ANNOUNCEMENT ON ANNUAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2023

The Board of Directors (Board) of MMG Limited (Company or MMG) is pleased to announce the consolidated results of the Company and its subsidiaries (Group) for the year ended 31 December 2023.

The financial information set out in this announcement does not constitute the Group's complete set of the consolidated financial statements for the year ended 31 December 2023, but rather, represents an extract from those consolidated financial statements.

The financial information has been reviewed by the Company's Audit and Risk Management Committee and the Company's auditor.

The audited consolidated results of the Group are annexed to this announcement.

MMG RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

KEY POINTS

- In a tragic start to 2023, two people, employed through our mining contractor Barminco at our Dugald River mine, lost their lives after a light vehicle they were travelling in fell into a stope on 15 February 2023. We will continue to take every effort to promote a safe workplace and culture and to ensure every person returns safely home to their loved ones.
- MMG recorded a Total Recordable Injury Frequency (TRIF) of 1.97 per million hours worked for the full year 2023, an increase compared to the full year 2022 TRIF of 1.25. Despite the overall increase in TRIF for the year, the fourth quarter TRIF of 1.13 showed a significant improvement, with all sites demonstrating better execution of safety controls.
- MMG recorded a net profit after tax of US$122.1 million, including a profit of US$9.0 million attributable to equity holders of the Company. This compared to a net profit after tax of US$243.5 million in 2022, including a profit of US$172.4 million attributable to equity holders.
- MMG achieved an increase in net cash flow from operations, totalling US$1,849.9 million, representing growth of 122% compared to 2022. This performance is primarily attributed to favourable working capital movements with a copper concentrate inventory drawdown at Las Bambas compared to a build-up in 2022. Lower tax payments for Las Bambas and Kinsevere also contributed positively.
- Driven by strong cashflows, the Company reduced net debt levels by US$783.6 million, reducing gearing ratio by 5% to 50% at the end of 2023.
- Revenue increased by US$1,092.3 million (34%) for the period, primarily driven by higher sales volumes from Las Bambas, which more than offset the impact of lower copper and zinc prices.
- The Company's total EBITDA of US$1,461.9 million was 5% lower than 2022. This decline was attributed to lower prices for copper and zinc, lower sales at Kinsevere and Dugald River and higher consumption of third-party ores at Kinsevere to offset reduced oxide ore mined during the transition to mining sulphide ores. Higher sales volumes at Las Bambas contributed positively but were partly offset by an unfavourable stock movement.
- Las Bambas EBITDA of US$1,396.7 million was 24% higher than 2022. This result was largely due to higher sales of copper and molybdenum due to stable logistics since March 2023 compared to 2022. This was partly offset by lower copper prices and higher operating expenses due to higher material mined and milled volumes and unfavourable stock movement with a drawdown in copper concentrate inventory.
- Kinsevere recorded a negative EBITDA of US$32.0 million, compared to the positive US$131.7 million recorded in 2022. The downturn was primarily attributed to lower copper sales volumes in line with lower production and lower copper prices. Kinsevere production of 44,068 tonnes of copper cathode was 10% lower than 2022 due to lower oxide ore feed grade and unstable power supply from the national grid affecting ore milled throughput. The mine's operating expenses increased by 21% mainly driven by higher consumption of third-party ores.
- Dugald River recorded an EBITDA of US$33.8 million during 2023, 84% lower than 2022 due to lower production following a 34-day suspension of operations caused by the fatal incident in February, lower zinc prices and unfavourable stock movement.
- Rosebery EBITDA of US$77.8 million represented a 21% decrease from 2022 due to lower zinc prices, partly offset by higher sales volumes for zinc and higher precious metal prices.
- MMG remains committed to working closely with the Government of Peru and community members for transparent and constructive dialogue. Discussions with the Huancuire community have advanced and five contracts with community companies have been signed. These companies have now commenced early works at Chalcobamba.

KEY POINTS

- The construction of the Kinsevere Expansion Project, which includes the transition to mining and processing sulphide ores and the commencement of cobalt production, remains on track. The cobalt plant was commissioned in the fourth quarter, and the first production of cobalt hydroxide was achieved. The new tailing storage facility was commissioned to support the cobalt plant ramp-up. Progress has also been made in the installation of the concentrator and the roaster, gas cleaning and acid plant for copper production from sulphide ore.
- Total capital expenditure for 2023 was $790.0 million, in line with our guidance, including $268.9 million on the Kinsevere Expansion Project and $332.6 million at Las Bambas.
- On 21 November 2023, MMG announced that it entered into a Share Purchase Agreement on 20 November 2023 to acquire the Khoemacau Mine in Botswana for US$1,875.0 million. The Khoemacau Mine is a large, long-life copper mine located in northwest Botswana, in the emerging Kalahari Copperbelt. The Khoemacau Mine's 4,040 km^2 tenement package hosts the 10th largest African copper Mineral Resource by total contained copper metal and is one of the largest copper sedimentary systems in the world outside of the Central African Copperbelt.
- The Board did not recommend the payment of a dividend for the period.

Outlook

- Las Bambas copper production for 2024 is expected to be in the range of 280,000 and 320,000 tonnes. This is largely in line with 2023 but is subject to the timing of the development of Chalcobamba. Las Bambas C1 costs in 2024 are expected to be in the range of US$1.60 – US$1.80/lb, representing an increase compared to 2023 primarily due to higher ore mined and milled volumes and lower by-product credits related to lower molybdenum price assumptions.
- Kinsevere copper cathode production for 2024 is expected to be in the range of 39,000 and 44,000 tonnes. This range reflects the declining supply of Kinsevere oxide ore due to the transition from the mining of oxide to sulphide ores. The supply from Sokoroshe II is expected to increase and will compensate for the reduced oxide ore mined from the Kinsevere main pit. C1 costs in 2024 are expected to be in the range of US$2.80 – US$3.15/lb, an improvement from 2023 due to by-product credits from cobalt and an increase in the supply of ore mined from Sokoroshe II to reduce the reliance on third-party ore.
- The focus for the Kinsevere Expansion Project will be on the ramp-up of the cobalt plant and completing the installation of the concentrator and the roaster, gas cleaning and acid plant as well as operational readiness-related work. The first production of copper cathode from sulphides is expected in the second half of 2024, and a full ramp-up is expected in 2025.
- Dugald River zinc production for 2024 is expected to be in the range of 175,000 and 190,000 tonnes of zinc in zinc concentrate. This is a substantial improvement over 2023 which was impacted by the suspension of operations in the first quarter of 2023. C1 costs in 2024 are expected to be in the range of US$0.70 – US$0.85/lb, an improvement from 2023 reflective of the increased production as well as lower anticipated zinc treatment charges in 2024.
- Rosebery zinc production for 2024 is expected to be in the range of 50,000 to 60,000 tonnes of zinc in zinc concentrate. Including the contribution of by-product metals, zinc equivalent production is expected to be in the range of 115,000 to 130,000 tonnes. C1 costs for 2024 are expected to be in the range of US$0.10 - US$0.25/lb. This is an improvement over 2023 due to higher anticipated production levels and lower zinc treatment charges.
- Total capital expenditure in 2024 is expected to be between US$800 million and US$900 million. US$400-450 million is attributable to Las Bambas, including the expansion of the Las Bambas tailings dam facility, Ferrobamba pit infrastructure and Chalcobamba execution. At Kinsevere, capital expenditure related to the Kinsevere Expansion Project is expected to be US$250-300 million.

MMG RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023 CONTINUED

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Revenue	4,346.5	3,254.2	34%
EBITDA	1,461.9	1,535.4	(5%)
EBITDA margin	34%	47%	
EBIT	531.7	745.3	(29%)
Profit for the year before income tax	**189.6**	**460.5**	**(59%)**
Profit after income tax for the year	122.1	243.5	(50%)
Net cash generated from operating activities	1,849.9	832.1	122%
Dividend per share	-	-	n/a
Basic earnings per share	US 0.10 cents	US 2.00 cents	
Diluted earnings per share	US 0.10 cents	US 1.98 cents	

CHAIRMAN'S LETTER

Dear Shareholders,

I am pleased to present the 2023 Annual Report which is my first as the Chair of the Company. After six years on the Executive Committee and as a Director since May 2009, I am delighted to have the opportunity, together with the Management Team, to drive the future success of the business.

Safety, our first value

First, let me start with our safety performance. At MMG, safety is our first value and we continue to place significant effort on eliminating fatalities and serious injuries from our workplaces. However, I am deeply saddened by the deaths of Barminco contractors Mr Trevor Davis and Mr Dylan Langridge at Dugald River in February 2023. I offer my sincere condolences to their families and friends. This incident serves as a sad and lasting reminder of the paramount importance of safety, and our commitment to eliminate injuries and fatalities across MMG. In 2024, we will maintain a close focus on learning from incidents and particularly significant events with energy exchange. We will continue to take a proactive approach to risk management and field task observations to ensure that we are actively reducing risks for our people. Nothing is more important than ensuring our people can return home safely to their families and friends.

Strategy and Portfolio

While 2023 has presented challenges with price fluctuations in our core commodities, the medium and long-term outlook for our products remains very strong. Global trends such as urbanisation, decarbonisation and electrification will continue to drive demand for copper and zinc. China also remains deeply committed to a strong decarbonisation agenda domestically and is actively advancing clean energy technologies which are very supportive of the mining sector. The need for minerals that are critical to the energy transition will continue to grow and evolve and will require many sources of investment, technology and manufacturing capability - with China to remain a key partner. As a producer with a commitment to the highest operating standards, and as an active member of the International Council on Mining and Metals, MMG remains an important international growth platform for our major shareholder, China Minmetals Corporation (CMC).

CMC's support has enabled us to enter into a Share Purchase Agreement to acquire the Khoemacau Mine in Botswana in November 2023. This acquisition reaffirms our commitment to build a portfolio of high-quality mines and aligns to our vision of creating a leading international mining company for a low carbon future. Khoemacau is a high-quality operating mine with a very robust expansion case and is located in one of the most prospective mining regions in Africa, the Kalahari Copperbelt. This acquisition is closely aligned to our strategy of delivering long-term value for shareholders by pursuing value-accretive external opportunities while continuing to focus on pursuing organic growth opportunities across our existing asset base.

Across the entire MMG portfolio we have also continued to focus on growth drilling and on progressing the key development projects which include the Chalcobamba development at Las Bambas and the Kinsevere Expansion Project. I am pleased to report that we have made steady progress on both throughout 2023.

In Peru, we have worked closely with the Government of Peru and community members in transparent and constructive dialogue. Discussions with the Huancuire community have continued to progress and we have signed agreements with a number of community companies which have been able to commence early works at Chalcobamba. While we have not yet reached final agreements with the community, we remain positive regarding progress as we work together to share the success of Las Bambas.

The construction of the Kinsevere Expansion Project, which will enable us to transition to mining sulphide ores and introduce cobalt into our product portfolio, remains on track. We were pleased to celebrate the commissioning of the cobalt plant in the fourth quarter of the 2023, having achieved the first production of Kinsevere's cobalt hydroxide. The new tailings storage facility at site was also commissioned to support cobalt production and progress has been made in the installation of the concentrator and roaster as well as the gas cleaning and acid plant to support copper production from sulphide ore.

Executive team changes

In February 2024, we welcomed the appointment of Mr Song Qian as the Executive General Manager Finance, following the retirement of Chief Financial Officer Mr Ross Carroll who will depart the business in July 2024.

Mr Qian brings to MMG significant experience within CMC where he has held a number of senior executive roles, most recently as the Chief Financial Officer of Minmetals Innovative Investments Co. Mr Qian was also employed by the Company from 2010 to 2012 and has a strong understanding of the MMG business.

In early 2024, we further undertook a review of executive portfolios and realigned a number of executive accountabilities. As part of this process, we have created a new role of Executive General Manager Operations to integrate group operational accountability and excellence. Mr Nan Wang, formerly Executive General Manager Australia and Africa, has been appointed and commenced in this role on 1 February 2024.

A new position of Executive General Manager Commercial and Growth has been created to focus on strategy, projects, mergers and acquisitions with the Interim Chief Executive Officer performing this role until the recruitment process is completed.

On behalf of the Board, I extend my gratitude to Mr Carroll for his valuable contributions to the Company since he joined MMG in late 2015.

Conclusion

Finally, in 2024 we will continue to focus our efforts on driving strong operational performance and excellence in project delivery across the business.

Our success would not be possible without our people or the support of our shareholders. On behalf of the Board, I extend my gratitude to our people for their commitment and contributions and we thank our shareholders, partners and communities for their ongoing support.

XU Jiqing
CHAIRMAN

CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholders,

I am pleased to present our 2023 Annual Report.

Safety

At MMG, our first value is safety.

In a tragic start to 2023 two people, employed through our mining contractor Barminco at our Dugald River mine, lost their lives after a light vehicle they were travelling in fell into a stope on 15 February 2023.

The loss of Dylan Langridge and Trevor Davis has had a profound impact on us all and our united focus remains on doing everything we can to promote a safe workplace and culture and to ensure every person returns safely home to their loved ones.

MMG's total recordable injury frequency (TRIF) was 1.97 for the full year 2023, which is higher than the full year 2022 result of 1.25. We recognise there is still significant room for improvement – particularly in reducing significant potential incidents - and during the fourth quarter we saw a significant reduction in injury rates.

Operational performance

Overall, our sites have delivered strong results with production and cost performance, in line with or exceeding our updated guidance.

In 2023, MMG produced 347,264 tonnes of copper (copper cathode plus copper in concentrate) and 203,470 tonnes of zinc (zinc in concentrate).

Copper production in 2023 was 14% higher than in 2022 driven by uninterrupted operations at Las Bambas. This result further demonstrates the site's strong operational performance throughout the year which included achieving a record in milled ore throughput and the second highest annual sales volume, with over 1.1 million tonnes of concentrate sold.

Copper production at the Kinsevere mine was 10% lower than in 2022 largely due to unstable power supply from the national grid. Construction of the Kinsevere Expansion Project continues to advance with the cobalt plant commissioned in the fourth quarter.

Zinc production at Dugald River mine was 12% lower than in 2022, due to the impact of suspension of operations in the first quarter.

Annual production at Rosebery mine was 1% above 2022 levels, largely driven by the mining sequence with the ore mined and milled volume results in the fourth quarter the highest for the year.

Financial performance

In 2023, MMG recorded a net profit after tax of US$122.1 million, including a profit of US$9.0 million attributable to equity holders of the Company. This compared to a net profit after tax of US$243.5 million in 2022, including a profit of US$172.4 million attributable to equity holders.

Driven by strong cashflows, the Company reduced net debt levels by US$783.6 million, lowering overall gearing ratio by 5% to 50% at the end of 2023.

Pleasingly, revenue increased by US$1,092.3 million (34%) for the period, primarily driven by higher sales volumes from Las Bambas, which more than offset the impact of lower copper and zinc prices.

Delivering growth

In 2023 we also achieved a major milestone having entered into a Share Purchase Agreement to acquire the Khoemacau Mine.

The Khoemacau Mine is a large, long-life copper mine located in northwest Botswana, in the emerging Kalahari Copperbelt. The tenement package hosts the tenth largest African copper mineral resource by total contained copper metal and is one of the largest copper sedimentary systems in the world outside of the Central African Copperbelt.

Commitment to Sustainability

I am proud that the minerals we produce are essential to ensuring that we can successfully transition to a more sustainable world. MMG plays a key role in providing these metals to our customers to drive the development of green technology that will replace fossil fuels.

As part of our commitment to achieve Net Zero we have set an interim 2030 target of reducing Scope 1 and Scope 2 operational greenhouse gas emissions from our operated assets by 40%, from a 2020 baseline. This interim target aligns with science-based methodologies, in line with ambitions set out in the Paris Agreement.

Growing our assets, while maintaining an unwavering commitment to sustainable development, is what drives our business.

Executive Committee Changes

In January 2024, the Board announced that Mr Ross Carroll will retire from his role as the Chief Financial Officer (CFO) of MMG and will depart the company on 1 July 2024, following a transition period. Mr Carroll was appointed as CFO of the Company in December 2015. On behalf of everyone at MMG I would like to take this opportunity to express my sincere gratitude to Mr Carroll for his valuable contribution to MMG over many years.

Mr Song Qian joined MMG on 1 February 2024 as the Executive General Manager Finance and brings to the business significant executive experience within CMC. He brings to MMG valuable experience in global treasury systems and a strong understanding of commercial and investment banking, financial markets, and cross-cultural integration in mining assets and multi-industrial assets within China and internationally.

Additional changes to the Executive Team include a rebalancing of responsibilities with the creation of the role of Executive General Manager Operations to integrate group operational accountability and operational excellence. Mr Nan Wang, formerly Executive General Manager Australia and Africa, was appointed to this role and commenced on 1 February 2024. Mr Troy Hey, the Executive General Manager Corporate Relations, has taken accountability for the Legal and Company Secretary functions alongside his existing accountabilities.

I am confident that the new structure will enable our leadership to drive successful outcomes as we work towards our vision of creating a leading international company for a low carbon future.

Future focus

As we look ahead to 2024, we are focused on securing the next stage of growth for our business.

At Las Bambas, this means working closely with the Huancuire community to progress the Chalcobamba development.

We will also continue to focus on advancing the Kinsevere Development Project and the completion and subsequent integration of Khoemacau.

Across all operations we remain focused on safe and stable production while adding value to our assets through expansion and life extension.

Thank you for your ongoing support of MMG.

LI Liangang
CHIEF EXECUTIVE OFFICER (INTERIM)

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

For the purpose of the management discussion and analysis, the Group's results for the year ended 31 December 2023 are compared with results for the year ended 31 December 2022.

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Revenue	4,346.5	3,254.2	34%
Operating expenses	(2,814.1)	(1,682.6)	(67%)
Exploration expenses	(49.6)	(30.8)	(61%)
Administration expenses	(12.9)	(16.0)	19%
Net other (expense)/income	(8.0)	10.6	(175%)
EBITDA	**1,461.9**	**1,535.4**	**(5%)**
Depreciation and amortisation expenses	(930.2)	(790.1)	(18%)
EBIT	**531.7**	**745.3**	**(29%)**
Net finance costs	(342.1)	(284.8)	(20%)
Profit before income tax	**189.6**	**460.5**	**(59%)**
Income tax expense	(67.5)	(217.0)	69%
Profit for the year	**122.1**	**243.5**	**(50%)**
Attributable to:			
Equity holders of the Company	9.0	172.4	(95%)
Non-controlling interests	113.1	71.1	59%

Profit attributable to equity holders of the Company

MMG's profit of US$122.1 million for the year ended 31 December 2023 includes profit attributable to equity holders of US$9.0 million and profit attributable to non-controlling interests of US$113.1 million. This compares to a profit attributable to equity holders of US$172.4 million and profit attributable to non-controlling interests of US$71.1 million for the year ended 31 December 2022. Amounts attributable to non-controlling interests relates to the 37.5% interest in Las Bambas not owned by the Company.

The following table provides a reconciliation of reported profit after tax attributable to equity holders.

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Profit after tax – Las Bambas 62.5% interest	188.6	118.4	59%
(Loss)/profit after tax – other continuing operations	(55.9)	154.6	(136%)
Exploration expenses	(49.6)	(30.8)	(61%)
Administration expenses	(12.9)	(16.0)	19%
Net finance costs (excluding Las Bambas)	(98.5)	(81.7)	(21%)
Other	37.3	27.9	34%
Profit for the year attributable to equity holders	**9.0**	**172.4**	**(95%)**

Overview of operating results

The Group's continuing operations comprise Las Bambas, Kinsevere, Dugald River and Rosebery. Exploration, corporate activities and other subsidiaries are classified as 'Other'.

	REVENUE			EBITDA		
YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Las Bambas	3,417.3	2,086.8	64%	1,396.7	1,121.9	24%
Kinsevere	354.6	421.5	(16%)	(32.0)	131.7	(124%)
Dugald River	331.2	484.3	(32%)	33.8	210.2	(84%)
Rosebery	240.0	259.9	(8%)	77.8	98.6	(21%)
Other	3.4	1.7	100%	(14.4)	(27.0)	47%
Total	**4,346.5**	**3,254.2**	**34%**	**1,461.9**	**1,535.4**	**(5%)**

The following discussion and analysis of the financial information and results should be read in conjunction with the financial statements.

Revenue increased by US$1,092.3 million (34%) to US$4,346.5 million compared to 2022 due to higher sales volumes (US$1,292.9 million), partly offset by lower commodity prices (US$200.6 million).

Sales volumes increased by US$1,292.9 million compared to 2022 driven by higher sales of copper concentrate (US$1,332.0 million) and molybdenum concentrate (US$33.3 million) at Las Bambas due to stable logistics since March 2023 compared to 173 days of road blockages throughout 2022. This was partly offset by lower copper cathode sales volumes at Kinsevere (US$43.6 million) in line with lower production due to declining oxide feed grades and lower ore milled caused by an unstable power supply from the national grid. Dugald River zinc and lead concentrate sales volumes were also lower (US$39.4 million), as a result of a 34-day suspension due to the tragic incident in February.

Unfavourable commodity price variances of US$200.6 million were driven by lower prices for zinc (US$159.2 million) and copper (US$117.6 million), partly offset by higher prices for gold (US$28.3 million), silver (US$25.5 million) and molybdenum (US$23.3 million). Price variances also include mark-to-market adjustments on open sales contracts and the impacts of commodity hedging.

REVENUE BY COMMODITY YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Copper	3,304.2	2,227.7	48%
Zinc	359.4	547.1	(34%)
Lead	67.9	72.9	(7%)
Gold	233.5	151.5	54%
Silver	205.7	135.8	51%
Molybdenum	175.8	119.2	47%
Total	**4,346.5**	**3,254.2**	**34%**

Price

Average LME base metals prices for zinc, copper and lead were lower in the year ended 31 December 2023 compared to the prior corresponding period. The averages for molybdenum, gold and silver were higher.

AVERAGE LME CASH PRICE [(1)] YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Copper (US$/tonne)	8,483	8,815	(4%)
Zinc (US$/tonne)	2,649	3,485	(24%)
Lead (US$/tonne)	2,137	2,153	(1%)
Gold (US$/ounce)	1,943	1,801	8%
Silver (US$/ounce)	23.39	21.75	8%
Molybdenum (US$/tonne)	53,231	41,411	29%

(1) Sources: zinc, lead, and copper: LME cash settlement price; Molybdenum: Platts; gold and silver: LBMA. LME (London Metal Exchange) data is used in this report under licence from LME; LME has no involvement and accepts no responsibility to any third party in connection with the data; and onward distribution of the data by third parties is not permitted.

Sales volumes

PAYABLE METAL IN PRODUCTS SOLD YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Copper (tonnes)	419,584	272,132	54%
Zinc (tonnes)	176,292	185,606	(5%)
Lead (tonnes)	34,389	36,461	(6%)
Gold (ounces)	121,316	89,049	36%
Silver (ounces)	8,926,822	6,707,204	33%
Molybdenum (tonnes)	4,037	3,156	28%

PAYABLE METAL IN PRODUCTS SOLD YEAR ENDED 31 DECEMBER 2023	COPPER TONNES	ZINC TONNES	LEAD TONNES	GOLD OUNCES	SILVER OUNCES	MOLYBDENUM TONNES
Las Bambas	374,743	-	-	94,925	5,361,326	4,037
Kinsevere	43,710	-	-	-	-	-
Dugald River	-	128,628	17,535	-	1,358,919	-
Rosebery	1,131	47,664	16,854	26,391	2,206,577	-
Total	**419,584**	**176,292**	**34,389**	**121,316**	**8,926,822**	**4,037**

PAYABLE METAL IN PRODUCTS SOLD YEAR ENDED 31 DECEMBER 2022	COPPER TONNES	ZINC TONNES	LEAD TONNES	GOLD OUNCES	SILVER OUNCES	MOLYBDENUM TONNES
Las Bambas	221,918	-	-	62,901	3,293,364	3,156
Kinsevere	49,048	-	-	-	-	-
Dugald River	-	140,980	19,116	-	1,342,406	-
Rosebery	1,166	44,626	17,345	26,148	2,071,434	-
Total	**272,132**	**185,606**	**36,461**	**89,049**	**6,707,204**	**3,156**

Operating expenses include expenses of operating sites, excluding depreciation and amortisation. Site expenses include mining and processing expenses, changes in inventories, royalty expenses, selling expenses and other operating expenses.

Total operating expenses increased by US$1,131.5 million (67%) in 2023. This increase was primarily driven by unfavourable stock movement (US$787.4 million) resulting from the drawdown of Las Bambas copper concentrate stockpiles, compared to a build-up in 2022. Additionally, higher production expenses (US$273.1 million) were mainly attributable to higher costs at Las Bambas (US$214.5 million) in line with higher material mined and milled volumes and higher copper concentrate transported. Furthermore, there was higher consumption of third-party ores (US$47.3 million) at Kinsevere to offset the reduced oxide ore mined during the transition to mining sulphide ores.

Further detail is set out below in the mine analysis section.

Exploration expenses increased by US$18.8 million (61%) to US$49.6 million in 2023. Expenditure at Las Bambas (US$8.1 million) was higher with drilling focused on various locations within the Ferrobamba pit, including Ferrobamba Deeps, Ferrobamba South, Ferrobamba East, and West Plant targets. Higher costs at Rosebery (US$7.2 million) were due to the accelerated diamond drilling program to support life extension. At Kinsevere, exploration expenses were higher by US$3.5 million driven by resource testing at Sokoroshe II and Nambulwa satellite deposits.

Administrative expenses decreased by US$3.1 million (19%) to US$12.9 million in 2023 mainly due to the weaker Australian dollar (US$3.5 million).

Net other expenses increased by US$18.6 million (175%) compared to a net other income of US$10.6 million in 2022. This was mainly attributable to foreign exchange losses in 2023 (US$3.5 million) in contrast to foreign exchange gains in 2022 (US$6.6 million).

Depreciation and amortisation expenses increased by US$140.1 million (18%) to US$930.2 million compared to 2022. The increase was primarily attributable to higher mining and milling volumes at Las Bambas (US$134.3 million).

Net finance costs increased by US$57.3 million (20%) to US$342.1 million compared to 2022. The increase was mainly due to higher net interest costs driven by a rising interest rate environment (US$67.0 million), higher discount unwind on mine rehabilitation provisions (US$9.5 million) and a refund of interest from SUNAT (US$9.5M million) in 2022. This is partly offset by lower debt balances (US$18.2 million) and higher interest income ($9.3 million) due to increased rates for funds on deposit.

Income tax expense decreased by US$149.5 million, reflecting the decrease in the Group's underlying profit before income tax from the prior year. Underlying income tax expense for 2023 of US$67.5 million reflects the impacts of non-creditable withholding tax expenses in Peru of US$47.3 million (2022: US$35.8 million) and the reversal of prior year tax provisions of US$38.7 million due to the completion of tax audits.

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINUED

MINES ANALYSIS

Las Bambas

YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Production			
Ore mined (tonnes)	46,429,483	43,178,984	8%
Ore milled (tonnes)	52,871,670	44,043,203	20%
Waste movement (tonnes)	122,908,814	116,206,593	6%
Copper in copper concentrate (tonnes)	302,033	254,836	19%
Payable metal in product sold			
Copper (tonnes)	374,743	221,918	69%
Gold (ounces)	94,925	62,901	51%
Silver (ounces)	5,361,326	3,293,364	63%
Molybdenum (tonnes)	4,037	3,156	28%

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE% FAV/(UNFAV)
Revenue	**3,417.3**	**2,086.8**	**64%**
Operating expenses			
Production expenses			
Mining	(490.4)	(401.2)	(22%)
Processing	(316.3)	(261.5)	(21%)
Other	(474.0)	(403.5)	(17%)
Total production expenses	**(1,280.7)**	**(1,066.2)**	**(20%)**
Freight (transportation)	(96.2)	(86.1)	(12%)
Royalties	(104.5)	(59.4)	(76%)
Other (i)	(532.3)	263.4	(302%)
Total operating expenses	**(2,013.7)**	**(948.3)**	**(112%)**
Other expenses	(6.9)	(16.6)	58%
EBITDA	**1,396.7**	**1,121.9**	**24%**
Depreciation and amortisation expenses	(800.0)	(665.7)	(20%)
EBIT	**596.7**	**456.2**	**31%**
EBITDA margin	**41%**	**54%**	

(i) Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

Las Bambas produced 302,033 tonnes of copper in 2023, which was 47,197 tonnes (19%) higher than 2022 largely due to uninterrupted operations in 2023 that allowed 20% more ore to be processed compared to a production shutdown of more than 50 days in the second quarter of 2022.

Copper sales volumes were 69% higher compared to 2022 due to stable logistics since March 2023 compared to 173 days of road blockages throughout 2022. Copper concentrate sales of 1.1 million tonnes of concentrate (374,743 tonnes of payable metal) for the year 2023 marks as the second-highest level since the commissioning of the mine. As a result of the stability, on-site concentrate inventory was reduced to the minimal level of around 1,000 tonnes of copper in concentrate at the end of 2023, compared to approximately 85,000 tonnes at the beginning of the year.

Revenue of US$3,417.3 million was US$1,330.5 million (64%) higher than 2022 due to higher sales volumes for copper (US$1,236.8 million), gold (US$53.8 million), silver (US$41.4 million) and molybdenum (US$33.3 million) and higher sales prices for molybdenum (US$23.3 million). This was partly offset by lower copper prices (US$94.6 million).

Total production expenses of US$1,280.7 million were US$214.5 million or 20% above 2022. This was mainly driven by higher material mined and milled volumes (US$77.2 million), lower deferred mine capitalisation costs (US$67.6 million), higher copper concentrate transported (US$56.8 million) and increased maintenance works previously deferred (US$50.2 million). Production expenses were also higher due to increased execution of social programs ($22.5 million). This was partly offset by lower unit prices for diesel (US$21.1 million), explosives (US$14.1 million) and grinding media (US$5.5 million).

EBIT was further impacted by unfavourable stock movement of US$787.4 million due to a drawdown of concentrate inventory (US$468.3 million) in 2023, compared to a build-up (US$235.6 million) in 2022 and a higher drawdown of ore stockpiles (US$80.7 million). Royalty expenses were also higher by US$45.1 million reflecting higher revenue.

Depreciation and amortisation expenses were higher than 2022 by US$134.3 million (20%) due to higher mining and milling volumes.

The C1 costs of US$1.60/lb for 2023 were below our guidance range of US$1.65 – US$1.75/lb, although they were higher than the 2022 C1 costs of US$1.53/lb. The higher C1 unit costs in 2023 are attributed to higher production costs and the absence of care and maintenance cost exclusions for the period of the shutdown in 2022 (US$97.4 million), partly offset by increased copper production and higher by-product credits from molybdenum, gold and silver.

2024 Outlook

Full-year production for 2024 is expected to be between 280,000 and 320,000 tonnes of copper in concentrate. This is largely in line with 2023 but is subject to the timing of the development of Chalcobamba.

Las Bambas C1 costs in 2024 are expected to be in the range of US$1.60 – US$1.80/lb, representing an increase compared to 2023 primarily due to higher ore mined and milled volumes and lower by-product credits related to lower molybdenum price assumptions.

Kinsevere

YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Production			
Ore mined (tonnes)	1,726,145	3,100,273	(44%)
Ore milled (tonnes)	2,107,223	2,348,699	(10%)
Waste movement (tonnes)	32,646,890	7,087,508	361%
Copper cathode (tonnes)	44,068	49,070	(10%)
Cobalt (tonnes)	105	-	-
Payable metal in product sold			
Copper (tonnes) (i)	43,710	49,048	(11%)

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Revenue	**354.6**	**421.5**	**(16%)**
Operating expenses			
Production expenses			
Mining	(18.7)	(62.5)	70%
Processing	(188.0)	(118.7)	(58%)
Other	(90.8)	(74.3)	(22%)
Total production expenses	**(297.5)**	**(255.5)**	**(16%)**
Freight (transportation)	(7.3)	(5.0)	(46%)
Royalties	(17.8)	(23.6)	25%
Other [(ii)]	(32.2)	(10.2)	(216%)
Total operating expenses	**(354.8)**	**(294.3)**	**(21%)**
Other (expenses)/income	(31.8)	4.5	(807%)
EBITDA	**(32.0)**	**131.7**	**(124%)**
Depreciation and amortisation expenses	(27.5)	(27.8)	1%
EBIT	**(59.5)**	**103.9**	**(157%)**
EBITDA margin	**(9%)**	**31%**	

(i) Kinsevere sold copper includes copper cathode and copper scrap.
(ii) Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

Kinsevere produced 44,068 tonnes of copper cathode, which is a decrease of 10% compared to 2022. The lower cathode production was primarily attributed to a decrease in ore milled throughput (2,107,223 tonnes vs. 2,348,699 tonnes) caused by an unstable power supply from the national grid alongside lower ore feed grade.

Kinsevere revenue decreased by US$66.9 million (16%) to US$354.6 million compared to 2022 due to lower copper sales volumes in line with lower production (US$43.6 million) and lower copper prices (US$23.3 million).

Total production expenses increased by US$42.0 million or 16% compared to 2022. This was mainly driven by higher consumption of third-party ores (US$47.3 million) to offset the reduced oxide ore mined volume, and higher sulphuric acid consumption (US$12.3 million). Net mining costs decreased by US$43.8 million, primarily due to a rise in capitalised mining costs (US$115.3 million), which is associated with increased waste stripping activities as the operation transitions from mining oxide ores to mining sulphide ores. This more than offset the increased gross mining costs (US$72.8 million) as a result of a full year of mining operations in 2023 including the commencement of mining at Sokoroshe II.

Other operating expenses were higher than 2022 by US$22.0 million driven by unfavourable stock movement (US$12.1 million) due to the higher net drawdown of ore stockpiles.

Other expenses were higher than 2022 by US$36.3 million driven by foreign exchange losses in 2023 (US$17.9 million) and a release of legacy provisions in 2022 relating to the 2012 Kinsevere acquisition (US$14.1 million).

C1 costs for 2023 were US$3.29/lb, higher than the US$2.55/lb in 2022 driven by lower production, and higher processing cost caused by higher consumption of third-party ores and higher consumption of sulphuric acid.

2024 Outlook

Kinsevere copper cathode production for 2024 is expected to be in the range of 39,000 and 44,000 tonnes. This range reflects the declining supply of oxide ore due to the transition from the mining of oxide ores to the mining of sulphide ores. The supply from Sokoroshe II is expected to increase in 2024 to compensate for the reduced oxide ore mined from the Kinsevere main pit.

C1 costs in 2024 are expected to be in the range of US$2.80 – US$3.15/lb. This represents an improvement from 2023 due to by-product credits from cobalt production and an increase in the supply of ore mined from Sokoroshe II to reduce the reliance on third-party ore. Looking ahead to 2025 and beyond, the combination of higher copper production and cobalt by-product credits is expected to significantly lower the mine's C1 costs.

Dugald River

YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Production			
Ore mined (tonnes)	1,650,517	1,873,332	(12%)
Ore milled (tonnes)	1,660,104	1,844,212	(10%)
Zinc in zinc concentrate (tonnes)	151,844	173,395	(12%)
Lead in lead concentrate (tonnes)	19,907	20,869	(5%)
Payable metal in product sold			
Zinc (tonnes)	128,628	140,980	(9%)
Lead (tonnes)	17,535	19,116	(8%)
Silver (ounces)	1,358,919	1,342,406	1%

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Revenue	**331.2**	**484.3**	**(32%)**
Operating expenses			
Production expenses			
Mining	(115.4)	(111.6)	(3%)
Processing	(66.1)	(68.6)	4%
Other	(65.7)	(69.3)	5%
Total production expenses	**(247.2)**	**(249.5)**	**1%**
Freight (transportation)	(16.6)	(18.2)	9%
Royalties	(14.9)	(20.7)	28%
Other (i)	(15.4)	10.9	(241%)
Total operating expenses	**(294.1)**	**(277.5)**	**(6%)**
Other (expenses)/income	(3.3)	3.4	(197%)
EBITDA	**33.8**	**210.2**	**(84%)**
Depreciation and amortisation expenses	(53.1)	(57.7)	8%
EBIT	**(19.3)**	**152.5**	**(113%)**
EBITDA margin	**10%**	**43%**	

(i) Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

Dugald River produced 151,844 tonnes of zinc in zinc concentrate in 2023, which was 12% lower than 2022 as operations were suspended for 34 days after the fatal incident at the mine on 15 February 2023. Zinc metal production was also impacted by lower ore feed grades associated with the mining sequence, partially offset by record-high annual zinc recovery rates of 90.0% compared to 89.3% in 2022 driven by ongoing plant optimisation.

Revenue decreased by US$153.1 million to US$331.2 million due to lower zinc prices (US$117.2 million), a 9% drop in zinc sales volumes (US$36.6 million) and an 8% drop in lead sales volumes (US$3.2 million) in line with lower production. This was partly offset by higher silver prices (US$2.5 million).

Total production expenses decreased by US$2.3 million compared to 2022, primarily attributed to the favourable impact of the weaker Australian dollar (US$10.5 million) and lower costs (US$6.1 million) due to the suspension of operations. This reduction was partly offset by increased energy costs with higher gas prices (US$18.3 million) partly offset by savings from solar power (US$9.6 million), as well as unfavourable mining costs (US$4.1 million) due to increased development metres.

EBIT was additionally affected by unfavourable stock movement of US$26.2 million due to a net drawdown of concentrate inventory and ore stockpiles in 2023, as opposed to a net build-up in 2022. This was partly offset by lower royalties (US$5.8 million) in line with a decrease in revenue.

Dugald River's zinc C1 costs were US$0.93/lb in 2023, higher than the US$0.84/lb in 2022 but outperforming the revised guidance of US$1.05 – US$1.20/lb. The higher C1 costs were largely attributable to lower production volumes.

2024 Outlook

Dugald River zinc production for 2024 is expected to be in the range of 175,000 and 190,000 tonnes of zinc in zinc concentrate. This is a substantial improvement over 2023 reflecting the anticipated stable operations and continuous operational improvements compared to the suspension of operations in the first quarter of 2023.

C1 costs in 2024 are expected to be in the range of US$0.70 – US$0.85/lb due to the increased production as well as lower anticipated zinc treatment charges.

Rosebery

YEAR ENDED 31 DECEMBER	2023	2022	CHANGE % FAV/(UNFAV)
Production			
Ore mined (tonnes)	922,275	886,118	4%
Ore milled (tonnes)	918,074	896,861	2%
Zinc in zinc concentrate (tonnes)	51,626	51,156	1%
Lead in lead concentrate (tonnes)	19,147	18,077	6%
Copper in precious metals concentrate (tonnes)	1,163	1,147	1%
Gold (ounces)	30,096	26,709	13%
Silver (ounces)	2,583,418	2,178,998	19%
Payable metal in product sold			
Copper (tonnes)	1,131	1,166	(3%)
Zinc (tonnes)	47,664	44,626	7%
Lead (tonnes)	16,854	17,345	(3%)
Gold (ounces)	26,391	26,148	1%
Silver (ounces)	2,206,577	2,071,434	7%

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Revenue	**240.0**	**259.9**	**(8%)**
Operating expenses			
Production expenses			
Mining	(78.2)	(70.5)	(11%)
Processing	(33.0)	(31.0)	(6%)
Other	(29.8)	(26.7)	(12%)
Total production expenses	**(141.0)**	**(128.2)**	**(10%)**
Freight (transportation)	(7.8)	(10.1)	23%
Royalties	(3.7)	(12.8)	71%
Other [(i)]	(4.0)	(10.2)	61%
Total operating expenses	**(156.5)**	**(161.3)**	**3%**
Other expenses	(5.7)	-	(100%)
EBITDA	**77.8**	**98.6**	**(21%)**
Depreciation and amortisation expenses	(56.8)	(46.9)	(21%)
EBIT	**21.0**	**51.7**	**(59%)**
EBITDA margin	**32%**	**38%**	

(i) Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

Rosebery produced 51,626 tonnes of zinc in zinc concentrate and 19,147 tonnes of lead in lead concentrate in 2023. This represented a 1% and 6% increase respectively compared to 2022. The volume of ore mined was 4% higher compared to 2022, primarily due to mining sequence and improved workforce availability, despite lost production in January resulting from the bushfire incident.

Precious metal production for 2023 totalled 30,096 ounces of gold and 2,583,418 ounces of silver. This represents an increase of 13% and 19% respectively compared to 2022, reflecting higher grades for both gold and silver.

Revenue decreased by US$19.9 million (8%) to US$240.0 million due to lower prices for zinc (US$42.0 million), lead (US$1.8 million), and copper (US$1.0 million), this was partly offset by higher zinc sales volumes (US$8.8 million), higher precious metal prices (US$14.1 million) and higher precious metal sales volumes (US$3.1 million).

Total production expenses increased by US$12.8 million (10%) compared to 2022 mainly due to higher mining costs (US$11.8 million) driven by increased ore mined, higher backfill volumes and higher intensity of ground support in seismically active areas of the mine. Processing costs were also higher by US$3.5 million driven by higher ore milled volumes. This is partly offset by impact of the weaker Australian dollar (US$6.1 million).

Royalties were favourable by US$9.1 million reflecting lower sales revenue and profit as well as an adjustment that was made to the prior year's royalty return.

Rosebery's C1 costs were US$0.26/lb in 2023, in line with 2022, as higher production expenses were offset by higher by-product credits.

2024 Outlook

Rosebery zinc production for 2024 is expected to be in the range of 50,000 to 60,000 tonnes of zinc in zinc concentrate, an improvement on 2023 mainly due to higher expected zinc grades. Including the contribution of by-product metals, zinc equivalent production for 2024 is expected to be in the range of 115,000 to 130,000 tonnes.

C1 costs for 2024 are expected to be in the range of US$0.10 – US$0.25/lb. This is an improvement on 2023 due to higher anticipated production levels and lower zinc treatment charges.

CASH FLOW ANALYSIS

Net cash flow

YEAR ENDED 31 DECEMBER	2023 US$ MILLION	2022 US$ MILLION	CHANGE % FAV/(UNFAV)
Net operating cash flows	1,849.9	832.1	122%
Net investing cash flows	(790.0)	(538.7)	(47%)
Net financing cash flows	(985.1)	(1,176.5)	16%
Net cash inflows/(outflows)	**74.8**	**(883.1)**	**108%**

Net operating cash inflows increased by US$1,017.8 million (122%) to US$1,849.9 million driven by favourable working capital movements (US$828.2 million) with a copper concentrate inventory drawdown at Las Bambas compared to a build-up in 2022. Lower tax payments in Peru (US$160.9 million) and the DRC (US$29.5 million) also contributed positively.

Net investing cash outflows increased by US$251.3 million (47%) to US$790.0 million. This was driven by higher capital expenditure at Kinsevere (US$251.5 million) attributable to expenditure on the Kinsevere Expansion Project.

Net financing cash outflows were favourable by US$191.4 million (16%) compared to 2022. This was due to a US$500.0 million early payment on the Las Bambas Project facility in 2022 and cash received on early closure of the Interest Rate Swap (US$96.0 million). This was partly offset by a net repayment on working capital facilities (US$150.0 million) in 2023 compared to a net drawdown ($150.0 million) in 2022, and higher net finance costs paid (US$81.8 million).

FINANCIAL RESOURCES AND LIQUIDITY

	31 DECEMBER 2023 US$ MILLION	31 DECEMBER 2022 US$ MILLION	CHANGE US$ MILLION
Total assets	11,900.8	12,535.5	(634.7)
Total liabilities	(7,588.8)	(8,307.0)	718.2
Total equity	**4,312.0**	**4,228.5**	**83.5**

Total equity increased by US$83.5 million to US$4,312.0 million as at 31 December 2023.

The gearing ratio for the Group is defined as net debt (total borrowings excluding finance charge prepayments, less cash, and cash equivalents) divided by the aggregate of net debt and total equity as set out in the following table:

MMG GROUP	31 DECEMBER 2023 US$ MILLION	31 DECEMBER 2022 US$ MILLION
Total borrowings (excluding prepaid finance charges) (i)	4,748.1	5,456.9
Less: cash and cash equivalents	(447.0)	(372.2)
Net debt	**4,301.1**	**5,084.7**
Total equity	4,312.0	4,228.5
Net debt +Total equity	**8,613.1**	**9,313.2**
Gearing ratio	**0.50**	**0.55**

(i) Borrowings at an MMG Group level reflect 100 per cent of the borrowings of the Las Bambas Joint Venture Group. Las Bambas Joint Venture Group borrowings as at 31 December 2023 were US$2,016.8 million (31 December 2022: US$3,025.6 million) and Las Bambas Joint Venture Group cash and cash equivalents as at 31 December 2023 were US$399.2 million (31 December 2022: US$171.8 million). For the purpose of calculating the gearing ratio, Las Bambas Joint Venture Group's borrowings have not been reduced to reflect the MMG Group's 62.5% equity interest. This is consistent with the basis of the preparation of MMG's financial statements.

Available debt facilities

As at the date of this announcement, the Group (excluding the Las Bambas Joint Venture Group) had available in its undrawn debt facilities an amount of US$3,350 million (31 December 2022: US$300.0 million). These include:

1. A new US$1,000.0 million RCF from Top Create was undrawn and available. It will expire in December 2026;
2. A new US$200.0 million RCF from China Construction Bank ("CCB") of which US$50.0 million was undrawn and available. It will expire in January 2027;
3. A new US$300.0 million Term Loan Facility from Top Create supporting KEP project was undrawn and available. It will expire in December 2030; and
4. A new US$2,000.0 million shareholder term loan facility with Top Create to support the acquisition of the Cuprous Capital Ltd ("CCL") and its subsidiaries was undrawn and available.

As at the date of this announcement, the Las Bambas Joint Venture Group had available in its undrawn debt facilities of US$975.0 million (31 December 2022: US$800.0 million). These include:

1. A US$350.0 million RCF from Album Enterprises was undrawn and available. This facility was successfully extended for 1 year and will expire in August 2024;
2. A new US$275.0 million RCF from BOC was undrawn and available. This facility will expire in April 2026;
3. A new US$150.0 million RCF from ICBC made up from three tranches of US$50.0 million each was undrawn and available. This facility will expire in March, May and June 2026;
4. A new US$100.0 million RCF from CCB was undrawn and available. This facility will expire in February 2027; and
5. A new US$100.0 million RCF from BOCOM was undrawn and available. This facility will expire in August 2026;

   Note: The US$800.0 million revolving credit facility available at 31 December 2022 provided by China Development Bank, Bank of China, Bank of Communications and The Export-Import Bank of China for operation and general corporate purposes was cancelled in September 2023.

The Group's certain available external debt facilities are subject to covenant compliance requirements. The Group was not in breach of covenant requirements in respect of the Group's borrowings at 31 December 2023. Certain financial covenants are measured with reference to the financial performance of the Group or its subsidiaries, and may be influenced by future operational performance.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 8 June 2021, the Company undertook a share placement with an issue of 565.0 million shares at a price of HK$4.15 per share ("the Placement"). The net proceeds, after deducting share issue costs of US$3.1 million, was US$299.0 million. At 31 December 2023, the Company has no amount of proceeds brought forward from the placement (31 December 2022: US$85.0 million). The Company has applied 49.8 per cent (31 December 2022: 29.9 per cent) of the net proceeds to the KEP project; and 50.2 per cent (31 December 2022: 70.1 per cent) for the replenishment of working capital and general corporate purposes to support the Company's strategy.

DEVELOPMENT PROJECTS

The Chalcobamba project, as part of the next phase of development at Las Bambas, is located around three kilometres from the current processing plant. In March 2022, the Peru Ministry of Energy and Mines granted regulatory approval for the development of the Chalcobamba pit and associated infrastructure.

MMG remains committed to working closely with the Government of Peru and community members for transparent and constructive dialogue. Discussions with the Huancuire community have advanced with the signing of five contracts with community companies and these companies have now commenced early works at Chalcobamba. The Las Bambas team is working with the Huancuire community towards enduring agreements for the development of the Chalcobamba deposit.

The project is significant for the economy of Peru and will support additional social contributions and financial and business opportunities for local and regional communities. It will underpin an annual production increase to a range of 350,000 to 400,000 tonnes over the medium term.

In addition to the Chalcobamba project, successful deep drilling below the current Ferrobamba pit has defined the depth extension and continuity of skarn and porphyry mineralisation beneath the 2022 Ore Reserve pit design. These positive drill results confirmed the potential for a large tonnage of copper (at 0.4% to 0.6%), molybdenum (at 200 to 500 ppm), silver (2g/t to 4g/t) and gold (0.04g/t to 0.08g/t) grade deposit may exist at Ferrobamba Deeps. Ongoing studies are being conducted based on these positive results, and further drilling is planned for 2024 to evaluate the mineralisation and determine potential mining methods, including expansion of the open pit and/or an underground development.

Kinsevere Expansion Project, which includes the transition to the mining and processing of sulphide ore and the commencement of cobalt production, remains on track. The cobalt plant was commissioned in the fourth quarter of 2023 with cobalt hydroxide produced, containing 105 tonnes of cobalt. The new tailing storage facility was commissioned to support the cobalt plant ramp-up.

The construction of the sulphide processing system continued with the majority of civil work completed in the fourth quarter. The site started receiving long-lead equipment and material. Mechanical and structural installation has also commenced. Progress has been made at the jaw crusher, coarse ore stockpile, SAG mill, flotation cells, thickeners and concentrator storage, as well as the main body of the roaster plant.

Moving forward, the focus will be on the ramp-up of the cobalt plant and completing the installation of the concentrator and the roaster, gas cleaning and acid plant (RGA) as well as operational readiness-related work.

This next phase of Kinsevere development will extend Kinsevere's mine life to at least 2035 and, once fully ramped up, will result in total annual production of approximately 80,000 tonnes of copper cathode and 4,000-6,000 tonnes of cobalt in cobalt hydroxide. The first production of copper cathode from sulphides is expected in the second half of 2024, and a full ramp-up is expected in 2025.

Rosebery mine life extension is being supported by an accelerated exploration program. Project Legacy, initiated in 2023, is designed with the objective of extending the mine life through an accelerated diamond drilling program. This drilling program, which includes both underground and surface drilling, has already resulted in several intersections. The current orebody knowledge demonstrates that extensions to the Rosebery orebody are possible with new targets emerging in the field. Several targets show significant intercepts and growth potential. Project Legacy is set to continue the accelerated drilling strategy in 2024, with a primary focus on exploring key targets.

The Rosebery mine continues to engage with the Minister and the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and provide all required information and documentation while awaiting the Minister’s decision on the proposed preliminary works at South Marionoak. Concurrently the mine is continuing to investigate potential options for safe and viable short-term capacity increases at existing tailings storage facilities. Finding a sustainable tailings storage solution that supports the Rosebery mine life extension remains a key priority for our operation and we will continue to proactively explore all feasible options.

There were no other major development projects noted during the year ended 31 December 2023.

CONTRACTS AND COMMITMENTS

Throughout the year 2023, a total of 745 contracts have been reviewed either through market engagements or in-contract renegotiations. The approximate annual operational or capital values addressed by these activities comes to US$1,047.6 million.

Significant contracting activities were conducted across all operational sites to ensure the security of supply for critical inputs and other necessary requirements. This was essential to support the scheduled execution of projects, the continuity of our operations, and the effective management of potential disruption risks.

Las Bambas

New and revised agreements were finalised to optimise production and development options for Las Bambas. These agreements include contracts for a consolidated head contractor for projects, which encompasses studies, engineering services and construction supervision. Additionally, contracts were finalised for activities such as projects construction (including an EPC contract for the new truck shop, construction of phase 6 of the tailings storage facility and tailings deposition improvement), new fuel supply, mining services such as blasting and drilling services, equipment maintenance, catering and camp services, personal transportation, health and medical services, road maintenance, customs and freight forwarding, plant shutdown services, major component repair, as well as components, spares and other consumables. Significant efforts were made to ensure the safety and continuity of supply during blockades in the first quarter of the year in order to support continued operations.

Kinsevere

Several new and revised agreements were finalised for activities such as deployment of a fleet management system, tailing storage facility-related works, procurement of generator sets and slope monitoring equipment. Parts of the contract packages for the Kinsevere Expansion Project, which were signed in 2022, were completed in 2023. These completed packages include construction of the cobalt plant package, the third tailing storage facility (TSF3) package and the Sokoroshe II mine infrastructure package. The EPC contract package for the RGA (Roaster, Gas Cleaning, and Acid) plant and the concentration plant will continue into 2024.

Dugald River

New and revised agreements were finalised to support the optimisation of production performance and operation, particularly in consideration for the owner-operator transition for production mining. These agreements include multiple contracts for the purchase of mobile equipment, related maintenance support, and necessary amendments to contracted development mining services. A number of logistics agreements related to the outbound transport of concentrate were executed and will be further optimised with additional contracts in early 2024. Additionally, contracts were finalised for a number of bulk chemicals used in the processing plant.

Ongoing activity has involved the review of long-term energy options. In 2023, around one third of the power requirement transitioned to solar, and a number of gas contracts were entered into for 2024 to continue firming power supply. Sustainable long-term power options are under review to drive cost reduction and increase the adoption of renewable energy sources.

Rosebery

New and revised agreements were finalised for various significant goods and services across the operation. These agreements cover ground support materials and services, various groundwater monitoring/environment testing services and various mobile equipment items, including Rosebery's first diesel-electric loader, following trials earlier in the year.

Group

New and revised agreements have been finalised for various goods and services, including IT-related goods and services as well as a number of professional services consultancy agreements covering marketing, assurance, risk and audit, finance and reporting, and HR (Human Resources).

PEOPLE

As at 31 December 2023, the Group employed a total of 4,542 full-time equivalent employees (2022: 4,296) in its continuing operations (excluding contractors and casual employees) with the majority of employees based in Australia, Peru, the DRC, China and Laos.

Total employee benefits expenses for the Group's operations for the year ended 31 December 2023, including Directors' emoluments, totalled US$365.7 million (2022: US$321.9 million). The increase was mainly due to the insourcing of mining activities at Dugald River and the commencement of the Kinsevere Expansion Project in the DRC.

The Group has remuneration policies that align with market practice and remunerates its employees based on the accountabilities of their role, their performance, market practice, legislative requirements and the performance of the Group. Employee benefits include market-competitive fixed remuneration, performance-related incentives, a limited company equity scheme and, in specific cases, insurance and medical support. A range of targeted training and development programs are provided to employees across the Group that are designed to improve individual capability and enhance employee and Group performance.

EXPLORATION ACTIVITIES

Las Bambas

Extensive drilling activities were conducted at various locations within the Ferrobamba pit. Specifically, drilling at Ferrobamba Deeps continued, situated directly beneath the current Ferrobamba Ore Reserve pit.

Ongoing studies and further drilling are planned for 2024 to evaluate the mineralisation and determine potential mining methods including expansion of the open pit and / or an underground development at Ferrobamba Deeps.

Additionally, drilling activities were carried out at Ferrobamba South, Ferrobamba East, and West Plant targets, focusing primarily on near-surface skarn and porphyry copper mineralisation. At Ferrobamba South, drilling specifically targeted the extension of mineralisation along the southern edge of the Ferrobamba pit and the depth extension of Ferrobamba Deeps. Similarly, at Ferrobamba East, the objective was to explore the extension of mineralisation east of the current open pit. At the West Plant project, drilling activities concentrated on identifying polymetallic intermediate sulfidation veins located west of the processing plant.

Kinsevere

The 2023 exploration program focused on resource testing drilling and resource delineation drilling at the Kinsevere mine site and satellite projects.

At Kinsevere the drilling concentrated on the Saddle and Mashi extension targets. On the Nambulwa tenement, drilling activities concentrated on the Kimbwe-Kafubu target. Additional prospect testing occurred at Wasumbu and Kamafesa oxide copper targets.

Furthermore, the geological model for Saddle area in Kinsevere was completed in preparation for resource estimation, and the construction of the geological model for the northwest-extension of the Kinsevere mine is in progress.

Dugald River

The 2023 surface exploration drilling campaign for Extended Dugald River (EDR) focused on extending the Dugald River lode at depth, with a total of eight drill holes aimed at extending and improving geological confidence in the central and south extents of the Dugald River lode. Additionally, an exploration program targeting Cu-Au-Co included a scout hole drilled into the M2 target to test a magnetic anomaly from the sub-audio magnetic (SAM) geophysical survey completed in the third quarter 2023. Another long (+650m) underground diamond drill hole tested geochemical and geophysical anomalies interpreted from the 2023 down-hole electro-magnetic (DHEM) survey at Target Z.

Rosebery

Project Legacy, initiated in January 2023, is designed with the objective of extending the mine life through an accelerated diamond drilling program. This program employs 5 underground rigs and 3 surface rigs to carry out exploration drilling around the known Rosebery orebody. The in-mine drilling has focussed on areas outside the current mining focus in the lower mine such as T Lens, U Downdip, Lower V Lens, Lower H Lens, AB South and AB North.

Further drilling concentrated to the north of the lower mine such as Z Lens. Surface and underground drilling was also conducted to the west of the Rosebery Fault into the Oak prospect. In 2024, other targets will also be tested as part of this exploration.

Furthermore, surface drilling in the late fourth quarter focussed on growth potential at the historical Jupiter and Hercules mines, which are located 4km and 8km south of Rosebery, respectively.

Project Legacy is set to continue the accelerated drilling program in 2024, with a primary focus on exploring key targets.

PROJECT	HOLE TYPE	METERAGE (METRES)	NUMBER OF HOLES	AVERAGE LENGTH (METRES)
Americas				
Las Bambas	Diamond (Ferrobamba Deeps)	36,831	57	646
	Diamond (Ferrobamba South)	11,453	14	818
	Diamond (Ferrobamba East)	1,983	4	496
	Diamond (West Plant)	2,228	4	557
Africa				
Kinsevere	Diamond (SOK II Regional)	4,636	28	166
	Diamond (Nambulwa - Wasumbu)	1,195	6	199
	Diamond (Kamafesa)	601	4	150
	Diamond (Kinsevere Hill SE Extension)	440	2	220
	Diamond (Mashi Extension)	4,584	15	306
	Diamond (Nambulwa - Kimbwe Kafubu)	7,031	34	207
	Diamond (Kinsevere Saddle)	4,976	18	276
Australia				
Dugald River	Diamond EDR Near-Mine growth	10,172	8	1,272
	Diamond Cu-Au-Co exploration	1,275	2	638
Rosebery	Diamond – surface exploration	31,938	72	444
	Diamond – underground exploration	52,525	201	261
Total		**171,868**	**469**	**366**

MATERIAL ACQUISITIONS AND DISPOSALS

On 21 November 2023, MMG announced that it entered into a Share Purchase Agreement with Cuprous Capital Ltd on 20 November 2023 to acquire the Khoemacau Mine in Botswana for US$1,875,000,000. The Khoemacau Mine is a large, long life copper mine located in north-west Botswana, in the emerging Kalahari Copperbelt. The Khoemacau Mine's 4,040 km^2 tenement package hosts the 10^{th} largest African copper Mineral Resource by total contained copper metal and is one of the largest copper sedimentary systems in the world outside of the Central African Copperbelt.

The Company has received written Shareholders' approval in respect of the acquisition from China Minmetals H.K. (Holdings) Limited, which holds approximately 67.55% of the total issued Shares of the Company, in accordance with Rule 14.44 of the Listing Rules. Accordingly, no general meeting will be convened by the Company to approve the acquisition. The Company will despatch the circular in relation to the acquisition to the Shareholders on or before 31 May 2024.

The acquisition is subject to the fulfillment or waiver of certain conditions and may or may not proceed to completion. On 22 December 2023, Khoemacau Copper Mining (Pty) Ltd, a subsidiary of Cuprous Capital Ltd, received approval from the Minister of Minerals and Energy of Botswana in respect of the transfer of a controlling interest in the project licenses and prospecting licenses associated with the Khoemacau Copper Mine, brought about by the acquisition.

The Company has obtained unconditional approvals of the acquisition from the Competition and Consumer Authority of Botswana and the State Administration for Market Regulation of the PRC on 30 January 2024 and 25 December 2023 respectively and the relevant conditions have been satisfied.

Subject to the terms of the Agreement, MMG and Cuprous Capital Ltd have agreed to work towards Completion in the first quarter of 2024.

EVENTS AFTER THE REPORTING DATE

Other than the matters outlined below, there have been no matters that have occurred subsequent to the reporting date, which have significantly affected, or may significantly affect, the Group's operations, results or state of affairs in future years.

- On 20 November 2023, the Group entered into a Share Purchase Agreement with Cupric Canyon Capital L.P., The Ferreira Family Trust, Resource Capital Fund VII L.P., and the Missouri Local Government Employees' Retirement System (Sellers). The Group has conditionally agreed to purchase the entire issued share capital of CCL from the Sellers at a purchase price of US$1,875.0 million.

  As at the date of this report, the acquisition had been approved by the Minister of Minerals and Energy of Botswana; the Competition and Consumer Authority of Botswana; the State Administration for Market Regulation of the People's Republic of China (PRC) and the requisite majority of the relevant Shareholders as required under the Listing Rules; and
- The group obtained new RCFs of US$300.0 million from CCB of which US$150.0 million is undrawn.

FINANCIAL AND OTHER RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks, including commodity price risk, interest rate risk, foreign exchange risk, credit risk, liquidity risk and risk arising from the interest benchmark reform. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group can use derivative financial instruments such as interest rate swaps, collar hedges and commodity swaps to manage certain exposures. The Group does not and is prohibited from entering into derivative contracts for speculative purposes.

Financial risk management is carried out by the Group Treasury function under proposals approved by the Board. Group Treasury identifies, evaluates and manages financial risks in close cooperation with the Group's operating units. The Board approves written principles for overall risk management, as well as policies covering specific areas, such as those identified below.

(a) Commodity price risk

The prices of copper, zinc, lead, gold, silver and molybdenum are affected by numerous factors and events that are beyond the control of the Group. These metal prices change on a daily basis and can vary significantly up and down over time. The factors impacting metal prices include both broader macro-economic developments and micro-economic considerations relating more specifically to the particular metal concerned.

During the year ended 31 December 2023, the Group entered into various commodity trades to hedge the sales prices for copper and zinc. The outstanding commodity trades included:

- Zero/low-cost collar hedges:
  - 3,000 tons of copper with put strike price of US$9,000/ton and call strike price of US$9,300/ton;
- Fixed price swap hedges:
  - 24,500 tons of copper with fixed price ranging from US$8,607/ton to US$8,672/ton;
- Above hedges settlement ranged from January to April 2024.

A change in commodity prices during the year can result in favourable or unfavourable financial impact for the Group.

The following table contains details of the hedging instrument used in the Group's hedging strategy:

	Term	Carrying amount of hedging instrument US$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness		Settled portion of hedging instrument realised gains/(losses) US$ million	Hedging gain/(loss) recognised in cash flow hedge reserve US$ million	Cost of hedging reserve US$ million
			Hedging instrument US$ million	Hedged item US$ million			
Cash flow hedges:							
At 31 December 2023							
Derivative financial assets/(liabilities)	March 2023 to December 2023	-	-	-	10.8	-	-
At 31 December 2022							
Derivative financial assets/(liabilities)	March 2022 to December 2022	-	-	-	47.0	-	-

The following table details the sensitivity of the Group's financial assets balance to movements in commodity prices. Financial assets arising from revenue on provisionally priced sales are recognised at the estimated fair value of the total consideration of the receivable and subsequently remeasured at each reporting date. At the reporting date, if the commodity prices increased/(decreased) by 10% and taking into account the commodity hedges, with all other variables held constant, the Group's post-tax profit would have changed as set out below:

	2023		2022	
Commodity	Commodity price movement	Increase in profit US$ million	Commodity price movement	(Decrease)/increase in profit US$ million
Copper	+10%	11.2	+10%	(21.5)
Zinc	+10%	7.2	+10%	0.3
Total		**18.4**		**(21.2)**

Commodity	Commodity price movement	Decrease in profit US$ million	Commodity price movement	Increase in profit US$ million
Copper	-10%	(10.9)	-10%	21.8
Zinc	-10%	(7.2)	-10%	-
Total		**(18.1)**		**21.8**

(b) Interest rate risk

The Group is exposed to interest rate risk primarily through interest bearing borrowings and investment of surplus cash holdings. Deposits and borrowings at variable rates expose the Group to cash flow interest rate risk. Deposits and borrowings at fixed rates expose the Group to fair value interest rate risk.

The Group regularly monitors its interest rate risk to ensure there are no undue exposures to significant interest rate movements. Any decision to hedge interest rate risk is assessed periodically in light of the overall Group's exposure, the prevailing interest rate market and any funding counterparty requirements. Regular reporting of the Group's debt and interest rates is provided to the MMG Executive Committee.

The Group is exposed to the risk-free rate of SOFR. The exposures arise on derivative and non-derivative financial assets and liabilities. The Group cash flow hedge relationship was affected by the interest rate benchmark reform. With the IRS closure, the cash flow hedge relationship was discontinued. The current exposures mainly arise on non-derivative financial assets and liabilities.

The following table contains details of the cash flow hedge was affected by the IRS closure:

	AT 31 DECEMBER 2023 AND FOR YEAR ENDED 31 DECEMBER 2023		
	Balance in cash flow hedge reserve US$ million	Amount reclassified from the cash flow hedge reserve to profit or loss US$ million	Line item affected in profit or loss because of the reclassification
Discontinued Cash Flow Hedges: Interest Rate Swap	**40.2**	**37.0**	**Financial cost, Income tax expense**

The following table contains details of the hedging instrument used in the Group's hedging strategy as at 31 December 2022:

	Term	Notional amortising amount US$ million	Carrying amount of hedging instrument US$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness		Settled portion of hedging instrument realised gains/ (losses) US$ million	Hedging gain recognised in cash flow hedge reserve[2] US$ million	Hedge ineffectiveness recognised in profit or loss US$ million
				Hedging instrument US$ million	Hedged item US$ million			
Cash flow hedges:								
At 31 December 2022								
Derivative financial assets[1]	June 2020 – June 2025	**1,560**	**113.9**	**82.1**	**(82.1)**	**17.9**	**55.8**	**-**

1. In 2020, the Group has entered into a notional US$2,100 million 5-year amortising interest rate swap with BOC Sydney.
2. The hedging gain recognised in cash flow hedge reserve is the amount after tax.

Interest rate sensitivity analysis

At 31 December 2023 and 2022, if the interest rate had increased/(decreased) by 100 basis points, taking into account the interest rate swap, with all other variables held constant, post-tax profit and other comprehensive income (OCI) would have changed as follows:

	2023		2022			
	+100 basis points	-100 basis points	+100 basis points		-100 basis points	
US$ MILLION	Increase/ (decrease) in profit after tax	(Decrease)/ increase in profit after tax	Increase/ (decrease) in profit after tax	Increase in OCI	(Decrease)/ increase in profit after tax	Decrease in OCI
Financial assets						
Cash and cash equivalents	3.0	(3.0)	2.5	-	(2.5)	-
Financial liabilities						
Borrowings (taking into account the impact of the interest rate swap)	(17.6)	17.6	(9.7)	13.6	9.7	(13.6)
Total	**(14.6)**	**14.6**	**(7.2)**	**13.6**	**7.2**	**(13.6)**

(c) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency exchange risk. The Group's reporting currency and functional currency of the majority of subsidiaries within the Group is US dollars. The majority of revenue received by the Group is in US dollars. The Group's foreign currency exchange risk arises predominantly from the currency of the countries in which the Group's operations are located. Any decision to hedge foreign currency risk is assessed periodically in light of the Group's exposure, the prevailing foreign currency market and any funding counterparty requirements.

The following table shows the foreign currency risk arising from the monetary assets and liabilities, which are shown by foreign currency of the Group.

US$ MILLION	US$	PEN	A$	HK$	OTHERS	TOTAL
At 31 December 2023						
Financial assets						
Cash and cash equivalents	425.3	16.5	0.8	0.4	4.0	**447.0**
Trade receivables	354.8	-	-	-	-	**354.8**
Other receivables	30.9	211.4	6.8	-	0.1	**249.2**
Derivative financial assets	3.1	-	-	-	-	**3.1**
Other financial assets	2.7	-	-	-	-	**2.7**
Financial liabilities						
Trade and other payables	(459.3)	(384.8)	(52.0)	-	(6.8)	**(902.9)**
Borrowings	(4,707.1)	-	-	-	-	**(4,707.1)**
Lease liabilities	(118.8)	(0.2)	(28.6)	-	-	**(147.6)**
	(4,468.4)	**(157.1)**	**(73.0)**	**0.4**	**(2.7)**	**(4,700.8)**

US$ MILLION	US$	PEN	A$	HK$	OTHERS	TOTAL
At 31 December 2022						
Financial assets						
Cash and cash equivalents	346.4	21.2	-	1.8	2.8	**372.2**
Trade receivables	212.7	-	-	-	-	**212.7**
Other receivables	28.0	235.6	6.5	-	-	**270.1**
Derivative financial assets	126.0	-	-	-	-	**126.0**
Other financial assets	1.5	-	-	-		**1.5**
Financial liabilities						
Trade and other payables	(333.2)	(332.6)	(62.1)	-	(25.1)	**(753.0)**
Borrowings	(5,412.6)	-	-	-	-	**(5,412.6)**
Lease liabilities	(114.0)	(0.2)	(24.5)	-	-	**(138.7)**
Derivative financial liabilities	(0.3)	-	-	-	-	**(0.3)**
	(5,145.5)	**(76.0)**	**(80.1)**	**1.8**	**(22.3)**	**(5,322.1)**

Based on the Group's net monetary assets and financial liabilities at 31 December 2023 and 2022, a movement of the US dollar against the principal non-functional currencies as illustrated in the table below, with all other variables held constant, would cause changes in post-tax profit as follows:

	2023		2022	
	Weakening of US dollar	Strengthening of US dollar	Weakening of US dollar	Strengthening of US dollar
US$ MILLION	Decrease in profit after tax	Increase in profit after tax	Decrease in profit after tax	Increase in profit after tax
10% movement in Australian dollar (2022: 10%)	(5.1)	5.1	(5.6)	5.6
10% movement in Peruvian sol (2022: 10%)	(10.7)	10.7	(5.2)	5.2
Total	**(15.8)**	**15.8**	**(10.8)**	**10.8**

(d) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to counterparty credit risk through sales of metal products on normal terms of trade, through deposits of cash and settlement risk on foreign exchange transactions. While the most significant exposure to credit risk is through sales of metal products on normal terms of trade, the majority of sales for mining operations were made under contractual arrangements whereby provisional payment is received promptly after delivery and the balance within 30 to 120 days from delivery. 100% of the balance is aged less than 6 months based on invoice date. The carrying amount of the Group's trade receivables at FVTPL best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

Investments in cash, short-term deposits and similar assets are with approved counterparty banks. Counterparties are assessed prior to, during and after the conclusion of transactions to ensure exposure to credit risk is limited to acceptable levels. There has been no change in the estimation techniques or significant assumptions made during the year ended 31 December 2023 in assessing the ECL for these financial assets.

The limits are set to minimise the concentration of risks and therefore mitigate the potential for financial loss through counterparty failure. Impairment is provided for where the credit risk is perceived to exceed the acceptable levels and there are concerns on recoverability of the relevant assets. The management of the Group considers cash and cash equivalents that are deposited with financial institutions with high credit rating to be low credit risk financial assets.

Other receivables include balances related to various matters including other taxes, indemnities. These balances are assessed at the reporting date considering contractual and non-contractual legal rights to receive such amounts as well as the expectation of recoverability based on expert third party advice and management assessment based on all available information. There are no significant increases in credit risk for these balances since their initial recognition and the Group provided impairment based on a 12 month ECL. For the years ended 31 December 2023 and 2022, the Group assessed the ECL for these balances and considered no significant impact to the consolidated financial statements.

The Group's most significant customers are CMN, CITIC Metal Peru Investment Limited (CITIC Metal), and Trafigura Pte Ltd (Trafigura). Revenue earned from these customers as a percentage of total revenue was:

	2023	2022
CMN	46.6%	34.5%
CITIC Metal	20.2%	16.2%
Trafigura	8.2%	14.0%

The Group's largest debtor at 31 December 2023 was CMN with a balance of US$159.1 million (2022: US$102.6 million) and the five largest debtors accounted for 77.6% (2022: 84.0%) of the Group's trade receivables. Credit risk arising from sales to large concentrate customers is managed by contracts that stipulate a provisional payment of at least 90% of the estimated value of each sale. For most sales a second provisional payment is received within 60 days of the vessel arriving at the port of discharge. Final payment is recorded after completion of the quotation period and assaying.

The credit risk by geographic region was:

	AT 31 DECEMBER	
US$ MILLION	2023	2022
Asia	264.7	154.0
Europe	78.6	31.2
Australia	11.0	6.4
Other	0.5	21.1
	354.8	**212.7**

(e) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities.

Management utilises short and long-term cash flow forecasts and other consolidated financial information to ensure that appropriate liquidity buffers are maintained to support the Group's activities.

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in each maturity grouping are the contractual undiscounted cash flows for financial instruments.

US$ MILLION	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Total carrying value
At 31 December 2023						
Financial assets						
Cash and cash equivalents	447.0	-	-	-	**447.0**	**447.0**
Trade receivables	354.8	-	-	-	**354.8**	**354.8**
Other receivables	93.4	150.7	5.1	-	**249.2**	**249.2**
Derivative financial assets	3.1	-	-	-	**3.1**	**3.1**
Other financial assets	2.7	-	-	-	**2.7**	**2.7**
Financial liabilities						
Trade and other payables	(616.4)	(286.5)	-	-	**(902.9)**	**(902.9)**
Borrowings (including interest)	(1,599.6)	(1,285.1)	(1,899.6)	(824.3)	**(5,608.6)**	**(4,707.1)**
Lease liabilities (including interest)	(33.9)	(32.6)	(66.0)	(73.7)	**(206.2)**	**(147.6)**
	(1,348.9)	**(1,453.5)**	**(1,960.5)**	**(898.0)**	**(5,660.9)**	**(4,700.8)**
At 31 December 2022						
Financial assets						
Cash and cash equivalents	372.2	-	-	-	**372.2**	**372.2**
Trade receivables	212.7	-	-	-	**212.7**	**212.7**
Other receivables	114.7	145.5	9.9	-	**270.1**	**270.1**
Derivative financial assets	75.0	51.0	-	-	**126.0**	**126.0**
Other financial assets	1.5	-	-	-	**1.5**	**1.5**
Financial liabilities						
Trade and other payables	(535.5)	(217.5)	-	-	**(753.0)**	**(753.0)**
Derivative financial liabilities	(0.3)	-	-	-	**(0.3)**	**(0.3)**
Borrowings (including interest)	(1,510.1)	(1,357.8)	(2,530.6)	(1,090.5)	**(6,489.0)**	**(5,412.6)**
Lease liabilities (including interest)	(32.7)	(25.4)	(59.6)	(85.4)	**(203.1)**	**(138.7)**
	(1,302.5)	**(1,404.2)**	**(2,580.3)**	**(1,175.9)**	**(6,462.9)**	**(5,322.1)**

Country and community risks

The Group conducts all of its operations outside of Hong Kong and, as such, it is exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country. Material risks include, but are not limited to, regime or policy change, fluctuation in currency exchange rates, changes to licensing regimes and amendments to concessions, licences, permits and contracts, changing political conditions and governmental regulations and community disruptions. Changes in any aspects above and in the country where the Group operates may adversely affect the Group's operations and profitability. The decline in growth and macroeconomic activity in many developing nations has resulted in governments seeking alternative means of increasing their income, including increases to corporate tax, VAT and royalty rates, coupled with increased audit and compliance activity.

The DRC Government during 2018 made changes to the 2002 Mining Code and Mining Regulations. These changes were enacted (2018 Mining Code) and continue to result in an increased tax burden on mining companies; In Peru, over the past decades, Las Bambas has experienced heightened political instability with succession of regimes with differing political policies. As the community disruptions and political situation are expected to evolve in the near future, the Group will continue to work closely with the relevant authorities and community groups to minimise the potential risk of social instability and disruptions to the Las Bambas operations.

Some of the countries in which the Group operates carry higher levels of sovereign risk. Political and administrative changes and reforms in law, regulations or taxation may impact sovereign risk. Political and administrative systems can be slow or uncertain and may result in risks to the Group including the ability to obtain tax refunds in a timely manner. The Group has processes in place to monitor any impact on the Group and implement responses to such changes.

CONTINGENT LIABILITIES

Bank guarantees

Certain bank guarantees have been provided in connection with the operations of certain subsidiaries of the Company primarily associated with the terms of mining leases, mining concessions, exploration licences or key contracting arrangements. At the end of the reporting period, no material claims have been made under these guarantees. The amount of these guarantees may vary from time to time depending upon the requirements of the relevant regulatory authorities. At 31 December 2023, these guarantees amounted to US$310.5 million (2022: US$297.5 million).

Contingent liabilities - tax related contingencies

The Group has operations in multiple countries, each with its own taxation regime. The nature of the Group's activities requires it to comply with various taxation obligations including corporation tax, royalties, withholding taxes, transfer pricing arrangements with related parties, resource and production-based taxes, environmental taxes and employment related taxes. Application of tax laws and interpretation of tax laws may require judgement to assess risk and estimate outcomes, particularly in relation to the application of income taxes and withholding tax to the Group's cross-border operations and transactions. The evaluation of tax risks considers both assessments received and potential sources of challenge from tax authorities. Additionally, the Group is currently subject to a range of audits and reviews by taxation authorities in Australia, Peru, Zambia and the DRC. No disclosure of an estimate of financial effect of the subject matter has been made in the consolidated financial statements as, in the opinion of the management, such disclosure may seriously prejudice the position of the Group in dealing with these matters.

Tax matters with uncertain outcomes arise in the normal course of business and occur due to changes in tax law, changes in interpretation of tax law, periodic challenges and disagreements with tax authorities, and legal proceedings. The status of proceedings for such uncertain tax matters will impact the ability to determine the potential exposure, and in some cases, it may not be possible to determine a range of possible outcomes, including timing of resolution or determining a reliable estimate of the potential exposure.

Peru – Withholding Taxes (2014, 2015, 2016 and 2017)

Included within such uncertain tax matters are audits of the 2014, 2015, 2016 and 2017 tax periods for MLB in relation to withholding taxes on interest and fees paid under certain loans, which were provided to MLB pursuant to facility agreements entered into among MLB and a consortium of Chinese banks in connection with the acquisition of the Las Bambas mine in 2014. MLB received assessment notices from the Peruvian tax authority (National Superintendence of Tax Administration of Peru or "SUNAT"), which advised that, in its opinion, MLB and the Chinese banks are related parties and thus a 30% withholding tax rate ought to be imposed rather than the 4.99% applied. The assessments of omitted tax plus penalties and interest as at 31 December 2023 totalled PEN2,069.5 million (approximately US$551.8 million) (31 December 2022: PEN2,015.1 million (approximately US$527.5 million)).

In relation to these assessments, having received external legal and tax advice, the Group has formed the view that the Company and its controlled entities are not related parties to Chinese banks under Peruvian tax law. Additionally, the Peruvian tax law was amended (with effect from October 2017) to provide expressly that parties are not related by being under state ownership for the purposes of withholding taxes. Las Bambas has appealed the assessments issued by SUNAT in the Peru Tax Court and the pronouncement is pending. In parallel, MLB filed an Amparo lawsuit to request a Constitutional Court the nullity of withholding tax Assessments due to the violation of MLB's constitutional rights in the issuance of SUNAT Assessments. Where MLB is not successful in rebutting or appealing such challenge(s), this could result in significant additional tax liabilities.

Peru –Income Taxes (2016 and 2017)

- ***Peru –2016 Income Tax***

  In January 2023, Las Bambas received assessment notices from SUNAT in connection with the 2016 income tax audit (2016 Income Tax Assessment). The assessment denied the deductions for all interest on borrowings expensed during the 2016 tax year. This included the loans from Chinese banks where SUNAT denied the interest deductions on the basis that the borrowings were from related parties and that the alleged related party debt should be included in calculating Las Bambas' related party 'debt to equity' ratio (the 'thin capitalisation' threshold) which would then be breached. SUNAT also alleged that interest payable on the shareholder loan from MMG Swiss Finance A.G. is non-deductible, due to the application of the "Causality Principle" (i.e., the loan has no relevance to the income-producing activities of Las Bambas). Further, SUNAT separately alleged that the accounting treatment of the merger of Peruvian entities (subsequent to the acquisition of Las Bambas in 2014) should have resulted in a negative equity adjustment which would result in Las Bambas having no equity for the purposes of calculating its thin capitalisation allowance. The Assessment issued by SUNAT for tax, interest and penalties for the income tax year 2016 totalled PEN651.0 million (approximately US$173.0 million) as at 31 December 2023.

  On 27 July 2023, SUNAT confirmed that it had considered Las Bambas' appeal against the Assessment and concluded that the Assessment remains correct and valid. Las Bambas will appeal to the Peru Tax Court.

- ***Peru –2017 Income Tax***

  In August 2023, Las Bambas received assessment notices from SUNAT in connection with the 2017 income tax audit (2017 Income Tax Assessment). Similar to the 2016 Income Tax Assessment, SUNAT has continued to challenge Las Bambas' treatment of interest expense in the 2017 tax year on the same basis as that described above. Further, SUNAT has not recognised previous years' tax losses, including 2014, 2015 and 2016 development costs (US$710 million). The Assessment for tax, interest and penalties for the income tax year 2017 totalled PEN 3,610.4 million (approximately US$961.0 million) as at 30 November 2023. However, on 30 November 2023 SUNAT issued Resolution No. 4070140000905 and declared the nullity of tax debt. An updated Assessment for 2017 was received on 13 December 2023 and notified a tax debt of PEN 3,460.2 million (approximately US$924.0 million).

Regarding the above SUNAT interpretations, management strongly disagrees and is of the view that SUNAT has disregarded all available evidence and independent opinions on the accounting treatment, submitted by Las Bambas for consideration during the 2016 and 2017 income tax assessment process. Further, in not recognising prior years' tax losses, SUNAT has failed to acknowledge the Tax Court decisions in respect of development costs for the 2012 and 2013 years which were ruled in MLB's favour. The risk remains that this treatment will also be applied for future income tax years.

Las Bambas has notified the Peru Government of a dispute pursuant to the Peru-Netherlands Bilateral Investment Treaty (Treaty) and the Peru Government has confirmed its inability to resolve the dispute by way of commercial negotiation. Las Bambas is currently evaluating its legal options to seek damages from the Government of Peru for a number of breaches of the Treaty.

Considering the Las Bambas' proposed appeals and advice from the Las Bambas' tax and legal advisers, the Group did not recognise a liability in its consolidated financial statements for any assessed amount. If Las Bambas is unsuccessful in its challenge on the SUNAT assessments, this could result in significant liabilities being recognised.

CHARGES ON ASSETS

As at 31 December 2023, approximately US$2,016.8 million (31 December 2022: US$2,653.6 million) from China Development Bank, Industrial and Commercial Bank of China Limited, BOC Sydney and The Export-Import Bank of China was secured by share security over the entire share capital of MMG South America Management Company Limited and each of its subsidiaries including MLB, a debenture over the assets of MMG South America Management Company Limited, an assets pledge agreement and production unit mortgage in respect of all of the assets of MLB, assignments of shareholder loans between MMG South America Management Company Limited and its subsidiaries and security agreements over bank accounts of MLB.

FUTURE PROSPECTS

MMG's vision is to create a leading international mining company for a low-carbon future. We mine to create wealth for our people, host communities and shareholders with an ambition to grow and diversify our resources, production and value, by leveraging Chinese and international expertise. Our strong relationship with China draws upon the strength of the world's largest commodities consumer and provides a deep understanding of markets and access to its sources of funding.

The Company is focused on maximising the value of our existing assets by increasing our safety performance, improving competitiveness, containing costs, continually improving productivity, building successful relationships with our host communities and governments and growing our resource base. We are actively pursuing our next phase of disciplined growth.

In South America, Las Bambas' copper production in 2024 is expected to be in the range of 280,000 and 320,000 tonnes. MMG expects to produce between 39,000 and 44,000 tonnes of copper cathode at Kinsevere, and between 225,000 and 250,000 tonnes of zinc at its Dugald River and Rosebery operations in 2024.

Las Bambas

Las Bambas annual production is expected to reach 350,000-400,000 tonnes in the medium term with the extended contribution from the Chalcobamba project. Early works at Chalcobamba have now commenced and the Las Bambas team is working toward enduring agreements for the development of the Chalcobamba deposit with the Huancuire community. The continued development of Las Bambas is significant for the economy of Peru and will support additional social contributions and financial and business opportunities for local and regional communities.

Australia

In Australia, Dugald River remains committed to safe, greener and sustainable production to deliver annual ore mined throughput of 2,000,000 tonnes in the future years. This will pave the way for targeted zinc equivalent production to remain at around 200,000 tonnes annually. MMG will build on the already operational long-term solar offtake agreement to pursue more green, reliable and cost-effective energy solutions, including supporting CopperString 2032, which aims to connect Queensland's North West Minerals Province to the National Electricity Grid.

At Rosebery, an accelerated resource extension and near mine exploration drilling program is currently in progress to support a mine life extension. MMG remains committed to extending the operating life of this important asset, proactively investigating all feasible options to secure a sustainable tailings storage solution.

Kinsevere

In the DRC, MMG continues to progress the next phase of Kinsevere Expansion Project, namely the transition to the mining and processing of sulphide ores. This project will extend Kinsevere's mine life to at least 2035 and increase copper production back to around 80,000 tonnes of copper cathode per annum and 4,000 to 6,000 tonnes of cobalt in cobalt hydroxide. The cobalt plant was commissioned in the fourth quarter of 2023, and the first production of cobalt hydroxide was achieved. The new tailing storage facility was commissioned to support the cobalt plant ramp-up. The first copper cathode from sulphides is expected in the second half of 2024, and a full ramp-up is expected in 2025. MMG will continue to invest in regional exploration programs focusing on proving up discoveries within an operating radius of the Kinsevere mine.

Capital expenditure plan in 2024

Total capital expenditure in 2024 is expected to be between US$800 million and US$900 million. US$400-450 million is attributable to Las Bambas, including the expansion of the Las Bambas tailings dam facility, Ferrobamba pit infrastructure and Chalcobamba execution. At Kinsevere, capital expenditure related to the Kinsevere Expansion Project is expected to be US$250-300 million. Should MMG successfully complete the acquisition of the Khoemacau asset, additional capital expenditure will be required in 2024.

MMG will continue to focus on the next phase of growth. Currently, the company has no future plans for material investments or capital assets sanctioned by the Board, other than those detailed in this report or announced to the market.

OTHER INFORMATION

ANNUAL GENERAL MEETING

The annual general meeting (AGM) of the Company will be held on Thursday, 23 May 2024 (2024 AGM). The notice of the 2024 AGM will be published and despatched to shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, inclusive, during which period no transfer of shares will be registered.

In order to qualify for attending and voting at the 2024 AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 17 May 2024.

The record date for determining Shareholders' eligibility to attend and vote at the 2024 AGM will be on Thursday, 23 May 2024.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices by emphasising a quality Board, sound internal controls, and transparency and accountability to all Shareholders.

The Company has complied with all the code provisions set out in Part 2 of the CG Code throughout the year ended 31 December 2023, except for the deviations as explained below.

Code provision C.2.7 requires the Chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. During the year, Mr Jiao Jian resigned as Chairman and Non-executive Director with effect from 31 March 2023. The new Chairman, Mr Xu Jiqing was appointed as Chairman with effect from 18 August 2023. The Chairman did not hold a separate meeting with the Independent Non-executive Directors but the Chairman met all Directors including the Non-executive Directors and the Independent Non-executive Directors at each Board meeting, except the Board meetings held during the period from 31 March 2023 to 17 August 2023. The preliminary section of each meeting was devoted to an exchange of ideas and discussion between the Chairman and the Directors.

Code provision F.1.1 requires the issuer should have a policy on payment of dividends. The Company does not have a dividend policy. The Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Company's operating results, future growth requirements, liquidity position, and other factors that the Board considers relevant. The recommendation of the payment of any dividend is subject to the discretion of the Board, and any declaration of dividend will be subject to the approval of Shareholders at the AGM.

Code provision F.2.2 requires the Chairman of the Board to attend and answer questions at the AGM. Mr Jiao Jian resigned as Chairman with effect from 31 March 2023 before the AGM held on 25 May 2023. As such, Mr Leung Cheuk Yan, an Independent Non-executive Director, a member of the Audit and Risk Management Committee and the Governance, Remuneration, Nomination and Sustainability Committee of the Company, was nominated by the Board to take the chair of the AGM on 25 May 2023.

The Company adopted a Board Charter to outline the manner in which its constitutional powers and responsibilities will be exercised, delegated and discharged, having regard to principles of good corporate governance, international best practices and applicable laws. The Board Charter is adopted on the basis that strong corporate governance can add to the performance of the Company, create Shareholder value and engender the confidence of the investment market.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a model code for securities trading by Directors (Securities Trading Model Code) on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (Model Code).

Specific enquiry was made with all the Directors and all confirmed that they have complied with the requirements set out in the Model Code and the Securities Trading Model Code during the year ended 31 December 2023.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee comprises five members including three Independent Non-executive Directors, namely Mr Chan Ka Keung, Peter as Chair, Dr Peter Cassidy and Mr Leung Cheuk Yan, and two Non-executive Directors, namely Mr Zhang Shuqiang and Mr Xu Jiqing.

The Audit and Risk Management Committee is principally responsible for (i) financial reporting related matters, such as reviewing financial information and overseeing financial reporting related systems and controls; and (ii) advising the Board on high-level risk related matters, risk management and internal control, including advising on risk assessment and oversight of the internal audit function.

The Audit and Risk Management Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2023.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is also published on the website of the Company (www.mmg.com). The Company's 2023 Annual Report will be despatched to Shareholders and made available on the websites of the Hong Kong Exchange and Clearing Limited (www.hkexnews.hk) and the Company in due course.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2023 as set out in the announcement on annual results for year ended 31 December 2023 have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board of Directors on 5 March 2024. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the announcement on annual results for year ended 31 December 2023.

FINANCIAL INFORMATION OF THE GROUP

The financial information relating to year ended 31 December 2023 and 2022 included in this preliminary announcement of the 2023 annual results does not constitute the Company's statutory consolidated financial statements for those periods but is derived from those financial statements.

Further information relating to these statutory consolidated financial statements as required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

1. The Company has delivered the consolidated financial statements for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2023 to the Registrar of Companies in due course.
2. The Company's auditors have reported on these consolidated annual financial statements. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		YEAR ENDED 31 DECEMBER	
	NOTES	2023 US$ MILLION	2022 US$ MILLION
Revenue	3	4,346.5	3,254.2
Net other (expense)/income	4	(2.2)	2.4
Expenses (excluding depreciation and amortisation)	5	(2,882.4)	(1,721.2)
Earnings before interest, income tax, depreciation and amortisation – EBITDA		**1,461.9**	**1,535.4**
Depreciation and amortisation expenses	5	(930.2)	(790.1)
Earnings before interest and income tax – EBIT		**531.7**	**745.3**
Finance income	6	24.3	15.0
Finance costs	6	(366.4)	(299.8)
Profit before income tax		**189.6**	**460.5**
Income tax expense	7	(67.5)	(217.0)
Profit for the year		**122.1**	**243.5**
Profit for the year attributable to:			
Equity holders of the Company		9.0	172.4
Non-controlling interests		113.1	71.1
		122.1	**243.5**
Earnings per share attributable to equity holders of the Company			
Basic earnings per share	8	US 0.10 cents	US 2.00 cents
Diluted earnings per share	8	US 0.10 cents	US 1.98 cents

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	YEAR ENDED 31 DECEMBER	
	2023 US$ MILLION	2022 US$ MILLION
Profit for the year	**122.1**	**243.5**
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss		
Movement on hedging instruments designated as cash flow hedges	(54.9)	82.1
Income tax expense relating to cash flow hedges	17.6	(26.3)
Item that may not be reclassified to profit or loss		
Remeasurement on the net defined benefit liability	(1.0)	-
Other comprehensive (loss)/income for the year, net of income tax	**(38.3)**	**55.8**
Total comprehensive income for the year	**83.8**	**299.3**
Attributable to:		
Equity holders of the Company	(15.3)	207.3
Non-controlling interests	99.1	92.0
	83.8	**299.3**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	AT 31 DECEMBER 2023 US$ MILLION	 2022 US$ MILLION
ASSETS			
Non-current assets			
Property, plant and equipment		9,417.1	9,509.4
Right-of-use assets		118.1	111.2
Intangible assets		534.0	534.2
Inventories		115.0	122.2
Deferred income tax assets		150.0	315.7
Other receivables	12	168.8	167.5
Derivative financial assets		-	113.9
Other financial assets		2.7	1.5
Total non-current assets		**10,505.7**	**10,875.6**
Current assets			
Inventories		389.5	872.6
Trade and other receivables	12	476.0	342.5
Current income tax assets		79.5	60.5
Derivative financial assets		3.1	12.1
Cash and cash equivalents	13	447.0	372.2
Total current assets		**1,395.1**	**1,659.9**
Total assets		**11,900.8**	**12,535.5**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	14	3,224.6	3,220.5
Reserves and retained profits		(1,101.2)	(1,081.5)
		2,123.4	**2,139.0**
Non-controlling interests		2,188.6	2,089.5
Total equity		**4,312.0**	**4,228.5**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONTINUED

	NOTES	AT 31 DECEMBER 2023 US$ MILLION	2022 US$ MILLION
LIABILITIES			
Non-current liabilities			
Borrowings	15	3,375.8	4,209.6
Lease liabilities		125.6	117.4
Provisions		647.0	599.2
Trade and other payables	16	286.5	217.5
Deferred income tax liabilities		952.7	1,208.0
Total non-current liabilities		**5,387.6**	**6,351.7**
Current liabilities			
Borrowings	15	1,331.3	1,203.0
Lease liabilities		22.0	21.3
Provisions		127.3	81.0
Derivative financial liabilities		-	0.3
Trade and other payables	16	616.4	535.5
Current income tax liabilities		104.2	114.2
Total current liabilities		**2,201.2**	**1,955.3**
Total liabilities		**7,588.8**	**8,307.0**
Net current liabilities		**(806.1)**	**(295.4)**
Total equity and liabilities		**11,900.8**	**12,535.5**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

US$ MILLION	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
	SHARE CAPITAL	TOTAL RESERVES	RETAINED PROFITS	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	(Note 14)					
At 1 January 2023	**3,220.5**	**(1,826.7)**	**745.2**	**2,139.0**	**2,089.5**	**4,228.5**
Profit for the year	-	-	9.0	**9.0**	113.1	**122.1**
Other comprehensive loss	-	(24.3)	-	**(24.3)**	(14.0)	**(38.3)**
Total comprehensive (loss)/income for the year	**-**	**(24.3)**	**9.0**	**(15.3)**	**99.1**	**83.8**
Provision of surplus reserve	-	0.4	(0.4)	**-**	-	**-**
Employee long-term incentives	-	(1.5)	-	**(1.5)**	-	**(1.5)**
Employee share options and performance awards vested and exercised	4.1	(2.9)	-	**1.2**	-	**1.2**
Employee share options and performance awards lapsed	-	(0.1)	0.1	**-**	-	**-**
Total transactions with owners	**4.1**	**(4.1)**	**(0.3)**	**(0.3)**	**-**	**(0.3)**
At 31 December 2023	**3,224.6**	**(1,855.1)**	**753.9**	**2,123.4**	**2,188.6**	**4,312.0**

The accompanying notes are an integral part of these consolidated financial statements.

US$ MILLION	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
	SHARE CAPITAL	TOTAL RESERVES	RETAINED PROFITS	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	(Note 14)					
At 1 January 2022	**3,220.3**	**(1,862.7)**	**572.9**	**1,930.5**	**1,997.5**	**3,928.0**
Profit for the year	-	-	172.4	**172.4**	71.1	**243.5**
Other comprehensive income	-	34.9	-	**34.9**	20.9	**55.8**
Total comprehensive income for the year	**-**	**34.9**	**172.4**	**207.3**	**92.0**	**299.3**
Provision of surplus reserve	-	0.1	(0.1)	**-**	-	**-**
Employee long-term incentives	-	1.1	-	**1.1**	-	**1.1**
Employee share options exercised and vested	0.2	(0.1)	-	**0.1**	-	**0.1**
Total transactions with owners	**0.2**	**1.1**	**(0.1)**	**1.2**	**-**	**1.2**
At 31 December 2022	**3,220.5**	**(1,826.7)**	**745.2**	**2,139.0**	**2,089.5**	**4,228.5**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	YEAR ENDED 31 DECEMBER 2023 US$ MILLION	 2022 US$ MILLION
Cash flows from operating activities			
Receipts from customers		4,605.3	3,402.1
Payments to suppliers and employees		(2,621.8)	(2,319.9)
Payments for exploration expenditure		(49.6)	(30.8)
Income tax paid		(79.1)	(268.0)
Net settlement of commodity hedges		(4.9)	48.7
Net cash generated from operating activities		**1,849.9**	**832.1**
Cash flows from investing activities			
Purchase of property, plant and equipment		(790.0)	(564.5)
Purchase of intangible assets		(1.2)	(1.7)
Proceeds from disposal of subsidiary		-	27.5
Proceeds from disposal of property, plant and equipment		1.2	-
Net cash used in investing activities		**(790.0)**	**(538.7)**
Cash flows from financing activities			
Proceeds from external borrowings		1,650.0	500.0
Repayments of external borrowings		(2,458.8)	(1,491.4)
Proceeds from related party borrowing		1,150.0	200.0
Repayments of related party borrowing		(1,050.0)	(100.0)
Net settlement of interest rate swap		132.4	17.9
Proceeds from shares issued upon exercise of employee share options		1.2	0.1
Repayment of lease liabilities		(37.7)	(31.2)
Interest and financing costs paid on external borrowings		(279.0)	(182.2)
Interest and financing costs paid on related party borrowings		(100.3)	(95.6)
Withholding taxes paid in respect of financing arrangements		(14.6)	(9.1)
Interest received		21.7	15.0
Net cash used in financing activities		**(985.1)**	**(1,176.5)**
Net increase/(decrease) in cash and cash equivalents		**74.8**	**(883.1)**
Cash and cash equivalents at 1 January		372.2	1,255.3
Cash and cash equivalents at 31 December	13	**447.0**	**372.2**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO FINANCIAL INFORMATION

1. GENERAL INFORMATION

MMG Limited (Company) is a limited liability company and was incorporated in Hong Kong on 29 July 1988. The address of its registered office is Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The principal place of business of the Company is disclosed in the Corporate Information section to the Group's 2023 Annual Report.

The Company is an investment holding company listed on the main board of The Stock Exchange of Hong Kong Limited (HKEx).

The Company and its subsidiaries (Group) are engaged in the exploration, development and mining of copper, zinc, gold, silver, molybdenum and lead deposits around the world.

The consolidated financial statements for the year ended 31 December 2023 are presented in United States dollars (US$) unless otherwise stated and were approved for issue by the Board of Directors of the Company (Board) on 5 March 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") – a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). These consolidated financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities at fair value through profit or loss which are measured at fair value.

The preparation of consolidated financial statements in accordance with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the Group's accounting policies.

(a) Going Concern

The consolidated financial statements have been prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. Management of the Group continues to closely monitor the liquidity position of the Group, which includes the sensitised analysis of forecast cash balances for key financial risks (including commodity and foreign exchange risks) over the short and medium term to ensure adequate liquidity is maintained.

As at 31 December 2023, the Group had net current liabilities of US$806.1 million (31 December 2022: US$295.4 million) and cash and cash equivalents of US$447.0 million (31 December 2022: US$372.2 million). For the year ended 31 December 2023, the Group generated a net profit of US$122.1 million (2022: US$243.5 million) and operational net cash inflows of US$1,849.9 million (2022: US$832.1 million).

Cash flow forecasts include drawdowns from existing and new credit facilities and assume the successful extension of revolving credit facilities ("RCF"). With the inclusion of these assumptions, the Group will have sufficient liquidity to meet its operational, existing contractual debt service and capital expenditure requirements for the 12-month period from the approval of the consolidated financial statements.

Management notes the following considerations, relevant to the Group's ability to continue as a going concern:

- At 31 December 2023, total cash and cash equivalents of US$447.0 million (2022: US$372.2 million) were held by the Group;

- The Group has US$4,325.0 million undrawn facilities as at the date that the financial statements are authorised to issue:
  - A US$350.0 million undrawn RCF from Album Enterprises Limited (“Album Enterprises”) (a subsidiary of China Minmetals Non-ferrous Metals Co., Ltd (“CMN”)) which will expire in August 2024;
  - A new US$275.0 million undrawn RCF from Bank of China (“BOC”) which will expire in April 2026;
  - A new US$150.0 million undrawn RCF from Industrial and Commercial Bank of China (“ICBC”) consisting of three tranches of US$50.0 million each set to expire in March, May and June 2026;
  - A new US$100.0 million undrawn RCF from Bank of Communication (“BOCOM”) which will expire in August 2026;
  - A new US$200.0 million RCF from CCB of which US$50.0 million remains undrawn. It will expire in January 2027;
  - A new US$100.0 million undrawn RCF from CCB which will expire in February 2027;
  - A new US$1,000.0 million undrawn RCF from Top Create Resources Limited (“Top Create”) (a subsidiary of CMN). This facility will expire in December 2026;
  - A new US$300.0 million Term Loan Facility from Top Create that supports the Kinsevere Expansion Project which will expire in December 2030; and
  - A shareholder term loan facility of US$2,000.0 million from Top Create to support the acquisition of the CCL and its subsidiaries.
- The Group expects to obtain, renew or extend a number of facilities:
  - A new RCF of US$700.0 million from syndicated banks currently being negotiated;
  - A new US$44.0 million term loan from external banks currently being negotiated to support the operations of Kinsevere;
  - New RCFs of US$200.0 million with external banks; and
  - The Tranche A repayment of the US$2,161.3 million term loan from Top Create of US $700.0 million is due in July 2024 but is expected to be deferred for three years.

In the event that forecast cash flow is not achieved or if existing or new debt facilities are insufficient or not obtained in a timely manner, the Group has the ongoing support of its major shareholder, CMN. Support to the Group may be in the form of providing additional debt facilities, deferral of debt service and repayment obligations in relation to existing shareholder loans from CMN and its subsidiaries, early payments for shipments of commodity or through further equity contributions.

Based on the above, and a review of the forecast financial position and results of the Group for the twelve months from approval of these consolidated financial statements, the directors are thus of the view that the Group will be able to meet its debts as and when they fall due and accordingly the consolidated financial statements have been prepared on the going concern basis.

(b) New standards and amendments to existing standards effective and adopted in 2023 with no significant impact to the Group

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts[1]
Amendments to HKAS 8	Definition of Accounting Estimates[1]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[1]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[1]
Amendments to HKAS 12	International Tax Reform-Pillar Two model Rules

1. The application of the new HKFRS in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of amendments to HKAS 12 "Income Taxes International Tax Reform-Pillar Two model Rules"

The Group has applied the amendments for the first time in the current year. HKAS 12 is amended to add the exception to recognising and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (the "Pillar Two legislation"). The amendments require that entities apply the amendments immediately upon issuance and retrospectively. The amendments also require that entities disclose separately its current tax expense/income related to Pillar Two income taxes in periods which the Pillar Two legislation is in effect, and the qualitative and quantitative information about its exposure to Pillar Two income taxes in periods in which the Pillar Two legislation is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after 1 January 2023.

The Group has applied the temporary exception immediately upon issue of these amendments and retrospectively, i.e. applying the exception from the date Pillar Two legislation is enacted or substantially enacted. The qualitative and quantitative information about the Group's exposure to Pillar Two income taxes is set out in Note 7.

In addition, the Group applied the following agenda decision of the Committee of the International Accounting Standards Board ("IASB") which is relevant to the Group given that HKFRSs Standards are largely aligned with IFRS Standards, the agenda decision of the Committee is equally applicable:

Definition of a Lease - Substitution Rights (IFRS 16 Leases)

In April 2023, the Committee published the agenda decision which addressed: (i) the level at which to evaluate whether a contract contains a lease when the contract is for the use of more than one similar asset i.e. by considering each asset separately or all assets together; and (ii) how to assess whether a contract contains a lease applying IFRS 16 when the supplier has substitution rights to substitute alternative assets, but would not benefit economically from the exercise of its right to substitute the asset throughout the period of use.

The Committee concluded that, (i) the level to assess whether the contract contains a lease is at each identified asset level; and (ii) the supplier's right is not substantive because the supplier is not expected to benefit economically from exercising its right to substitute an asset throughout the period of use.

The application of the Committee's agenda decision has had no material impact on the Group's consolidated financial statements.

(c) Amendments to standards that have been issued but not yet effective or early adopted by the Group

The Group has not early adopted the following amendments to standards that have been issued but are not effective for financial year 2023.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback[2]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)[2]
Amendments to HKAS 1	Non-current liabilities with Covenant[2]
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements[2]
Amendments to HKAS 21	Lack of Exchangeability[3]

1. Effective for annual periods beginning on or after a date to be determined.
2. Effective for annual periods beginning on or 1 January 2024.
3. Effective for annual periods beginning on or 1 January 2025.

3. SEGMENT INFORMATION

HKFRS 8 "*Operating Segments*" requires operating segments to be identified on the basis of internal reports about operations of the Group that are regularly reviewed by the chief operating decision-maker ("CODM") in order to allocate resources to the segment and assess its performance.

The Company's Executive Committee has been identified as the CODM. The Executive Committee reviews the Group's internal reporting of these operations in order to assess performance and allocate resources.

The Group's reportable segments are as follows:

Las Bambas	The Las Bambas mine is a large open-pit, scalable, long-life copper and molybdenum mining operation with prospective exploration options. It is located in the Cotabambas, Apurimac region of Peru.
Kinsevere	Kinsevere is an open-pit copper mining operation located in the Haut-Katanga Province of the DRC.
Dugald River	The Dugald River mine is an underground zinc mining operation located near Cloncurry in North West Queensland.
Rosebery	Rosebery is an underground polymetallic base metal mining operation located on Tasmania's west coast.
Other	Includes corporate entities in the Group.

A segment result represents the EBIT by each segment. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance. Other information provided, except as disclosed in the following paragraph, to the CODM is measured in a manner consistent with that in these consolidated financial statements.

Segment assets exclude current income tax assets, deferred income tax assets and net inter-segment receivables. Segment liabilities exclude current income tax liabilities, deferred income tax liabilities and net inter-segment loans. The excluded assets and liabilities are presented as part of the reconciliation to total consolidated assets or liabilities.

The segment revenue and results for the year ended 31 December 2023 are as follows:

	FOR THE YEAR ENDED 31 DECEMBER 2023					
US$ MILLION	Las Bambas	Kinsevere	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Revenue by metal:						
-Copper[1]	2,938.0	354.6[3]	-	8.2	3.4	3,304.2
-Zinc[2]	-	-	264.1	95.3	-	359.4
-Lead	-	-	35.9	32.0	-	67.9
-Gold	180.8	-	-	52.7	-	233.5
-Silver	122.7	-	31.2	51.8	-	205.7
-Molybdenum	175.8	-	-	-	-	175.8
Revenue from contracts with customers	**3,417.3**	**354.6**	**331.2**	**240.0**	**3.4**	**4,346.5**
EBITDA	**1,396.7**	**(32.0)**	**33.8**	**77.8**	**(14.4)**	**1,461.9**
Depreciation and amortisation expenses (Note 5)	(800.0)	(27.5)	(53.1)	(56.8)	7.2	(930.2)
EBIT	**596.7**	**(59.5)**	**(19.3)**	**21.0**	**(7.2)**	**531.7**
Finance income (Note 6)						24.3
Finance costs (Note 6)						(366.4)
Income tax expense (Note 7)						(67.5)
Profit for the year						**122.1**
Other segment information:						
Additions to non-current assets (excluding deferred tax assets, inventories and financial instruments)	351.0	332.2	92.3	68.0	4.9	**848.4**

The segment assets and liabilities at 31 December 2023 are as follows:

	AT 31 DECEMBER 2023					
US$ MILLION	Las Bambas	Kinsevere	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Segment assets[4]	**9,449.3**	**852.8**	**687.0**	**295.8**	**386.4**	**11,671.3**
Current/deferred income tax assets						229.5
Consolidated assets						**11,900.8**
Segment liabilities[5]	**3,093.2**	**317.4**	**367.6**	**197.8**	**2,555.9**	**6,531.9**
Current/deferred income tax liabilities						1,056.9
Consolidated liabilities						**7,588.8**
Segment non-current assets	**8,635.8**	**725.9**	**620.9**	**255.6**	**267.5**	**10,505.7**

The segment revenue and results for the year ended 31 December 2022 are as follows:

	FOR THE YEAR ENDED 31 DECEMBER 2022					
US$ MILLION	**Las Bambas**	**Kinsevere**	**Dugald River**	**Rosebery**	**Other unallocated items/ eliminations**	**Group**
Revenue by metal:						
-Copper[1]	1,795.9	421.5[3]	-	8.6	1.7	2,227.7
-Zinc[2]	-	-	417.9	129.2	-	547.1
-Lead	-	-	38.1	34.8	-	72.9
-Gold	105.7	-	-	45.8	-	151.5
-Silver	66.0	-	28.3	41.5	-	135.8
-Molybdenum	119.2	-	-	-	-	119.2
Revenue from contracts with customers	**2,086.8**	**421.5**	**484.3**	**259.9**	**1.7**	**3,254.2**
EBITDA	**1,121.9**	**131.7**	**210.2**	**98.6**	**(27.0)**	**1,535.4**
Depreciation and amortisation expenses (Note 5)	(665.7)	(27.8)	(57.7)	(46.9)	8.0	(790.1)
EBIT	**456.2**	**103.9**	**152.5**	**51.7**	**(19.0)**	**745.3**
Finance income (Note 6)						15.0
Finance costs (Note 6)						(299.8)
Income tax expense (Note 7)						(217.0)
Profit for the year						**243.5**
Other segment information:						
Additions to non-current assets (excluding deferred tax assets, inventories and financial instruments)	354.4	44.8	59.1	52.3	38.3	**548.9**

The segment assets and liabilities at 31 December 2022 are as follows:

	AT 31 DECEMBER 2022					
US$ MILLION	**Las Bambas**	**Kinsevere**	**Dugald River**	**Rosebery**	**Other unallocated items/ eliminations**	**Group**
Segment assets[4]	**10,275.6**	**539.6**	**654.3**	**276.1**	**413.7**	**12,159.3**
Current/deferred income tax assets						376.2
Consolidated assets						**12,535.5**
Segment liabilities[5]	**3,965.4**	**240.2**	**358.4**	**175.4**	**2,245.4**	**6,984.8**
Current/deferred income tax liabilities						1,322.2
Consolidated liabilities						**8,307.0**
Segment non-current assets	**9,231.8**	**387.6**	**583.1**	**245.3**	**427.8**	**10,875.6**

1. Commodity derivative realised and unrealised net losses with a total amount of US$15.9 million (2022: net gains of US$58.2 million) were included in "Revenue" of Copper;

2. Commodity derivative realised and unrealised net losses with a total amount of US$3.0 million (2022: net gains of US$14.4 million) were included in "Revenue" of Zinc;
3. Commodity hedge trades with realised net losses of US$0.3 million (2022: net realised and unrealised gains of US$20.8 million) under Kinsevere were executed by another subsidiary of the Company, MMG Finance Limited located in Hong Kong;
4. Included in segment assets of US$386.4 million (2022: US$413.7 million) under the other unallocated items is cash of US$39.1 million (2022: US$171.7 million) mainly held in the Group treasury entities and US$213.2 million trade receivables (2022: US$102.9 million) for MMG South America Company Limited ("MMG SA") in relation to copper concentrate sales; and
5. Included in segment liabilities of US$2,555.9 million (2022: US$2,245.4 million) under the other unallocated items are borrowings of US$2,459.9 million (2022: US$2,160.9 million), which are managed at the Group level.

4. NET OTHER (EXPENSE)/INCOME

	2023 US$ MILLION	2022 US$ MILLION
Loss on disposal of property, plant and equipment	(2.6)	(9.0)
Sundry income	0.4	11.4
Total net other (expense)/income	**(2.2)**	**2.4**

5. EXPENSES

Profit before income tax includes the following expenses:

	2023 US$ MILLION	2022 US$ MILLION
Changes in inventories of finished goods and work in progress	506.8	(298.2)
Write-down of inventories to net realisable value	17.9	3.3
Employee benefit expenses[1]	320.6	277.9
Contracting and consulting expenses[3]	565.5	529.1
Energy costs	360.9	305.4
Stores and consumables costs	511.1	422.9
Depreciation and amortisation expenses[2]	913.2	773.8
Other production expenses[3]	210.4	165.5
Cost of goods sold	**3,406.4**	**2,179.7**
Other operating expenses	59.2	41.0
Royalty expenses	140.9	116.4
Selling expenses[3]	127.4	119.3
Total operating expenses including depreciation and amortisation[4]	**3,733.9**	**2,456.4**
Exploration expenses[1,2,3]	49.6	30.8
Administrative expenses[1,3]	12.9	16.0
Auditors' remuneration	1.8	1.7
Foreign exchange loss/(gain) – net	3.5	(6.6)
(Gain)/loss on financial assets at fair value through profit or loss	(1.2)	0.3
Other expenses[1,2,3]	12.1	12.7
Total expenses	**3,812.6**	**2,511.3**

1. In aggregate US$45.1 million (2022: US$44.0 million) employee benefit expenses by nature is included in the administrative expenses, exploration expenses, and other expenses categories. Total employee benefit expenses were US$365.7 million (2022: US$321.9 million).
2. In aggregate US$17.0 million (2022: US$16.3 million) depreciation and amortisation expenses are included in exploration expenses and the other expenses category. Total depreciation and amortisation expenses were US$930.2 million (2022: US$790.1 million).
3. The expense under these categories includes certain amounts in respect of lease and non-lease contracts which were not recognised as right-of-use assets on the consolidated statement of financial position following the guidance as per HKFRS 16 or where the contracts were low value for a lease assessment under HKFRS 16 requirements. Expenditure in respect of such contracts assessed as leases but which did not qualify for recognition as right-of-use assets included US$102.8 million (2022: US$87.8 million) in respect of variable lease payments contracts and, US$0.4 million (2022: US$1.0 million) and US$0.9 million (2022: US$1.3 million) for short-term and low-value lease contracts, respectively.
4. Operating expenses include mining and processing costs, royalties, selling expenses (including transportation) and other costs incurred by operations.

6. FINANCE INCOME AND FINANCE COSTS

	2023 US$ MILLION	2022 US$ MILLION
Finance income		
Interest income	24.3	15.0
	24.3	**15.0**
Finance costs		
Interest expense - 3rd party	(239.9)	(166.8)
Interest expense - related party	(108.2)	(96.1)
Withholding taxes in respect of financing arrangements	(15.2)	(10.3)
Unwinding of discount on lease liabilities	(12.9)	(11.8)
Unwinding of discount on provisions	(22.9)	(13.4)
Other finance (cost)/refund - 3rd party	(0.3)	0.1
Other finance cost - related party	(4.0)	(1.5)
	(403.4)	**(299.8)**
Gain reclassified from equity to profit or loss on interest rate swaps designated as cash flow hedges	37.0	-
Finance costs - total	**(366.4)**	**(299.8)**

7. INCOME TAX EXPENSE

Hong Kong profits tax is provided at a rate of 16.5% where there are net assessable profits derived for the year. The income tax rates applicable for the main jurisdictions in which the Group operates are: Australia (30.0%), Peru (32.0%) and the DRC (30.0%). Tax rates for some jurisdictions are covered by historical legal agreements with governments. Taxation on profits arising from other jurisdictions has been calculated on the estimated assessable profits for the year at the rates prevailing in the relevant jurisdictions.

	2023 US$ MILLION	2022 US$ MILLION
Current income tax benefit/(expense)		
– HK income tax	0.4	(2.6)
– Overseas income tax	(139.9)	(182.5)
Deferred income tax benefit/(expense)		
– HK income tax	1.0	(1.0)
– Overseas income tax	71.0	(30.9)
Income tax expense	**(67.5)**	**(217.0)**

The Group has applied the temporary exception issued by the HKICPA in July 2023 from the accounting requirements for deferred taxes in HKAS12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On December 2023, Pillar Two legislation was enacted or substantively enacted in certain jurisdictions the Group operates. The Group is in the scope of the enacted or substantively enacted legislation. However, the legislation was enacted close to the reporting date. Therefore, the Group is still in the process of assessing the potential exposure to Pillar Two income taxes as at 31 December 2023. The potential exposure, if any, to Pillar Two income taxes is currently not known or reasonably estimable. The Group expects to be in a position to report the potential exposure in its next interim financial statements for the period ending 30 June 2024.

The tax on the Group's profit before income tax differs from the prima facie amount that would arise using the applicable tax rate to profit of the consolidated companies as follows:

	2023 US$ MILLION	2022 US$ MILLION
Profit before income tax	189.6	460.5
Calculated at domestic tax rates applicable to profits or losses in the respective countries	(47.4)	(128.5)
Net non-taxable/(non-deductible) amounts	4.5	(33.4)
Over/(under)-provision in prior years	47.4	(2.5)
Non-creditable withholding tax	(70.7)	(52.8)
Others	(1.3)	0.2
Income tax expense	**(67.5)**	**(217.0)**

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised in other comprehensive income:

	YEAR ENDED 31 DECEMBER					
	2023 US$ MILLION			2022 US$ MILLION		
	Before tax amount	Tax benefit	Net of income tax amount	Before tax amount	Tax expense	Net of income tax amount
Items that will be reclassified subsequently to profit or loss:						
Fair value gain/(loss) on IRS	(17.9)	5.8	(12.1)	82.1	(26.3)	55.8
Movement on IRS closure	(37.0)	11.8	(25.2)	-	-	-
	(54.9)	**17.6**	**(37.3)**	**82.1**	**(26.3)**	**55.8**

8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings for the year attributable to equity holders of the Company by the weighted average number of ordinary shares on issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the Company's share options and performance awards on issue, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined at the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options and performance awards. The number of shares calculated as below is compared with the number of shares that would have been issued assuming the exercise of share options and performance awards.

	2023 US$ MILLION	2022 US$ MILLION
Earnings attributable to equity holders of the Company in the calculation of basic and diluted earnings per share	9.0	172.4
	NUMBER OF SHARES '000	
	2023	2022
Weighted average number of ordinary shares used in the calculation of the basic earnings per share	8,649,544	8,639,618
Shares deemed to be issued in respect of long-term incentive equity plans	38,654	57,552
Weighted average number of ordinary shares used in the calculation of the diluted earnings per share	8,688,198	8,697,170
Basic earnings per share	**US 0.10 cents**	**US 2.00 cents**
Diluted earnings per share	**US 0.10 cents**	**US 1.98 cents**

9. DIVIDENDS

The Directors did not recommend the payment of an interim or final dividend for the year ended 31 December 2023 (2022: nil).

10. IMPAIRMENT TESTING OF NON-CURRENT ASSETS AND GOODWILL

In accordance with the Group's accounting policies and processes, the Group performs its impairment testing annually at 31 December. In addition, CGUs are reviewed at each reporting period to determine whether there is an indication of impairment or impairment reversal. Where an indicator of impairment or impairment reversal exists, a formal estimate of the recoverable amount is made at the reporting period.

In respect of Las Bambas, the CGU is subject to impairment testing due to goodwill being attributed to the CGU which requires an annual impairment assessment.

In respect of Kinsevere and Dugald River, impairment losses have been recognised in 2019 and 2015 respectively. Management has reviewed the operational performance and considered the operation's sensitivity to a range of factors including commodity prices, throughput, grade, recovery, operation, capital expenditure and progress of development projects and concluded that there is currently no further impairment or any requirement to reverse the previously recognised impairment.

No impairment indicators were noted in respect of Rosebery.

(i) Approach to recognition of an impairment loss

An impairment is recognised when the carrying amount exceeds the recoverable amount. The recoverable amount of each CGU has been estimated using its fair value less costs of disposal ("Fair Value"), which is consistent with the approach from the prior year. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

Estimates of quantities of recoverable minerals, production levels, operating costs and capital requirements are sourced from the Group's planning process, including Life of Mine Planning, three-year budgets, periodic forecasts and CGU specific studies. Expected operating performance improvements reflecting the Group's objectives to maximise free cash flow, optimise operational activity, apply technology, improve capital and labour productivity and other production efficiencies are also included along with the expected costs to realise the initiatives.

All reserves and resources have been included in the valuations at justifiable reasonable conversion rates, supported by proof of concept studies. Exploration targets are included in the valuation based on management's expectation of identifying and converting potential resources to reserves and successfully utilising such resources.

(ii) Key assumptions

The key assumptions impacting the discounted cash flow models used to determine the Fair Value include:

- Commodity prices;
- Operating costs;
- Production rates;
- Capital requirements;
- Political instability and social unrest impacting regulatory approvals and timing thereof;
- Real post-tax discount rates;
- Foreign exchange rates;
- Reserves and resources and conversion of exploration targets;
- Recovery of taxes;
- Optimisation of operational activity and productivity; and
- Rehabilitation timing.

In determining some of the key assumptions, management considered external sources of information where appropriate.

Commodity price and exchange rate assumptions are based on the latest internal forecasts benchmarked to analyst consensus forecasts. The long-term cost assumptions are based on actual costs adjusted for planned operational changes and input cost assumptions over the life of mine.

The long-term price assumed for copper is US$4.03 per pound (2022: US$3.86 per pound) and for zinc is US$1.30 per pound (2022: US$1.25 per pound).

The long term AUD:USD exchange rate is 0.73 (2022: 0.75).

The real post-tax discount rates used in the Fair Value estimates of the CGU's are listed below at 10.75% for Kinsevere (2022: 10.5%), 6.75% for Dugald River and Rosebery (2022: 6.5%) and 8.0% for Las Bambas (2022: 7.75%), reflecting a 0.25% increase in the Weighted Average Cost of Capital (WACC).

Management considers the estimates applied in this impairment assessment are reasonable. However, such estimates are subject to significant uncertainties and judgements. Refer to (iv) below for sensitivity analysis.

(iii) Valuation methodology

Las Bambas

The Las Bambas Fair Value is determined through CGU discounted cash flows at 31 December 2023. The valuation is based on the current operation and further regional exploration targets included in the initial valuation to acquire the mine in 2014. Management continues to work with local communities to secure land access to continue its exploratory drilling activities, to materialise the potential from such exploration targets.

The cash flows assume additional capital investment in the processing plant, tailings facilities and mine developments as well as expected cost reductions from operational improvement programs. Significant upcoming projects are included that are subject to regulatory permits and approvals. Future cash flow forecasts include estimates for the cost of obtaining access to land where the rights do not currently exist.

Political instability at a national level may result in delays of environmental and drilling permits and the ability to engage with the community and carry out exploration drilling. Although access to the heavy haul road for concentrate transportation significantly improved from March 2023, management continues to progress dialogue with local communities and the Government of Peru to ensure the continuity of road access into the future. This includes continuing to deliver on the Company's obligations in relation to social and community development programs and supporting the Government of Peru to progress public investment projects which will improve the condition of the public road which Las Bambas' uses for the transport of concentrate to the port, which is expected to reduce disruptions of road usage into the future.

The impairment assessment of the Las Bambas CGU at 31 December 2023 did not result in the recognition of any impairment.

Kinsevere

The Kinsevere Fair Value at 31 December 2023 assumes delivery of the Kinsevere Expansion Project (KEP) and further regional exploration targets which are at varying levels of confidence. KEP was approved in March 2022 and construction is currently underway. KEP will extend the life of Kinsevere by modifying and extending the existing oxide processing facilities to include a sulphide ore and cobalt processing circuit. The cobalt circuit was commissioned in Q4 2023 with first copper cathode from sulphides expected in the second half of 2024.

The impairment assessment of the Kinsevere CGU at 31 December 2023 did not result in the recognition of any further impairment.

In 2019, management had recognised a pre-tax impairment of US$150.0 million due to operational challenges and risks associated with political and legislative matters. Significant risks and uncertainties still exist in respect of the application of the Mining Code (2018), additional duties and taxes, and recoverability of VAT receivable from the DRC Government. The valuation is also sensitive to factors such as copper and cobalt price, discount rate, recovery, ore loss, KEP schedule and performance and dilution. Considering such risks and sensitivities, no reversal of previously recognised impairment was required. The Group will continue to monitor and assess if a reversal of impairment is required in future periods.

Dugald River

The impairment assessment of the Dugald River CGU at 31 December 2023 resulted in in positive headroom requiring no impairment.

Previously, in 2015, management had recognised a pre-tax impairment loss of US$573.6 million for Dugald River. Given the value of the headroom and considering that the fair value is highly sensitive to zinc price, exchange rates and operational performance, management believes no reversal of previously recognised impairment is required. The Group will continue to monitor and assess if a reversal of impairment is required in future periods.

Rosebery

The Rosebery Fair Value is determined through the 2023 Life of Mine Planning discounted cashflows. No indicators of impairment were noted for Rosebery and the Fair Value currently supports the carrying value of the CGU. Consequently, no impairment was recognised.

(iv) Sensitivity analysis

Commodity prices, the level of production activity as well as the success of converting reserves, resources, exploration targets and increasing the resource estimates over the lives of mines are key assumptions in the determination of Fair Value. Due to the number of risk factors that could impact production activity, such as processing throughput, changing ore grade and/or metallurgy and revisions to mine plans in response to physical or economic conditions, no quantified sensitivity has been determined. Changes to these assumptions may however result in an impact on the Fair Value and result in an impairment in the future.

A sensitivity analysis is presented below for both Las Bambas and Kinsevere. The sensitivities assume that the specific assumption moves in isolation, whilst all other assumptions are held constant. However in reality, a change in one of the aforementioned assumptions may accompany a change in another assumption which may have an offsetting impact. Management action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

Las Bambas

The key assumptions to which the calculation of recoverable amount for Las Bambas is most sensitive are discount rate, copper prices, operating costs, tax disputes, permitting delays, land access and timing of identifying and converting potential resources and reserves thereby realising the exploration potential. An unfavourable movement in any one of these factors may result in a material impairment to the asset with a favourable movement resulting in a substantial improvement to the recoverable amount.

- A movement of 1% to the discount rate would impact recoverable amount by approximately US$900 million;
- A change of 5% in copper price over the remaining mine life would impact the recoverable amount by approximately US$1,000 million; and
- A change of 5% in operating costs would impact the recoverable amount by approximately US$450 million.

Political instability and community blockades are potential risks which may result in delays in environmental and drilling permits and the ability to access land required for carrying out exploration activities and ultimately the development of operations. They may also cause delays to critical capital projects impacting cashflows. MMG remains committed to working closely with the government of Peru and community members to reach an enduring agreement. Potential impacts on Las Bambas' cashflows due to a level of delays in permits and disruptions by communities have been considered in the Las Bambas fair value.

At the time of the Las Bambas acquisition in 2014, the initial valuation included significant value to be realised from exploration targets. Las Bambas' future cash flows remain significantly dependent on the realisation of the value from exploration activities. Identification and exploitation of resources depends on obtaining permits and timely and continued access to drilling targets. There is also a risk that exploration activities may result in lower than expected actual resources whereby the value assigned to the exploration potential may not be fully recoverable.

Management expects that the impact of delays caused by community disputes, access to land or the amount and timing of exploration potential realised would result in a revision to the mine plan.

The occurrence of one or more of the above assumptions in isolation, without a change in other assumptions which may have an offsetting impact, is likely to result in recognition of a material impairment.

Kinsevere

The key assumptions to which the calculation of Fair Value for Kinsevere is most sensitive are copper and cobalt prices and discount rate. An unfavourable movement in any one of these factors in isolation may result in a material impairment to the asset with a favourable movement resulting in a substantial improvement to the recoverable amount.

- A change of 5% in copper price over the remaining mine life would impact the recoverable amount by approximately US$150 million;
- A change of 5% in cobalt price over the remaining mine life would impact the recoverable amount by approximately US$50 million; and
- A movement of 1% to the discount rate would impact recoverable amount by approximately US$50 million.

11. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The Group had total non-controlling interests of US$2,188.6 million at 31 December 2023 (2022: US$2,089.5 million) which relate to the Las Bambas Joint Venture Group.

The summarised financial information is shown on a 100% basis. It represents the amounts shown in the Las Bambas Joint Venture Group's consolidated financial statements prepared in accordance with HKFRSs under Group's accounting policies, before inter-company eliminations.

US$ MILLION	AT 31 DECEMBER	
Summarised Consolidated Statement of Financial Position	**2023**	**2022**
Assets	**9,930.7**	**10,685.5**
Current	1,227.8	1,225.2
Include: Cash and cash equivalents	399.2	171.8
Non-current	8,702.9	9,460.3
Liabilities	**(4,094.4)**	**(5,113.6)**
Current	(970.1)	(1,393.0)
Non-current	(3,124.3)	(3,720.6)
Net assets	**5,836.3**	**5,571.9**

	YEAR ENDED 31 DECEMBER	
Summarised Consolidated Statement of Comprehensive Income	**2023**	**2022**
Revenue	3,417.3	2,086.8
Net financial cost	202.6	181.1
Income tax expense	92.4	85.5
Profit for the year	**301.0**	**189.5**
Other comprehensive (loss)/income for the year	(37.3)	55.8
Total comprehensive income	**263.7**	**245.3**
Total comprehensive income attributable to:		
Equity holders of the Company	164.6	153.3
Non-controlling interests	99.1	92.0
	263.7	**245.3**

	YEAR ENDED 31 DECEMBER	
Summarised Consolidated Statement of Cash Flows	**2023**	**2022**
Net increase/(decrease) in cash and cash equivalents	227.4	(664.5)
Cash and cash equivalents at 1 January	171.8	836.3
Cash and cash equivalents at 31 December	**399.2**	**171.8**

12. TRADE AND OTHER RECEIVABLES

	2023 US$ MILLION	2022 US$ MILLION
Non-current other receivables		
Prepayment	0.3	-
Other receivables – government taxes (net of provisions)[1]	20.3	11.4
Sundry receivables, net of provisions[2]	148.2	156.1
	168.8	**167.5**
Current trade and other receivables		
Trade receivables[3]	354.8	212.7
Prepayments	32.9	20.0
Other receivables – government taxes[1]	66.0	74.0
Sundry receivables	22.3	35.8
	476.0	**342.5**

1. The government taxes amount mainly consists of VAT receivables associated with the Group's operations in Peru and DRC.
2. Sundry receivables amount mainly consists of receivables from Glencore in MLB acquisition project and VAT2011/12 receivables from SUNAT.
3. At 31 December 2023 and 2022, trade receivables of the Group mainly related to the mining operations. The majority of sales for mining operations were made under contractual arrangements whereby provisional payment is received in line with requirement under the sales contract, usually within 30 days of submission of all required documentation and fulfilment of obligations under the respective incoterm for the sales; Upon issuance of final invoice at end of the quotational period, any remaining balance is then payable within 30 days from such final invoice being issued All the trade receivables at 31 December 2023 and 2022 were within 6 months from the date of invoice. At 31 December 2023, there was no trade receivable past due (2022: nil). At 31 December 2023, the Group's trade receivables, other receivables and prepayments included an amount of US$160.9 million (2022: US$106.4 million) which were due from related companies of the Group. The carrying amounts of the Group's trade receivables are all denominated in US$.

13. CASH AND CASH EQUIVALENTS

	2023 US$ MILLION	2022 US$ MILLION
Cash at bank and in hand	138.8	191.2
Short-term bank deposits and others[2]	308.2	181.0
Total[1]	**447.0**	**372.2**

1. Total cash and cash equivalents include US$399.2 million (2022: US$171.8 million) of cash held limited for use by Las Bambas Joint Venture Group.
2. The effective interest rate on short-term bank deposits as at 31 December 2023 range from 5.37% to 5.70% (31 December 2022: 4.37% to 4.55%). These deposits have an average 29 days (2022: 18 days) to maturity.

The carrying amounts of the cash and cash equivalents are denominated in various currencies.

14. SHARE CAPITAL

	NUMBER OF ORDINARY SHARES		SHARE CAPITAL	
	2023 '000	2022 '000	2023 US$ MILLION	2022 US$ MILLION
Issued and fully paid:				
At 1 January	8,639,767	8,639,126	3,220.5	3,220.3
Employee share options exercised[1]	3,159	641	1.9	0.2
Employee performance awards vested[2]	13,121	-	2.2	-
At 31 December	**8,656,047**	**8,639,767**	**3,224.6**	**3,220.5**

1. During the year ended 31 December 2023, a total of 3,158,983 (2022: 640,980) new shares were issued as a result of employee share options exercised at a weighted average exercise price of HK$2.29 per share under the Company's 2016 Share Option Scheme which were pursuant to 2013 Share Option Scheme. The weighted average closing price of the shares of the Company immediately before the date on which the options were exercised was HK$2.83 (2022: HK$3.08);
2. During the year ended 31 December 2023, a total of 13,120,972 new shares were issued as a result of 2020 Performance Awards vesting on 1 June 2023. The closing price of the shares of the Company immediately before the date on which the performance award was exercised was HK$2.35.

15. BORROWINGS

	2023 US$ MILLION	2022 US$ MILLION
Non-current		
Loan from related parties	1,831.3	2,231.3
Bank borrowings, net	1,544.5	1,978.3
	3,375.8	**4,209.6**
Current		
Loan from related parties	900.0	400.0
Bank borrowings, net	431.3	803.0
	1,331.3	**1,203.0**
Analysed as:		
– Secured	2,016.8	2,675.7
– Unsecured	2,731.3	2,781.2
	4,748.1	**5,456.9**
Prepayments – finance charges	(41.0)	(44.3)
	4,707.1	**5,412.6**
Borrowings (excluding: prepayments) were repayable as follows:		
– Within one year	1,336.8	1,208.8
– More than one year but not exceeding two years	1,078.0	1,136.8
– More than two years but not exceeding five years	1,620.4	2,181.6
– More than five years	712.9	929.7
	4,748.1	**5,456.9**
Prepayments – finance charges	(41.0)	(44.3)
Total	**4,707.1**	**5,412.6**

An analysis of the carrying amounts of the total borrowings (excluding prepayments) by type and currency is as follows:

	2023 US$ MILLION	2022 US$ MILLION
US dollars		
– At floating rates	2,586.8	1,713.6
– At fixed rates	2,161.3	3,743.3
	4,748.1	**5,456.9**

The effective interest rate of borrowings during the year ended 31 December 2023 was 5.2% (2022: 4.3%) per annum.

At 31 December 2023, certain borrowing of the Group was secured as follow:

US$2,016.8 million (2022: US$2,653.6 million) from China Development Bank, ICBC, BOC Sydney and Export-Import Bank of China was secured by share security over the entire share capital of MMG South America Management Co Ltd and each of its subsidiaries including MLB, a debenture over the assets of MMG South America Management Co Ltd, an assets pledge agreement and production unit mortgage in respect of all of the assets of MLB, assignments of shareholder loans between MMG South America Management Co Ltd and its subsidiaries and security agreements over bank accounts of MLB.

Note: The US$22.1 million borrowing as at 31 December 2022 from ICBC Peru Bank, Banco de Crédito del Peru and Scotiabank Peru secured by mine fleet equipment procured under asset finance arrangements was fully paid during the year ended 31 December 2023.

16. TRADE AND OTHER PAYABLES

The analysis of the trade and other payables is as follows:

	2023 US$ MILLION	2022 US$ MILLION
Non-Current		
Other payables and accruals	**286.5**	**217.5**
Current		
Trade payables		
- Less than 6 months	322.5	271.9
- More than 6 months	-	0.4
	322.5	272.3
Related party interest payable	45.5	37.6
Other payables and accruals	248.4	225.6
Total current trade and other payables	**616.4**	**535.5**
Aggregate		
Trade payables[1]	322.5	272.3
Related party interest payable	45.5	37.6
Other payables and accruals[2]	534.9	443.1
Total trade and other payables	**902.9**	**753.0**

1. At 31 December 2023, the Group's trade and other payables included an amount of US$4.2 million (2022: US$3.5 million), which was due to a related company of the Group. The ageing analysis of the trade payables is based on the creditors' invoice date;
2. At 31 December 2023, the Group's other payables and accruals included an amount of US$5.4 million (2022: US$8.4 million) accrued interest on external bank borrowings.

17. CAPITAL COMMITMENTS

Commitments for capital expenditure contracted for at the reporting date but not recognised as liabilities, are set out in the table below:

	2023 US$ MILLION	2022 US$ MILLION
Property, plant and equipment		
Within one year	225.6	143.9
Over one year but not more than five years	119.8	127.6
	345.4	**271.5**
Intangible assets		
Within one year	1.9	2.7
Over one year but not more than five years	0.4	-
	2.3	**2.7**

Aggregate	2023 US$ MILLION	2022 US$ MILLION
Property, plant and equipment and intangible assets		
Contracted but not provided for	**347.7**	**274.2**

GLOSSARY

A$	Australian dollar, the lawful currency of Australia
AGM	annual general meeting of the Company
Album Enterprises	Album Enterprises Limited, a wholly owned subsidiary of CMN
associate(s)	has the meaning ascribed to it under the Listing Rules
Australia	The Commonwealth of Australia
Board	the board of directors of the Company
Board Charter	the board charter of the Company
BOC	Bank of China Limited
BOC Sydney	Bank of China Limited, Sydney Branch
BOCOM	Bank of Communications Limited
CDB	China Development Bank
CEO	Chief Executive Officer
CFO	Chief Financial Officer
China	has the same meaning as PRC
CITIC	CITIC Metal Peru Investment Limited
CMC	China Minmetals Corporation, a state-owned enterprise incorporated under the laws of the PRC
CMN	China Minmetals Non-ferrous Metals Company Limited, a subsidiary of CMC
Company	MMG Limited, a company incorporated in Hong Kong, the securities of which are listed and traded on the Main Board of the Stock Exchange
Companies Ordinance	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
Director(s)	the director(s) of the Company
DRC	Democratic Republic of Congo
EBIT	earnings before interest (net finance costs) and income tax
EBITDA	earnings before interest (net finance costs), income tax, depreciation, amortisation and impairment expense
EBITDA margin	EBITDA divided by revenue
EPC	Engineering Procurement Construction
Executive Committee	the executive committee of the Group, which consists of all Executive Directors of the Company, Chief Executive Officer / Interim Chief Executive Officer, Chief Financial Officer, Executive General Manager – Finance, Executive General Manager – Corporate Relations, Executive General Manager – Americas, Executive General Manager – Operations and Executive General Manager – Commercial and Growth
Group	the Company and its subsidiaries
HK$	Hong Kong dollar, the lawful currency of Hong Kong
HKFRS	Hong Kong Financial Reporting Standards, which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standard (HKAS) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA)
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Hong Kong Stock Exchange	(please refer to the definition of 'Stock Exchange')
ICBC	Industrial and Commercial Bank of China Limited

KEP	Kinsevere Expansion Project
Las Bambas Joint Venture Group	MMG South America Management Company Limited (also referred to as MMG SAM), and its subsidiaries
Las Bambas Project	The development, construction and operation of the copper mines, processing facilities and associated infrastructure at the Las Bambas copper project located in the Apurimac region in Peru, together with all activities and infrastructure associated with the transportation and export of products from such mines
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
LME	London Metal Exchange
MLB	Minera Las Bambas S.A., a non-wholly owned subsidiary of MMG and the owner of the Las Bambas mine
MMG or MMG Limited	has the same meaning as the Company
MMG Dugald River	MMG Dugald River Pty Ltd., a wholly subsidiary of the Company
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
PRC	the People's Republic of China excluding, for the purpose of this document only, Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan, unless the context requires otherwise
RCF	Revolving Credit Facilities
Share(s)	fully paid ordinary share(s) of the Company
Shareholder(s)	the shareholder(s) of the Company
Stock Exchange	The Stock Exchange of Hong Kong Limited
SUNAT	National Superintendence of Tax Administration of Peru
Top Create	Top Create Resources Limited, a subsidiary of CMN
TSF	Tailings Storage Facilities
TRIF	total recordable injury frequency per million hours worked
US$	United States dollar, the lawful currency of the United States of America
VAT	value added tax

CORPORATE DETAILS

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MMG LIMITED
EXECUTIVE COMMITTEE
LI Liangang, Interim Chief Executive Officer, Executive Director and Executive General Manager – Commercial and Growth
Ross CARROLL, CFO (will retire with effect from 6 March 2024)
Song QIAN, Executive General Manager – Finance
Nan WANG, Executive General Manager – Operations
Troy HEY, Executive General Manager – Corporate Relations
WEI Jianxian, Executive General Manager – Americas

IMPORTANT DATES*
24 April 2024 – First Quarter Production Report
23 April 2024 – Annual Report lodged

**This information is subject to change.*

INVESTOR AND MEDIA ENQUIRIES

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By order of the Board
MMG Limited
LI Liangang
Interim CEO and Executive Director

Hong Kong, 5 March 2024

As at the date of this announcement, the Board comprises six directors, of which one is an executive director, namely Mr Li Liangang; two are non-executive directors, namely Mr Xu Jiqing (Chairman) and Mr Zhang Shuqiang; and three are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan and Mr Chan Ka Keung, Peter.