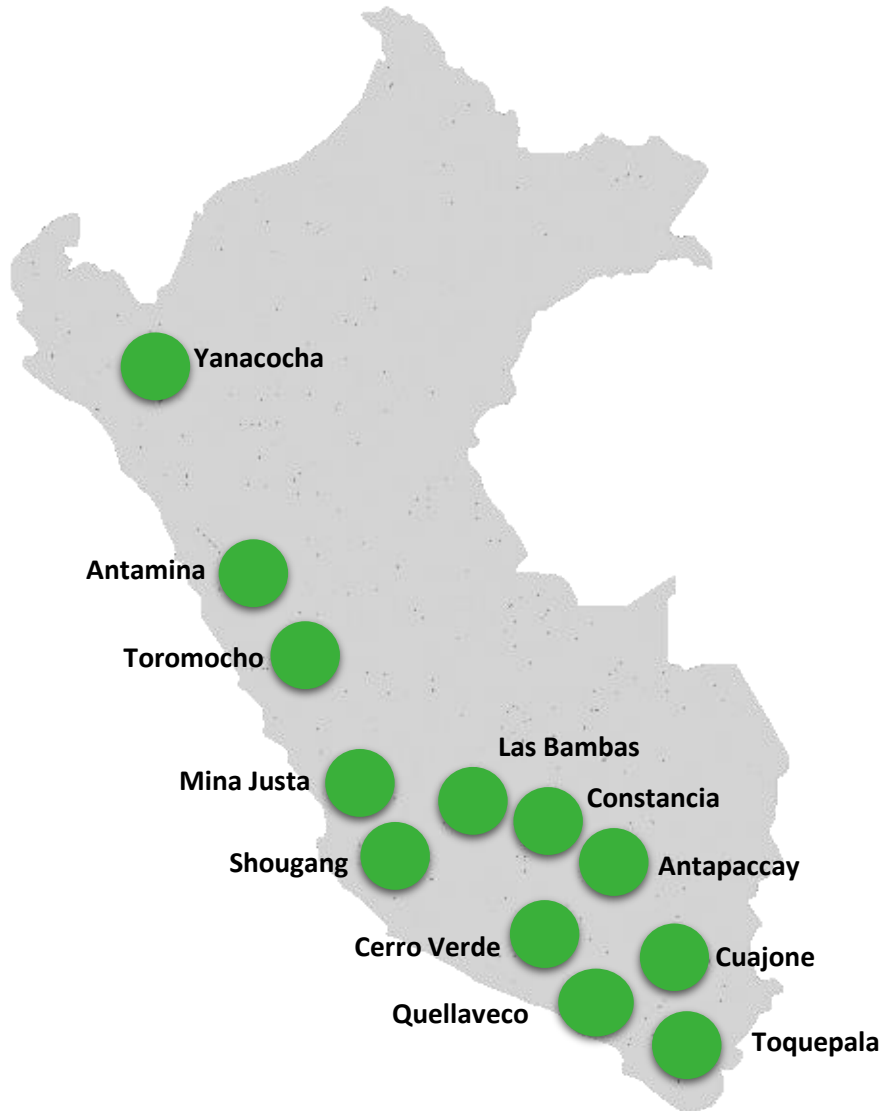
Underground mining



General construction



And also supported by current Mining customers: *50% of 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



Year 2020: Quarantine impact, managament and 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

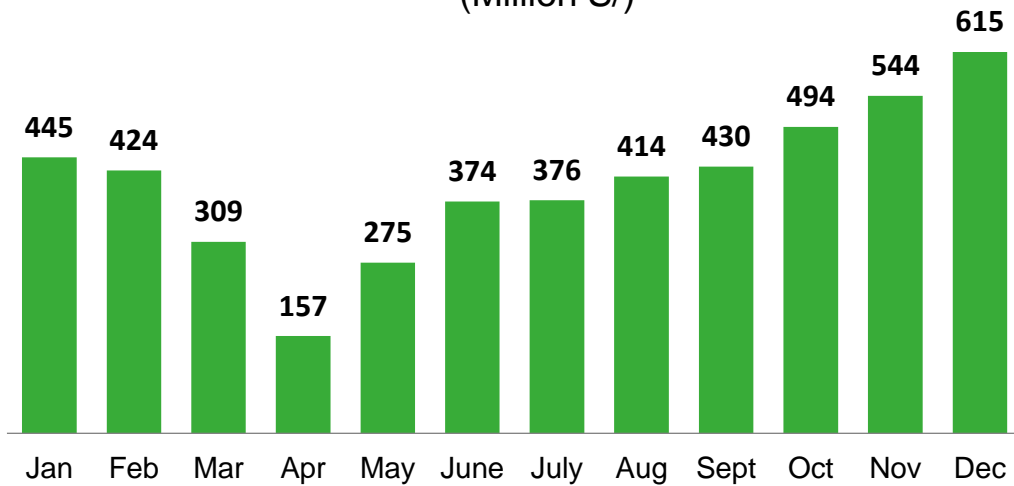
Recover profitability

Efficient market coverage
Closing sales

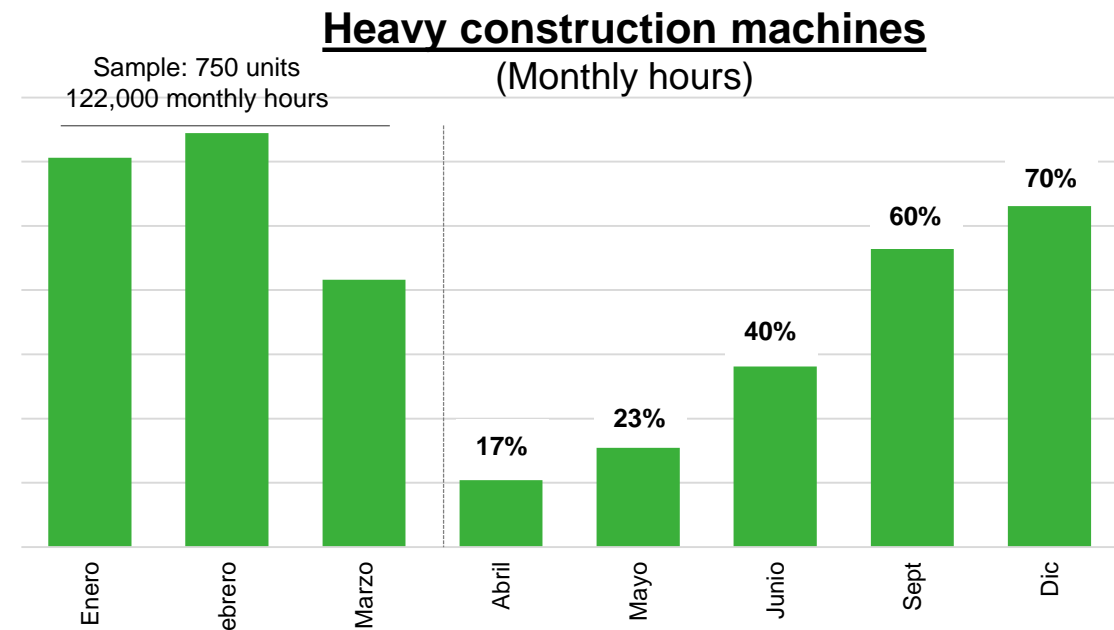
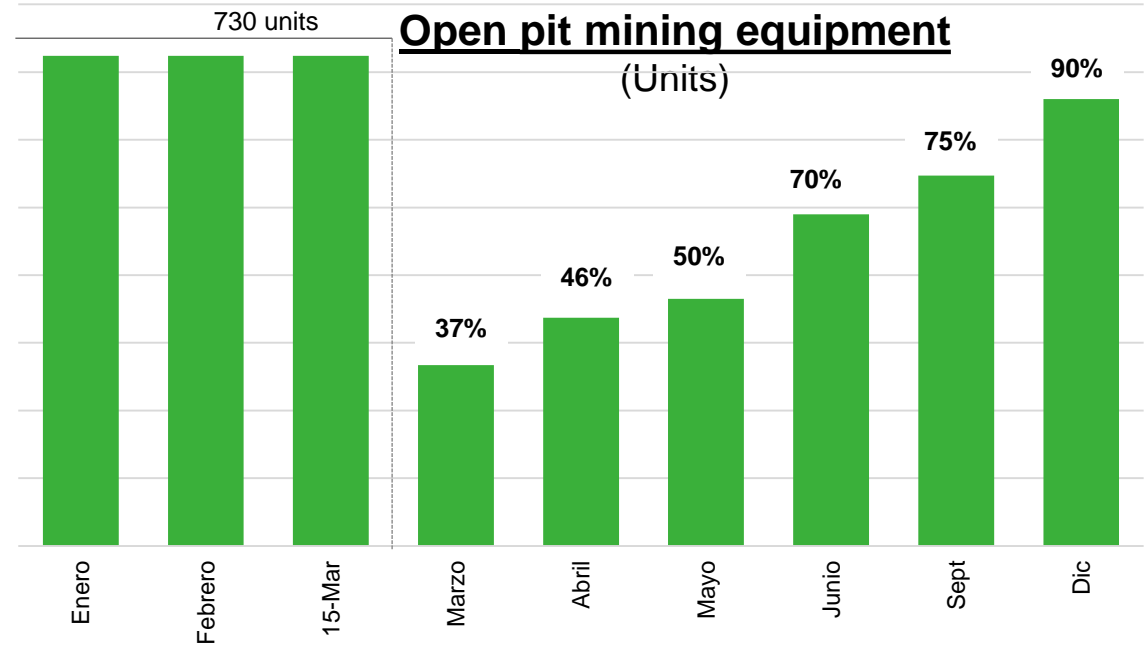
Mining and Construction

Customers machines connected

Monthly sales – Full year 2020
(Million S/)



Capacity Evolution: mining and construction

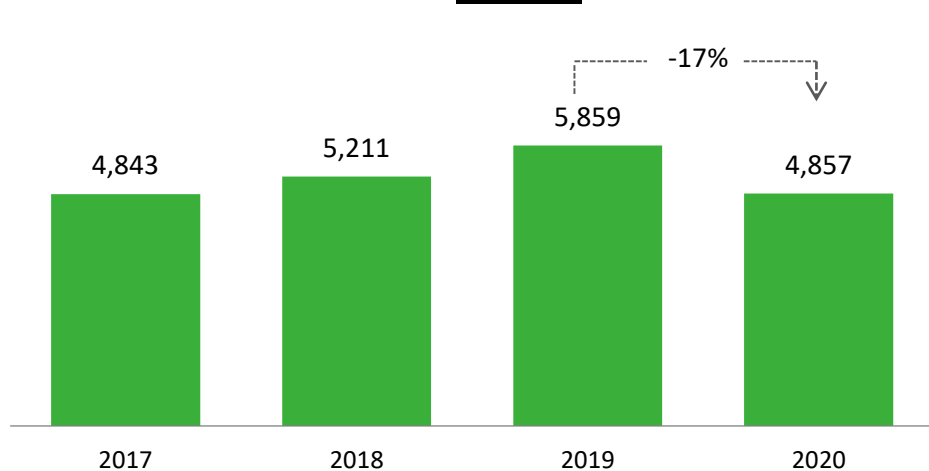


Strong financial results

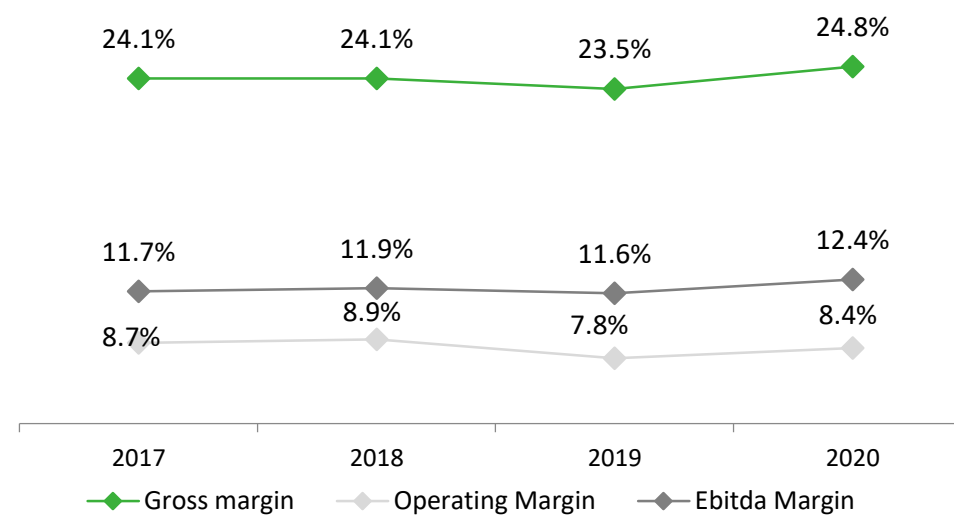
Million soles (S/ mm)



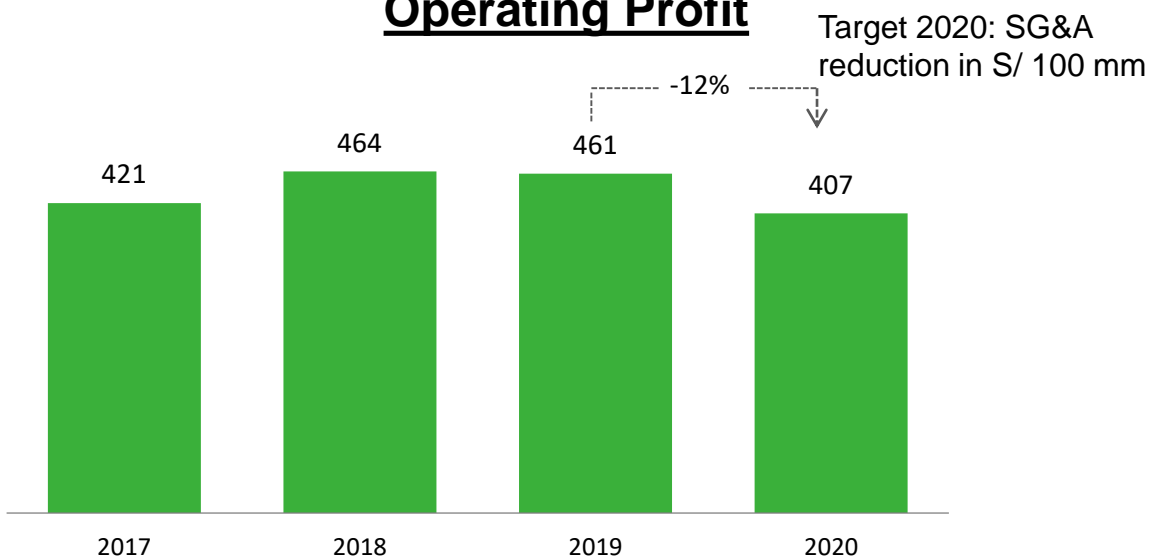
Sales



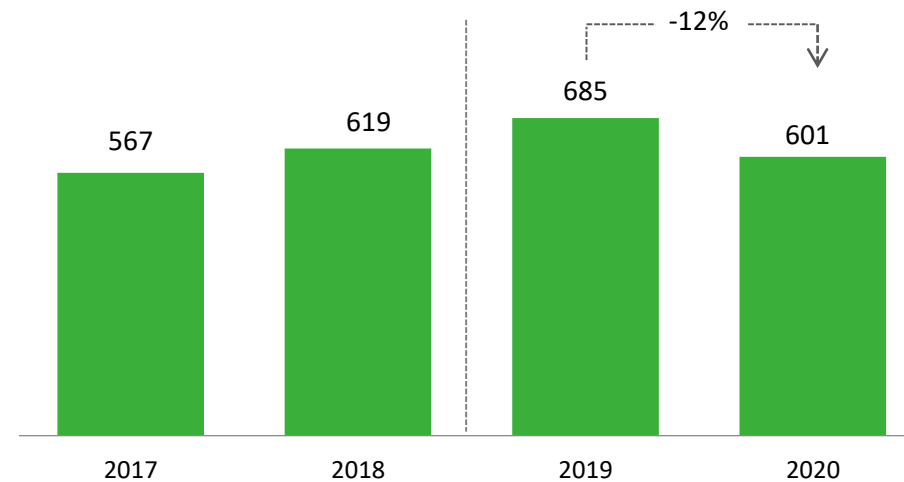
Margins



Operating Profit



EBITDA

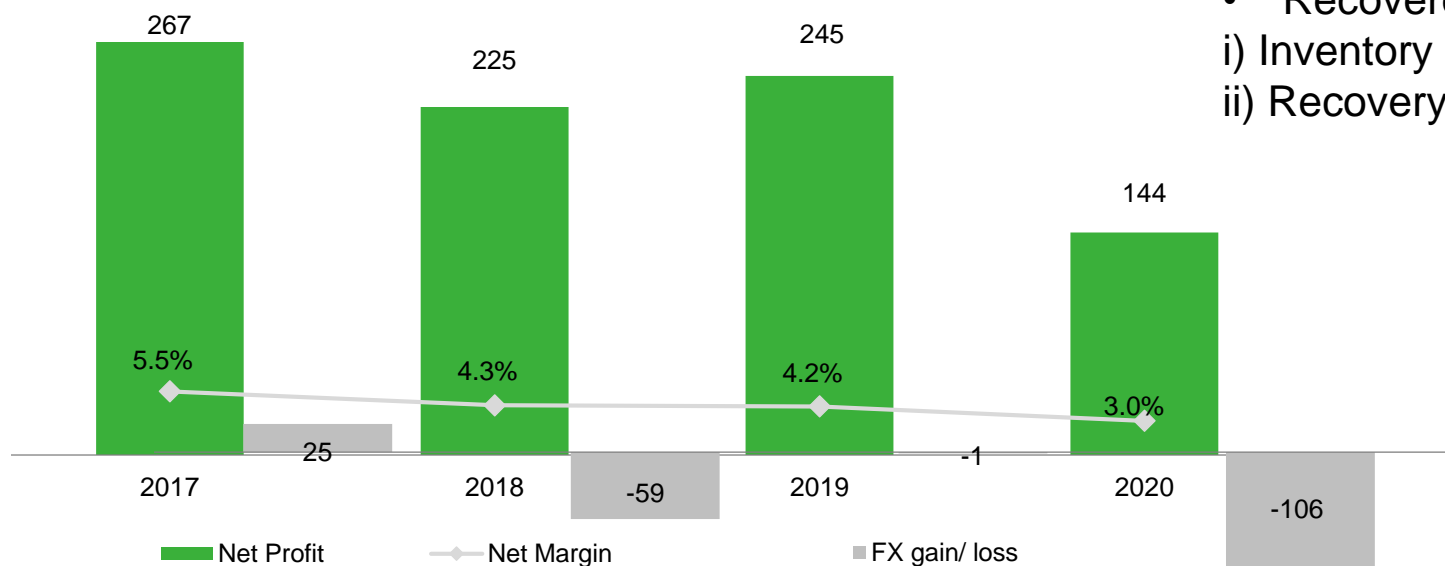


Net Profit impacted by FX Loss



Net Profit, Margin and FX impact

(In million S/)



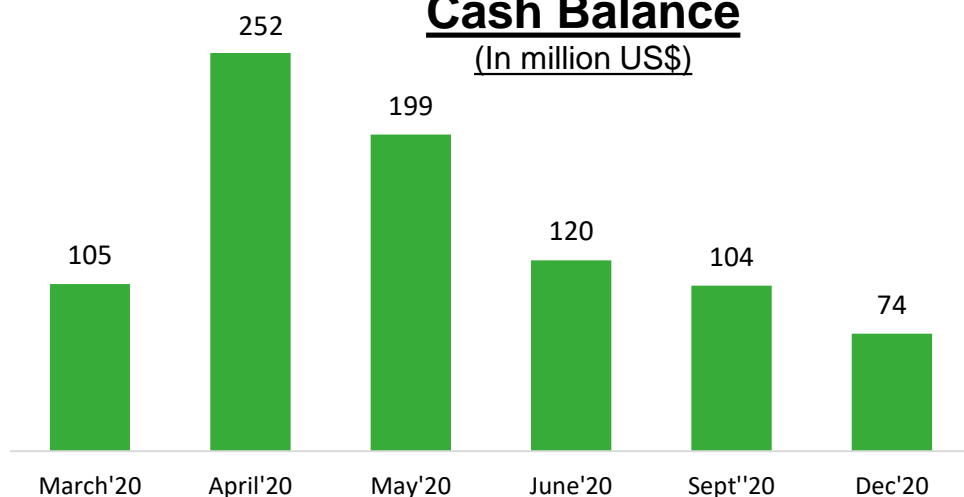
- FX loss as of Dec'20: S/ 106 million
- Recovered through:
 - i) Inventory reserve as of December - S/ 26 million soles
 - ii) Recovery through gross margin – S/ 77 million soles

Liquidity and working capital trends



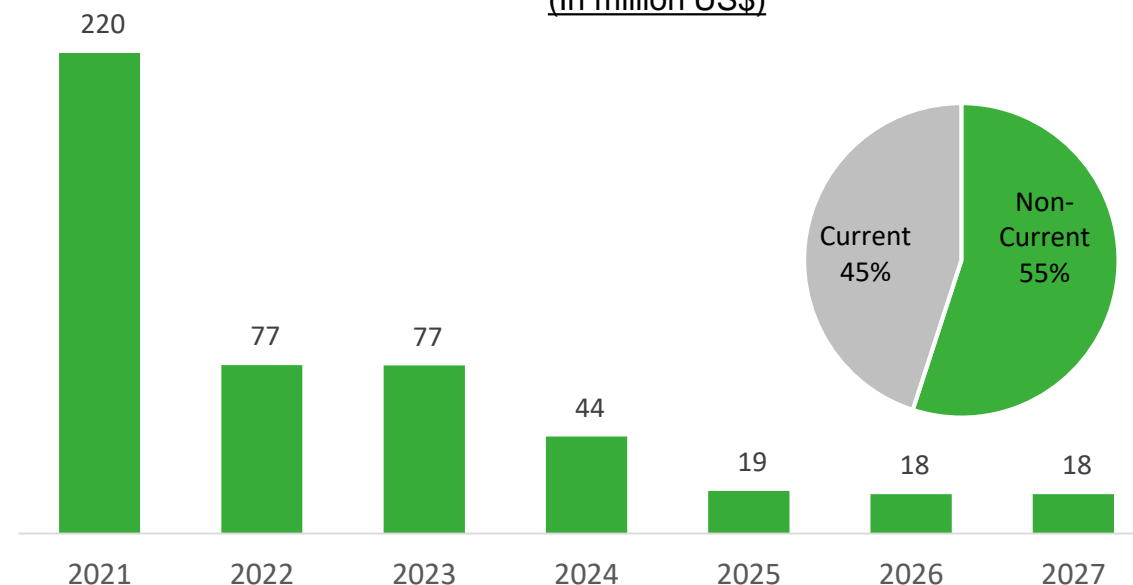
Cash Balance

(In million US\$)



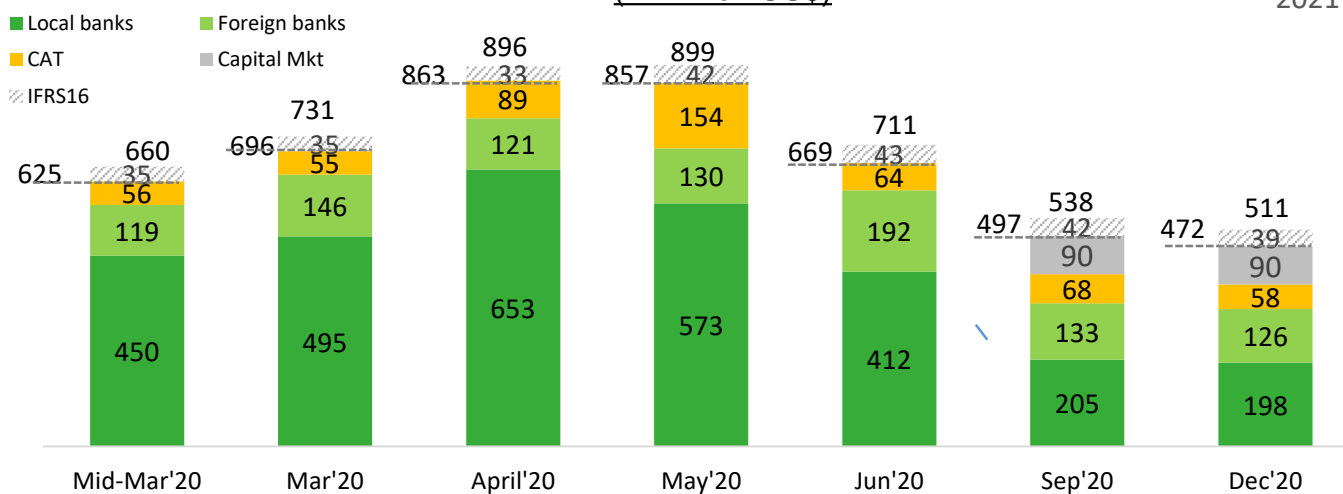
Debt Maturity

(In million US\$)



Debt

(In million US\$)

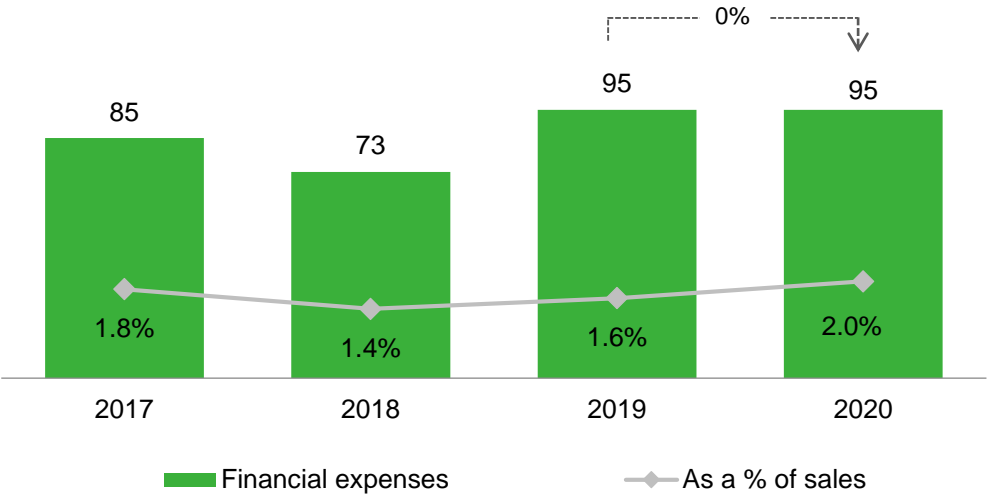


	Dic-19	Mar-20	Jun-20	Set-20	Dic-20
Net debt / EBITDA	3.21	3.35	4.05	3.19	2.64
Adjusted Debt / EBITDA	2.36	2.5	3.22	3.07	2.37

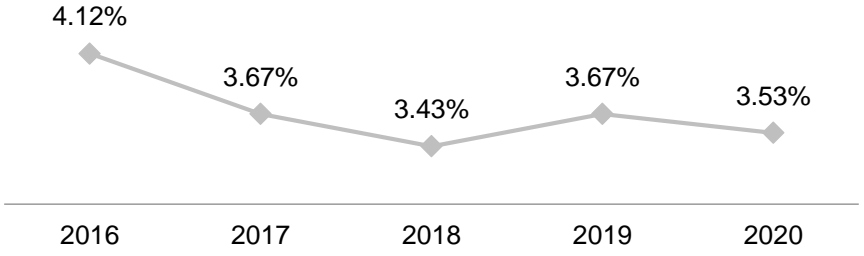
Financial expenses and controlled average cost of debt



Financial Expenses (In million S/)



Average cost of debt

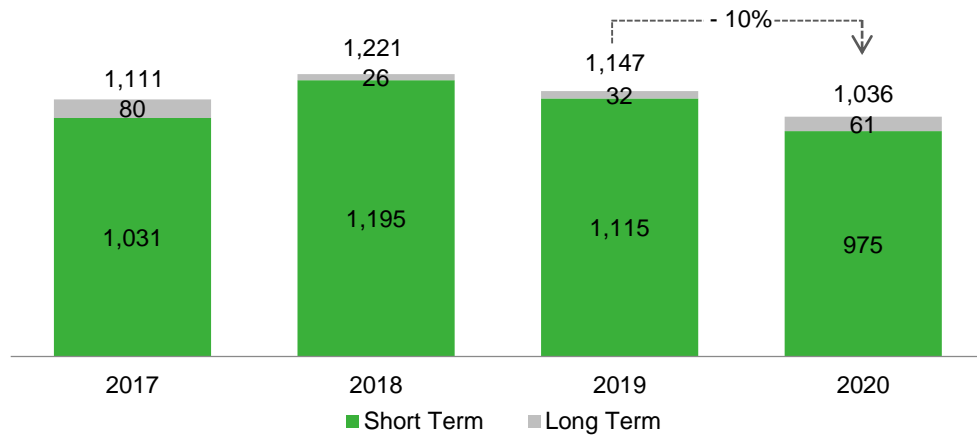


Controlling main assets and CAPEX



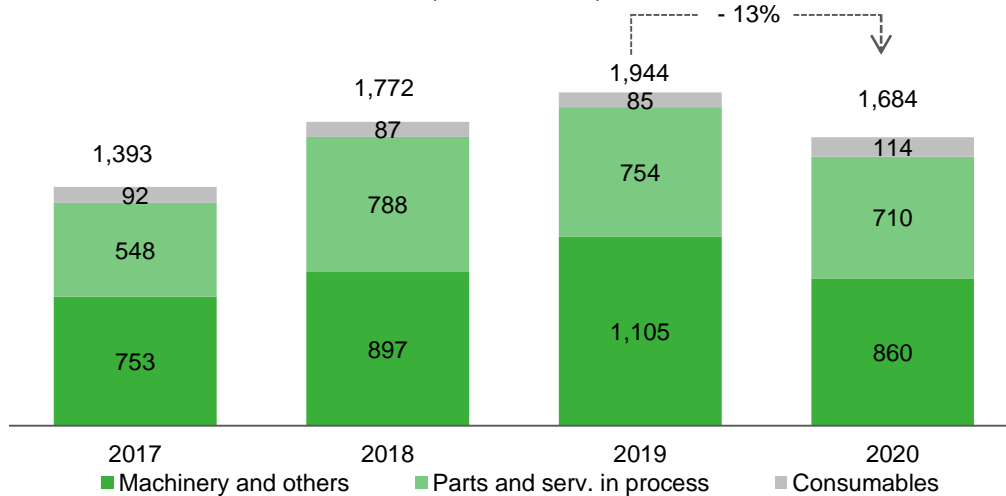
Account Receivables

(In million S/)



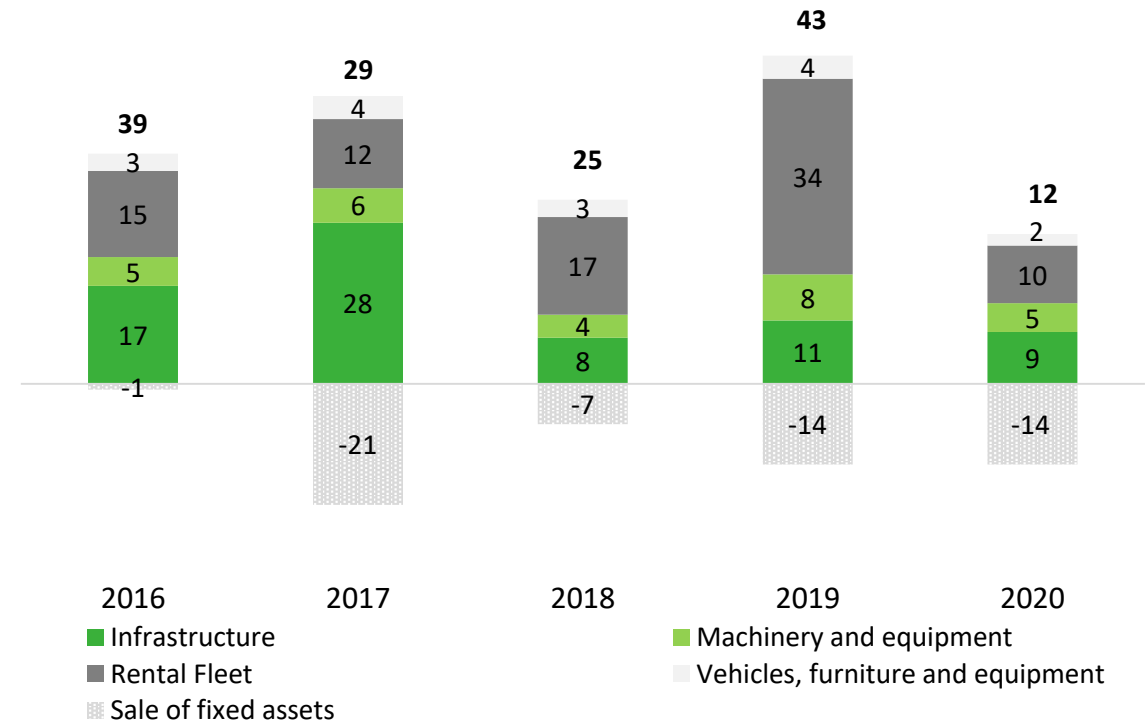
Inventories

(In million S/)



Capex

(In million US\$)



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

SAP investment since 2016: US\$ 75mm
 2020: US\$ 18mm, 2019: US\$24 mm

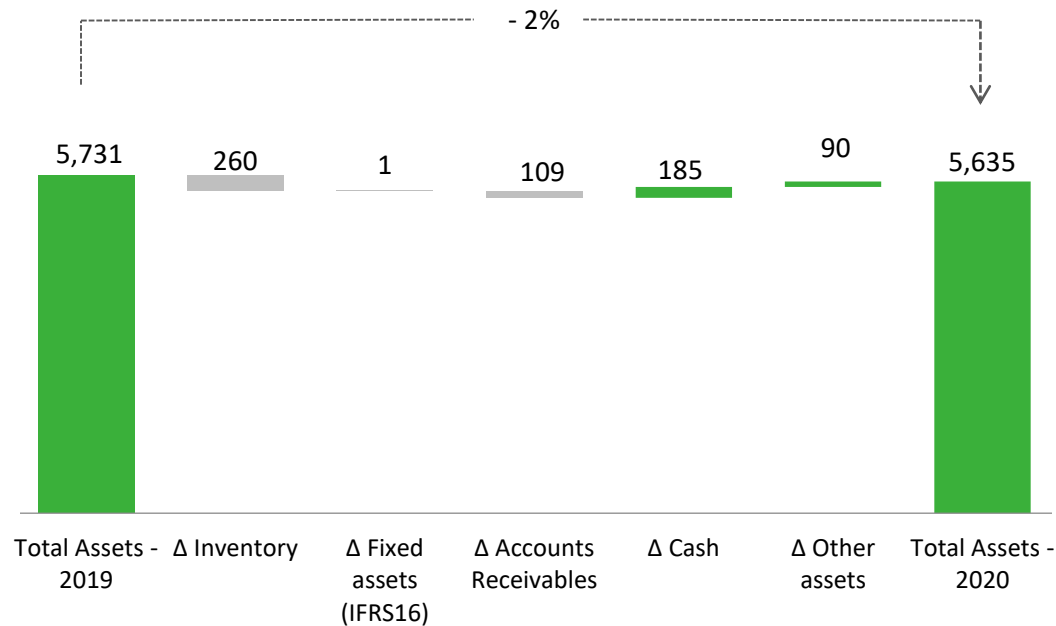
Important Investment in Assets

Mainly cash and inventory



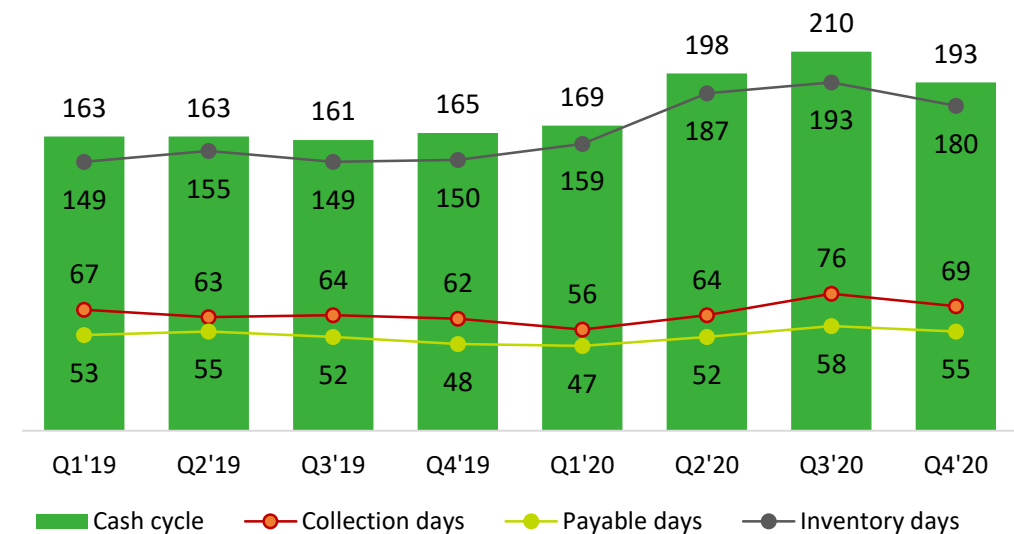
Total Assets

(In million S/)



Cash Cycle

(Days)



Positive variations
Negative variations



Ferreycorp

Thanks