

CHAIRMAN'S REVIEW

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Dear Shareholders,

I would like to thank you for your long term trust and support of MMG. On behalf of the MMG Board, I am pleased to present our results for the year ended 31 December 2020.

CONTINUOUS PRODUCTION

2020 was an extraordinary year. The unprecedented outbreak of the COVID-19 pandemic severely harmed the global economy and society and presented serious challenges for the metals and mining industry. MMG strove to overcome these difficulties and achieve a balance between effective control measures and the continuity of our operations. We strictly followed government regulations where we operate and took every effort to protect the safety and health of our employees. At the same time, we operated with optimized protection measures according to the specific needs at our sites. In 2020, we managed to maintain continuous production at all of our mines during the year. MMG adhered to our value of "safety first". The total recordable injury frequency (TRIF) was 1.38 per million hours worked for the year, a 13% decrease compared to 2019. We were proud to deliver such a result under extremely difficult circumstances.

BUSINESS TRANSFORMATION PROGRAM

In 2020, the MMG Board approved an updated corporate development strategy, which sets the goal to double and double again MMG's mineral resources, production of our core commodities and enterprise value by 2030. To achieve this, MMG has implemented a business transformation program, streamlining its business management structures and processes. We have defined four strategic drivers including China Champion, Business Miner,

Delivering Progress and Federation of MMG.

MMG aims to improve productivity and maximize asset value in the short term and accelerate growth through focusing on core commodities and increased synergies in the medium to long term.

GROWTH OUTLOOK

Looking ahead, while the impact of COVID-19 persists, the global economic landscape will remain complicated and challenging, with recovery of the mining industry also facing uncertainties. However, we are confident in our outlook for growth. This confidence comes from our understanding of the industry cycle and our trust in the future development of China and our major shareholder China Minmetals Corporation ("CMC"). China was the only major economy that achieved growth in 2020. China will continue to realise its potential for economic growth. In particular, the fast growth in demand for copper, zinc, nickel and other metals will be supported by the increasing demand for new energy vehicles, investment into new infrastructure, innovative urbanisation initiatives and other projects that are key for national development.

MAJOR SHAREHOLDER SUPPORT

In 2020, CMC, our major shareholder, delivered all its targets under its 13th Five-Year Plan and successfully completed its goal of "Three Steps and Two Doubles". CMC achieved a record performance result, including operating revenue of RMB701.6 billion which represents 15% year-on-year growth. Under the 14th Five-Year Plan, CMC has committed to a set of goals including operating revenue of over RMB1 trillion, doubling its profit again, optimizing and strengthening its metals and mineral businesses, leveraging its integrated industrial chain, and increasing investments in the industry. This will enable CMC to become a world-class



metals and mining company. MMG forms a key part of this plan and will be provided with strong and reliable support from CMC with more room to grow.

As we work to overcome the COVID-19 pandemic, life will return to normal. We will continue to strive to achieve and move forward on the path to success. We will continue to deliver improvements in our operating results, making valuable contributions to society. This will be supported by economic development, both in China and globally, and we will be guided by our values as we execute on our strategic plans.

I would like to express my gratitude to all shareholders, communities and business partners for their ongoing support and to all our employees for their contribution.

郭文庆

GUO Wenqing
CHAIRMAN



IMAGE: Truck drivers changing shifts at Las Bambas mine.

\$3,033.7 MILLION

IN REVENUE (US\$)

\$1,379.7 MILLION

IN EBITDA (US\$)