alicorp

Earnings Call
Second Quarter 2020

August 13th, 2020

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Topics

1 Economic outlook and Government measures due to COVID-19

COVID-19 is having negative impacts across Latin American countries. For 2021 GDP growth forecasts are positive and show partial recovery. Even though contagion rates remain high, odds of finding a vaccine have increased and Governments continue to loosen restrictions in order to reactivate the economy.

2020-2021 GDP Growth Forecast | **FX (YTD % Devaluation)**

Peru

- On June 30th, the Peruvian government lifted the national lockdown, maintaining restrictions on the most affected provinces and age groups.
- New stimulus through the "Arranca Peru" program which aims to create more jobs.
- Sovereign Credit Rating was downgraded by Fitch to BBB+ from A-.

Bolivia

- Since May 11th, Bolivia implemented a selective quarantine depending on the risk of each city.
- General elections expected to be on October 18th, 2020.
- Sovereign Credit Rating was downgraded by S&P to B+ from BB-.

Ecuador

- Confinement requirements depending on the severity of cases by city.
- Reactivation of economic under biosafety guidelines.
- Additional cash transfer and distribution of food baskets to vulnerable groups.
- Sovereign Credit Rating was downgraded by Fitch to RD from C.

Brazil

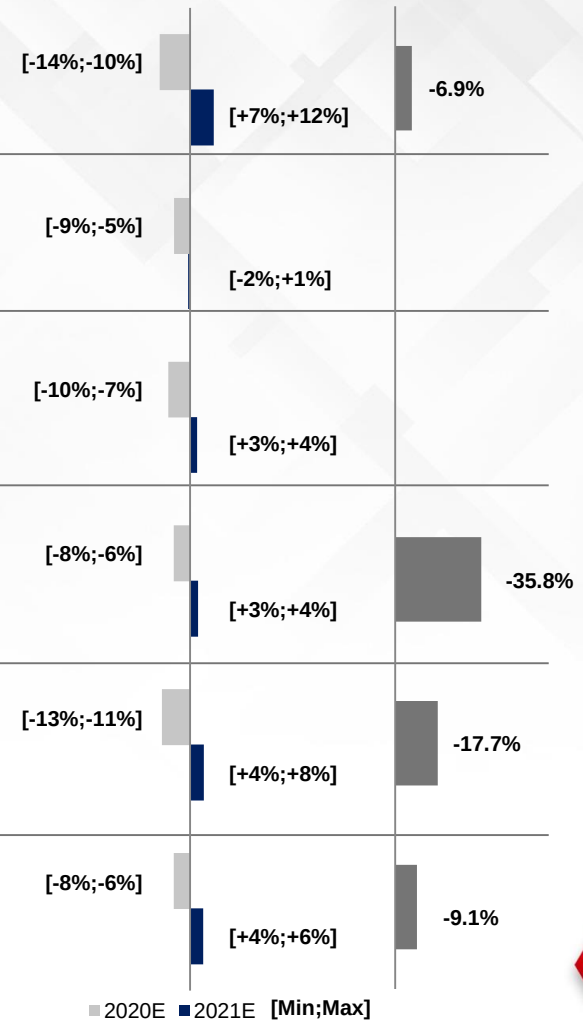
- Lockdown implementation in some states due to the increase in critical cases.
- Temporary income support to vulnerable households and informal workers.
- Flexibilization on the financial system to increase the facilities to provide funds to SMEs.
- Sovereign Credit Rating outlook was changed by Fitch from stable to negative, affirmed BB-.

Argentina

- Gradual lockdown reopening in the region.
- Measures to increase the health spending and support for workers and vulnerable groups.
- Freeze on basic products prices continues.
- Sovereign Credit Rating was downgraded by Fitch to RD from C.

Chile

- Lockdown measures to decrease the stress on the health system.
- Government stimulus focused on ensuring the liquidity of firms in order to maintain employment levels.
- Food basket distributions to vulnerable families.
- Sovereign Credit Rating outlook was changed by S&P from stable to negative, affirmed A+.



Source: Estimates from international banks and local consulting agencies. YTD Devaluation as of June 2020.

1 Update on Alicorp's agile response to the COVID-19 crisis

Our People & Community

- **Our first priority: the well-being of our people**
- We continue with strict safety protocols for our plant workers and sales force and home office for our administrative staff
- Private transportation for our plant workers in order to ensure their safety
- Continued to conduct COVID-19 tests to monitor the health of our plant workers

Liquidity and Strong Balance Sheet

- **Continue to have ample levels of liquidity with adequate leverage levels**
- Optimization of Capex and efficiencies in Opex
- Active Working Capital management
- Liquidity available even under stress scenarios

Business Continuity Plan

Supply & Logistics

- **We continue with our commitment to ensure the availability of high demand products in all the markets where we operate**
- Production disruptions during April and May in our plants in Peru due to contagion (despite strict safety protocols) and at-risk workers staying at home
- Production is now back to normal pre-COVID levels with a higher number of workers

Clients & Consumers

- **Demand remains high towards food staples and hygiene products**
- At-home consumption remains at high levels
- B2B and Aquafeed units are the most affected by the crisis
- Working closely with our clients, in order to understand their needs and challenges, offering extended credit terms on a case-by-case basis

1 Update on Alicorp's agile response to the COVID-19 crisis: Supply & Logistics

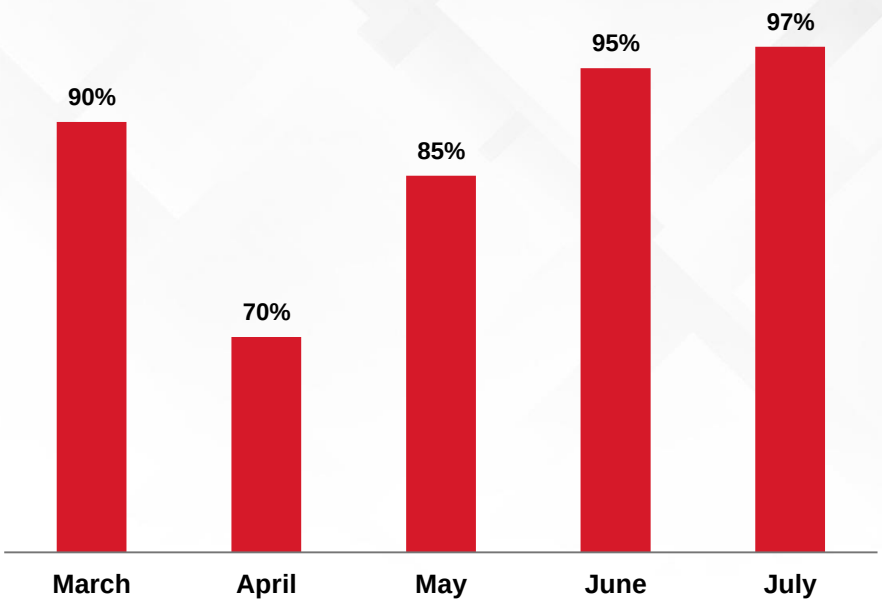
Ensuring the supply of Food, Home and Personal Care products for our communities remains a top priority. During the second quarter we experienced disruptions in production capacity in our plants in Peru but are now back to normal pre-COVID levels.

We continue with safety and care measures for our staff, such as social distancing, use of personal protection elements, providing them safe transportation from their homes to the plant, among others.

However, the level of contagion in Peru, coupled with reduced staff in our plants because at-risk workers are not able to work, resulted in limited production capacity, being April and May the two most affected months. From June onwards, we have been able to restore production capacity to levels very close to those pre-COVID.

Production capacity in our other geographies has remained stable, with no major disruptions. However, we remain vigilant of the COVID-19 process in those countries.

Production capacity in Alicorp's plants in Peru (as a % of the same month in 2019)



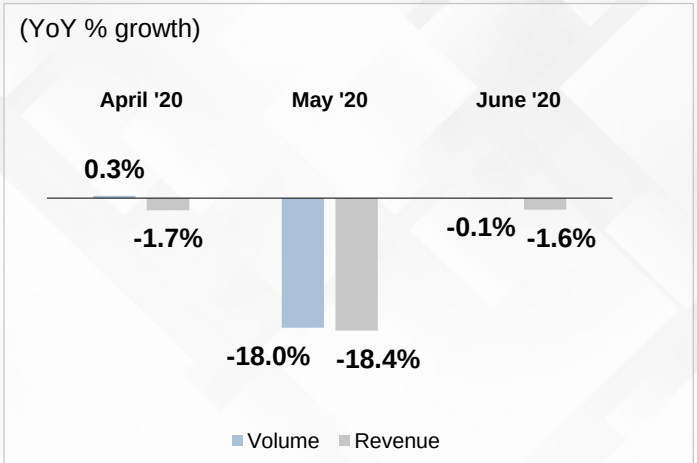
Topics

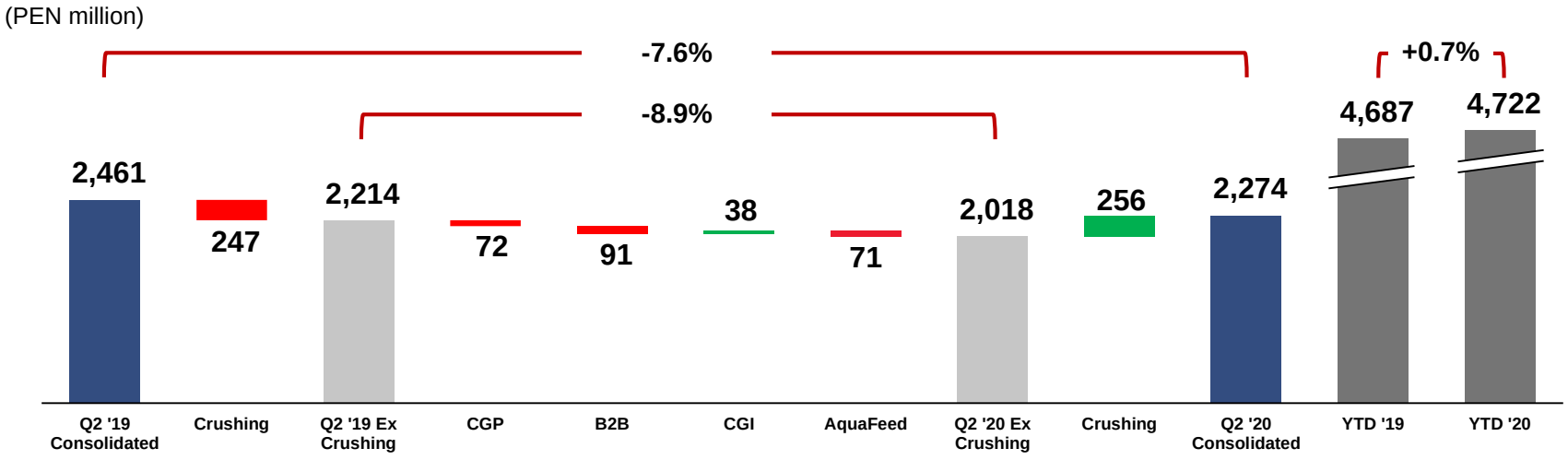
2 Stable YTD revenue despite COVID-19 impacts in the second quarter, affecting our production capacity in Peru and our B2B and Aquafeed businesses

Q2 PERFORMANCE SUMMARY – REVENUE GROWTH (YoY %)

- **Consolidated Revenue decreased 7.6% YoY in Q2 2020**, as a result of
  - i) an 8.7% YoY decrease in the CGP business, due to restrictions in production capacity, as previously mentioned,
  - ii) a 22.9% YoY reduction in our B2B unit, as a result of the closing of restaurants and limited activity from our Industrial and Bakery clients in the first months of lockdown,
  - iii) a 12.8% YoY decrease in the Aquafeed business, explained by aggressive competition in the Shrimp Feed unit, as a result of a lower global demand for shrimp, and lower commodity prices which affected the Fish Feed unit.
- These results were partially offset by an 8.6% YoY growth in our CGI business, on the back of solid growth in both the Food and the Home Care platforms in Bolivia and Ecuador, and innovation in Hair Care, Bar Soaps and Laundry Detergents in Argentina, while our Crushing business grew 3.4% YoY.
- **YTD Revenue grew 0.7% YoY,** as a result of a solid first quarter where we grew 10% YoY in terms of revenue, partially offset by the impacts of COVID-19 on the second quarter of the year.

MONTHLY REVENUE AND VOLUME GROWTH



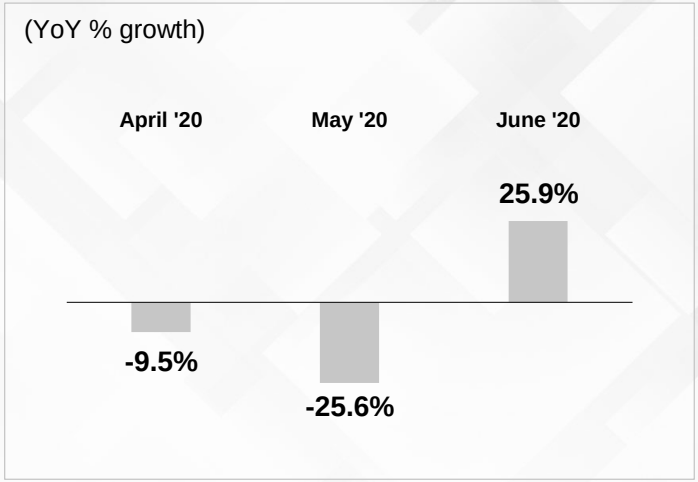


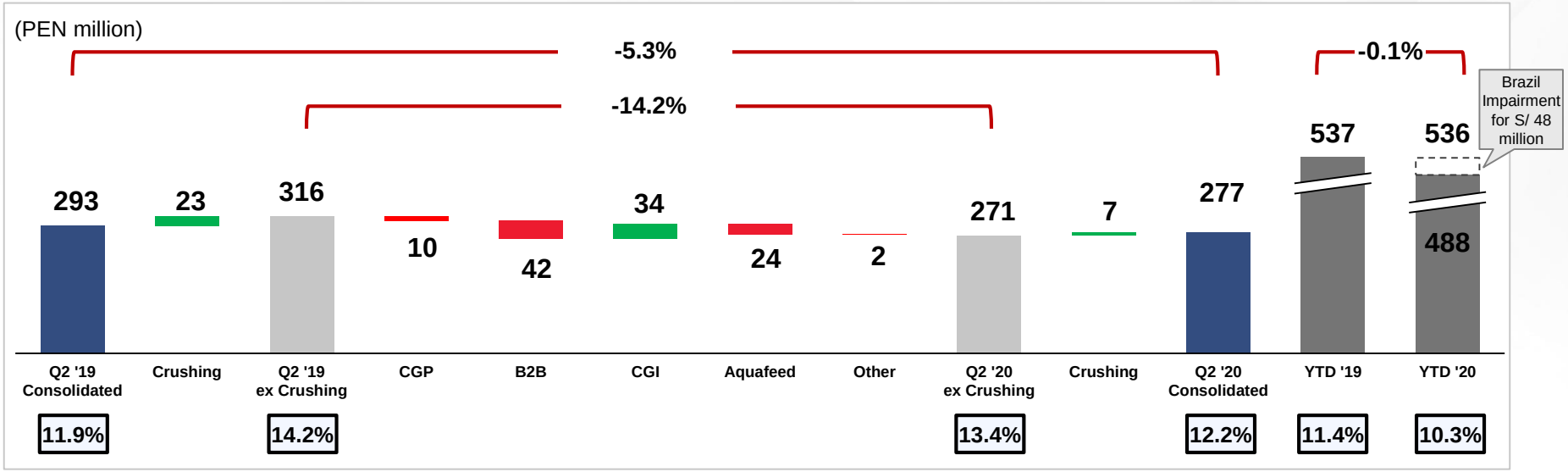
2 EBITDA showed strong recovery in June, after production disruptions impacted our results in April and May

Q2 PERFORMANCE SUMMARY – EBITDA GROWTH (YoY %)

- **Consolidated EBITDA decreased 5.3%**, mainly due to the impacts of COVID-19 on sales, as well as in COGS and SG&A expenses.
  - i) Our CGP unit showed a 6.6% YoY reduction, mainly explained by restrictions in supply due to production disruptions, despite a higher demand in certain categories.
  - ii) B2B decreased 80.6% YoY as a result of the closure of restaurants due to COVID-19, impacting our Food Service platform, which is the most profitable platform in the B2B unit.
  - iii) Aquafeed decreased 28.7% YoY due to lower demand and lower gross margins explained by an aggressive competitive environment with lower prices in the Shrimp feed unit, in addition to price reductions in the Fish Feed unit due to lower commodity prices, coupled with changes in mix
- These effects were partially offset by a solid performance in the CGI business, which grew 2.5x in terms of EBITDA, as a result of volume growth and lower SG&A expenses on the back of our successful transformational initiatives, in addition to a strong YoY recovery of the Crushing unit.
- **Reported YTD EBITDA decreased 9.0% YoY,** as a result of the aforementioned impacts of COVID-19, in addition to those reported in the first quarter of 2020, such as the impairment of our operations in Brazil. **Excluding such impairment, YTD EBITDA remained stable YoY.**

MONTHLY EBITDA GROWTH





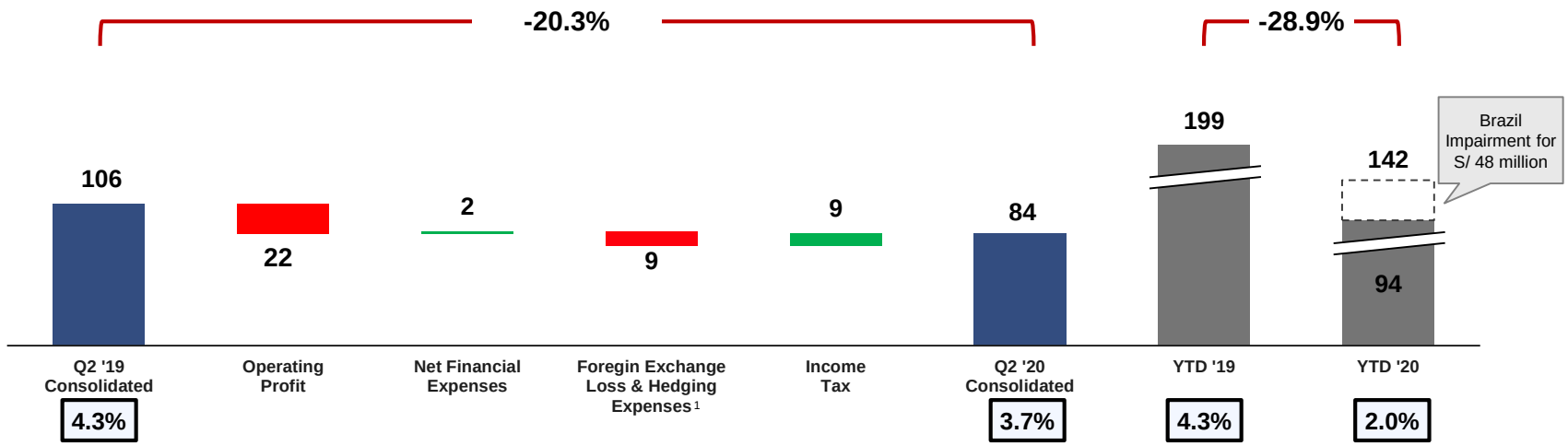
EBITDA Margin

2 Impacts on operating income and FX headwinds affected net income

Q2 PERFORMANCE SUMMARY – NET INCOME GROWTH (YoY %)

- **Net income reached S/ 84 million, a 20.3% YoY decrease**, mainly impacted by i) a lower consolidated operating profit and ii) a foreign exchange loss.
- Although net financial expenses remained relatively stable YoY, they increased QoQ mainly due to lower interest earned and non-cash losses from hyperinflation exposure.
- Our foreign exchange gain/loss line fell from a gain of S/ 10 million to a loss of S/ 3 million YoY explained primarily by i) an extraordinary FX gain in the Q2 '19 related to the international bond issuance and ii) the devaluation of the PEN.
- The effective tax rate remained stable at 30.0%. Income tax decreased S/ 9 million due to lower earnings before taxes.
- **YTD net income was S/ 94 million, a 52.9% YoY decrease**, explained by lower EBITDA due to COVID-19 impacts, higher financial expenses in Q1 '20 and an exchange loss during the first half of the year.

(PEN million)



Net Margin

[1] Includes Net Exchange Loss and FX and Rates Hedging Expenses.

1 The COVID-19 crisis has had several impacts on our business, including impacts on sales as well as on COGS and SG&A

Impacts of COVID-19 on our results

Impacts on Revenue

B2B

- Material reduction of demand due to the closure of the Food Service industry, which is the most profitable platform for the B2B business

Consumer Goods Peru

- Restrictions in supply due to production disruptions
- ✓ Higher demand for certain categories
- Delays in pricing plans despite increased costs
- Changes in product and channel mix:
  - Tiering-down and higher demand for cleaning and hygiene products
  - Higher sales through the modern channel
- Higher commissions in our distribution network

Aquafeed

- Reduction in volume of shrimp and salmon feed sales to our clients, given the lower global demand for shrimp and salmon explained by the closure of restaurants
- Change in product mix, given the low price of shrimp and clients opting for more economic formulas

Consumer Goods International

- Government restrictions on pricing actions in Argentina
- ✓ Higher demand for certain categories

Crushing

- No material impacts

Impacts on COGS

- Higher logistical costs

Quantifiable impacts on COGS and SG&A

(PEN million)	Q1	Q2	YTD
Brazil impairment	48		48
Bad-debt provisions	35		35
Fixed production overheads[1]		19	19
Donations	15		15
Headcount		12	12
Provision for obsolete inventory	5		5
Safety protocols	2	6	8
Transportation and food[2]		6	6
COVID-19 tests		4	4
Other[3]		4	4
Total	**105**	**52**	**157**

- A portion of these expenses could continue for the next few quarters, such as expenses on safety protocols, transportation of our plant workers and COVID-19 tests.

[1] Fixed production overheads recorded as expenses due to lower production.
[2] Safe private transportation and food provided for our plant workers.
[3] Includes brand management expenses.

Topics

3 Consumer Goods Peru: Update on Market Dynamics

COVID-19 had various impacts on markets, such as a higher preference for direct-to-consumer channels, an increase in at-home consumption and demand for cleaning and hygiene products, and a tiering-down effect due to an increase in unemployment and lower available income.

A Sector Dynamics

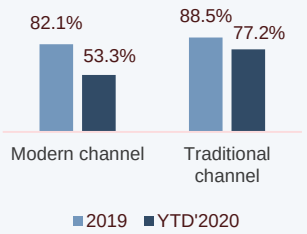
Category Mix (% of volume)

	2Q19	2Q20
Pasta	23.0%	24.7%
Intradevco	20.5%	20.6%
Edible Oils	16.0%	17.5%
Detergents	15.8%	14.1%
Cookies & Crackers	7.8%	6.6%
Laundry Soap	4.1%	3.5%
Flour	2.3%	2.9%
Sauces	2.7%	2.1%
Cereals	1.4%	1.9%
Canned Tuna	0.8%	1.5%
Other categories	5.6%	4.5%

Channel Mix

2Q19	Channels	2Q20
28.5%	Retail Dist.	31.2%
15.2%	Supermarkets	20.6%
14.3%	Retail Codist.	14.0%
10.6%	Wholesale Codist.	12.6%
20.1%	Wholesalers	12.4%
11.9%	Others	9.1%

Fill Rate (%)



Shares Of Market (%)

	2019	YTD'2020
Edible Oils	47.7%	47.7%
Pasta	50.9%	49.0%
Cookies	36.6%	32.7%
Laundry detergents	75.3%	71.9%
Surface cleaners	25.7%	24.0%

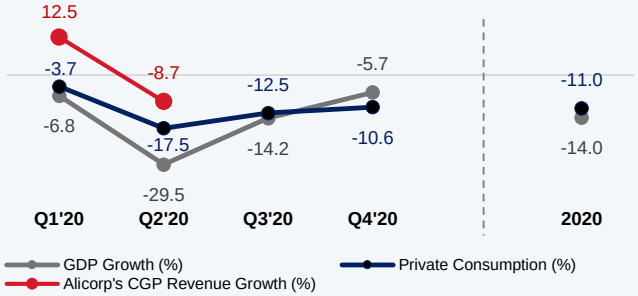
COVID-19 impacted our CGP operations, mainly by restricting our production capacity and increasing our COGS and SG&A expenses, in addition to the market effects mentioned above.

B Alicorp's Performance

COVID-19 impacts on Alicorp's performance

- Restrictions in supply due to production disruptions severely impacted our sales (~ -22,000 MT), despite higher demand for food staples and cleaning products.
- Delays in pricing plans in spite of higher costs and devaluation within a deteriorating economy and severe stock reductions in our clients.
- Change in channel mix resulted in higher costs with focus on more direct-to-consumer alternatives.
- In total, there were COVID-related costs and expenses for S/ 28 million.

Alicorp outperformed economic growth and private consumption in 1H20



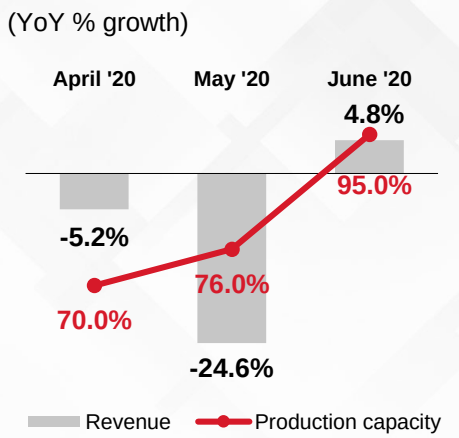
3 Consumer Goods Peru: Q2 Performance

HIGHLIGHTS

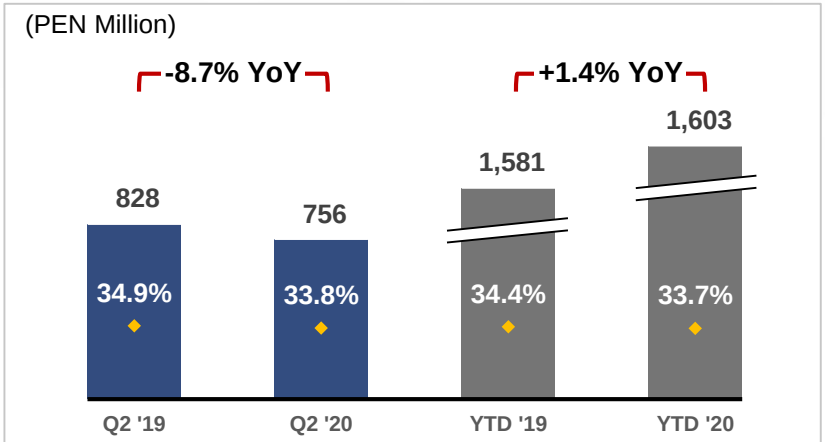
Q2 2020 INSIGHTS

- **Revenue decreased 8.7% YoY** mainly explained by a 12.4% reduction in volume, due to i) restricted production capacity in our plants as previously mentioned, ii) higher sales through the modern channel, which is a less profitable channel, iii) some tiering-down in certain categories such as edible oils, detergents and pasta, and iv) delay in price increases in a crisis context in light of higher costs and exchange rate.
- **Gross Margin decreased 1.1 p.p. YoY to 33.8%** mainly due to i) higher soybean and palm oil costs, ii) an increase in conversion and logistical costs related to COVID and iii) higher production plant costs related to COVID-19.
- **EBITDA decreased 6.6% YoY, while EBITDA Margin was 19.4%**, 0.5 p.p. higher than last year due to i) prioritization of core categories and ii) lower marketing and advertising expenses, partially offset by higher SG&A expenses related to COVID-19.
- **YTD Revenue increased 1.4% YoY, while YTD EBITDA increased 1.6% YoY** because of i) increased volume in certain food staples and homecare and personal care categories, and ii) de-prioritization of marketing and advertising expenses.

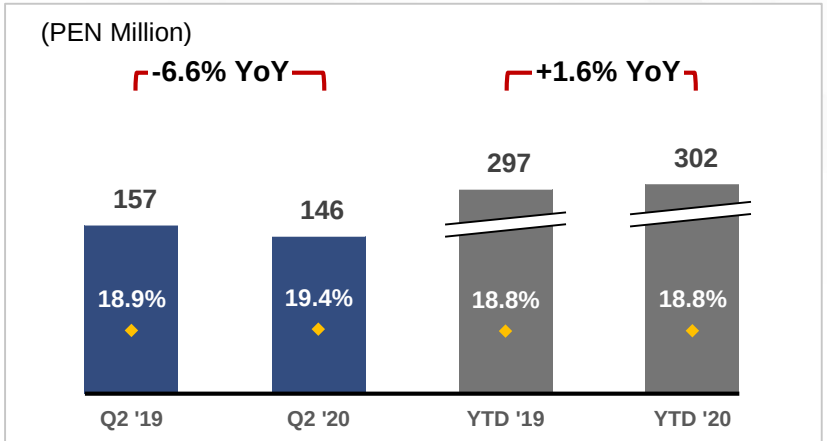
MONTHLY REVENUE GROWTH



REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



3 Consumer Goods going forward

Trends

- Alicorp's mix between the traditional and modern channel will recover and reach 2019 levels in the next quarters, after production improvements in key categories (pasta, edible oils, detergents, sauces and cookies & crackers).
- E-commerce will grow enormously in 2020 (+300%), although the share in total revenue remains very low at 2-4%.
- Value Smart: Households will choose products that offer good value for money. Tiering down may intensify given economic deterioration.
- Increased demand for Hygiene & Home Care products will continue as a permanent habit, although with lower volumes than during quarantine.

Opportunities

- Strengthen value portfolio with improved points of difference within value segment. Strategically manage price gaps among tiers to reduce tiering down.
- Launches in categories with increased demand: Plusbelle in Peru, Aval in Argentina, Nutregal in Bolivia and Ecuador.
- Expand our offer of Personal & Home Care products with Opal/Marsella (tiers 1-2) and Sapolio/Patito (tiers 3-4).
- Digitalization efforts: increase differentiation in E-commerce platforms, expand direct e-commerce channel for consumers, deploy digital solutions for our traditional channel clients, and marketplaces with strategic partners.
- Design to value and revenue management initiatives in light of lower price realization.

3 Consumer Goods International: Q2 Performance

HIGHLIGHTS

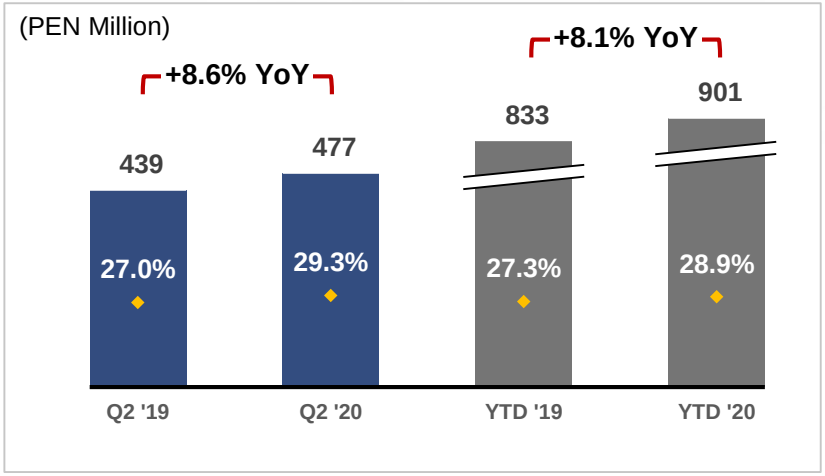
Q2 2020 INSIGHTS

- **Revenue increased 8.6% YoY, despite FX headwinds, mainly due to a 12.3% YoY growth in Volume**, behind our growth-focused Andean operations with Bolivia up 20% and Ecuador up 16% in terms of Volume. Both businesses delivered solid growth in both the Food and the Home Care platforms behind successful innovation and market share growth. Brazil and Argentina also saw positive volume growth, increasing 11% and 8%, respectively, on the back of market share growth in pasta in Brazil and innovation on Hair Care, Bar Soaps and Laundry Detergents in Argentina.
- **Gross margin increased 2.3 p.p. YoY to 29.3%**, mainly due to a better mix in Bolivia and higher prices in Argentina.
- **EBITDA grew 2.5x YoY, while EBITDA margin increased 6.7 p.p. YoY** as a result of gross margin growth and significant SG&A savings on the back of our transformational initiatives in Brazil, Argentina and Bolivia, partially offset by COVID-19-related expenses.
- **YTD Revenue increased 8.1% YoY, while YTD EBITDA decreased 11.4% YoY** mainly explained by the impairment of our Brazil operations in the Q1 '20. **Excluding this effect, YTD EBITDA increased 2.1x YoY.**

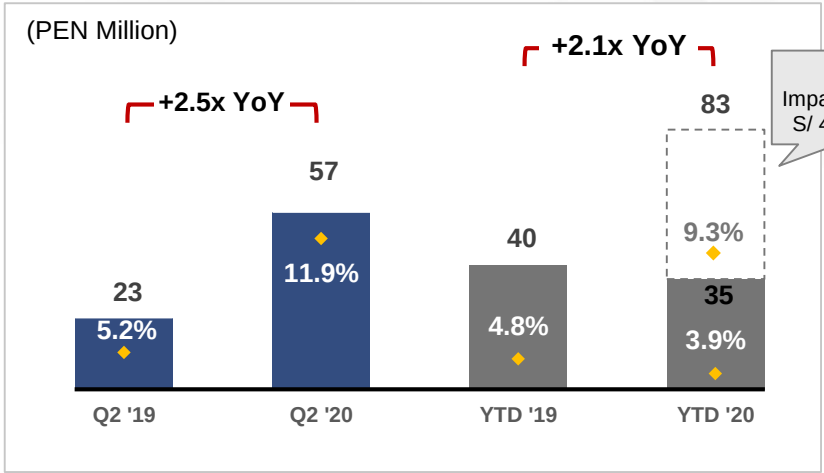
COVID-19 IMPACTS

- No major production disruptions in any geography
- We remain vigilant of the progress of COVID-19 and potential risks that could arise, as contagion rises in Brazil, Argentina and Bolivia
- Price controls in Argentina
- Increase in SG&A expenses for S/ 8 million related to safety protocols, COVID-19 tests, safe transportation, among others.

REVENUE & GROSS MARGIN



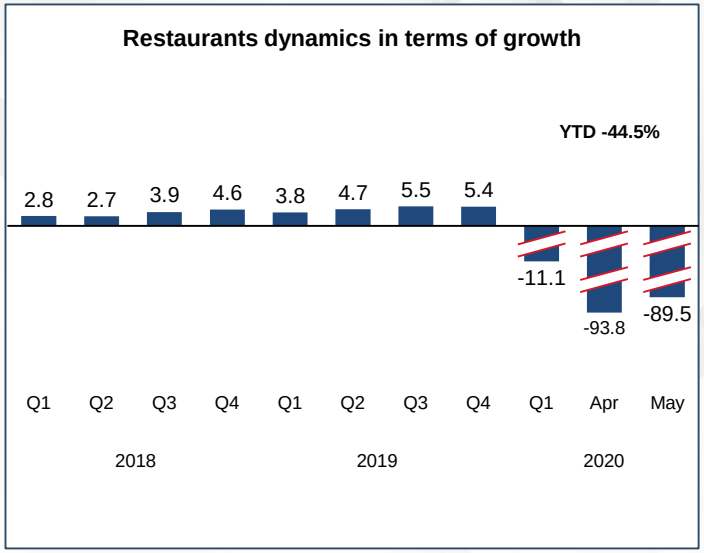
EBITDA & EBITDA MARGIN



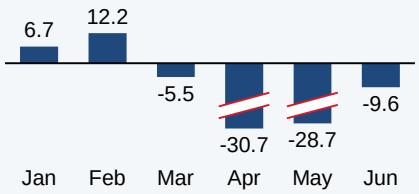
3 B2B: Update on Market Dynamics

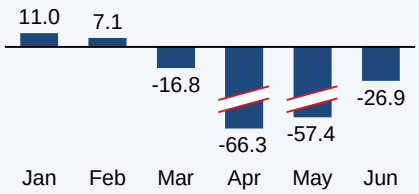
A Macro Environment & Sector Dynamics

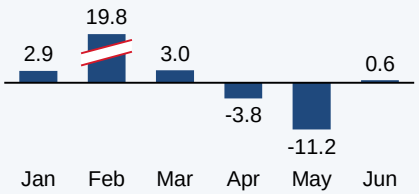
- Since the beginning of the State of Emergency in mid-March, the restaurant industry has been strongly affected, with Peru's Restaurant GDP decreasing 44.5% YTD as of May.
- Due to a total closure of restaurant activity a handful of customers adapted and converted their locations into minimarkets. In May, restaurants were authorized to open for takeout and delivery. However, this represented only around 20% of their usual turnover.
- The government allowed dine-in activity with maximum capacity at 40% beginning July 20th.
- Despite this extremely difficult time for the Peruvian restaurant sector, our successful business model and strong relationship with our clients allowed us to perform better than the sector's GDP.
- We adapted quickly using digital tools to continue to provide solutions to our clients such as technical assistance, webinars on protocol implementation and government aid programs, while accelerating the development of our online marketplace.
- Our Bakery platform had mixed impacts: while demand for flour was higher than expected, shortenings and fats for the pastry segment suffered, resulting in a YTD 1.1% sales growth.
- Additionally, COVID-19 resulted in higher SG&A expenses for S/ 8 million, due to safety protocols, COVID-19 tests, and safe transportation for plant workers.

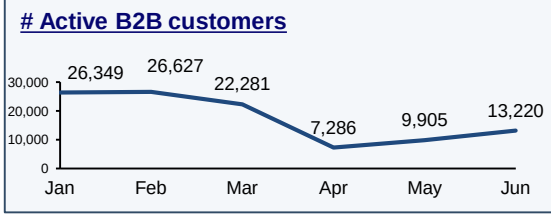


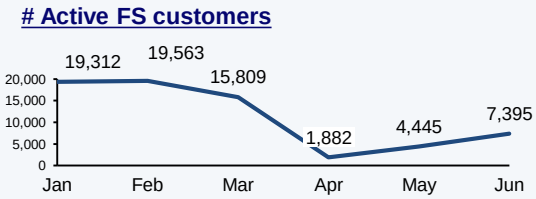
B Sales evolution and number of active customers

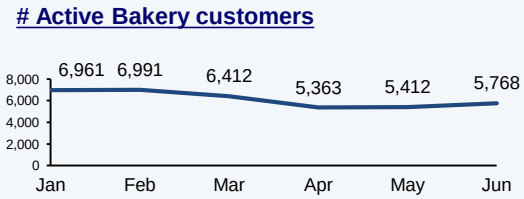












3 B2B: Q2 Performance

HIGHLIGHTS

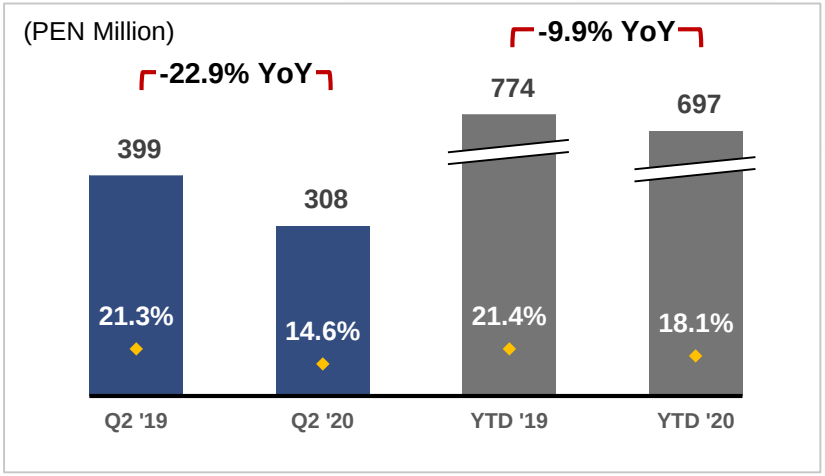
Q2 2020 INSIGHTS

- **Revenue decreased 22.9% YoY**, even though restaurants were completely closed during half of the quarter and started slowly resuming operations from mid-May onwards. Our Food Service platform fell 50% YoY, Industrial Clients, 13%, and Bakery, 5%. The closure of restaurants, impacted specially the edible oils and sauces categories, while limited activity in April and May affected our Industrial Clients and Bakery platforms.
- **Gross Margin decreased 6.7 p.p. to 14.6%** mainly due the reduction in sales and changes in product mix, given the decline in the foodservice platform, in addition to higher prices of soybean and palm oil and FX impact.
- **EBITDA decreased 80.6% YoY, while EBITDA margin decreased 9.8 p.p. to 3.3%**, mainly explained by the reduction in sales, lower gross margin and COVID-related expenses.
- **YTD Revenue decreased 9.9%, while YTD EBITDA decreased 71.6% YoY,** mainly due to the decline in sales, expenses related to COVID-19 incurred in the Q1 '20 and lower gross margin due mainly to product mix.

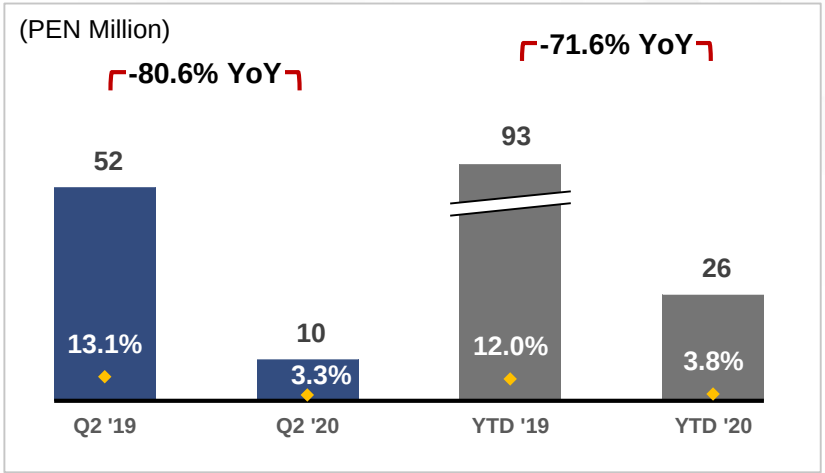
RECOVERY PLAN

Business Continuity	▪ Credit Lines ▪ Recovery seed contribution: Part of #AyudaAlQueAyuda initiative
Knowledge Development	▪ Webinars and support on current needs such as delivery, sanitization and financing.
Demand Generation	▪ FS support through promotions on delivery Apps. Glovo Rappi
New portfolio of solutions	▪ Building care portfolio launch PPE ECO Sapolio

REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



3 B2B going forward

Trends

- The recovery path has started: the Food Service industry should recover continuously in the coming quarters.
- E-commerce is already growing faster and will continue to do so in 2020, although the share in total revenues is expected to remain low.
- Delivery and take out increase in food service and Dark Kitchens expand.
- Cashless payments will increase as a solution to avoiding contact.
- Customers will be very cautious as to how they spend their money.
- Increased demand for Hygiene & Safety products.

Opportunities

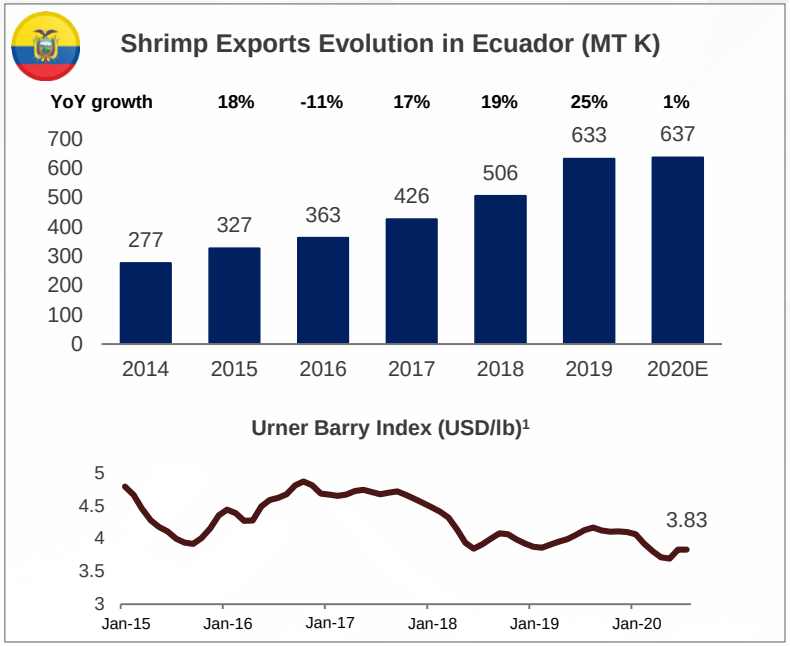
- Increasing knowledge and capabilities on clients' new needs such as delivery and sanitization.
- Expand our product offering in high demand categories related to delivery and hygiene such as disposable meal containers and Sapolio Profesional portfolio.
- Digitalization: strengthen our e-commerce platform and explore digital solutions for our direct clients.
- Explore new partnerships in order to expand our portfolio, delivering integrated solutions to our clients.

3 Aquafeed: Update on Market Dynamics

The Aquafeed industry has been seriously affected by the slowdown caused by the COVID-19 pandemic and specific import restrictions by China. However, the industry is expected to recover in 2021.

SHRIMP

MARKET DYNAMICS

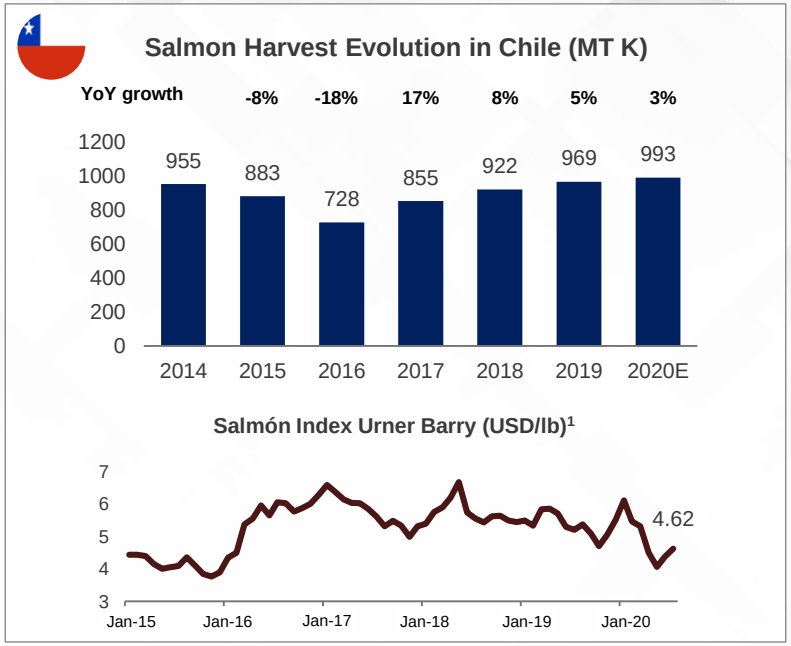


ALICORP'S PERFORMANCE

- Ecuador is expected to maintain its shrimp production at the same levels as in 2019, despite a contraction in Chinese consumption due to the COVID-19 pandemic and temporary restrictions in China to shrimp imports from Ecuador.
- Similar restrictions have been applied to other proteins: poultry, pork, beef, salmon (exports that are gradually restarting after temporary halt).
- Shrimp prices are at a historical minimum, putting Ecuadorian shrimp farmers below breakeven with respect to their current cost structure. However, Ecuador remains as the country with the lowest production costs worldwide.
- In this context, farmers have temporarily changed their decision drivers, favoring feed brands with aggressive proposals on price and credit, while reducing their food consumption (lower densities, dry areas).
- However, Vitapro maintains its winning value proposition and a healthy portfolio of clients, which is why we expect to capture the market recovery, reaffirming our market leadership with a 30% market share for the full year.

SALMON

MARKET DYNAMICS



ALICORP'S PERFORMANCE

- Growth of the salmon harvest in Chile is expected to remain around 3% in 2020, despite lower consumption in the main destination markets for Chilean salmon (US and Brazil).
- The greatest impact on the salmon industry was the contraction of international salmon prices, which fell from $ 5.30 / lb to $ 3.30 / lb FOB Chile (below costs), beginning their recovery in late July.
- With high price volatility, salmon farmers control their food consumption, delay tenders for future purchases and reduce smolt (young salmon) planting.
- Vitapro increased sales in the first half of the year based on new bids won in Q4 2019 and spot sales and is expected to maintain its market position (#4) with 12% market share in FY '20.

Sources: Ecuador Customs, Sernapesca, Aquabench, Urner Barry and DataSalmon – USA
[1] Average global quotations for shrimp and salmon.

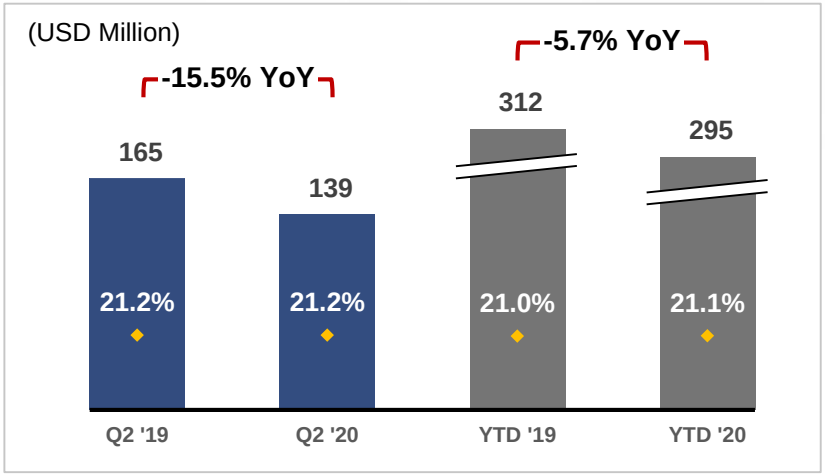
3 Aquafeed: Q2 Performance

HIGHLIGHTS

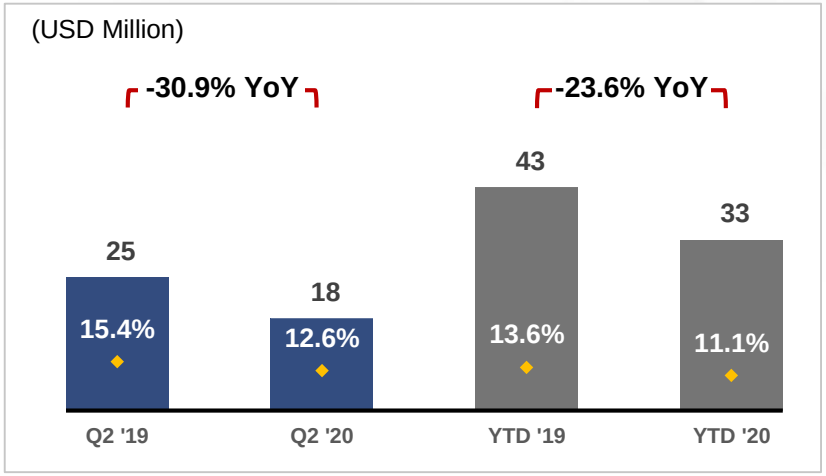
Q2 2020 INSIGHTS

- **Revenue decreased 15.5% YoY**, mainly explained by a reduction in volume in the Shrimp Feed unit and an aggressive competitive environment with lower shrimp prices, in addition to price reductions in the Fish Feed unit due to lower commodity prices, coupled with changes in mix.
- **Gross Margin remained stable YoY at 21.2%**, as a result of an increase in Shrimp feed gross margin due to lower commodity prices, offset by a reduction in Fish feed margins.
- **EBITDA decreased 30.9% YoY**, mainly due to lower gross profits in the Shrimp and Fish feed units, in addition to COVID-19-related expenses.
- **YTD Revenue decreased 5.7% YoY, while YTD EBITDA decreased 23.6% YoY**, mainly due to COVID-related expenses incurred in the first half of the year and to lower gross profits in Q2.

REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



3 Aquafeed going forward

Trends

Shrimp

- A recovery of the Ecuadorian Shrimp market is expected in 2021, since growth fundamentals and competitive advantages over other producing countries remain strong.
- Probable consolidation of the market with the largest and most efficient farmers
- Initiatives to increase productivity and efficiency will remain as a high priority (such as multiphase planting systems and farming supported by digital tools).

Salmon

- A contraction in the Salmon market is expected in 2021 due to the current lower plantings and the cultivation period of more than one year. Recovery is expected in 2022.

Ecuador competitive advantages

- High-quality whole shrimp
- Highly efficient production model
- Continuous production throughout the year
- Low incidence of diseases and climatic phenomena

Opportunities

Shrimp

Future growth taking advantage of the market recovery. We have a plan that includes:

- Digital Ecosystem in Shrimp: Technical advisory services supported by digital tools (advanced analytics, Internet of Things, Nicosoft).
- Build manufacturing capacity to take advantage of industry recovery.
- Redesign of the customer segmentation, go-to-market and value proposition according to the new market composition.

Salmon

Ready to fulfill the market needs after recovery based on the relaunching of Salmofood brand:

- Pillars: Advanced analytics tools, product quality (enhanced by the development of our Aquaculture Experimental Center), manufacturing capacity and agile services.

SALMOFOOD

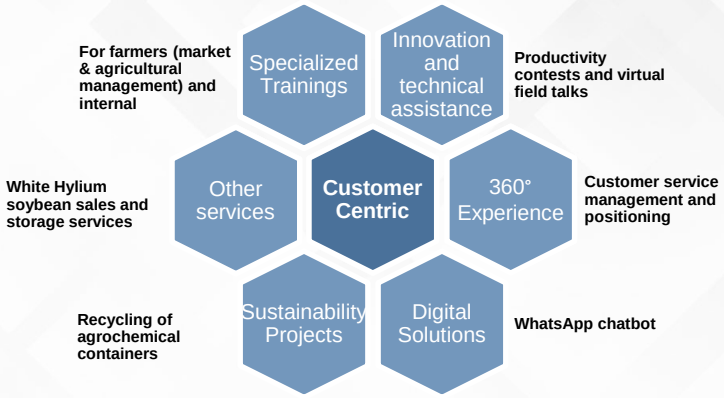
3 Crushing: Q2 Performance

HIGHLIGHTS

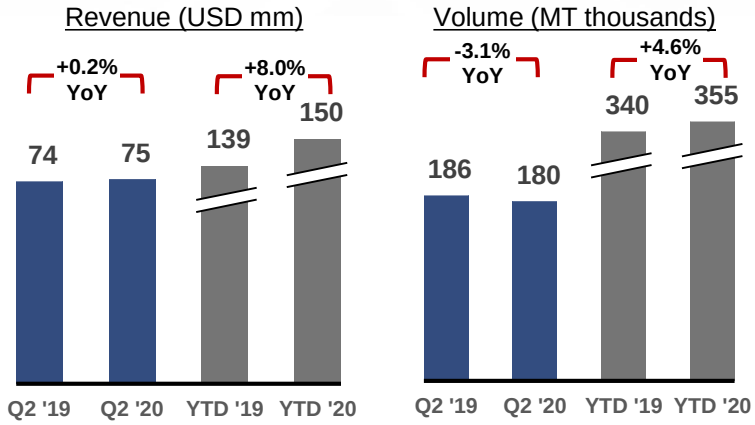
Q2 2020 INSIGHTS

- **Revenue remained relatively stable YoY, while Volume decreased 3.1% YoY**, mainly due to lower production at the beginning of the lockdown period and a lower demand from the Peruvian poultry industry.
- **EBITDA increased USD 9 million YoY**, mainly due to a higher gross profit, explained by an improvement in crush margins for the soybean summer and sunflower campaigns.
- **YTD Revenue grew 8.0% YoY, while Volume increased 4.6% YoY. YTD EBITDA increased USD 15 million.**

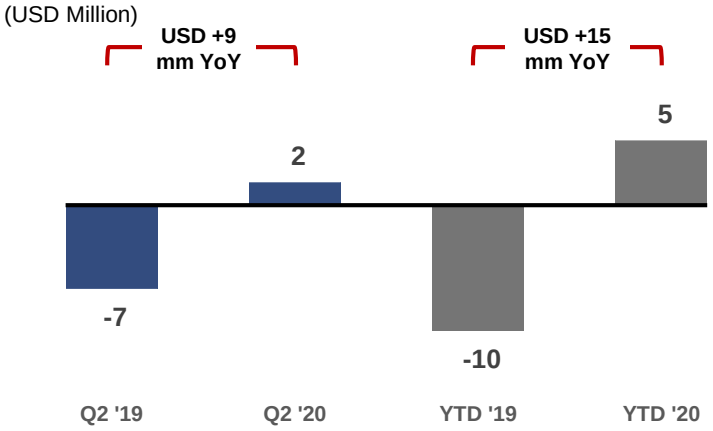
OUR AGRO SOLUTIONS INITIATIVE



REVENUE & VOLUME



EBITDA



Topics

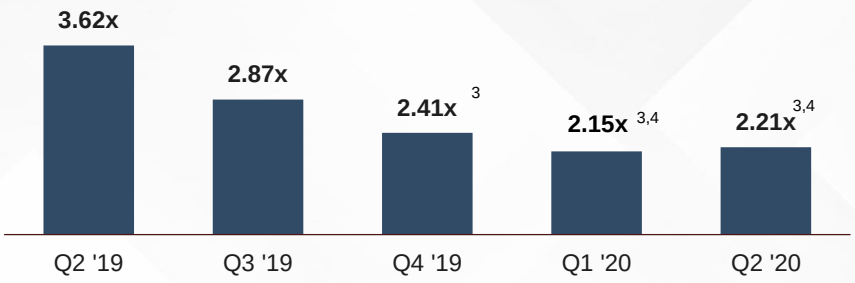
4 As of the second quarter of 2020, we maintained adequate leverage and solid liquidity levels. Our CCC continued to decrease to 23 days, despite a difficult context due to COVID-19

alicorp

Indebtedness Evolution[1,2]

Strong solvency levels despite pressure on operating results from Covid impacts

Net Debt / EBITDA
(Excluding Crushing Business Raw Material Inventory)



Liquidity

- **As of June 2020 we drew US$ 230 million of short-term debt in order to secure liquidity for our operations**
- **Continuous review of our capex and opex plans**

Total cash	**S/ 1,662 million**
Debt coverage[5]	**1.23x over next 12 months** **1.11x over next 24 months**

Access to funding
- US$ 1.4 billion of available uncommitted credit lines
- PEN 1.6 billion available in our local bond programs

Credit Rating as of Q2 '20

All three global rating agencies have reaffirmed our investment grade with "Stable" outlook

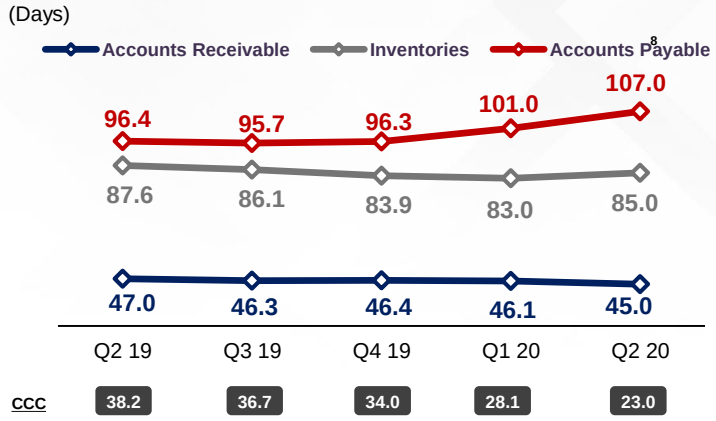
Global

Standard & Poor's Ratings Services	Fitch Ratings	Moody's
BBB- / Stable	BBB / Stable	Baa3 / Stable

Local[6,7]

Apoyo & Asociados Internacionales S.A.C.	Moody's Local	PCR Pacific Credit Rating
AAA / CP1+ / Stable	AAA / ML1+	BAA
Peru	Peru	Bolivia

Working Capital



[1] Net debt-to-LTM EBITDA ratios from Q1 '19 to Q2 '20 includes Fino, SAO and Intradevco in the last 12 months. / [2] Excludes debt related to the raw material inventory effect of our Crushing business. / [3] Net debt-to-LTM EBITDA ratio excludes the effect of impairments over the last twelve months as of each quarter. / [4] Excluding COVID-19 related expenses, Net debt-to-LTM EBITDA ratio would have been 2.06x in Q1'20 and 2.15x in Q2'20 / [5] Principal only / [6] Moody's Local does not publish outlooks for rated instruments. / [7] PCR rates Alicorp Bolivia's local bonds only./[8] Includes pre-export finance effect for US$ 15 million in Q2 '19 and US$ 78 million in Q1 '20.

Topics

5 Why we are confident about the future

We are prepared to overcome what comes ahead and quickly adapt to a new reality

- Unique business model
- Leading brand portfolio in the region, with strong product diversification
- Extensive multi-channel distribution network and expanded production capacity
- Digital transformation aimed at developing new channels and meeting our clients needs, while also preparing the company's digital infrastructure
- Capabilities of our people and experienced leadership team
- Ability to adapt to change
- Strong balance sheet and solid financial performance

5 What we expect for the rest of 2020

- Flat to low single digit growth for our consolidated results 2020
- Mid to high single digit growth for our Consumer Goods Peru business.
- A portion of SG&A expenses related to COVID-19 could continue for the rest of the year, but in smaller proportion, especially those related to the safety and health of our employees.
- Capex around PEN 450 million

Topics

Topics

Consumer Goods International: Q2 2020 Performance by Geography

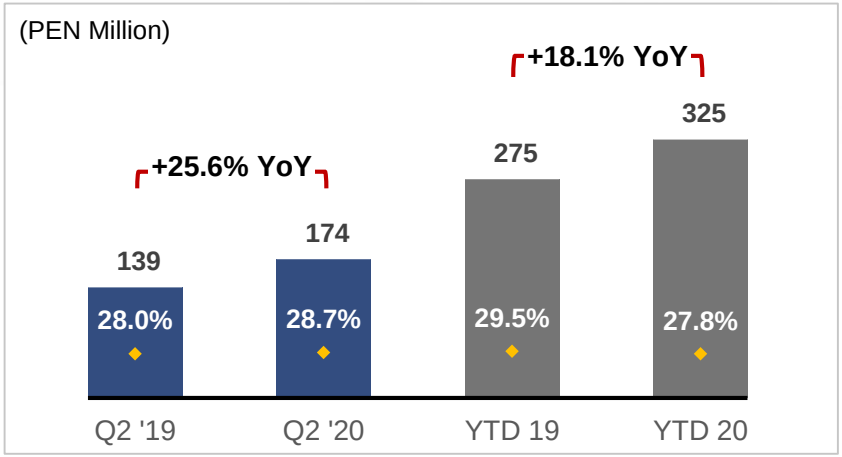
6 Consumer Goods International - Bolivia: Q2 Performance

HIGHLIGHTS

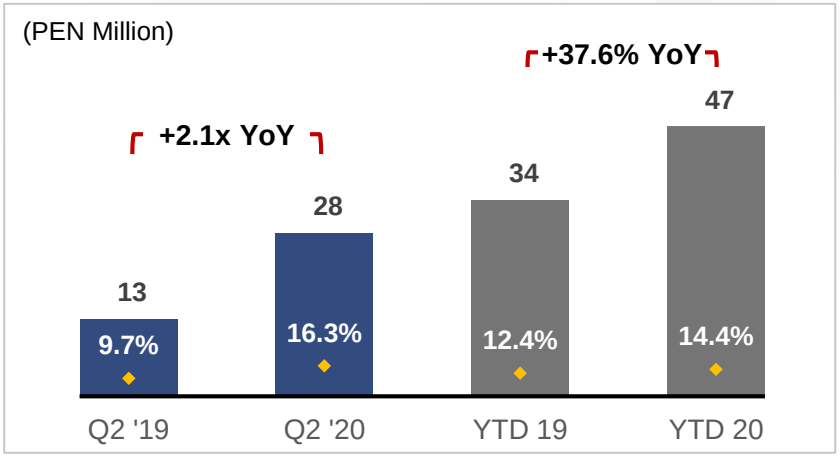
Q2 2020 INSIGHTS

- **Revenue increased 25.6% YoY, while Volume grew 20.1% YoY,** mainly due to solid growth in both the Food and the Home Care platforms behind successful innovation, market share growth and lower competition entering from neighboring countries due to border closures because of COVID, especially in the edible oils, margarines, pasta and detergents categories.
- **Gross Margin increased 0.7 p.p. to 28.7%**, mainly explained by a better product mix and higher production efficiencies.
- **EBITDA increased 2.1x YoY, while EBITDA Margin was 16.3%**, mainly as a result of higher gross profit, in addition to efficiencies on our operational expenses on the back of our transformational and integration initiatives and, to a lesser extent, lower marketing and advertising spending as a result of COVID-19.
- **YTD Revenue increased 18.1% YoY, while YTD EBITDA increased 37.6% YoY**, mainly explained by strong top line growth during the first half of the year on the back of our successful innovation and market share growth strategies, in addition to lower SG&A expenses during the 2Q20.

REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



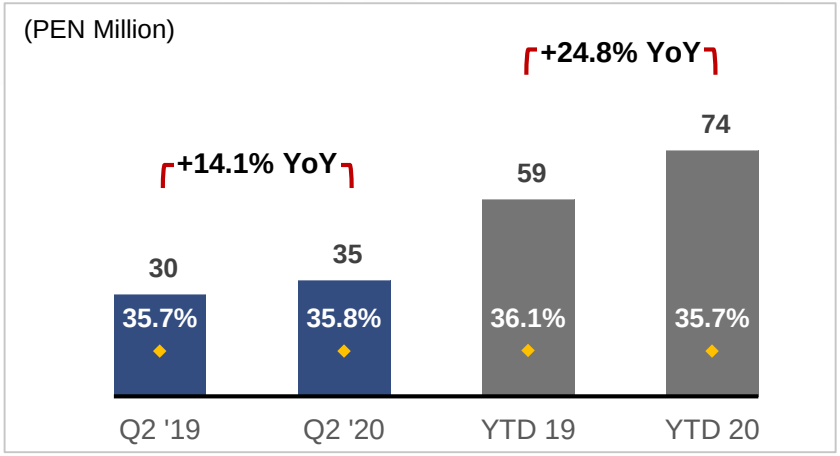
6 Consumer Goods International - Ecuador: Q2 Performance

HIGHLIGHTS

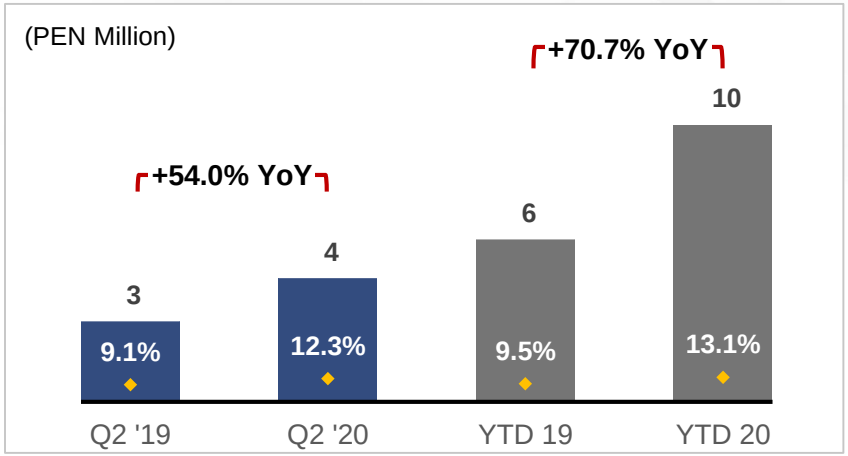
Q2 2020 INSIGHTS

- **Revenue increased 14.1% YoY**, **while Volume increased 16.2% YoY**, mainly explained by volume growth in pasta, which continued to gain market share, as well as detergents and sauces.
- **Gross Margin increased slightly to 35.8%**, mainly due to product mix with a lower proportion of our growth coming from lower-margin Intradevco products.
- **EBITDA increased 54.0% YoY, while EBITDA Margin reached 12.3%, a 3.2 .p. growth YoY,** mainly as a result of a higher gross profit and lower marketing and advertising expenses due to COVID-19.
- **YTD Revenue increased 24.8% YoY, while YTD EBITDA increased 70.7% YoY**, explained by solid top line growth during the first half of the year, as well as lower marketing and export expenses.

REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



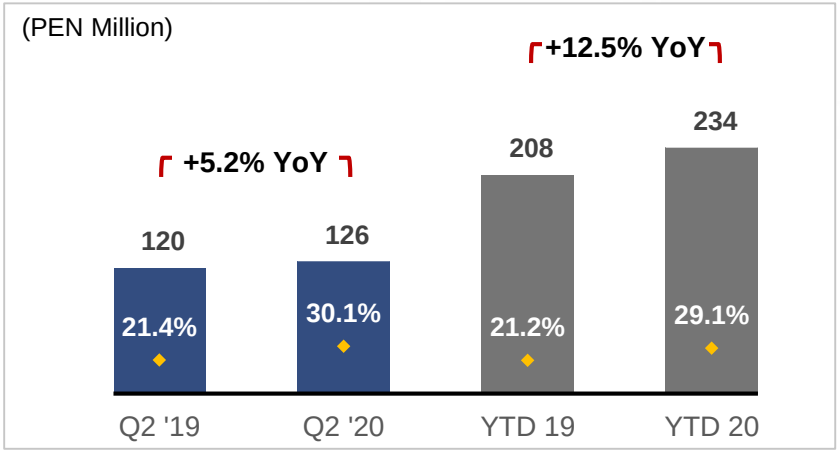
6 Consumer Goods International - Argentina: Q2 Performance

HIGHLIGHTS

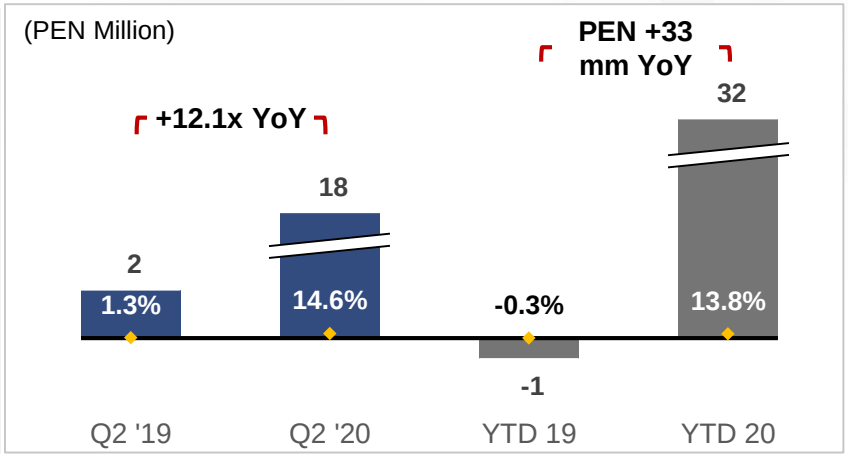
Q2 2020 INSIGHTS

- **Revenue increased 5.2% YoY**, as a result of innovation in our hair care, bar soaps and laundry detergents categories.
- **Gross Margin increased 8.7 p.p. YoY to 30.1%**, mainly due to a higher average price due to pricing actions ahead of inflation and positive mix impact from higher value innovation.
- **EBITDA increased 12.1x million YoY, while EBITDA Margin reached an all time high of 14.6%**. These remarkable results have been achieved on the back of the third year of our successful turnaround and transformational initiative, which started in late 2017, through the positioning of our value brands, Plusbelle and Zorro, as good "value for money" propositions for consumers, as well as a disciplined SG&A approach.
- **YTD Revenue increased 12.5% YoY, while YTD EBITDA increased S/ 33 million YoY**, mainly explained by price increases ahead of inflation and devaluation during the first quarter of the year, as well as strong market share gains in our Home and Personal Care platforms, in addition to lower SG&A expenses.

REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



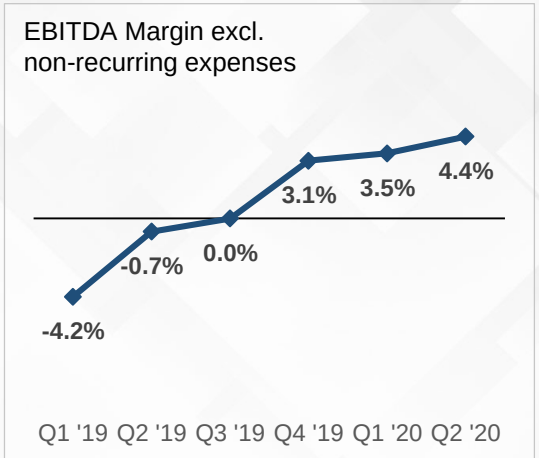
6 Consumer Goods International - Brazil: Q2 Performance

HIGHLIGHTS

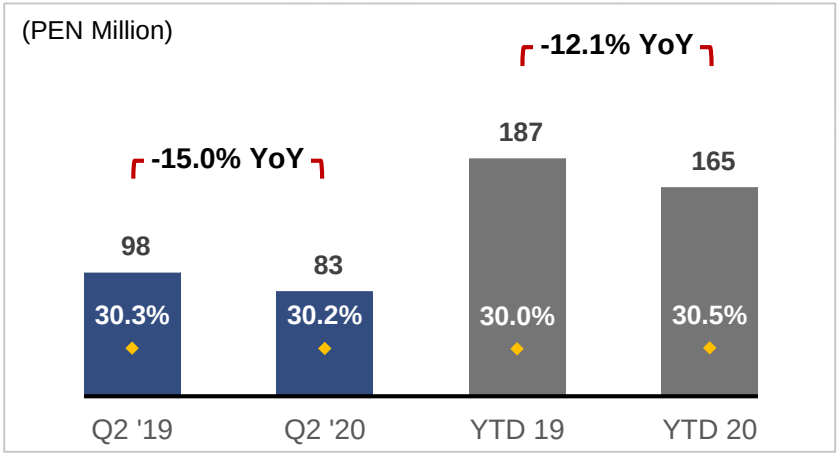
Q2 2020 INSIGHTS

- **Revenue decreased 15.0% YoY in PEN**, despite a 11.2% YoY increase in Volume, explained by FX headwinds. Revenue in BRL increased 13.0% YoY, on the back of market share growth in our pasta category.
- **Gross Margin remained relatively stable YoY**, given that higher raw materials costs were offset by successful price increases.
- **EBITDA increased S/ 5 million, while EBITDA margin reached 4.4%,** on the back of the successful implementation of our restructuring program, which allows us to continue to improve profitability quarter-on-quarter.
- **YTD Revenue decreased 12.1% YoY**, mainly as a result of the devaluation of the BRL, **while YTD EBITDA decreased S/ 47 million YoY** mainly due to the S/ 48 million impairment registered in 1Q20. Excluding the impairment, YTD EBITDA increased S/ 1 million.

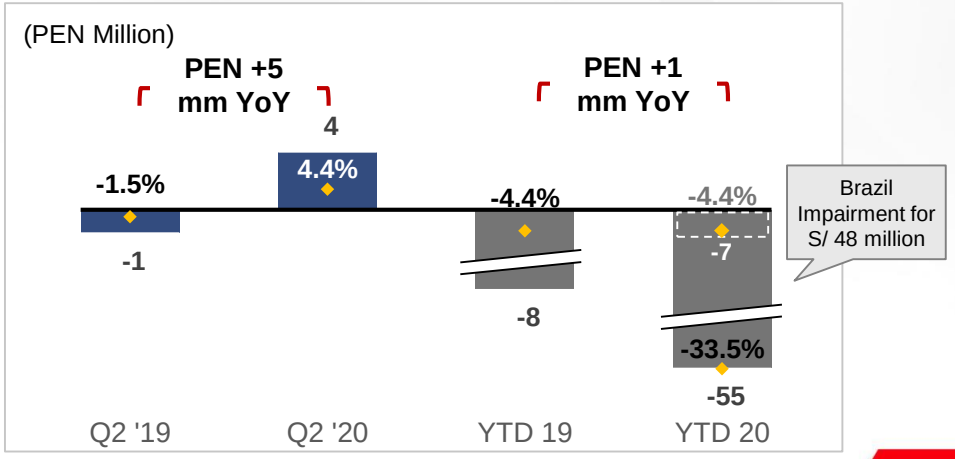
EBITDA MARGIN EVOLUTION



REVENUE & GROSS MARGIN



EBITDA & EBITDA MARGIN



Debt & Cash Management

6 1H20 Financial Highlights

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I FINANCIAL LEVERAGE

- **As of June 2020, Net Debt-to-EBITDA ratio (Excluding Crushing Business Raw Material Inventory)[1,2] decreased to 2.21x[3],** from 2.41x[4] as of December 2019.
- Over the same period, Net Debt[5] decreased to S/ 3,190 million, from S/ 3,351 million (a S/ 161 million decrease) mainly due to higher Cash and Cash Equivalents as a result of greater collections from sales and working capital efficiencies.
- **As of June 2020, our average cost of debt, after hedging, was 5.7%**, lower than a 6.3% as of December 2019 (-0.6 p,p.), mainly due to an increase in short term debt (at lower rates) as an effort to secure liquidity for our operations amid COVID-19 uncertainties.

II WORKING CAPITAL

- **Cash Conversion Cycle (CCC)[6], on a LTM basis, decreased to 23.0 days (as of June 2020) from 34.0 days (as of December 2019**).

III NET INCOME

- **Net income reached S/ 93.9 million (-52.9% YoY) mainly due to: i) one shots related to impairments and bad-debt provisions, and ii) lower financial incomes, while net margin was 2.0% (-2.3 p.p.)**

IV HEDGING

- **As of June 2020, only 6.5% of our total financial debt had FX exposure to the USD volatility and our exposure to floating rate is close to zero.**

V CREDIT RATING

- **Local and International credit ratings agencies reaffirmed our investment grade with a "stable" outlook.**
- Peru: local agencies “Apoyo & Asociados” and “Moody’s Local” reaffirmed “AAA” rating for local bonds.
- Bolivia: local agency “PCR” reaffirmed “$_{B}$AA” rating for Alicorp Bolivia’s local bonds.

[1]Net debt-to-EBITDA ratio includes: i) Fino, SAO and Intradevco in the last 12 months and ii) the effect of IFRS 16 / [2] Excludes the raw material inventory effect of our Crushing business / [3] Net debt-to-EBITDA ratio as of Q2’20 excludes the effect of impairments LTM (S/ 85 million) / [4] Net debt-to-EBITDA ratio as of Q4’19 excludes the effect of impairments (S/ 37 million) / [5] Net Debt is Financial Debt less cash and cash equivalents as of Q2 20’ (under IFRS 16) / [6] Includes pre-export finance effect for US$ 15 million in Q2 ’19 and US$ 78 million in Q1 ’20

6 Q2 2020 Debt Management

- **Net Debt-to-EBITDA ratio decreased to 2.21x as of Q2 '20 from 2.41x as of Q4 '19, mainly due to higher Cash and Cash Equivalents as a result of greater collections from sales and working capital efficiencies.**
- **As of June 2020, 6.5% of our total financial debt had FX exposure to the USD volatility.**

FINANCIAL GUIDELINES

Alicorp's financial guidelines aim to:

i) Maintain investment grade rating,

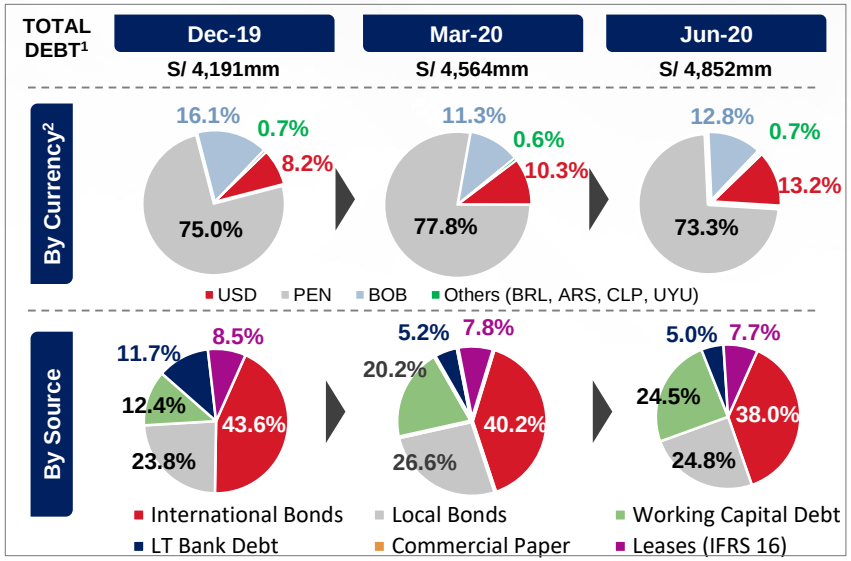
ii) Reduce financial expenses,

iii) Shift our debt towards functional currency to mitigate FX exposure,

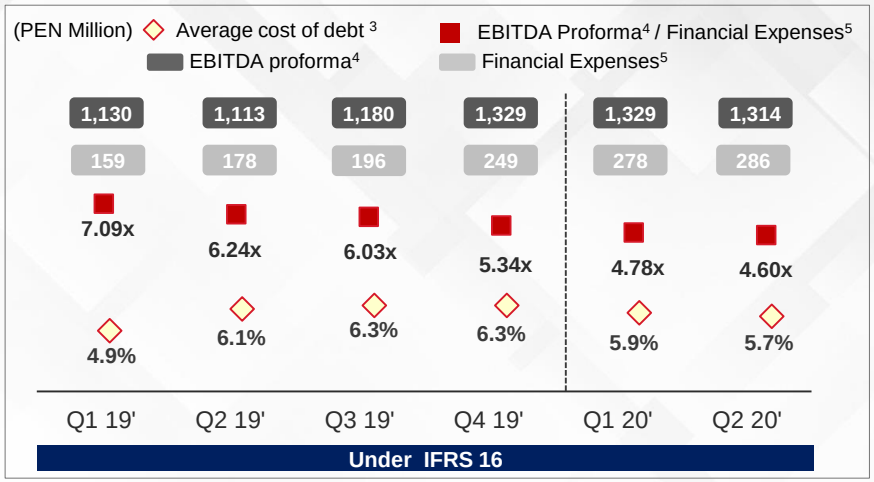
iv) Smooth maturity profile, and

v) Diversify funding sources

DEBT BREAKDOWN



FINANCIAL EXPENSES RATIO



CREDIT RATING

	Firm	Dec-19		Jun-20
Global	Standard & Poors	BBB- / Stable	=	BBB- / Stable
	Fitch Ratings	BBB / Stable	=	BBB / Stable
	Moody's	Baa3 / Stable	=	Baa3 / Stable
Peru[6]	Apoyo & Asociados Internacionales S.A.C.	AAA / CP1+ / Stable	=	AAA / CP1+ / Stable
	Moody's Local	AAA / ML1+	=	AAA / ML1+
Bolivia	PCR Pacific Credit Rating	BAA	=	BAA

[1] Debt before hedging operations, at amortized cost / [2] Debt after hedging operations
[3] Defined as the average cost of financial liabilities
[4] EBITDA includes Fino, SAO and Intradevco's in the last 12 months. EBITDA excludes the effect of impairments (S/ 37 million for Q4'19 and S/ 85 million for Q1'20 and Q2'20)

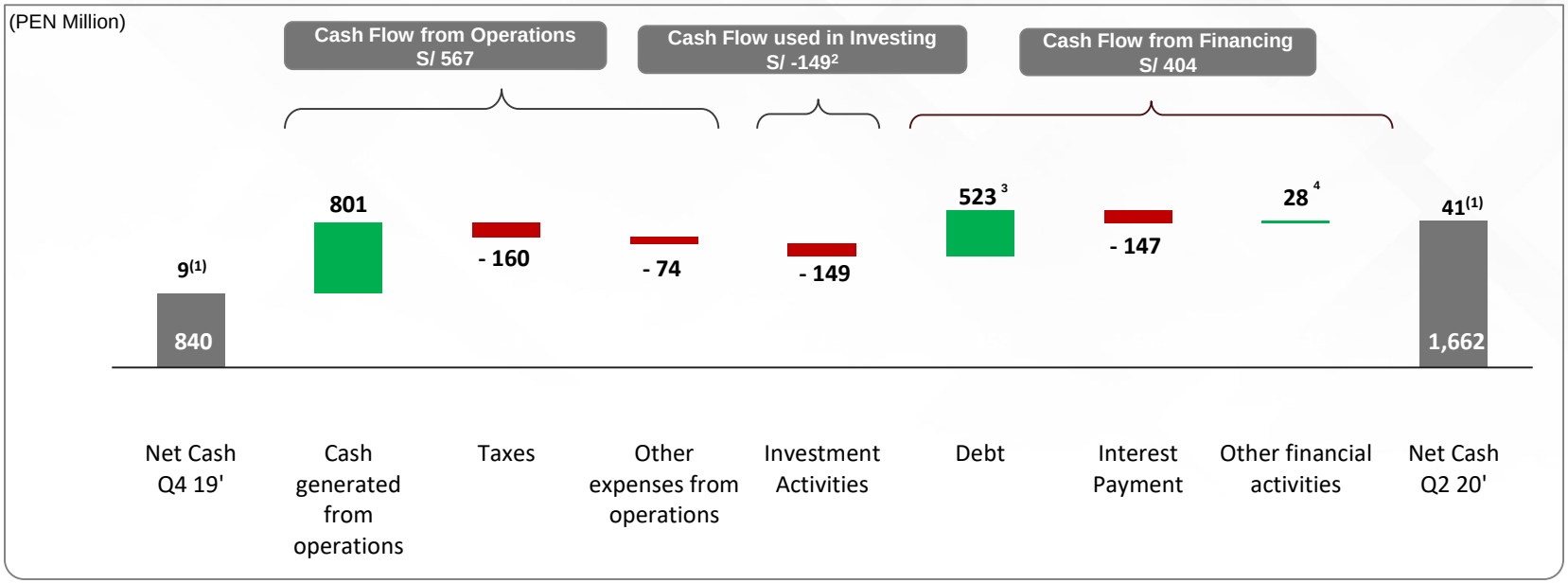
[5] Financial Expenses includes: Interest expenses, derivatives financial instruments and exchange rate difference of Fino, SAO and Intradevco's in the last 12 months
[6] Moody's Local does not publish outlooks for rated instruments.

5 Cash Flow Build Up as of Q2 2020

HIGHLIGHTS

- **Cash Flow from Operations** was S/ 567 million, S/229 million higher than Q2 19' mainly explained by higher collections from sales for S/ 538 million. This effect was partially offset by higher payments to suppliers, taxes and employees.
- **Cash Flow used in Investing Activities** was S/ 149 million; lower than S/ 1,689 million as of Q2 19', the decrease is mainly explained by S/ 1,581 million used to acquire Intradevco in Q1 19'.
- **Cash Flow from Financing Activities**[4] was S/ 404 million, lower than S/ 974 million as of Q2 19', the decrease is mainly due to lower disbursement of loans in line with no acquisitions completed during the H1 20'.

MAIN DRIVERS FOR CASH FLOW EVOLUTION



[1] Investments: time deposits with maturity between 90 days and 360 days and mutual funds
[2] Includes investments in property, plant, equipment and intangibles.
[3] Includes financial leasing (IFRS 16)
[4] Includes the effects of exchange rate changes on cash or cash equivalents

6 Q2 2020 Debt maturity profile

A As of December 2019, our total debt was PEN 4,191MM while our cash and cash equivalents cover our current financial liabilities at 1.09x.

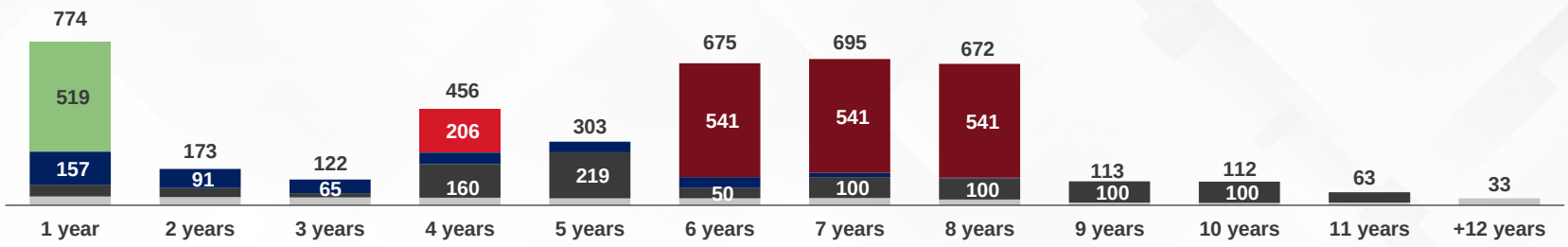
B As of June 2020, we drew USD 230MM of current debt in order to secure liquidity for our operations. Our cash and cash equivalents cover our current financial liabilities at 1.23x.

MATURITY PROFILE[1]: DURATION AS OF JUNE 2020 WAS 3.33 YEARS VS. 3.88 YEARS AS OF DECEMBER 2019

A

December 2019: Total Debt: S/ 4,191 million[2]

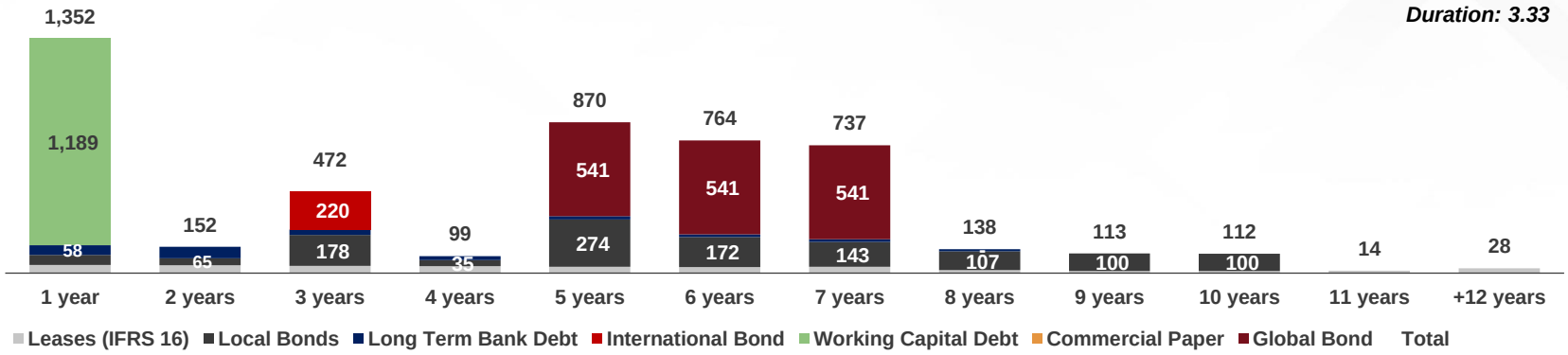
Duration: 3.88



B

June 2020: Total Debt: S/ 4,852 million[2]

Duration: 3.33



[1]Debt before hedging operations, at amortized cost. / [2]Total debt includes leases under IFRS 16.

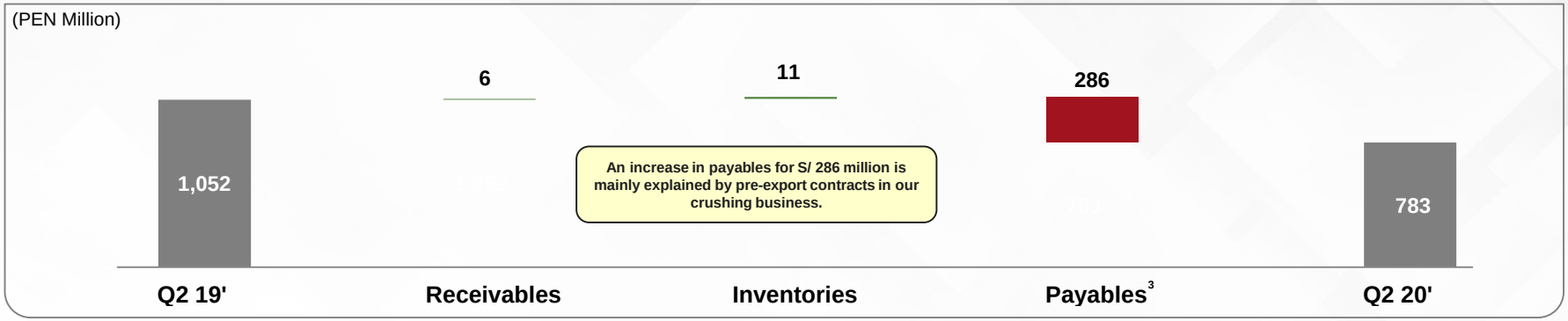
6 Working Capital and CAPEX Management for Q2 2020

KEY MILESTONES

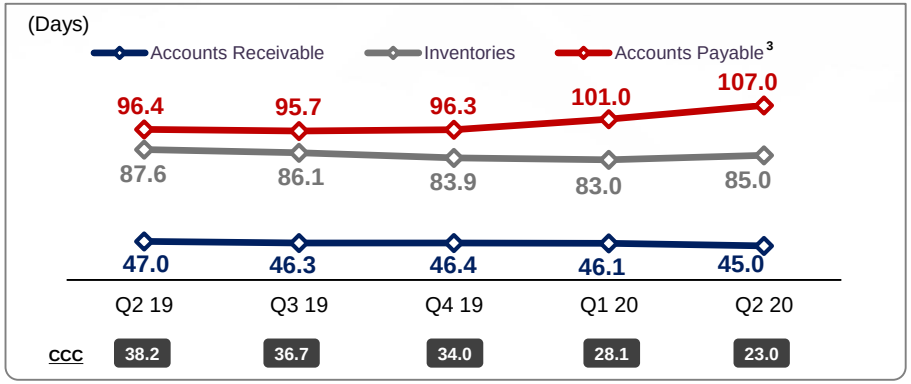
A **Alicorp, decreased its Cash Conversion Cycle (CCC) from 38.2 days as of Q2 19' to 23.0 days as of Q2 20',** mainly explained by an increase in the payment cycle as a result of pre-export contracts in our crushing business.

B **In Q2 20´ the Company increased its organic YoY,** mainly explained by higher investments in property, plant & equipment.

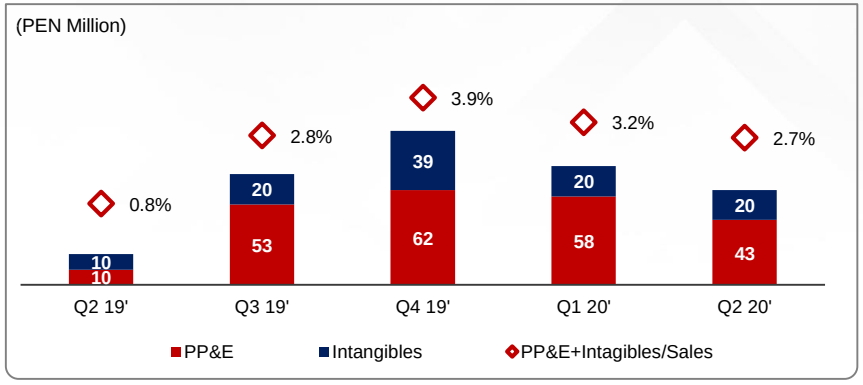
WORKING CAPITAL[1]



A DAYS OF WORKING CAPITAL[2]



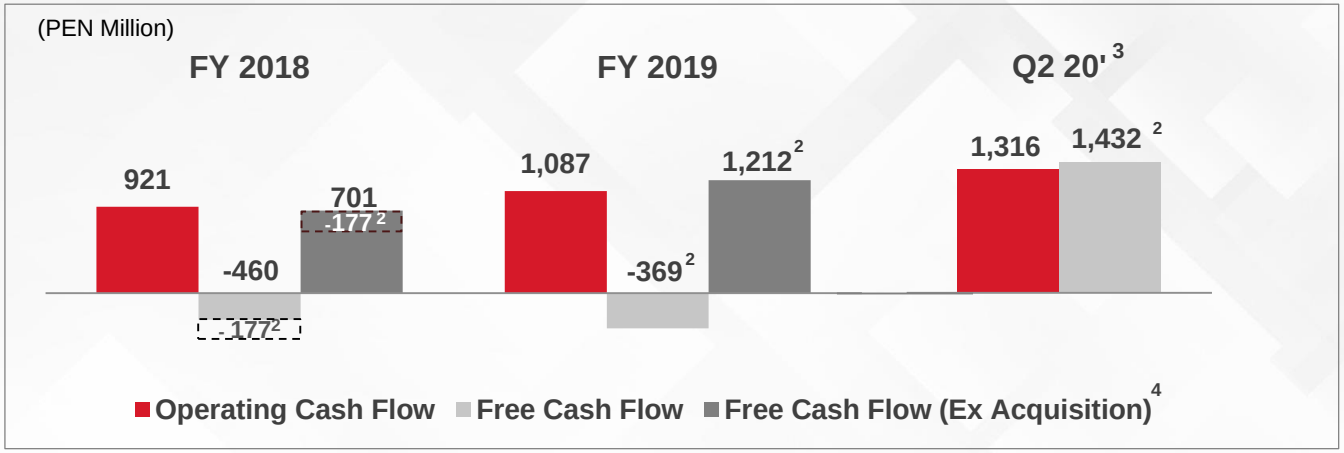
B CAPEX



[1] Working Capital is defined as the average of the last twelve months (LTM) of receivables plus inventories minus payables.
[2] Working Capital days is the average of the last twelve months(LTM) for balance sheet accounts and the cumulative LTM for income statement accounts.
[3] Includes pre-export finance effect for US$ 15 million in Q2 '19 and US$ 78 million in Q1 '20.

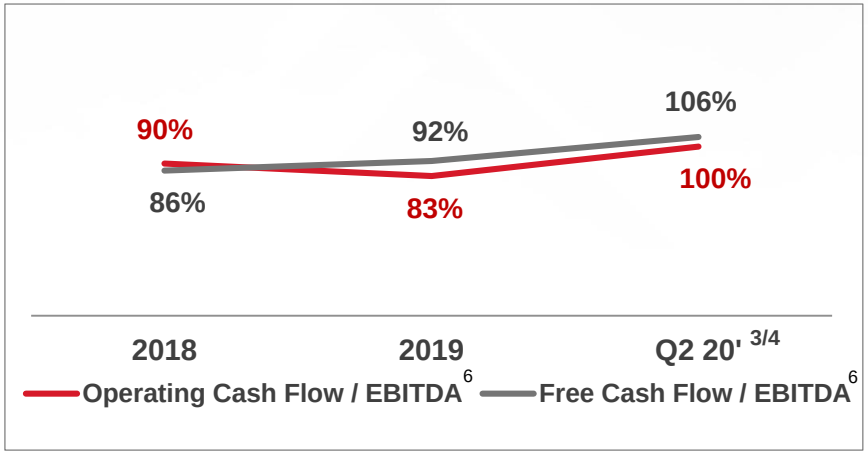
6 OCF & FCF Evolution

OPERATING & FREE CASH FLOW[1]

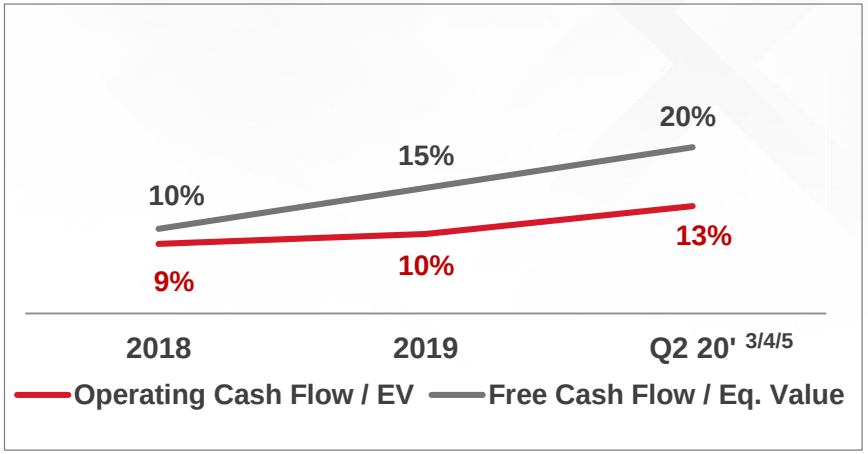


- **LTM Free Cash Flow as of Q2 20' was higher than FY 2019 mainly due to: i) higher collections from sales and ii) the absence of acquisitions**

OPERATING & FREE CASH FLOW CONVERSION[1]



OPERATING & FREE CASH FLOW YIELD[1]



[1] Operating Cash Flow: EBITDA – Taxes – Changes in Working Capital
Free Cash Flow: Operating Cash Flow – Cash Flow from Investing Activities
[2] Considers reclassification of time deposits with maturities between 90 and 360 days and mutual funds from Cash Flow from Investing Activities to Cash Flow from Financing Activities (2018: -PEN 177MM, 2019: +PEN 9MM and LTM Q2 20': +PEN 41MM)

[3] Considers LTM operating and free cash flows
[4] Free Cash Flow not including the amount of Fino, SAO and Intradevco acquisitions (2018: PEN 1,160MM and 2019: PEN 1,581MM)
[5] Enterprise Value (EV) and Equity Value based on market cap and debt as of June 30th, 2020
[6] EBITDA excludes the impairments effect (2019: PEN 37MM and LTM Q2 20': PEN 85MM)

Q2 2020 Milestones

6 Q2 2020 Milestones

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KEY MILESTONES

RESEARCH & DEVELOPMENT

27 products were launched as part of our innovation strategy, being the most remarkable:

Premixes under the brand "Santa Amalia"

Varieties of Pasta under the new brand "Nutregal"

Shampoo and Conditioner under the brand "Plusbelle"

A new alcohol gel alcohol under the brand "Aval"

CONTINUOUS EFFICIENCIES IN WORKING CAPITAL

Cash Conversion Cycle (CCC), on an LTM basis, decreased to 23.0 days (as of June 2020) from 28.1 days (as of March 2020).

AWARDS & RECOGNITION

REPUTATION

Arellano

Alicorp was recognized by **Consultora Arellano** in its **"Marcas 2020" report as one of the Top 10 Top-of-mind brands for Peruvian consumers.** Moreover, our brands "Don Vittorio", "Primor", "Alacena" and "Nicolini" stood out among the Top 10 most consumed and preferred brands by Peruvians.

Performance by Business Unit & Regions

5 Performance by Business Unit & Regions (1)

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CONSOLIDATED

Consolidated	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	1,711	2,123	2,208	2,247	8,289	2,226	2,461	2,593	2,592	9,872	2,448	2,274	-7.6%
Gross Profit	471	518	555	504	2,048	545	607	658	643	2,452	626	551	-9.3%
SG&A	292	299	343	341	1,275	353	384	363	353	1,454	435	358	-7.0%
EBITDA	215	275	290	241	1,022	244	293	383	358	1,277	211	277	-5.3%
Gross Margin	27.6%	24.4%	25.1%	22.4%	24.7%	24.5%	24.7%	25.4%	24.8%	24.8%	25.6%	24.2%	-0.4 p.p.
SG&A (% of Revenue)	17.1%	14.1%	15.6%	15.2%	15.4%	15.9%	15.6%	14.0%	13.6%	14.7%	17.8%	15.7%	0.1 p.p.
EBITDA Margin	12.6%	13.0%	13.1%	10.7%	12.3%	11.0%	11.9%	14.8%	13.8%	12.9%	8.6%	12.2%	0.3 p.p.

PERU

Consumer Goods Peru	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	624	678	725	733	2,760	753	828	885	862	3,328	848	756	-8.7%
Gross Profit	226	243	250	246	965	255	289	318	272	1,133	285	255	-11.5%
SG&A	121	126	124	126	497	138	162	165	151	615	161	141	-13.3%
EBITDA	125	137	155	139	556	140	157	181	165	643	155	146	-6.6%
Gross Margin	36.2%	35.8%	34.5%	33.5%	35.0%	33.8%	34.9%	35.9%	31.6%	34.1%	33.6%	33.8%	-1.1 p.p.
SG&A (% of Revenue)	19.3%	18.5%	17.2%	17.2%	18.0%	18.3%	19.6%	18.6%	17.5%	18.5%	19.0%	18.6%	-1.0 p.p.
EBITDA Margin	20.0%	20.2%	21.3%	19.0%	20.1%	18.6%	18.9%	20.5%	19.2%	19.3%	18.3%	19.4%	0.4 p.p.

B2B	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	351	397	422	417	1,586	374	399	438	435	1,647	389	308	-22.9%
Gross Profit	68	75	81	86	310	80	85	92	96	354	81	45	-47.1%
SG&A	43	40	40	45	167	41	40	41	43	164	72	42	6.2%
EBITDA	33	46	49	50	178	41	52	61	61	216	16	10	-80.6%
Gross Margin	19.5%	19.0%	19.1%	20.6%	19.6%	21.5%	21.3%	21.1%	22.1%	21.5%	20.9%	14.6%	-6.7 p.p.
SG&A (% of Revenue)	12.2%	10.0%	9.5%	10.7%	10.6%	10.9%	9.9%	9.4%	9.9%	10.0%	18.5%	13.7%	3.7 p.p.
EBITDA Margin	9.3%	11.6%	11.7%	12.0%	11.2%	10.9%	13.1%	13.9%	14.1%	13.1%	4.2%	3.3%	-9.8 p.p.

[1] SG&A doesn't include other expenses and raw material hedging expenses

5 Performance by Business Unit & Regions (2)

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B2B

Food Service	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	136	138	148	153	574	141	142	151	156	589	141	70	-50.3%
Gross Profit	34	35	37	40	146	38	40	44	43	166	34	12	-70.6%
SG&A	14	14	14	16	57	17	15	16	17	66	33	17	13.7%
EBITDA	23	24	26	27	100	24	28	31	29	113	4	-3	-110.9%
Gross Margin	25.2%	25.3%	24.8%	26.5%	25.5%	27.1%	28.4%	29.5%	27.4%	28.1%	24.2%	16.8%	-11.6 p.p.
SG&A (% of Revenue)	10.5%	9.9%	9.1%	10.2%	9.9%	11.9%	10.8%	10.8%	11.2%	11.2%	23.1%	24.7%	13.9 p.p.
EBITDA Margin	16.8%	17.2%	17.6%	17.9%	17.4%	17.2%	19.6%	20.8%	18.8%	19.1%	2.6%	-4.3%	-23.8 p.p.

Bakery	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	156	190	194	185	726	166	186	205	194	751	179	177	-4.9%
Gross Profit	26	31	33	34	123	32	33	35	40	139	37	27	-18.6%
SG&A	19	19	19	21	79	17	17	17	18	70	29	17	-1.4%
EBITDA	9	17	17	17	60	11	18	23	24	76	11	13	-28.9%
Gross Margin	16.4%	16.1%	16.8%	18.2%	16.9%	19.1%	17.8%	17.1%	20.4%	18.6%	20.6%	15.3%	-2.6 p.p.
SG&A (% of Revenue)	12.4%	10.1%	10.0%	11.5%	10.9%	10.5%	9.2%	8.2%	9.4%	9.3%	16.1%	9.5%	0.3 p.p.
EBITDA Margin	6.0%	8.9%	8.9%	8.9%	8.3%	6.9%	9.9%	11.0%	12.4%	10.2%	6.2%	7.4%	-2.5 p.p.

Industrial Clients	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	57	65	77	76	275	65	68	78	81	292	66	59	-13.4%
Gross Profit	9	10	12	12	44	11	12	13	14	51	11	7	-36.6%
SG&A	7	5	5	6	23	5	6	6	6	23	9	7	20.6%
EBITDA	3	6	8	8	24	7	7	8	9	30	2	1	-78.7%
Gross Margin	16.5%	15.2%	15.6%	16.4%	15.9%	17.8%	17.1%	16.8%	17.6%	17.3%	16.7%	12.5%	-4.6 p.p.
SG&A (% of Revenue)	11.6%	7.7%	7.1%	7.8%	8.4%	7.9%	8.4%	8.1%	6.9%	7.8%	14.2%	11.7%	3.3 p.p.
EBITDA Margin	5.6%	9.4%	9.9%	10.0%	8.9%	10.6%	9.8%	9.9%	11.3%	10.4%	3.6%	2.4%	-7.4 p.p.

[1] SG&A doesn't include other expenses and raw material hedging expenses

5 Performance by Business Unit & Regions (3)

alicorp

INTERNATIONAL

CGI	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	250	313	366	360	1,289	394	439	406	467	1,706	424	477	8.6%
Gross Profit	75	90	103	51	320	109	119	113	118	459	120	140	17.8%
SG&A[1]	88	86	107	99	380	104	109	93	102	409	101	102	-7.3%
EBITDA	-5	17	6	-19	-1	17	23	37	11	89	-21	57	149.3%
Gross Margin	30.1%	28.8%	28.2%	14.2%	24.8%	27.7%	27.0%	27.8%	25.3%	26.9%	28.4%	29.3%	2.3 p.p.
SG&A (% of Revenue)	35.0%	27.5%	29.2%	27.5%	29.5%	26.5%	24.9%	22.9%	21.8%	24.0%	23.9%	21.3%	-3.6 p.p.
EBITDA Margin	-2.0%	5.4%	1.6%	-5.4%	-0.1%	4.4%	5.2%	9.2%	2.4%	5.2%	-5.0%	11.9%	6.7 p.p.

CGI Bolivia	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	9	69	126	155	358	136	139	153	162	590	150	174	25.6%
Gross Profit	4	20	36	11	70	42	39	42	42	165	40	50	29.0%
SG&A[1]	3	12	35	39	89	28	31	28	27	114	31	31	1.2%
EBITDA	1	10	3	-11	3	21	13	24	25	83	18	28	111.0%
Gross Margin	42.3%	29.8%	28.5%	6.8%	19.7%	31.0%	28.0%	27.4%	25.9%	28.0%	26.8%	28.7%	0.8 p.p.
SG&A (% of Revenue)	33.1%	18.2%	27.6%	25.2%	24.9%	20.8%	22.3%	18.3%	16.5%	19.3%	20.4%	18.0%	-4.3 p.p.
EBITDA Margin	15.3%	14.3%	2.1%	-7.2%	0.7%	15.1%	9.7%	15.3%	15.6%	14.0%	12.3%	16.3%	6.6 p.p.

CGI Ecuador	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	10	14	16	18	58	28	30	44	38	140	39	35	14.1%
Gross Profit	6	8	8	10	32	10	11	15	14	49	14	12	14.6%
SG&A[1]	5	6	7	7	25	9	9	11	10	39	11	10	8.4%
EBITDA	1	2	2	3	9	3	3	6	9	20	5	4	54.0%
Gross Margin	62.8%	54.2%	49.3%	57.1%	55.2%	36.7%	35.7%	33.4%	35.8%	35.2%	35.6%	35.8%	0.2 p.p.
SG&A (% of Revenue)	52.8%	41.5%	42.3%	41.2%	43.6%	30.7%	31.0%	24.7%	25.7%	27.6%	28.0%	29.4%	-1.5 p.p.
EBITDA Margin	12.8%	15.7%	10.7%	19.6%	15.0%	10.0%	9.1%	12.7%	23.5%	14.3%	13.7%	12.3%	3.2 p.p.

[1] SG&A doesn't include other expenses and raw material hedging expenses

5 Performance by Business Unit & Regions (4)

alicorp

INTERNATIONAL

CGI Brazil	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	103	100	99	103	405	90	98	95	97	379	82	83	-15.0%
Gross Profit	34	32	33	32	131	27	30	27	28	111	25	25	-15.5%
SG&A[1]	39	35	33	36	143	37	34	30	29	130	26	23	-32.4%
EBITDA	-1	2	3	1	6	-7	-1	0	-27	-36	-59	4	-352.4%
Gross Margin	33.0%	32.2%	32.9%	31.5%	32.4%	29.7%	30.3%	28.3%	29.2%	29.4%	30.8%	30.2%	-0.2 p.p.
SG&A (% of Revenue)	37.7%	35.1%	33.2%	35.0%	35.3%	41.6%	34.8%	32.1%	29.7%	34.4%	32.1%	27.7%	-7.1 p.p.
EBITDA Margin	-0.6%	2.0%	2.8%	1.4%	1.4%	-7.7%	-1.5%	0.0%	-28.1%	-9.4%	-71.8%	4.4%	5.8 p.p.

CGI Argentina	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	108	101	86	45	340	89	120	54	122	384	108	126	5.2%
Gross Profit	24	21	16	-10	52	19	26	15	23	83	30	38	48.0%
SG&A[1]	36	29	25	11	100	21	26	14	25	85	20	22	-14.9%
EBITDA	-10	-3	-5	-16	-34	-2	2	2	1	1	14	18	1105.4%
Gross Margin	22.4%	21.0%	18.9%	-22.5%	15.2%	20.9%	21.4%	28.1%	19.1%	21.5%	27.8%	30.1%	8.7 p.p.
SG&A (% of Revenue)	33.2%	28.3%	29.2%	23.7%	29.5%	23.6%	21.5%	25.1%	20.5%	22.2%	18.1%	17.4%	-4.1 p.p.
EBITDA Margin	-9.2%	-2.6%	-5.9%	-35.7%	-9.9%	-2.4%	1.3%	2.8%	0.5%	0.4%	12.9%	14.6%	13.3 p.p.

CGI Other Geographies	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	20	29	39	40	128	51	53	60	49	212	45	59	11.7%
Gross Profit	7	9	11	8	34	11	14	14	11	50	11	14	3.6%
SG&A[1]	5	4	7	6	22	9	9	10	12	41	14	15	60.9%
EBITDA	3	6	4	3	15	3	6	7	4	20	0	2	-68.9%
Gross Margin	34.1%	29.7%	27.2%	20.6%	26.7%	21.8%	25.9%	23.5%	22.9%	23.6%	24.3%	24.0%	-1.9 p.p.
SG&A (% of Revenue)	23.4%	13.6%	18.9%	16.0%	17.5%	18.2%	17.9%	17.0%	23.8%	19.3%	31.0%	25.8%	7.9 p.p.
EBITDA Margin	14.5%	19.3%	10.2%	7.2%	12.0%	5.6%	12.1%	11.3%	8.0%	9.4%	-0.5%	3.4%	-8.7 p.p.

[1] SG&A doesn't include other expenses and raw material hedging expenses

5 Performance by Business Unit & Regions (5)

alicorp

AQUAFEED

Aquafeed	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	485	576	516	510	2,088	490	548	541	590	2,169	530	478	-12.8%
Gross Profit	102	107	95	115	419	102	116	111	131	460	112	101	-12.9%
SG&A[1]	41	41	40	39	161	50	45	48	44	187	75	53	16.4%
EBITDA	63	78	81	87	309	57	85	80	95	317	51	60	-28.7%
Gross Margin	21.0%	18.5%	18.3%	22.6%	20.1%	20.7%	21.2%	20.5%	22.2%	21.2%	21.1%	21.2%	0.0 p.p.
SG&A (% of Revenue)	8.4%	7.1%	7.8%	7.7%	7.7%	10.2%	8.2%	8.8%	7.5%	8.6%	14.2%	11.0%	2.8 p.p.
EBITDA Margin	13.0%	13.5%	15.8%	17.0%	14.8%	11.6%	15.4%	14.8%	16.2%	14.6%	9.5%	12.6%	-2.8 p.p.

CRUSHING

Crushing	Under IFRS 16					Under IFRS 16					Under IFRS 16		Variation
	2018					2019					2020		Q2 20
PEN MM	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YoY
Revenues	-	158	177	227	562	213	247	323	238	1,022	256	256	3.4%
Gross Profit	-	2	26	6	33	-2	-2	24	26	46	28	9	-701.1%
SG&A[1]	-	7	30	24	61	18	27	13	11	68	23	20	-24.2%
EBITDA	-	-3	-2	-8	-13	-12	-23	28	25	19	12	7	-128.6%
Gross Margin	-	1.2%	14.6%	2.5%	6.0%	-0.8%	-0.6%	7.4%	10.7%	4.5%	10.9%	3.7%	4.3 p.p.
SG&A (% of Revenue)	-	4.4%	16.9%	10.6%	10.8%	8.4%	10.7%	3.9%	4.6%	6.7%	9.0%	7.9%	-2.9 p.p.
EBITDA Margin	-	-1.7%	-1.3%	-3.4%	-2.2%	-5.4%	-9.2%	8.7%	10.4%	1.8%	4.5%	2.5%	11.8 p.p.

[1] SG&A doesn't include other expenses and raw material hedging expenses

5 Performance by Business Unit & Regions (6)

FX RATES[1]

Year	2018					2019					2020	
Quarter	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
USD/PEN	3.24	3.26	3.29	3.36	3.29	3.32	3.32	3.34	3.36	3.34	3.41	3.43
USD/ARS	19.7	23.53	32.09	37.11	28.11	39.1	43.96	50.54	59.38	48.25	61.48	67.67
USD/BRL	3.24	3.61	3.96	3.81	3.65	3.77	3.92	3.98	4.12	3.95	4.46	5.39
ARS/PEN	6.08	7.21	9.74	11.05	8.52	11.76	13.23	15.10	17.65	14.44	18.06	19.71
BRL/PEN	1.00	1.11	1.2	1.13	1.11	1.13	1.18	1.19	1.22	1.18	1.31	1.57

[1] Average FX rate for the period