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MMG

MMG Limited

Annual Report 2024

We mine for
progress

Our vision is to create a leading international mining company for a low carbon future. We mine to build wealth through the development of our people, partnering with local communities to drive economic growth and the value we deliver to our shareholders.

Cover image: Las Bambas operation in Peru.
This page: Processing plant at Rosebery mine in Tasmania, Australia.

Contents

Chairman's Review

Dear Shareholders,

I am pleased to present the 2024 Annual Report.

Committed to safety excellence

At MMG, safety remains our highest priority. As a Board, we are dedicated to fostering a culture of safety across all our sites and offices. Our united purpose is to drive significant and ongoing safety and health improvement for our people. This single focus is critical to demonstrating and realising improvements for everyone at MMG. Nothing is more important than ensuring our people return home safely to their loved ones.

Board changes

Our commitment to enhancing diversity, particularly at the senior levels of the Company and the Board, continues to progress. In line with this commitment, we were delighted to announce the appointment of Ms CHEN Ying as an Independent Non-Executive Director of the MMG Board, effective 29 July 2024. In addition to her directorship, Ms Chen also serves on both the Audit and Risk Management Committee and the Governance, Remuneration, Nomination, and Sustainability Committee, bringing valuable expertise and insight to these roles.

In March 2025, the Board announced that Mr CAO Liang would step down as CEO, effective 11 April 2025, to assume the role of President of China Minmetals Non-ferrous Co., Ltd. in Beijing. His promotion reflects the high regard for his leadership and contributions to both MMG and China Minmetals Corporation over the years. Following his departure, the Board has endorsed Mr ZHAO Jing Ivo to succeed him as MMG's CEO, effective 12 April 2025. We are confident that under his leadership, MMG will continue to build on its strong foundation and drive sustainable growth into the future.

Executive team changes

In early 2024, MMG undertook a strategic review of executive portfolios to strengthen leadership and enhance operational accountability. As part of this process, we introduced the role of Executive General Manager - Operations, to drive excellence across the group. We were pleased to appoint Mr Nan WANG, formerly Executive General Manager for Australia and Africa, to this position, effective 1 February 2024.

In April 2024, the Board announced the resignation of Mr LI Liangang as Interim CEO and Executive Director. We were pleased to welcome Mr CAO Liang as our new CEO and Executive Director. In July 2024, following the retirement of Chief Financial Officer, Mr Ross CARROLL, we welcomed Mr QIAN Song as our new Chief Financial Officer. Further leadership changes took place with the resignation of Mr WEI Jianxian as Executive General Manager - Americas, and as a member of the Executive Committee, effective 31 May 2024. Mr ZHAO Jing Ivo was appointed to this role, effective 1 September 2024.

Performance

As a producer committed to the highest operational standards and an active member of the International Council on Mining and Metals (ICMM), MMG serves as an important international growth platform for our major shareholder - China Minmetals Corporation (CMC). Our strong ties with China, the world's largest commodities consumer, provides us with a deep understanding of markets and access to sources of funding.

Across our global portfolio, we remain focused on sustainable growth and delivering long-term value to our stakeholders. In 2024, MMG delivered strong operational performance, with copper production increasing by 15% compared to 2023, while zinc production rose by 8%.

Following the acquisition of Khoemacau earlier in the year, we have successfully integrated the asset and achieved profitability within the same year of acquisition. We also announced that MMG had entered into an agreement with CNIC Corporation Limited (CNIC) to establish a joint venture for the Khoemacau Copper Mine in Botswana. This transaction aligns with our commitment to debt reduction and prudent balance sheet management.

The successful completion of our Rights Issue in July 2024 has provided us with enhanced flexibility to fund future growth initiatives. The Rights Issue was approximately 2.8 times oversubscribed, raising US$1,152.4 million net of transaction costs, reflecting a robust appetite for MMG equity and signifying a strong vote of investor confidence.

It was particularly encouraging to see annual production at Las Bambas increase by 7% year-on-year, driven by mining at the Chalcobamba pit and uninterrupted operations. Our team's strong commitment to community engagement and meaningful social programs continues to support stable operations both on-site and along the transport corridor. Building on this foundation, we remain dedicated to transparent dialogue with the Peruvian Government, local authorities, and community members to ensure long-term, sustainable growth.

This year marked a significant milestone – 20 years since the beginning of Las Bambas Project activities in 2004 and 10 years since MMG took over management. I was honoured to celebrate this occasion with the Las Bambas team, local stakeholders, and leaders from CMC, CITIC Metal Company Limited, and CNIC.

In further positive news, the Kinsevere Expansion Project (KEP) achieved mechanical completion on 15 September 2024. Our current focus is on ramping up the concentrator and roasting systems to gradually increase copper cathode production. We are also actively planning for future growth at Khoemacau, with a feasibility study underway for an expansion to 130,000-tonne annual capacity. Construction for this project is expected to commence in 2026, with first concentrate production anticipated in 2028, pending a comprehensive assessment of the timeline in the feasibility study.

At Rosebery, the team successfully achieved several important milestones in developing options for a sustainable future tailings solution to ensure that the site reaches its full potential, whilst at Dugald River we continue to explore opportunities for sustainable cost and production improvements.

In 2024 we also achieved a significant Mineral Resources increase. Mineral Resources for our five mines increased across all metals, including a 2.6 million tonnes increase for copper and a 1.4 million tonnes increase for zinc net of milled depletion, underscoring the Company's commitment to exploration and providing a robust basis for sustaining mine operations.

Building a solid base for our future

The Board fully supports MMG's strategic focus on long-term disciplined growth, underpinned by ambitious production targets across metals critical to a low carbon future.

Our unwavering commitment to safety, disciplined capital management, and operational efficiency - supported by our major shareholder CMC - positions MMG to pursue growth opportunities and advance towards becoming a top 10 global copper producer. We will continue to leverage both Chinese and international expertise to achieve this.

In exciting news, we recently entered into an Agreement to acquire Anglo American's nickel business in Brazil. This acquisition is an example of our growth strategy in action, as we progress the expansion of our geographical footprint and diversify MMG's metals portfolio. This is a strong business with a talented management team, growth potential and demonstrated excellence in sustainability performance. We look forward to continuing this positive legacy as we work towards completion.

Finally, the Board underscores the importance of enhancing safety, optimising cost management, strengthening governance, and leveraging technology, all whilst fostering a collaborative team culture grounded in our strong shared values. To achieve these objectives, we must build upon our existing strengths, maximise returns from our current assets, and reinvest strategically to drive sustainable future growth.

On behalf of the Board, I extend my gratitude to our people, shareholders, partners and communities for your continued support.

XU Jiqing
Chairman

"Our unwavering commitment to safety, disciplined capital management, and operational efficiency - supported by our major shareholder CMC - positions MMG to pursue growth opportunities and advance towards becoming a top 10 global copper producer."

Chief Executive Officer's Report

Dear Shareholders,

2024 has been a rewarding year with many successes, and I am pleased to share our 2024 Annual Results.

Safety first

At MMG, safety is our first value. The total recordable injury frequency (TRIF) for the full year was 2.06 per million hours worked, with no High Potential Injuries reported in the seven months to December 2024. The full year significant events with energy exchange frequency rate (SEEEFR) was 0.78. This is an improvement from the prior year and is the result of better implementation of critical controls to manage material safety risks at site. As MMG leadership, we are committed to supporting a safe culture and implementing programs to drive continued improvement.

Strong financial performance

MMG's strong 2024 financial performance benefited from robust production across all sites and the achievement of a number of significant production milestones. Net profit after tax increased to US$366 million (US$161.9 million attributable to equity holders), an increase from US$122.1 million (US$9 million attributable to equity holders) in 2023. Total EBITDA reached US$2,048.7 million, a 40% increase year-on-year, driven by improved profitability across all mines and the addition of Khoemacau's US$125.9 million EBITDA.

By the end of 2024, we had achieved a record-low gearing ratio – resulting in our strongest balance sheet in over a decade. A number of initiatives contributed to this, including the completion of MMG's Rights Issue, the formation of a strategic joint venture for Khoemacau, and the ongoing reduction of Las Bambas project financing. Importantly, we are now set up for significant future growth.

Robust operational performance

MMG's operations delivered robust production performance in 2024 with copper production 15% higher than 2023 and zinc production 8% higher. Strong copper production totalling 399,758 tonnes was driven by Las Bambas, which exceeded full-year guidance while all other operations delivered their annual targets. Growth in copper is also attributed to the inclusion of Khoemacau's output. Total zinc production reached 219,901 tonnes, a result that reflects operational improvements at Dugald River and Rosebery.

Las Bambas achieved its highest quarterly production since 2019 in the fourth quarter. The team's significant effort in community engagement is having a real impact on consistent operations at site and along the transport corridor. Australian operations performed strongly, with zinc production at Dugald River and Rosebery increasing by 8 and 9% respectively year on year. Kinsevere and Khoemacau production was in line with expectations, with both sites continuing to progress their growth plans.

In 2024 we shared the exciting news that Mineral Resources for our five mines had increased across all metals, including a 2.6 million tonnes increase for copper and a 1.4 million tonnes for zinc net of milled depletion. This represents our best organic result for Mineral Resources since MMG was established in 2009.

Building our culture

I was privileged to travel to our sites and offices throughout the year and speak with many of our team. I was impressed by their passion for safe operations and MMG's values. It is pleasing that, of our employees who participated in our annual People and Culture Survey, there is overwhelming commitment to our company's success. Employee engagement is at high levels and enjoying improvement year on year. In the spirit of our value "We want to be better" we continue to improve and invest in our people. It is worth highlighting that female representation has increased across MMG with new appointments at Board, Executive and General Manager levels.

Looking forward

MMG is a great company with a portfolio focused on metals leveraged to a low carbon future - with sustainability at its core. In Australia, Africa and South America, we are positioned in the regions experiencing the most growth. Our focus remains on generating more value from our operations and maximising the growth potential of our assets, whilst also looking for opportunities to diversify around existing regions and commodities.

To that end, alongside the Executive Committee, I was pleased to announce the share purchase agreement for Nickel Brazil, which will provide important diversification and strengthen our presence in Latin America. It is a strong business with a talented team, growth potential and demonstrated excellence in sustainability performance. MMG and Anglo American have a long track record of close collaboration and shared values, demonstrated through our commitment to ICMM principles. Thank you to our team members who worked diligently to make the acquisition possible; we look forward to the successful completion of this transaction and welcoming our new colleagues in due course.

Finally, it has been a privilege to be part of the MMG team. I am very proud of what we have achieved together - thank you to all our employees and contractors for your support, hard work and dedication. I wish Ivo all the best in his new role as CEO and know he will do an impressive job of leading our terrific team and driving MMG's growth agenda with a focus on safe operations. This will ensure we continue to deliver value for our local communities, stakeholders and shareholders.

CAO Liang
CHIEF EXECUTIVE OFFICER

"MMG is a great company with a portfolio focused on metals leveraged to a low carbon future - with sustainability at its core. Our focus remains on generating more value from our operations and maximising the growth potential of our assets, whilst also looking for opportunities to diversify around existing regions and commodities."

Board of Directors

Mr XU Jiqing
Chairman

Mr CAO Liang
Executive Director

Mr ZHANG Shuqiang
Non-executive Director

Dr Peter CASSIDY
Independent Non-executive Director

Mr LEUNG Cheuk Yan
Independent Non-executive Director

Mr CHAN Ka Keung, Peter
Independent Non-executive Director

Ms CHEN Ying
Independent Non-executive Director

Executive Committee

Mr CAO Liang
Chief Executive Officer

Mr QIAN Song
Chief Financial Officer

Mr Troy HEY
Executive General Manager - Corporate Relations

Mr WANG Nan
Executive General Manager – Operations

Mr ZHAO Jing Ivo
Executive General Manager – Americas

Note: Board of Directors and Executive Committee as at 4 March 2024.

Mineral Resources and Ore Reserves

Executive summary

Mineral Resources and Ore Reserves for MMG have been estimated as at 30 June 2024 and are reported in accordance with the guidelines in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) and Chapter 18 of the Listing Rules. Mineral Resources and Ore Reserves tables are provided on pages 8 to 16, which include the 30 June 2023 and 30 June 2024 estimates for comparison for all sites except Khoemacau where the effective date is 31 December 2023. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources that have been converted to Ore Reserves. All supporting data are provided within the Technical Appendix, available on the MMG website.

Mineral Resources and Ore Reserves information in this statement have been compiled by Competent Persons (as defined by the 2012 JORC Code). Each Competent Person consents to the inclusion of the information in this report, that they have provided in the form and context in which it appears. Competent Persons are listed on page 17.

MMG has established processes and structures for the governance of Mineral Resources and Ore Reserves estimation and reporting. MMG has a Mineral Resources and Ore Reserves Committee that regularly convenes to assist the MMG Governance and Nomination Committee and the Board of Directors with respect to the reporting practices of the Company in relation to Mineral Resources and Ore Reserves, and the quality and integrity of these reports of the Group.

Key changes to the Mineral Resources (contained metal) since the 30 June 2023 estimate include depletion[1] at all sites. At Las Bambas, exploration drilling at Ferrobamba Deeps over the last 4 years coupled with the completion of a positive Scoping Study has led to an extension to the Ferrobamba deposit with potential to be mined underground to be reported for the first time. Ferrobamba Deeps has added 2.5Mt copper metal, 31Moz silver, 130kt molybdenum and 370koz gold to the Mineral Resources. Increased costs have been partially offset by increased metal price assumptions at Las Bambas resulting in a combined negative variance of 320kt copper from the open pits before depletion of 362kt processed through the Las Bambas mill.

Key changes to the Ore Reserves (contained metal) since the 30 June 2023 estimate are mostly related to depletion[1]. At Khoemacau, infill drilling, changes to cut off grades and minimum mining widths, 86kt copper and 2.2Moz silver has been added to the Zone 5 deposit at Khoemacau Ore Reserves before depletion. After depletion this equates to an increase of 64kt copper (7%) and 1.5Moz silver (4%) since MMG reported the Khoemacau Mineral Resources and Ore Reserves on 24 May 2024.

Pages 18 and 19 provide further discussion of the Mineral Resources and Ore Reserves changes.

1 Depletion in this report refers to material processed by the mill and depleted from the Mineral Resources and Ore Reserves through mining and processing.

Mineral Resources and Ore Reserves
Continued

Mineral Resources[1]

All data reported here is on a 100% asset basis, with MMG's attributable interest shown against each asset within brackets.

	2024								2023							
Deposit	**Tonnes Mt**	**Cu (%)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Au (g/t)**	**Mo (ppm)**	**Co (%)**	**Tonnes Mt**	**Cu (%)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Au (g/t)**	**Mo (ppm)**	**Co (%)**
Las Bambas (62.5%)																
Ferrobamba Oxide Copper																
Indicated	0.05	1.2							0.02	1.3						
Inferred																
Total	**0.05**	**1.2**							**0.02**	**1.3**						
Ferrobamba Primary Copper																
Measured	250	0.47			1.8	0.03	200		380	0.59			2.6	0.05	220	
Indicated	310	0.66			2.8	0.04	180		220	0.66			3.2	0.06	180	
Inferred	35	0.58			2.0	0.02	77		39	0.80			2.8	0.07	190	
Total	**600**	**0.57**			**2.3**	**0.03**	**180**		**640**	**0.63**			**2.8**	**0.05**	**200**	
Ferrobamba Underground																
Measured	67	0.31			1.0	0.02	220									
Indicated	390	0.37			1.5	0.02	200									
Inferred	220	0.38			1.3	0.01	170									
Total	**680**	**0.37**			**1.4**	**0.02**	**190**									
Ferrobamba Total	**1,300**	**0.46**			**1.9**	**0.03**	**190**		**640**	**0.63**			**2.8**	**0.05**	**200**	
Chalcobamba Oxide Copper																
Indicated	5.0	1.4							6.2	1.4						
Inferred	0.5	1.2							0.5	1.2						
Total	**5.5**	**1.4**							**6.7**	**1.4**						
Chalcobamba Primary Copper																
Measured	150	0.50			1.5	0.02	120		150	0.51			1.5	0.02	120	
Indicated	180	0.60			2.3	0.03	130		190	0.60			2.2	0.03	120	
Inferred	35	0.51			2.3	0.02	160		43	0.47			1.9	0.02	100	
Total	**360**	**0.55**			**2.0**	**0.02**	**130**		**380**	**0.55**			**1.9**	**0.02**	**120**	
Chalcobamba Total	**370**	**0.56**			**2.0**	**0.02**	**130**		**390**	**0.56**			**1.9**	**0.02**	**120**	
Sulfobamba Primary Copper																
Indicated	100	0.58			4.2	0.02	160		93	0.62			4.4	0.02	140	
Inferred	130	0.49			5.7	0.02	120		110	0.54			6.0	0.02	64	
Total	**230**	**0.53**			**5.1**	**0.02**	**140**		**210**	**0.58**			**5.2**	**0.02**	**98**	
Sulfobamba Total	**230**	**0.53**			**5.0**	**0.02**	**140**		**210**	**0.58**			**5.2**	**0.02**	**98**	
Oxide Copper Stockpile																
Indicated	14	1.1							14	1.1						
Total	**14**	**1.1**							**14**	**1.1**						
Sulphide Stockpile																
Measured	23	0.34			1.8		110		25	0.36			2.2		110	
Total	**23**	**0.34**			**1.8**		**110**		**25**	**0.36**			**2.2**		**110**	
Las Bambas Total	**1,900**								**1,300**							

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves
Continued

Mineral Resources[1]

	2024								2023[2]							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Khoemacau (55%)																
Zone 5																
Measured	16	1.7			16				10	2.1			20			
Indicated	33	1.6			15				27	1.9			19			
Inferred	63	1.8			20				52	2.1			23			
Total	**110**	**1.7**			**18**				**89**	**2.0**			**21**			
Zone 5 North																
Measured	-	-			-				-	-			-			
Indicated	4.4	2.6			44				4	2.6			44			
Inferred	19	1.8			30				19	1.8			30			
Total	**23**	**1.9**			**32**				**23**	**1.9**			**32**			
Zeta NE																
Measured	-	-			-				-	-			-			
Indicated	8.9	2.6			53				8.9	2.5			53			
Inferred	20	1.7			33				20	1.7			33			
Total	**29**	**2.0**			**39**				**29**	**2.0**			**39**			
Banana Zone																
Measured	-	-			-				-	-			-			
Indicated	33	1.4			21				15	1.5			23			
Inferred	120	0.82			9.7				87	0.92			11			
Total	**150**	**0.93**			**12**				**100**	**1.0**			**13**			
Ophion																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	14	1.1			12				14	1.1			12			
Total	**14**	**1.1**			**12**				**14**	**1.1**			**12**			
Plutus																
Measured	2.4	1.3			13				2.4	1.3			13			
Indicated	9.3	1.3			13				9.3	1.3			13			
Inferred	57	1.4			12				57	1.4			12			
Total	**69**	**1.4**			**12**				**69**	**1.4**			**12**			
Selene																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	7.1	1.2			20				7.1	1.2			20			
Total	**7.1**	**1.2**			**20**				**7.1**	**1.2**			**20**			
Zeta UG																
Measured	-	-			-				0.9	1.8			31			
Indicated	8.5	1.6			31				4.7	1.7			30			
Inferred	12	1.5			29				4.3	1.4			26			
Total	**20**	**1.6**			**30**				**9.8**	**1.6**			**28**			
Zone 6																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	7.1	1.6			10				5.2	1.6			7			
Total	**7.1**	**1.6**			**10**				**5.2**	**1.6**			**7**			
Mango																
Measured	-	-			-				-	-			-			
Indicated	11	1.9			23				11	1.9			23			
Inferred	10	1.7			19				10	1.9			19			
Total	**21**	**1.8**			**21**				**21**	**1.9**			**21**			
Stockpile																
Measured	0.02	1.5			15				0	1.5			13			
Total	**0.02**	**1.5**			**15**				**0**	**1.5**			**13**			
Khoemacau Total	**450**	**1.4**			**18**				**370**	**1.5**			**19**			

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.
2 Reported as at 31 December 2023

Mineral Resources and Ore Reserves
Continued

Mineral Resources[1]

	2024								2023							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Kinsevere (100%)																
Oxide Copper																
Measured	1.4	2.8						0.09	1.4	2.7						0.09
Indicated	3.5	2.7						0.10	4.3	2.5						0.10
Inferred	2.3	2.0						0.12	2.2	2.0						0.08
Total	**7.2**	**2.5**						**0.11**	**8.0**	**2.4**						**0.09**
Transition Mixed Copper Ore																
Measured	0.5	2.0						0.12	0.7	2.0						0.11
Indicated	1.5	1.8						0.11	2.1	2.0						0.11
Inferred	1.1	1.5						0.07	1.0	1.6						0.09
Total	**3.1**	**1.7**						**0.10**	**3.8**	**1.9**						**0.10**
Primary Copper																
Measured	1.7	2.1						0.15	1.2	2.0						0.17
Indicated	21	2.2						0.09	17.0	2.3						0.09
Inferred	11	1.7						0.06	8.0	1.7						0.06
Total	**34**	**2.0**						**0.08**	**26**	**2.1**						**0.09**
Oxide-TMO Cobalt																
Measured	0.01	0.61						0.07	0.01	0.54						0.28
Indicated	0.06	0.52						0.15	0.31	0.24						0.30
Inferred	0.10	0.57						0.08	0.40	0.16						0.31
Total	**0.17**	**0.55**						**0.10**	**0.72**	**0.20**						**0.31**
Primary Cobalt																
Measured	0.02	0.65						0.23	0.00	0.59						0.34
Indicated	0.23	0.64						0.13	0.06	0.53						0.30
Inferred	0.14	0.66						0.09	0.10	0.29						0.30
Total	**0.39**	**0.65**						**0.12**	**0.16**	**0.38**						**0.30**
Stockpiles																
Indicated	13	1.4							18	1.6						
Indicated (Co)	5.3	2.1						0.2								
Total	**19**	**1.6**							**18**	**1.6**						
Kinsevere Total	**63**	**1.9**						**0.08**	**55**	**2.0**						**0.06**

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves Continued

Mineral Resources[1]

	2024								2023							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Sokoroshe 2 (100%)																
Oxide Copper																
Measured																
Indicated	1.7	2.1						0.30	2.7	2.1						0.39
Inferred	0.54	1.6						0.13	0.17	1.1						0.10
Total	**2.2**	**2.0**						**0.26**	**2.9**	**2.1**						**0.37**
Transition Mixed Copper Ore																
Measured																
Indicated	0.29	1.3						0.36	0.07	1.6						0.23
Inferred	0.11	1.4						0.27	0.00	0.86						0.04
Total	**0.40**	**1.4**						**0.33**	**0.07**	**1.6**						**0.22**
Primary Copper																
Measured																
Indicated	0.51	1.7						0.42	0.62	1.5						0.48
Inferred	0.30	1.5						0.22	0.00	1.0						0.04
Total	**0.81**	**1.6**						**0.34**	**0.62**	**1.5**						**0.47**
Oxide Cobalt																
Measured																
Indicated	0.18	0.79						0.38	0.64	0.24						0.52
Inferred	0.08	1.5						0.14	0.31	0.37						0.04
Total	**0.25**	**1.0**						**0.31**	**0.95**	**0.28**						**0.47**
Primary Cobalt																
Measured																
Indicated	0.055	0.61						1.2	0.046	0.54						0.65
Inferred	0.004	0.51						0.9								
Total	**0.059**	**0.61**						**1.1**	**0.046**	**0.54**						**0.65**
Stockpiles																
Indicated	1.1	1.3						0.30								
Sokoroshe 2																
Total	**4.8**	**1.7**						**0.30**	**4.6**	**1.6**						**0.40**
Nambulwa (100%)																
Oxide Copper																
Measured																
Indicated	1.2	2.1						0.11	1.2	2.2						0.11
Inferred	0.11	1.7						0.07	0.12	1.7						0.07
Total	**1.3**	**2.1**						**0.11**	**1.3**	**2.1**						**0.11**
Transition Mixed Copper Ore																
Measured																
Indicated	0.02	3.2						0.18	0.02	3.3						0.18
Inferred																
Total	**0.02**	**3.2**						**0.18**	**0.02**	**3.3**						**0.18**
Oxide-TMO Cobalt																
Measured																
Indicated	0.01	0.53						0.20	0.21	0.14						0.27
Inferred																
Total	**0.01**	**0.53**						**0.20**	**0.21**	**0.14**						**0.27**
Nambulwa Total	**1.3**	**2.1**						**0.11**	**1.5**	**1.9**						**0.13**

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves
Continued

Mineral Resources[1]

Deposit	2024 Tonnes (Mt)	2024 Cu (%)	2024 Zn (%)	2024 Pb (%)	2024 Ag (g/t)	2024 Au (g/t)	2024 Mo (ppm)	2024 Co (%)	2023 Tonnes (Mt)	2023 Cu (%)	2023 Zn (%)	2023 Pb (%)	2023 Ag (g/t)	2023 Au (g/t)	2023 Mo (ppm)	2023 Co (%)
DZ (100%)																
Oxide Copper																
Measured																
Indicated	1.0	1.8						0.13	1.0	1.8						0.12
Inferred	0.06	1.8						0.10	0.05	1.9						0.11
Total	**1.1**	**1.8**						**0.12**	**1.1**	**1.8**						**0.12**
Oxide-TMO Cobalt																
Measured																
Indicated	0.058	0.6						0.22	0.34	0.23						0.27
Inferred	0.005	0.6						0.09	0.013	0.13						0.25
Total	**0.06**	**0.6**						**0.21**	**0.35**	**0.22**						**0.27**
DZ Total	**1.2**	**1.7**						**0.13**	**1.4**	**1.4**						**0.16**
Kimbwe Kafubu (100%)																
Oxide Copper																
Measured	-	-						-								
Indicated	0.85	1.8						0.13								
Inferred	0.067	1.9						0.15								
Total	**0.92**	**1.8**						**0.13**								
TMO Copper																
Measured	-	-						-								
Indicated	1.3	2.6						0.02								
Inferred	0.42	2.3						0.05								
Total	**1.7**	**2.5**						**0.03**								
Primary Copper																
Measured	-	-						-								
Indicated	0.12	3.2						0.11								
Inferred	-	-						-								
Total	**0.12**	**3.2**						**0.11**								
Oxide-TMO Cobalt																
Measured	-	-						-								
Indicated	0.09	0.58						0.36								
Inferred	0.01	0.60						0.43								
Total	**0.10**	**0.59**						**0.36**								
Kimbwe Kafubu Total	**2.8**	**2.3**						**0.08**								

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves Continued

Mineral Resources[1]

	2024								2023							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Mwepu																
Oxide Copper																
Measured									0.37	2.0						0.15
Indicated									1.5	2.6						0.14
Inferred									0.38	2.3						0.02
Total									**2.3**	**2.4**						**0.12**
TMO Copper																
Measured									0.05	1.3						0.13
Indicated									0.2	1.5						0.17
Inferred									0.10	1.9						0.03
Total									**0.4**	**1.6**						**0.13**
Primary Copper																
Measured									-	-						-
Indicated									0.03	1.5						0.29
Inferred									0.01	2.3						0.001
Total									**0.0**	**1.6**						**0.22**
Oxide-TMO Cobalt																
Measured									0.003	0.45						0.42
Indicated									0.08	0.59						0.40
Inferred									-	-						-
Total									**0.1**	**0.6**						**0.40**
Primary Cobalt																
Measured									0.00	0.22						0.41
Indicated									0.12	0.32						0.44
Inferred									-	-						-
Total									**0.12**	**0.31**						**0.44**
Mwepu Total									**2.9**	**2.2**						**0.15**

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves
Continued

Mineral Resources[1]

	2024								2023							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Dugald River (100%)																
Primary Zinc																
Measured	16		12.9	1.9	52				16		12.8	1.9	58			
Indicated	10		12.1	1.4	16				13		11.3	1.4	16			
Inferred	39		11.5	1.4	4.9				28		11.3	1.4	6			
Total	**66**		**12.0**	**1.5**	**18**				**57**		**11.7**	**1.6**	**23**			
Primary Copper																
Inferred	4.3	1.5				0.23			4.8	1.6				0.2		
Total	**4.3**	**1.5**				**0.23**			**4.8**	**1.6**				**0.2**		
Dugald River Total	**70**								**62**							
Rosebery (100%)																
Rosebery																
Measured	8.0	0.25	6.6	2.3	100	1.1			7.4	0.22	7.6	2.8	120	1.3		
Indicated	7.7	0.25	5.9	1.8	77	1.2			4.7	0.21	7.1	2.0	83	1.2		
Inferred	8.8	0.28	6.8	2.0	76	1.0			6.5	0.19	7.5	2.3	85	1.1		
Total	**25**	**0.26**	**6.5**	**2.0**	**86**	**1.1**			**18**	**0.21**	**7.4**	**2.4**	**99**	**1.2**		
Rosebery Total	**25**	**0.26**	**6.5**	**2.0**	**86**	**1.1**			**18**	**0.21**	**7.4**	**2.4**	**99**	**1.2**		
High Lake (100%)																
Measured																
Indicated	7.9	3.0	3.5	0.32	83	1.3			7.9	3.0	3.5	0.32	83	1.3		
Inferred	6.0	1.8	4.3	0.41	84	1.3			6.0	1.8	4.3	0.41	84	1.3		
Total	**14**	**2.5**	**3.8**	**0.36**	**84**	**1.3**			**14**	**2.5**	**3.8**	**0.36**	**84**	**1.3**		
Izok Lake (100%)																
Measured																
Indicated	13	2.4	13.3	1.4	73	0.18			13	2.4	13.3	1.4	73	0.18		
Inferred	1.2	1.5	10.5	1.3	73	0.21			1.2	1.5	10.5	1.3	73	0.21		
Total	**15**	**2.3**	**13.1**	**1.4**	**73**	**0.18**			**15**	**2.3**	**13.1**	**1.4**	**73**	**0.18**		

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Co=cobalt.

Mineral Resources and Ore Reserves
Continued

Ore Reserves[1]

All data reported here is on a 100% asset basis, with MMG's attributable interest shown against each asset within brackets.

	2024								2023							
Deposit	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
Las Bambas (62.5%)																
Ferrobamba Primary Copper																
Proved	220	0.49			1.9	0.03	200		310	0.63			3.0	0.05	220	
Probable	230	0.68			3.1	0.05	180		130	0.73			3.9	0.06	190	
Total	**450**	**0.58**			**2.5**	**0.04**	**190**		**440**	**0.66**			**3.3**	**0.06**	**210**	
Chalcobamba Primary Copper																
Proved	96	0.60			2.0	0.02	120		96	0.62			2.0	0.03	120	
Probable	130	0.66			2.7	0.03	120		130	0.68			2.7	0.03	110	
Total	**220**	**0.63**			**2.4**	**0.03**	**120**		**220**	**0.66**			**2.4**	**0.0**	**120**	
Sulfobamba Primary Copper																
Proved																
Probable	63	0.70			5.5	0.03	160		57	0.77			5.8	0.03	160	
Total	**63**	**0.70**			**5.5**	**0.03**	**160**		**57**	**0.77**			**5.8**	**0.03**	**160**	
Primary Copper Stockpiles																
Proved	23	0.34			1.8		110		25	0.36			2.2		110	
Total	**23**	**0.34**			**1.8**		**110**		**25**	**0.36**			**2**		**110**	
Las Bambas Total	**760**	**0.60**			**2.7**		**160**		**740**	**0.66**			**3.2**		**170**	
Khoemacau (55%)																
Zone 5																
Proved	8.8	2.0			19				5.9	2.4			22			
Probable	25	1.7			17				21	1.9			19			
Total	**34**	**1.8**			**17**				**27**	**2.0**			**20**			
Zone 5 North																
Proved	-	-			-				-	-			-			
Probable	3.0	2.3			38				3.0	2.3			38			
Total	**3.0**	**2.3**			**38**				**3**	**2.3**			**38**			
Zeta NE																
Proved	-	-			-				-	-			-			
Probable	8.1	1.8			37				8.1	1.8			37			
Total	**8.1**	**1.8**			**37**				**8.1**	**1.8**			**37**			
Mango																
Proved	-	-			-				-	-			-			
Probable	6.2	1.8			22				6.2	1.8			22			
Total	**6.2**	**1.8**			**22**				**6.2**	**1.8**			**22**			
Stockpile																
Proved	0.02	1.5			15				0.03	1.5			13			
Khoemacau Total	**51**	**1.8**			**22**				**44**	**2.0**			**25**			

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum.

Mineral Resources and Ore Reserves
Continued

Ore Reserves[1]

Deposit	2024 Tonnes (Mt)	2024 Cu (%)	2024 Zn (%)	2024 Pb (%)	2024 Ag (g/t)	2024 Au (g/t)	2024 Mo (ppm)	2024 Co (%)	2023 Tonnes (Mt)	2023 Cu (%)	2023 Zn (%)	2023 Pb (%)	2023 Ag (g/t)	2023 Au (g/t)	2023 Mo (ppm)	2023 Co (%)
Kinsevere (100%)																
Oxide/TMO Copper and Cobalt																
Proved	1.2	2.6						0.12	0.9	2.5						0.11
Probable	4.0	2.2						0.10	3.2	2.3						0.11
Total	**5.2**	**2.3**						**0.11**	**4.1**	**2.3**						**0.11**
Primary Copper and Cobalt																
Proved	1.3	2.1						0.15	1.2	2.0						0.17
Probable	13.3	2.3						0.09	15	2.3						0.09
Total	**14.6**	**2.3**						**0.10**	**16**	**2.2**						**0.10**
Stockpiles																
Proved																
Probable	18.6	1.6						0.06	18	1.6						
Total	**18.6**	**1.6**						**0.06**	**18**	**1.6**						
Kinsevere Total	**38.4**	**1.9**						**0.08**	**38**	**2.0**						
Sokoroshe 2 (100%)																
Oxide Copper and Cobalt																
Proved																
Probable	1.0	1.9						0.30	2.5	1.9						0.42
Total	**1.0**	**1.9**						**0.30**	**2.5**	**1.9**						**0.42**
Primary Copper and Cobalt																
Proved																
Probable	0.13	1.0						0.58	0.09	0.95						0.65
Total	**0.13**	**1.0**						**0.58**	**0.09**	**0.95**						**0.65**
Stockpiles																
Probable	1.1	1.3						0.30								
Sokoroshe Total	**2.2**	**1.5**						**0.32**	**2.5**	**1.9**						**0.43**
Dugald River (100%)																
Primary Zinc																
Proved	14		10.7	1.7	47				12		11.3	1.9	57			
Probable	8.3		10.2	1.4	15				7.7		10.0	1.4	14			
Total	**22**		**10.5**	**1.6**	**35**				**20**		**10.8**	**1.7**	**40**			
Dugald River Total	**22**		**10.5**	**1.6**	**35**				**20**		**10.8**	**1.7**	**40**			
Rosebery (100%)																
Proved	4.3	0.18	6.0	2.4	110	1.1			3.9	0.20	6.5	2.7	110	1.2		
Probable	2.4	0.17	5.6	2.1	91	1.1			0.63	0.18	5.6	2.2	82	1.2		
Total	**6.7**	**0.18**	**5.9**	**2.3**	**100**	**1.1**			**4.6**	**0.20**	**6.4**	**2.6**	**110**	**1.2**		
Rosebery Total	**6.7**	**0.18**	**5.9**	**2.3**	**100**	**1.1**			**4.6**	**0.20**	**6.4**	**2.6**	**110**	**1.2**		

1 S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum.

Mineral Resources and Ore Reserves
Continued

Competent Persons

Table 1 - Competent Persons for Mineral Resources, Ore Reserves and Corporate

Deposit	Accountability	Competent Person	Professional Membership	Employer
MMG Mineral Resources and Ore Reserves Committee	Mineral Resources and Committee Chair	Rex Berthelsen[1]	HonFAusIMM CP (Geo)	MMG
MMG Mineral Resources and Ore Reserves Committee	Ore Reserves	Cornel Parshotam[1]	MAusIMM	MMG
MMG Mineral Resources and Ore Reserves Committee	Metallurgy: Mineral Resources / Ore Reserves	Andrew Goulsbra[1]	MAusIMM	MMG
Las Bambas	Mineral Resources	Hugo Rios	MAusIMM CP (Geo)	MMG
Las Bambas	Ore Reserves	Jose Calle	MAusIMM	MMG
Khoemacau	Mineral Resources	Maree Angus	MAusIMM CP (Geo), MAIG	ERM Australia Consultants Pty Ltd
Khoemacau	Ore Reserves	Terry Burns	FAusIMM CP (Man)	Warbrooke-Burns & Associates Pty Ltd
Kinsevere	Mineral Resources	Mark Burdett	MAusIMM CP (Geo)	MMG
Kinsevere	Ore Reserves	Papa K. A. Empeh[1]	MAusIMM CP (Min)	MMG
Rosebery	Mineral Resources	Maree Angus	MAusIMM CP (Geo), MAIG	ERM Australia Consultants Pty Ltd
Rosebery	Ore Reserves	Andrew Robertson	FAusIMM	MMG
Dugald River	Mineral Resources	Maree Angus	MAusIMM CP (Geo), MAIG	ERM Australia Consultants Pty Ltd
Dugald River	Ore Reserves	Peter Willcox	MAusIMM CP (Min), RPEQ	MMG
High Lake, Izok Lake	Mineral Resources	Allan Armitage[2]	MAPEG P.Geo	Formerly MMG

1 Participates in the MMG Long Term Incentive Plans which may include Mineral Resources and Ore Reserves growth as a performance condition.

2 Member of the Association of Professional Engineers and Geoscientists of British Columbia

The information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by the listed Competent Persons, who are Members or Fellows of the Australasian Institute of Mining and Metallurgy (AusIMM), the Australian Institute of Geoscientists (AIG) or a Recognised Professional Organisation (RPO) and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Each of the Competent Persons has given consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mineral Resources and Ore Reserves
Continued

Summary of significant changes

Mineral Resources

Mineral Resources as at 30 June 2024 have changed, since the 30 June 2023 estimate, for several reasons with the most significant changes outlined in this section:

- the Group's Mineral Resources (contained metal) have increased for copper (17%), zinc (14%), lead (10%), molybdenum (62%), cobalt (10%), silver (11%) and gold (5%) with no metal decreases.

Increases:

The increases in Mineral Resources (contained metal) are due to:

- reporting the Ferrobamba Underground deposit at Las Bambas for the first time adding 2.5Mt of copper, 130kt of molybdenum, 31Moz silver and 370koz gold;
- drilling at Zone 5 and remodelling the Banana, Zeta and Zone 6 deposits at Khoemacau have resulted in a further 700kt copper and 30Moz silver added since acquisition of the asset by MMG;
- deep drilling at Dugald River has extended the lode at depth by around 200 meters and contributed the majority of the increased metals of 1.4Mt zinc and 140kt lead before milled depletion;
- drilling in the area known as "The Saddle" at Kinsevere has contributed to 150kt copper and 15kt cobalt coupled with declaring additional cobalt metal contained in stockpiles before milled depletion;
- a new satellite deposit, Kimbwe-Kafubu, in the DRC located approximately 25km NNW of Kinsevere Mine has been reported for the first time adding 64kt copper and 2kt cobalt; and
- infill and exploration drilling during 2023 and changes to the NSR calculation in 2024 at Rosebery resulted in increases to all metals (before milled depletion) as follows: 280kt zinc, 80kt lead, 12Moz silver, 210koz gold and 27kt copper. The impact from increased metal price assumptions have been negated by increased costs at the operation.

Decreases:

The decreases in Mineral Resources (contained metal) are due to:

- milled depletion at all producing operations;
- increased costs at all sites, which are partially offset by increased metal price assumptions. Las Bambas open pit Mineral Resources have a negative variance of 320kt copper before depletion.
- removal of a further 12kt copper from Sulfobamba deposit at Las Bambas due to illegal mining over the last 12 months taking the total estimated depletion due to illegal mining to 74kt copper;
- drilling into the hanging wall copper zone at Dugald River has resulted in 9kt copper (-12%) reduction; and
- Relinquishment of the Mwepu tenement in DRC to Gécamines after protracted negotiations resulted in 64kt copper and 4kt cobalt being removed from the 2024 statement.

Mineral Resources and Ore Reserves Continued

Ore Reserves

Ore Reserves as at 30 June 2024 (contained metal) have increased for zinc (10%), lead (10%) and cobalt (19%) and have decreased for copper (-4%), silver (-2%), gold (-12%) and molybdenum (-5%).

Variations to Ore Reserves (contained metal) on an individual site basis are discussed below:

Increases:

Increases in Ore Reserves (metal) as stated above are due to:

- definition drilling and increased metal price assumptions have offset increased costs at Dugald River;
- increased metal price assumptions, changes to NSR, cut-off and dilution methodologies at Khoemacau have added 86kt copper and 2.2Moz silver before milled depletion. This has resulted in a 7% increase to copper and 4% increase to silver metal after milled depletion since the acquisition of the operation;
- definition drilling, inclusion of Z lens for the first time and additional stopes in U and V lenses, changes to minimum mining width at X lens, changes to the NSR calculation and increased planned tailings storage with PFS level confidence at Rosebery. All metals at Rosebery have increased, exceeding depletion however the impact of increased costs have negated increased metal price assumptions;
- the cobalt grade of specific stockpiles at Kinsevere has now been estimated from grade control drilling post 2020. Favourable Resource to Reserve conversions, partly from the Saddle zone have produced a result that is slightly greater than milled depletion (32kt copper) of Kinsevere ore. Mining at Sokoroshe contributed to copper production for the first time but also converted an additional 4kt copper metal to the total Ore Reserve before depletion; and
- copper at Ferrobamba increased by 44kt before depletion which was mostly driven by the change to NSR based cut offs at Las Bambas.

Decreases:

Decreases in Ore Reserves (metal) as stated above are due to:

- milling and mining depletion at all producing operations;
- reductions of molybdenum, gold and silver at Las Bambas due to cost increases, new drilling and model changes at Ferrobamba open pit. Increased metal price assumptions have mostly offset the impact of costs;
- reduced silver metal at Dugald River. Silver grades reduce at depth and the resulting conversion and additional lower grades of the deeper zones have this effect.

Mineral Resources and Ore Reserves Continued

Key Assumptions

Prices and Exchange Rates

The following price and foreign exchange assumptions, set according to the relevant MMG Standard in February 2024, have been applied to all Mineral Resources and Ore Reserves estimates.

These prices and FX rates are based on the October 2023 long term prices (basis date 1 January 2024) as approved by the MMG Board. Prices are adjusted for United States CPI (US CPI as the best global inflation indicator) from 1 January 2024 to 1 July 2024 terms.

The reasonableness of prices is tested against forecasts from both Consensus Economics and Wood Mackenzie. Price assumptions for all metals have changed from the 2023 Mineral Resources and Ore Reserves statement.

Table 2 - 2024 Price (real) and foreign exchange assumptions

	Ore Reserves	Mineral Resources
Cu (US$/lb)	4.08	4.90
Zn (US$/lb)	1.32	1.58
Pb (US$/lb)	0.95	1.14
Au US$/oz	1,722	2,066
Ag US$/oz	21.78	26.13
Mo (US$/lb)	12.15	14.58
Co (US$/lb)	21.28	29.79
USD:CAD	1.25	As per Ore Reserves
AUD:USD	0.73	
USD:PEN	3.81	

Table 3 - List of Abbreviations

OP	Open Pit	**NSR**	Net Smelter Return
UG	Underground	**CuEq**	Copper equivalent
CuAS	Acid soluble copper	**ZnEq**	Zinc equivalent
NVS	Net Value Scripts	**RF**	Revenue Factor

Mineral Resources and Ore Reserves Continued

Cut-Off Grades

Mineral Resource and Ore Reserve cut-off values are shown in Table 4 and Table 5 respectively. Refer to Table 3 for definitions of abbreviations used in this table.

Table 4 - Mineral Resources cut-off grades

Site	Mineralisation	Likely Mining Method	Cut-Off Value	Comments
Las Bambas	Oxide copper	OP	1% Cu	Cut-off is applied as a range that varies for each deposit and mineralised rock type at Las Bambas. In-situ copper Mineral Resources constrained within US$4.90/lb Cu and US$14.58/lb Mo pit shell.
	Primary copper Ferrobamba		US$12.42/t NSR	
	Primary copper Chalcobamba		US$12.44/t NSR	
	Primary copper Sulfobamba		US$14.12/t NSR	
Khoemacau	Zone 5 Primary Copper	UG	US$50/t	Mineral Resources based on $4.90/lb Cu, $26.13/oz Ag, recoveries averaging 88% for Cu and 84% for Ag and assumed payability of 97% and 90% respectively. Remnant pillars inside the mining area are considered sterilised and are not included in the stated Mineral Resources.
	Zone 5 North, Zeta NE, Mango Primary Copper	UG	1% Cu	Underground Mineral Resources reported inside the high-grade zones and for sulphide material only. Reporting cut-off grade (1% Cu) was selected based on assumed prices of US$3.54/lb and US$21.35/oz for Cu and Ag, respectively, assumed metallurgical recoveries of 88% and 84% respectively, and assumed payability of 97% and 90% respectively. This equates to approximately US$66/t of NSR value.
	Banana Zone (North East Fold and Chalcocite)	OP	0.2% Cu	Reported within RF 1.3 pit shells with assumed recoveries of 88% Cu and 84% Ag.
	Banana Zone (North East Fold UG, North Limb Mid, North Limb North, North Limb South, South Limb, South Limb Definition, South Limb Mid, South Limb North, New Discovery),Zeta and Zone 6	UG	0.9% Cu	Underground Mineral Resources are reported for sulphide only at 0.9% CuEq where CuEq = Cu + Ag*0.007; $4.90/lb Cu, $26.13/oz Ag and assumed recoveries of 88% for Cu and 84% for Ag.
	Plutus	UG	1.07% CuEq	Underground Mineral Resources reported above a cut-off grade of 1.07% CuEq (CuEq = Cu + Ag*0.0113); US$3.24/lb copper and US$25/oz silver.
	Selene	UG	1% Cu	Underground Mineral Resources reported inside high-grade zone and for sulphide material only.
	Ophion	OP	0.6% Cu	Mineral Resources reported inside high-grade zone and for sulphide material only.
Kinsevere	Oxide copper & stockpiles	OP	0.4% CuAS	*In-situ* copper Mineral Resources constrained within a US$4.90/lb Cu and US$29.79/lb Co pit shell.
	Transition mixed ore copper (TMO)	OP	0.5% Cu	
	Primary copper	OP	0.7% Cu	
	Oxide TMO cobalt	OP	>0 NVS	NVS = Net Value Script. In-situ cobalt Mineral Resources constrained within a US$4.90/lb Cu and US$29.79/lb Co pit shell, but exclusive of copper mineralisation.
	Primary cobalt	OP	>0 NVS	

Mineral Resources and Ore Reserves Continued

Site	Mineralisation	Likely Mining Method	Cut-Off Value	Comments
Sokoroshe 2	Oxide	OP	0.5% CuAS	In-situ copper Mineral Resources constrained within a US$4.71/lb Cu and US$32.72/lb Co pit shell.
	TMO copper	OP	0.6% Cu	
	Primary copper	OP	0.8% Cu	
	Oxide TMO cobalt	OP	>0 NVS	NVS = Net Value Script. In-situ cobalt Mineral Resources constrained within a US$4.90/lb Cu and US$29.79/lb Co pit shell, but exclusive of copper mineralisation.
	Primary cobalt	OP	>0 NVS	
Nambulwa / DZ	Oxide copper	OP	0.5% CuAS	In-situ copper Mineral Resources constrained within a US$4.71/lb Cu and US$32.72/lb Co pit shell.
	TMO copper	OP	0.6% Cu	
	Primary copper	OP	0.8% Cu	
Kimbwe-Kafubu	Oxide TMO cobalt	OP	>0 NVS	In-situ cobalt Mineral Resources constrained within a US$4.71/lb Cu and US$32.71/lb Co pit shell, but exclusive of copper mineralisation.
	Primary cobalt	OP	>0 NVS	
	TMO copper	OP	1.0% Cu	
	Primary copper	OP	1.0% Cu	
Rosebery	Rosebery (Zn, Cu, Pb, Au, Ag)	UG	A$191/t NSR	All areas of the mine are reported using the same NSR cut-off value.
Dugald River	Primary zinc (Zn, Pb, Ag)	UG	A$181/t NSR	All areas of the mine are reported using the same NSR cut-off value.
	Primary copper	UG	1% Cu	All areas of the mine are reported at the same cut-off grade
High Lake	Cu, Zn, Pb, Ag, Au	OP	2.0% CuEq	CuEq = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01): based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
	Cu, Zn, Pb, Ag, Au	UG	4.0% CuEq	CuEq = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01): based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
Izok Lake	Cu, Zn, Pb, Ag, Au	OP	4.0% ZnEq	ZnEq = Zn + (Cu×3.31) + (Pb×1.09) + (Au×1.87) + (Ag×0.033); prices and metal recoveries as per High Lake.

Mineral Resources and Ore Reserves
Continued

Table 5 – Ore Reserves cut-off grades

Site	Mineralisation	Mining Method	Cut-Off Value	Comments
Las Bambas	Primary copper Ferrobamba	OP	US$12.42/t NSR	Range based on rock type recovery.
	Primary copper Chalcobamba		US$12.44/t NSR	
	Primary copper Sulfobamba		US$14.12/t NSR	
Khoemacau	Primary copper	UG	US$77.60/t NSR	Zone 5
		UG	US$65/t NSR	Zone 5 N and Zeta NE
		UG	US$50/t NSR	Mango
Kinsevere	Oxide	OP	0.4% CuAS	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script. Copper cut-off assumes zero cobalt. Cobalt cut-off assumes zero copper. For Sokoroshe cut-offs calculated on an incremental cost basis to Kinsevere
	TMO	OP	0.5% Cu	
	Primary	OP	0.7% Cu	
	Oxide TMO cobalt	OP	>0 NVS	
	Primary cobalt	OP	>0 NVS	
Sokoroshe 2	Oxide	OP	0.4% CuAS	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script. Copper cut-off assumes zero cobalt. Cobalt cut-off assumes zero copper. For Sokoroshe cut-offs calculated on an incremental cost basis to Kinsevere
	TMO	OP	0.5% Cu	
	Primary	OP	0.7% Cu	
	Oxide TMO cobalt	OP	>0 NVS	
Rosebery	(Zn, Cu, Pb, Au, Ag)	UG	A$191/t NSR	
Dugald River	Primary zinc	UG	A$147/t to 161/t NSR	

Processing Recoveries

Average processing recoveries are shown in Table 6. More detailed processing recovery relationships are provided in the Technical Appendix.

Table 6 - Processing Recoveries

		Recovery							Concentrate Moisture Assumptions
Site	Product	Cu	Zn	Pb	Ag	Au	Mo	Co	
Las Bambas	Copper Concentrate	86.6%	-	-	80%	71%			9.5%
	Molybdenum Concentrate						49.1%		5%
Khoemacau	Copper Concentrate	87.9%			83.7%				10%
Rosebery	Zinc Concentrate		87%						8%
	Lead Concentrate		6%	77%	34%	12%			7%
	Copper Concentrate	63%			44%	36%			8%
	Doré[1] (gold and silver)				0.22%	30%			
Dugald River	Zinc Concentrate	–	91%		35%	–			9.7%
	Lead Concentrate	–		66%	36%	–			9.0%
Kinsevere and satellites	Copper Cathode (Oxide)	86%							
	Copper Cathode (Sulphide)	84%							
	Cobalt Precipitate (Oxide)							55%	
	Cobalt Precipitate (Sulphide)							74%	

1 Silver in Rosebery Doré is calculated as a constant ratio to gold in the Doré. Silver is set to 0.17 against gold being 20.7.

The Technical Appendix published on the MMG website contains additional Mineral Resources and Ore Reserves information (including the JORC 2012 Table 1 disclosure).

Management Discussion and Analysis

Results for the year ended 31 December 2024

For the purpose of the management discussion and analysis, the Group's results for the year ended 31 December 2024 are compared with results for the year ended 31 December 2023.

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Revenue	**4,479.2**	**4,346.5**	**3%**
Operating expenses	(2,299.2)	(2,814.1)	18%
Exploration expenses	(62.6)	(49.6)	(26%)
Administration expenses	(26.3)	(11.9)	(121%)
Khoemacau acquisition transaction and integration expenses	(15.3)	(1.0)	(1,430%)
Net other expenses	(27.1)	(8.0)	(239%)
EBITDA	**2,048.7**	**1,461.9**	**40%**
Depreciation, amortisation & impairment expenses	(1,058.7)	(930.2)	(14%)
EBIT	**990.0**	**531.7**	**86%**
Net finance costs	(368.6)	(342.1)	(8%)
Profit before income tax	**621.4**	**189.6**	**228%**
Income tax expense	(255.4)	(67.5)	(278%)
Profit after income tax for the year	**366.0**	**122.1**	**200%**
Attributable to:			
Equity holders of the Company	161.9	9.0	1,699%
Non-controlling interests[1]	204.1	113.1	80%
	366.0	**122.1**	**200%**

1 Amounts attributable to non-controlling interests related to the 37.5% interest in Las Bambas and the 45.0% interest in Khoemacau (from 6 June 2024) not owned by the Company.

Profit attributable to equity holders of the Company

MMG's profit of US$366.0 million for the year ended 31 December 2024 includes profit attributable to equity holders of US$161.9 million and profit attributable to non-controlling interests of US$204.1 million. This compares to a profit attributable to equity holders of US$9.0 million and profit attributable to non-controlling interests of US$113.1 million for the year ended 31 December 2023.

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

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Profit after tax – Las Bambas 62.5% interest	329.8	188.6	75%
Profit after tax – Khoemacau 55.0% interest	2.1	-	n/a
Loss after tax – other continuing operations	(10.5)	(55.9)	81%
Administration expenses	(26.3)	(11.9)	(121%)
Khoemacau acquisition transaction and integration expenses	(15.3)	(1.0)	(1,430%)
Net finance costs (excluding Las Bambas and Khoemacau)	(130.2)	(98.5)	(32%)
Other	12.3	(12.3)	200%
Profit for the year attributable to equity holders	**161.9**	**9.0**	**1,699%**

Management Discussion and Analysis
Continued

Overview of operating results

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

	Revenue			EBITDA		
Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Las Bambas	2,977.6	3,417.3	(13%)	1,594.3	1,396.7	14%
Kinsevere	423.6	354.6	19%	67.8	(32.0)	312%
Khoemacau	295.8	-	n/a	125.9	-	n/a
Dugald River	461.8	331.2	39%	169.4	33.8	401%
Rosebery	306.0	240.0	28%	123.2	77.8	58%
Other	14.4	3.4	324%	(31.9)	(14.4)	(122%)
Total	**4,479.2**	**4,346.5**	**3%**	**2,048.7**	**1,461.9**	**40%**

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

Revenue increased by US$132.7 million (3%) to US$4,479.2 million compared to 2023, driven by higher commodity prices (US$467.2 million), which offset lower sales volumes (US$334.5 million).

Favourable commodity price variances of US$467.4 million were primarily due to higher net realised prices for copper (US$288.5 million), zinc (US$102.0 million), gold (US$43.1 million), silver (US$40.3 million), and lead (US$1.7 million, attributed to US$2.6 million lower treatment charges). This was partly offset by lower realised prices for molybdenum (US$8.2 million). Price variances include mark-to-market adjustments on open sales contracts and impacts of commodity hedging.

Unfavourable sales volumes variances of US$334.6 million were primarily due to lower sales volume of copper concentrate (US$679.1 million) and molybdenum concentrate (US$39.1 million) at Las Bambas. This was a result of higher copper concentrate shipments in 2023, which depleted the inventory accumulated during a period of nationwide road blockages in 2022. This decrease was partially offset by the inclusion of copper concentrate sales from Khoemacau (US$295.8 million) and cobalt sales from Kinsevere (US$20.5 million), and higher copper cathode sales (US$12.5 million) at Kinsevere. At Dugald River, compared with 2023, the lead concentrate sales increased by US$19.9 million, and zinc concentrate sales rose by US$17.0 million, as the 2023 production was impacted by a 34-day suspension of operations in the first half of 2023. Additionally, Rosebery saw higher sales volumes (US$17.9 million) driven by increased production.

Revenue by commodity Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Copper	3,308.4	3,304.2	0%
Zinc	481.1	359.4	34%
Lead	84.9	67.9	25%
Gold	209.2	233.5	(10%)
Silver	246.7	205.7	20%
Molybdenum	128.4	175.8	(27%)
Cobalt	20.5	-	n/a
Total	**4,479.2**	**4,346.5**	**3%**

Management Discussion and Analysis
Continued

Price

Average LME base metals prices for copper, zinc, gold and silver were higher for the year ended 31 December 2024 compared to 2023. The average prices for lead, molybdenum and cobalt were lower.

Average LME cash price[1] Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Copper (US$/tonne)	9,144	8,483	8%
Zinc (US$/tonne)	2,777	2,649	5%
Lead (US$/tonne)	2,072	2,137	(3%)
Gold (US$/ounce)	2,387	1,943	23%
Silver (US$/ounce)	28.24	23.39	21%
Molybdenum (US$/tonne)	46,943	53,231	(12%)
Cobalt (US$/tonne)	25,005	34,271	(27%)

1 Sources: zinc, lead, cobalt 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 is not involved 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 2024	2024	2023	Change % Fav/(Unfav)
Copper (tonnes)	378,682	419,584	(10%)
Zinc (tonnes)	184,937	176,292	5%
Lead (tonnes)	42,135	34,389	23%
Gold (ounces)	85,429	121,316	(30%)
Silver (ounces)	8,574,347	8,926,822	(4%)
Molybdenum (tonnes)	3,138	4,037	(22%)
Cobalt (tonnes)	1,617	-	n/a

Payable metal in products sold Year ended 31 December 2024	Copper tonnes	Zinc tonnes	Lead tonnes	Gold ounces	Silver ounces	Molybdenum tonnes	Cobalt tonnes
Las Bambas	302,868	-	-	56,170	3,534,990	3,138	-
Kinsevere	44,892	-	-	-	-	-	1,617
Khoemacau	29,666	-	-	-	907,222	-	-
Dugald River	-	136,853	21,743	-	1,853,146	-	-
Rosebery	1,256	48,084	20,392	29,259	2,278,989	-	-
Total	**378,682**	**184,937**	**42,135**	**85,429**	**8,574,347**	**3,138**	**1,617**

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	-	-	-	-	-
Khoemacau	-	-	-	-	-	-
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**

Management Discussion and Analysis
Continued

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 decreased by US$514.9 million (18%) to US$2,299.2 million. This reduction was primarily due to reduced stock movement costs at Las Bambas (US$625.8 million), reflecting higher copper concentrate shipments in 2023 after a period of nationwide road blockages in 2022. Stock movement costs were also favourable at Kinsevere (US$61.2 million) due to a build-up in ore stocks driven by higher mining volumes and Dugald River (US$21.6 million) due to lower net drawdowns of concentrate stocks driven by higher production. These favourable inventory variances were partly offset by higher production costs (US$195.8 million), primarily due to the integration of Khoemacau starting from March 2024.

Further details are set out below in the mine analysis section.

Exploration expenses increased by US$13.0 million (26%) to US$62.6 million, attributable to increased drilling activity at Las Bambas (US$16.6 million). This includes expanded land access for drilling in the Ferrobamba pit (Ferrobamba Deeps, South, and East) and the Chalcobamba pit, as well as exploration in new areas: Chicñahui (Bordebamba), Escohorno, Pumamarca, Antuyo, and Palcca Picosayhua.

Administrative expenses increased by US$14.4 million (121%) to US$26.3 million in 2024, mainly due to higher employee benefits expenses driven by an increase in long-term incentives (US$7.0 million) and short-term incentives (US$3.2 million), as well as redundancy costs associated with an internal restructure (US$4.0 million).

Khoemacau acquisition transaction and integration expenses increased by US$14.3 million to US$15.3 million due to transaction expenses of US$9.0 million (2023: US$1.0 million) and integration expenses of US$6.3 million. These costs were net of recharges to the joint venture partner.

Net other expenses increased by US$19.1 million (239%) to US$27.1 million, attributable to the losses on disposal and write-off of property, plant and equipment (US$10.4 million) and provisions for tax audits in Peru (US$8.2 million).

Depreciation, amortisation and impairment expenses increased by US$128.5 million (14%) to US$1,058.7 million, primarily attributable to impairment (US$53.0 million), increased mining volumes at Kinsevere (US$35.1 million), and the inclusion of Khoemacau's depreciation and amortisation expenses (US$32.5 million).

Net finance costs increased by US$26.5 million (8%) to US$368.6 million, primarily due to interest on Khoemacau acquisition loans (US$78.9 million) and finance costs arising from the streaming arrangement at Khoemacau (US$21.6 million). This was partly offset by lower interest from lower debt balances (US$59.0 million) and interest receivable from SUNAT (US$23.0 million) following a favourable Judiciary outcome on the 2009 Income Tax matter.

Income tax expense increased by US$187.9 million due to higher underlying profit before tax. Underlying income tax expense for 2024 of US$255.4 million includes non-creditable withholding tax expenses in Peru of US$15.7 million (2023: US$47.3 million).

Mines analysis

Las Bambas

Location

Peru

Products

Copper concentrate
Molybdenum concentrate

Cu Mo Au Ag

Revenue (US$ million)

$2,977.6

Ore milled (tonnes)

51,586,909

Ownership

MMG Limited	62.5%
CNIC Corporation Limited	22.5%
CITIC Metal Co., Ltd.	15.0%

Copper in copper concentrate produced (tonnes)

322,912

Las Bambas achieved US $1.6 billion EBITDA, a 14% year on year increase driven by reduced production costs and higher commodity prices.

In the fourth quarter of 2024, the site achieved its highest quarterly production since 2019. This strong result was driven by the commencement of mining at Chalcobamba and made possible by the ongoing focus on community engagement and uninterrupted transportation throughout the year.

Mines Analysis: Las Bambas
Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Production			
Ore mined (tonnes)	63,819,945	46,429,483	37%
Ore milled (tonnes)	51,586,909	52,871,670	(2%)
Waste movement (tonnes)	122,617,927	122,908,814	(0%)
Copper in copper concentrate (tonnes)	322,912	302,033	7%
Payable metal in product sold			
Copper (tonnes)	302,868	374,743	(19%)
Gold (ounces)	56,170	94,925	(41%)
Silver (ounces)	3,534,990	5,361,326	(34%)
Molybdenum (tonnes)	3,138	4,037	(22%)

Year ended 31 December	2024 US$ million	2023 US$ million	Change% Fav/(Unfav)
Revenue	**2,977.6**	**3,417.3**	**(13%)**
Operating expenses			
Production expenses			
Mining	(465.4)	(490.4)	5%
Processing	(299.5)	(316.3)	5%
Other	(489.2)	(474.0)	(3%)
Total production expenses	**(1,254.1)**	**(1,280.7)**	**2%**
Freight	(85.2)	(96.2)	11%
Royalties	(90.7)	(104.5)	13%
Other[1]	100.1	(532.3)	119%
Total operating expenses	**(1,329.9)**	**(2,013.7)**	**34%**
Other expenses	(53.4)	(6.9)	(674%)
EBITDA	**1,594.3**	**1,396.7**	**14%**
Depreciation and amortisation expenses	(762.2)	(800.0)	5%
EBIT	**832.1**	**596.7**	**39%**
EBITDA margin	**54%**	**41%**	

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

Revenue in 2024 reached US$2,977.6 million, a decrease of US$439.7 million (13%) compared to 2023. Lower sales volumes of copper (US$563.4 million), gold (US$73.8 million), silver (US$41.8 million) and molybdenum (US$39.1 million), along with lower molybdenum prices (US$8.2 million), drove this decline. The lower sales volumes reflect the impact of significantly higher concentrate shipments in 2023, which depleted inventory accumulated during the 2022 nationwide road blockages. This was partly offset by higher prices for copper (US$239.8 million), gold (US$29.4 million) and silver (US$17.5 million).

Total production expenses for 2024 were US$1,254.1 million, representing a decrease of US$26.6 million (2%) compared to 2023. This reduction was primarily attributable to higher deferred mining costs relating to the Chalcobamba pit development (US$28.6 million) and lower unit prices for diesel (US$45.0 million), explosives (US$8.1 million), reagents (US$4.9 million) and grinding media (US$2.9 million). Production expenses were also lower due to reduced spending on social conflicts mitigation (US$17.2 million) and copper concentrate

Mines Analysis: Las Bambas Continued

transportation (US$8.9 million). This was partly offset by higher material mined volumes (US$21.0 million), increased maintenance (US$21.9 million) owing to uninterrupted operations in 2024 and expanded drilling activities at Chalcobamba (US$18.3 million). Additionally, employee benefits were higher (US$18.7 million) due to increased profit share incentives for 2024.

Freight and royalty expenses were lower by 11% and 13% respectively, reflecting lower sales volume and revenue.

Operating expenses were favourably impacted by stock movement, with a build-up of concentrate inventory (US$42.2 million) and ore stockpiles (US$69.7 million) in 2024, compared to drawdowns of concentrate (US$468.3 million) and ore (US$47.0 million) in 2023.

Other expenses totalled US$53.4 million, a US$46.5 million increase compared to 2023. The increase is primarily attributable to: (1) foreign exchange losses of US$6.5 million, contrasting with US$14.6 million in foreign exchange gains in 2023 due to fluctuations in the Peruvian Sol; (2) higher exploration costs of US$16.6 million, reflecting expanded land access for drilling activities; and (3) provisions for tax audits in Peru (US$8.2 million).

Depreciation and amortisation expenses decreased by US$37.8 million (5%) in 2024 compared to 2023. This reduction reflects the US$39.7 million amortisation of capitalised mining assets at Ferrobamba Phase 3 following the completion of mining operations and a US$12.9 million favourable impact from extending the useful life of tailing dam facility assets. These reductions were partly offset by higher ore mined and copper production volumes.

The C1 cost of US$1.51/lb for 2024 was lower than the 2023 C1 cost of US$1.60/lb due to higher copper production rates and lower cash production expenses.

2025 Outlook

Las Bambas copper production for 2025 is expected to reach 360,000 - 400,000 tonnes. The higher end of the range represents full-year operation at both the Chalcobamba and Ferrobamba pits, assuming the absence of significant social unrest in Peru. The lower end accounts for conservative assumptions regarding operational disruption days and variations in ore grade.

Las Bambas C1 costs in 2025 are expected to range from US$1.50 - US$1.70/lb, exceeding actual 2024 levels. This is primarily due to:

- Higher employee benefits, primarily driven by improved profitability and a one-time collective bargaining agreement payment.
- Reduced capitalised mining costs resulting from a shift to ore mining.
- Increased social program spending related to forthcoming commitments.

These cost increases are partly mitigated by improved operational efficiency resulting from higher production volumes and the ongoing business improvement savings program.

Mines analysis

Kinsevere

Location

Democratic Republic of Congo

Products

Copper cathode
Cobalt hydroxide

Revenue (US$ million)

$423.6

Ore milled (tonnes)

2,609,130

Ownership

MMG Limited 100%

Copper cathode produced (tonnes)

44,597

Kinsevere delivered a turnaround in EBITDA of US $67.8 million, driven by higher copper sales volumes and prices supported by lower third-party ore consumption.

Kinsevere's expansion project successfully completed mechanical construction as planned, and commissioning of the concentrator and roasting systems is underway to gradually increase production.

Mines Analysis: Kinsevere
Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Production			
Ore mined (tonnes)	3,343,818	1,726,145	94%
Ore milled (tonnes)	2,609,130	2,107,223	24%
Waste movement (tonnes)	18,418,088	32,646,890	(44%)
Copper cathode (tonnes)	44,597	44,068	1%
Cobalt (tonnes)	2,926	105	2,687%
Payable metal in product sold			
Copper (tonnes)[1]	44,892	43,710	3%
Cobalt (tonnes)	1,617	-	n/a

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Revenue	**423.6**	**354.6**	**19%**
Operating expenses			
Production expenses			
Mining	(64.3)	(18.7)	(244%)
Processing	(164.9)	(188.0)	12%
Other	(98.6)	(90.8)	(9%)
Total production expenses	**(327.8)**	**(297.5)**	**(10%)**
Freight	(10.2)	(7.3)	(40%)
Royalties	(26.6)	(17.8)	(49%)
Other[2]	28.9	(32.2)	190%
Total operating expenses	**(335.7)**	**(354.8)**	**5%**
Other expenses	(20.1)	(31.8)	37%
EBITDA	**67.8**	**(32.0)**	**312%**
Depreciation, amortisation and impairment expenses	(118.4)	(27.5)	(331%)
EBIT	**(50.6)**	**(59.5)**	**15%**
EBITDA margin	**16%**	**(9%)**	

1 Kinsevere sold copper includes copper cathode, copper scrap and copper ore.

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

Mines Analysis: Kinsevere Continued

Kinsevere revenue increased by US$69.0 million (19%) to US$423.6 million in 2024 compared to 2023, driven by higher copper prices (US$36.0 million), additional cobalt sales volumes (US$20.5 million) and higher copper sales volumes (US$12.5 million).

Total production expenses increased by US$30.3 million (10%) in 2024 compared to 2023. This increase resulted from: higher mining costs due to accelerated mining at Sokoroshe II pit and lower capitalisation of deferred mining costs (US$53.1 million); higher costs at the newly commissioned cobalt plant (US$26.3 million) and sulphide ore circuit of the concentrator (US$4.8 million); and increased power cost (US$4.4 million). Lower third-party ore consumption (US$63.0 million) partially offset these increases.

Royalties increased by US$8.8 million (49%) due to higher copper revenue and cobalt sales.

Other operating expenses were US$61.1 million lower in 2024 than in 2023, primarily due to a US$61.2 million favourable change in inventories resulting from increased ore stocks driven by higher mining volumes.

Depreciation and amortisation expenses increased by US$90.9 million (331%) in 2024 compared to 2023. This increase stemmed from a US$53.0 million impairment at Kinsevere, reflecting a weakened cobalt outlook, and an additional US$35.1 million increase due to higher mining volumes at the Sokoroshe II pit.

The C1 costs of US$3.26/lb for 2024 were lower than the 2023 C1 costs of US$3.29/lb due to higher by-product credits, partially offset by increased cash production expenses.

2025 Outlook

Kinsevere copper cathode production for 2025 is expected to be between 63,000 and 69,000 tonnes. Following the mechanical completion of the Kinsevere expansion project on 15 September 2024, the focus is on ramping up the concentrator and roasting systems and integration with the existing SXEW plant. This phased approach is expected to gradually increase copper cathode production towards nameplate capacity.

C1 costs in 2025 are expected to be between US$2.50/lb and US$2.90/lb. This improvement compared to 2024 is primarily attributed to the ramp-up of the Kinsevere sulphide copper project.

Mines analysis

Khoemacau

Location

Botswana

Products

Copper concentrate

Cu Ag

Revenue (US$ million)

$295.8

Ore milled (tonnes)

2,356,502

Ownership

MMG Limited	55%
CNIC Corporation Limited	45%

Copper in copper concentrate produced (tonnes)*

30,961

* Production for 2024 includes figures starting from 23 March 2024.

MMG completed the acquisition of the Khoemacau mine in March 2024 and the asset achieved almost US $126 million EBITDA in its first nine months as part of the portfolio.

The Khoemacau expansion feasibility study, targeting an increased annual production capacity of 130,000 tonnes, continues to progress.

Mines Analysis: Khoemacau Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Production			
Ore mined (tonnes)	2,457,492	-	-
Ore milled (tonnes)	2,356,502	-	-
Copper (tonnes)	30,961	-	-
Silver (ounces)[1]	1,062,542	-	-
Payable metal in product sold			
Copper (tonnes)	29,666	-	-
Silver (ounces)	907,222	-	-

1 The silver production is subject to a silver stream in favour of Royal Gold Inc. which covers 100% of the payable silver produced until the delivery of 40.0 million silver ounces, and 50% thereafter. Royal Gold Inc. pays a cash price equal to 20% of spot silver price for each ounce delivered. The stream covers Zone 5 and Mango North-East deposits, with other deposits unencumbered.

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Revenue	**295.8**	**-**	**-**
Operating expenses		**-**	**-**
Production expenses			
Mining	(104.9)	-	-
Processing	(24.5)	-	-
Other	(32.1)	-	-
Total production expenses	**(161.5)**	**-**	**-**
Freight	(0.3)	-	-
Royalties	(8.7)	-	-
Other[2]	4.6	-	-
Total operating expenses	**(165.9)**	**-**	**-**
Other expenses	(4.0)	-	-
EBITDA	**125.9**	**-**	**-**
Depreciation and amortisation expenses	(32.5)	-	-
EBIT	**93.4**	**-**	**-**
EBITDA margin	**43%**	**-**	**-**

Mines Analysis: Khoemacau
Continued

Following MMG's acquisition of Khoemacau on 22 March 2024, production data from 23 March to 31 December 2024 shows 30,961 tonnes of copper in copper concentrate were produced.

The 2024 results take into account sales revenue, operating expenses and depreciation and amortisation from 23 March 2024.

Calculated on a post by-product and pre-silver stream basis, Khoemacau's C1 costs for 2024 were US$2.54/lb.

2025 Outlook

Khoemacau copper production for 2025 is expected to be between 43,000 and 53,000 tonnes. Khoemacau C1 costs in 2025 are expected to be within the range of US$2.30 - US$2.65/lb (post by-product and pre silver stream basis).

Mines analysis

Dugald River

Location

Australia

Products

Zinc concentrate
Lead concentrate

Revenue (US$ million)

$461.8

Ore milled (tonnes)

1,755,369

Ownership

MMG Limited	100%

Zinc in zinc concentrate produced (tonnes)

163,588

Dugald River's EBITDA increased fourfold to US $169 million. A result driven by strong zinc and silver prices and lower treatment charges. Higher sales volumes of zinc, lead, and silver, and lower treatment charges also made a positive contribution. The site's production and financial metrics all showed improvement including a reduction in C1 costs and an improved EBITA margin.

Mines Analysis: Dugald River
Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Production			
Ore mined (tonnes)	1,783,162	1,650,517	8%
Ore milled (tonnes)	1,755,369	1,660,104	6%
Zinc in zinc concentrate (tonnes)	163,588	151,844	8%
Lead in lead concentrate (tonnes)	20,781	19,907	4%
Payable metal in product sold			
Zinc (tonnes)	136,853	128,628	6%
Lead (tonnes)	21,743	17,535	24%
Silver (ounces)	1,853,146	1,358,919	36%

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Revenue	**461.8**	**331.2**	**39%**
Operating expenses			
Production expenses			
Mining	(112.0)	(99.4)	(13%)
Processing	(67.4)	(66.1)	(2%)
Other	(80.8)	(81.7)	1%
Total production expenses	**(260.2)**	**(247.2)**	**(5%)**
Freight	(18.8)	(16.6)	(13%)
Royalties	(20.2)	(14.9)	(36%)
Other[1]	6.1	(15.4)	140%
Total operating expenses	**(293.1)**	**(294.1)**	**0%**
Other income/(expenses)	0.7	(3.3)	121%
EBITDA	**169.4**	**33.8**	**401%**
Depreciation and amortisation expenses	(56.1)	(53.1)	(6%)
EBIT	**113.3**	**(19.3)**	**687%**
EBITDA margin	**37%**	**10%**	

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

Mines Analysis: Dugald River Continued

Dugald River revenue increased by US$130.6 million (39%) to US$461.8 million in 2024, driven by lower zinc treatment charges (US$47.8 million), higher zinc prices (US$32.8 million), increased sales volumes for lead concentrate sales (US$19.9 million) and zinc concentrate (US$17.0 million), and higher silver prices (US$10.7 million).

Total production expenses rose 5% (US$13.0 million), mainly due to increased mining costs (US$12.6 million) from higher development meters and ore mined volumes.

Royalties increased by US$5.3 million (36%), reflecting higher gross revenue.

Other operating expenses included favourable changes in inventories of US$21.5 million due to a lower drawdown of finished goods (US$16.9 million) and a net build-up of ore stockpiles (US$4.1 million).

Dugald River's zinc C1 costs were US$0.65/lb in 2024 compared to US$0.93lb in 2023, primarily due to higher zinc production, lower treatment charges, and increased by-product credits.

2025 Outlook

Dugald River zinc production for 2025 is expected to be in the range of 170,000 and 185,000 tonnes of zinc in zinc concentrate. This represents a return to previous production levels. C1 costs in 2025 are expected to be in the range of US$0.75/lb to US$0.90/lb, an increase from 2024 due to lower by-product prices and higher zinc treatment charges used in the estimation compared to 2024.

Mines analysis

Rosebery

Location

Australia

Products

Zinc concentrate
Lead concentrate
Precious Metals Concentrate
Gold Doré

Zn Pb Au Ag Cu

Revenue (US$ million)

$306.0

Ore milled (tonnes)

1,033,778

Ownership

MMG Limited 100%

Zinc in concentrate produced (tonnes)

56,313

Zinc equivalent (tonnes)

133,563

Showing no signs of slowing down - even after 90 years of operation - EBITDA for Rosebery increased 58% to US $123.2 million.

This result was driven by strong prices for zinc, gold, silver, and copper, lower treatment charges, and higher sales volumes of zinc and lead. It was partially offset by increased production costs due to higher ore mined and processed.

Mines Analysis: Rosebery
Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
Production			
Ore mined (tonnes)	1,033,718	922,275	12%
Ore milled (tonnes)	1,033,778	918,074	13%
Zinc in zinc concentrate (tonnes)	56,313	51,626	9%
Lead in lead concentrate (tonnes)	20,879	19,147	9%
Copper in precious metals concentrate (tonnes)	1,288	1,163	11%
Gold (ounces)	33,377	30,096	11%
Silver (ounces)	2,413,983	2,583,418	(7%)
Payable metal in product sold			
Copper (tonnes)	1,256	1,131	11%
Zinc (tonnes)	48,084	47,664	1%
Lead (tonnes)	20,392	16,854	21%
Gold (ounces)	29,259	26,391	11%
Silver (ounces)	2,278,989	2,206,577	3%

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Revenue	**306.0**	**240.0**	**28%**
Operating expenses			
Production expenses			
Mining	(82.5)	(78.2)	(5%)
Processing	(37.4)	(33.0)	(13%)
Other	(32.6)	(29.8)	(9%)
Total production expenses	**(152.5)**	**(141.0)**	**(8%)**
Freight	(8.5)	(7.8)	(9%)
Royalties	(9.5)	(3.7)	(157%)
Other[1]	(2.5)	(4.0)	38%
Total operating expenses	**(173.0)**	**(156.5)**	**(11%)**
Other expenses	(9.8)	(5.7)	(72%)
EBITDA	**123.2**	**77.8**	**58%**
Depreciation and amortisation expenses	(78.8)	(56.8)	(39%)
EBIT	**44.4**	**21.0**	**111%**
EBITDA margin	**40%**	**32%**	

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

Mines Analysis: Rosebery
Continued

Rosebery's 2024 revenue increased by US$66.0 million (28%) to US$306.0 million in 2024, driven by lower zinc treatment charges (US$10.4 million); higher prices for zinc (US$10.0 million), gold (US$14.3 million), silver (US$12.1 million), and copper (US$1.1 million); and increased sales volumes for lead (US$6.7 million), precious metals (US$7.4 million), zinc (US$2.9 million) and copper (US$0.8 million).

Total production expenses increased by US$11.5 million (8%) compared to 2023, primarily due to higher processing costs (US$4.4 million) from increased mill throughput and higher mining costs (US$4.3 million) from increased ore mined volumes. Employee benefits rose US$2.5 million, aligning with the greater workforce availability in 2024. These increases were partially offset by a US$2.4 million reduction in ground support costs from operational efficiency improvements.

Royalties increased by US$5.8 million (157%), reflecting higher revenue and profit.

Other expenses increased by US$4.1 million (72%) due to increased exploration and study costs for the Rosebery life extension program.

Depreciation and amortisation expenses were higher than 2023 by US$22.0 million (39%), driven by increased mining and milling volumes.

Rosebery's zinc C1 costs were negative US$0.10/lb for the 2024 full year, compared to positive US$0.26/lb in 2023, reflecting higher precious metal by-products credits, higher zinc production, and lower treatment charges.

2025 Outlook

Rosebery zinc production for 2025 is expected to be in the range of 45,000 to 55,000 tonnes of zinc in zinc concentrate. The lower zinc production reflects a shift in focus towards by-product production. Including the contribution of by-product metals, zinc equivalent production for 2025 is expected to be in the range of 110,000 to 125,000 tonnes. C1 costs for 2025 are expected to be in the range of US$0.25/lb to US$0.40/lb. The anticipated higher C1 costs are due to lower by-product prices and higher zinc treatment charges used in the estimation compared to 2024.

Management Discussion and Analysis
Continued

Cash flow analysis

Net cash flow

Year ended 31 December	2024 US$ million	2023 US$ million	Change % Fav/(Unfav)
Net operating cash flows	1,611.9	1,849.9	(13%)
Net investing cash flows	(2,970.2)	(790.0)	(276%)
Net financing cash flows	1,104.0	(985.1)	212%
Net cash inflows	**(254.3)**	**74.8**	**(440%)**

Net operating cash inflows decreased by US$238.0 million (13%) to US$1,611.9 million, primarily due to unfavourable working capital movements (US$826.6 million) from lower copper concentrate drawdown at Las Bambas. Higher EBITDA (US$586.8 million) partially offset this decline.

Net investing cash outflows increased by US$2,180.2 million (276%) to US$2,970.2 million. This reflects the US$2,042.8 million acquisition cost (net of cash acquired) for the 100% share capital of Khoemacau Copper Mine in Botswana (March 2024) and US$117.8 million in Khoemacau capital expenditure.

Net financing cash flows were favourable by US$2,089.1 million (212%) compared to 2023. This resulted from the US$1,152.4 million of net cash raised from the Rights Issue, higher net drawdown of the external borrowing (US$860.8 million) and non-controlling interest equity contribution (US$482.9 million). These gains were partially offset by higher shareholder loan repayments (US$265.0 million), net interest rate swap settlement (US$132.4 million) in 2023, and higher net finance costs (US$6.8 million).

Financial resources and liquidity

	31 December 2024 US$ million	31 December 2023 US$ million	Change US$ million
Total assets	14,985.9	11,900.8	3,085.1
Total liabilities	(8,707.4)	(7,588.8)	(1,118.6)
Total equity	**6,278.5**	**4,312.0**	**1,966.5**

Total equity increased by US$1,966.5 million to US$6,278.5 million as at 31 December 2024.

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 2024 US$ million	31 December 2023 US$ million
Total borrowings (excluding prepaid finance charges)[1]	4,635.1	4,748.1
Less: cash and cash equivalents	(192.7)	(447.0)
Net debt	**4,442.4**	**4,301.1**
Total equity	6,278.5	4,312.0
Net debt +Total equity	**10,720.9**	**8,613.1**
Gearing ratio	**0.41**	**0.50**

1 Borrowings at an MMG Group level reflect 100% of the borrowings of the Las Bambas and Khoemacau Joint Venture Groups. Las Bambas Joint Venture Group borrowings as at 31 December 2024 were US$1,040.0 million (31 December 2023: US$2,016.8 million) and Las Bambas Joint Venture Group cash and cash equivalents as at 31 December 2024 were US$60.7 million (31 December 2023: US$399.2 million). Khoemacau Joint Venture Group borrowings as at 31 December 2024 were US$1,028.9 million and Khoemacau Joint Venture Group cash and cash equivalents as at 31 December 2024 were US$19.5 million. For the purpose of calculating the gearing ratio, Las Bambas and Khoemacau Joint Venture Groups' borrowings have not been reduced to reflect the MMG Group's 62.5% and 55.0% equity interest, respectively. This is consistent with the basis of the preparation of MMG's financial statements.

Management Discussion and Analysis
Continued

Available debt facilities

As at 31 December 2024, the Group had available in its undrawn debt facilities an amount of US$2,950 million (31 December 2023: US$4,325 million).

Some of the Group's 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 2024. 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.

Material acquisitions and disposals

Completion of the Acquisition of the Khoemacau Mine

Completion of the acquisition of the Khoemacau Mine occurred on 22 March 2024. In accordance with the share purchase agreement, at completion the Company paid to the Sellers the aggregate consideration of approximately US$1,734.7 million.

In addition to the payment of the aggregate consideration, in accordance with the share purchase agreement, the Company advanced an aggregate amount of approximately US$348.6 million, being the aggregate debt settlement amount, to settle certain debt balances of the acquired group.

Khoemacau Joint Venture

On 30 May 2024, MMG, MMG Africa Holdings Company Limited (a wholly-owned subsidiary of MMG), CNIC and Comor Holdings (a wholly-owned subsidiary of CNIC) and MMG Africa Resources Company Limited (the joint venture company) entered into an agreement to subscribe for shares at an agreed price and form a joint venture to manage the Khoemacau Mine. With effect from 6 June 2024, following completion of the subscription, MMG's interest was 55% and Comor Holdings' interest was 45%. The subscription and shareholders' agreement outlines the governance of the joint venture's management and affairs.

The operational results and financial position for the joint venture group have been included in this report.

Management Discussion and Analysis
Continued

Acquisition of Anglo American's Nickel Business in Brazil

On 18 February 2025, MMG announced that its wholly-owned subsidiary (MMG Singapore Resources Pte. Ltd.) entered into an agreement to acquire 100% of Anglo American's nickel business in Brazil ("Nickel Brazil") for an aggregate cash consideration of up to US$500 million. This includes an upfront cash consideration of US$350 million, contingent consideration of up to US$100 million linked to the realised nickel price[1], and contingent consideration of up to US$50 million linked to a final investment decision at development projects, Jacaré and Morro Sem Boné[2]. The acquisition aligns with the Group's growth strategy to expand its earnings, geographical footprint, and base metal commodity exposure, marking the Group's first investment in Brazil and the addition of nickel to its mineral resources and ore reserves.

The acquisition constitutes a disclosable transaction of the Company and is subject to the reporting and announcement requirements, but exempt from the Shareholders' approval requirements, under Chapter 14 of the Listing Rules.

As closing is subject to the fulfilment (or waiver, where applicable) of conditions, the acquisition may or may not proceed to closing. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Subject to the terms of the agreement, MMG and Anglo American have agreed to work towards completion in the third quarter of 2025.

Notes:

1. The payment will be calculated as 50% of incremental, post-tax revenue from nickel sales above the agreed realised nickel price of US$7.10/lb contained nickel, i.e. after the typical discounts for ferronickel products has been applied to the benchmark price for a period of 48 months.
2. A total of US$40 million is payable upon the Group making a final investment decision on the full-scale development of the Jacaré greenfield development project and US$10 million upon the Group making a final investment decision on the full-scale development of the Morro Sem Boné greenfield development project.

Rights Issue

On 4 June 2024, the Company announced a Rights Issue of 3,465,432,486 rights shares at HK$2.62 per rights share on the basis of 2 rights shares for every 5 existing shares held by Shareholders. The subscription price of the rights share represented a discount of approximately 31.41% to the closing price of HK3.82 per Share on 31 May 2024, being the last trading day before the subscription price of the rights share was fixed. The rights shares are ranked pari passu in all respects with the then existing shares which have no nominal value.

The results of the Rights Issue were disclosed on 12 July 2024 and 3,465,432,486 ordinary shares were allotted and issued on 15 July 2024. The Rights Issue was oversubscribed by 2.8 times and the gross proceeds from the Rights Issue amounted to US$1,152.4 million, net of transaction costs.

Details of the Rights Issue are set out in the Prospectus of the Company dated 20 June 2024. The Company intended to apply the proceeds for the following purposes:

- up to US$611 million (approximately HK$4,766 million) for repayment of amounts outstanding under the US$611 million shareholder loan facility between Top Create Resources Limited and MMG Africa Holdings Company Limited, which will mature in March 2031. This loan was used to fund the Company's equity contribution into the joint venture for the purpose of funding the acquisition of the Khoemacau Mine in Botswana;
- up to US$200 million (approximately HK$1,560 million) for the partial repayment of amounts still outstanding under the US$2,262.0 million term shareholder loan facility between Top Create Resources Limited and MMG South America Company Limited, of which US$700 million matured in July 2024; and
- the remaining proceeds used for repayment of outstanding revolving credit facilities to various banks.

Management Discussion and Analysis
Continued

As at the date of this report, the Group has utilised the net proceeds from the Rights Issue as follows:

Items	Intended use of the net proceeds (US$ in million)	Actual use of the net proceeds up to date of this report (US$ in million)	Unutilised proceeds up to date of this report (US$ in million)
Repayment of short term Khoemacau acquisition funding	Up to 611	611	0
Partial repayment of MMG South America shareholder loan Tranche A	Up to 200	175*	0
Repayment of outstanding Revolving Credit Facilities	Remaining proceeds	345	0

* The repayment deadline for the remaining MMG South America shareholder loan of Tranche A has been extended.

As at the date of this report, the Company has completed the intended utilisation of the proceeds, with the remaining balance being used to repay interest expenses incurred from the short term Khoemacau acquisition funding and for the payment of transaction costs.

The repayment of these debt facilities will provide greater flexibility for the Company to fund the general corporate and working capital purposes of the Company and ongoing development of the Company's mines including but not limited to essential infrastructure and equipment.

Development projects

The **Chalcobamba development**, located approximately three kilometres from the existing processing plant at Las Bambas, is crucial to an annual production increase to a range of 350,000 to 400,000 tonnes. The mine began early work with community companies at the Chalcobamba pit in early February 2024, and the plant has received a stable supply of ore from the Chalcobamba pit since the second half of 2024. MMG remains committed to transparent and constructive dialogue with the Peruvian government, local governments, and the Huancuire community to ensure sustainable growth and stable operations at Chalcobamba. Las Bambas is a significant contributor to the Peruvian economy and will continue to support social contributions and create financial and business opportunities for local and regional communities.

Kinsevere Expansion Project, which includes transitioning to the mining and processing of sulphide ore and commencing cobalt production, achieved mechanical completion on 15 September 2024, 15 days ahead of the scheduled date. With a nameplate capacity of 80,000 tonnes of copper cathode per annum, KEP will extend Kinsevere's mine life to at least 2035. The focus in 2025 will be on ramping up the concentrator and roasting systems and integration with the existing SXEW plant.

Khoemacau Expansion Project - utilising the existing 3.65Mtpa process plant, the Company is committed to accessing the higher-grade areas of the Khoemacau mine and working towards a higher production run rate of 60,000 tonnes of copper in copper concentrate annually by 2026-2027. This will be facilitated by ongoing mining development efforts to increase mining fronts, operational flexibility and access to higher-grade areas. These efforts will be further enhanced by constructing a paste fill plant to increase extraction rates and completion of the installation of Primary Vent Fans. C1 costs are expected to improve as the operation scales up.

In addition, the Company plans to expand the mine's capacity to 130,000 tonnes of copper in copper concentrate per annum by building a new 4.5Mtpa process plant, increasing Zone 5 output, and developing additional expansion deposits. Construction is anticipated to begin in 2026, with first concentrate production in 2028 and a projected C1 cost of US$1.55/lb at full capacity, subject to the outcomes of the feasibility study.

There were no other major development projects noted during the year ended 31 December 2024.

Management Discussion and Analysis
Continued

Contracts and commitments

During the year 2024, a total of 726 contracts were reviewed through market engagements or in-contract renegotiations. The approximate annual operational or capital values addressed by these activities amounted to US$990.7 million.

Extensive contracting activities were undertaken across all operational sites to secure essential supplies and meet other critical requirements. These actions were crucial for supporting the planned execution of projects, ensuring the continuity of our operations, and effectively managing potential disruption risks.

Las Bambas

New and revised agreements optimised production and development options at Las Bambas, including specific Chalcobamba contracts prioritising local community participation. These agreements encompass a range of services: studies and engineering via a consolidated head contractor, project construction, mining services (blasting and drilling), fuel supply, equipment maintenance, catering and camp services, transportation, health and medical services, road maintenance, customs and freight forwarding, plant shutdown services, grinding media, major component repair, and parts and consumables. Proactive investments in increased on-site concentrate storage capacity secured operational continuity and enhanced future flexibility. Streamlined internal procedures and strategic operational contracting for 2025, finalised at year-end 2024, are poised to optimize workload and leverage contract synergies for significant economies of scale.

Kinsevere

Several new and extended agreements were finalised, including, but not limited to water monitoring service, environment audit, air quality monitoring service, hospital services, explosives, and concentrator reagents. These agreements support the steady and continuously improving operation of Kinsevere while fulfilling its social responsibilities.

Khoemacau

Khoemacau implemented a supply improvement program in 2024, incorporating warehouse improvements and an intelligent stock cataloguing system to streamline inventory and reduce active line items. Supply chain personnel training yielded contract savings and aligned key performance indicators. Full integration into MMG's supply chain standards was completed in the fourth quarter of 2024, following its commencement in the second quarter.

Several new and extended operational agreements were finalised, covering concentrate offtake, mining development and production, explosives, onsite laboratory services, and fuel supply. Khoemacau continue to promote citizen economic empowerment in Botswana through procurement.

Several growth projects contracts were finalised for the backfill project, including filter plant, civils, structural, mechanical, platework & piping (SMPP), with the remaining procurement packages expected to be awarded in the near term. Exploration infill drilling contracts were completed as planned, aligning with the expansion feasibility study.

Management Discussion and Analysis
Continued

Dugald River

The 2024 contracts and commitments update for the Dugald site demonstrates significant progress in several key areas, particularly in supply chain management and operational efficiency. The site was dedicated to continuously reviewing long-term energy options, with an emphasis on increasing the adoption of renewable energy sources. A successful transition to a new camp management supplier was completed. Furthermore, a strengthened focus on local and social procurement, showcased at an October supplier roadshow in Cloncurry and Mt Isa, demonstrates a commitment to community engagement and regional economic development.

Rosebery

The 2024 contracts and commitments update for the Rosebery site highlights a commitment to both operational efficiency and environmental sustainability. Key achievements in 2024 include a new three-year electricity supply agreement with a local provider, and the successful operation of three diesel-electric loaders, which have reduced the site's carbon footprint. Strategic partnerships with engineering service and drilling suppliers bolstered the Rosebery project team.

Group

New and revised agreements were finalised for IT, Legal, APS (Asset Planning and Support), Assurance, Risk and Audit, and Insurance. These were supplemented by several professional services consultancy agreements covering SHEC (Safety, Health, Environment, and Community), Legal, HR (Human Resources), Corporate Affairs, Assurance, Risk and Audit, Climate, and Social Performance.

People

As at 31 December 2024, the Group employed a total of 5,195 full-time equivalent employees (2023: 4,542) in its continuing operations (excluding contractors and casual employees) with the majority of employees based in Australia, Peru, the DRC, Botswana, China and Laos.

The total employee benefits expenses for the Group's operations for the year ended 31 December 2024, including Directors' emoluments, totalled US$434.4 million (2023: US$365.7 million). The increase was primarily due to Khoemacau's acquisition and the update valuation of MMG Long Term Incentive Equity Plans based on performance measures estimation.

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.

Management Discussion and Analysis
Continued

Exploration activities

Las Bambas

Extensive drilling activities were conducted at several Las Bambas targets in 2024.

At Ferrobamba, drilling focused on the Ferrobamba Deeps UG (Underground) target beneath the existing Ore Reserve pit, informing 2025 studies to evaluate the mineralisation and potential mining methods (open pit and/or an underground development).

Additional drilling targeted near-surface skarn and porphyry copper mineralisation at Ferrobamba South (extending mineralization south and at depth), Ferrobamba East (east of the open pit), Jatun Charcas (West, East, and North), Chalcobamba Northwest and Deeps (near existing infrastructure), North Plant and Tomoco.

Kinsevere

In 2024, 3,940 meters of diamond drilling were completed within the Kinsevere tenement targeting the Mashi extension prospects. This resource testing campaign aimed to extend previously identified mineralisation laterally and downdip. Drilling results from Kinsevere Saddle and Kimbwe Kafubu in 2023 and 2024 were reflected in the 2024 Mineral Resource and Ore Reserves report.

Khoemacau

Regional exploration in 2024 focused on the Zone 9, Mango South Dome and Banana South-West Hinge (Chalcocite Zone) prospects. Drilling at the Banana Chalcocite prospect, targeting three areas identified by airborne electromagnetic data within a favourable higher stratigraphic siltstone unit. Drilling of 2 deep holes in Zone 5 commenced and is expected to be completed in the first quarter of 2025.

Dugald River

In 2024, surface exploration drilling at Dugald River concentrated on three key areas: the Wallaroo Copper prospect, Targets M1 & M2 and Extended Dugald River (EDR) Zn-Pb-Ag extension. To improve efficiency and target intersection, casing wedges were used where feasible. Diamond drilling at the Wallaroo Prospect continued to test the southern limits of alteration and mineralisation. At M1 & M2, drilling focused on the southern extents of each magnetic anomaly. Geological data refined interpretation of each target area, with Wallaroo results significantly enhancing the understanding of the structural controls on brecciation, alteration and mineralisation. In the third and fourth quarters, drilling probed the down-dip extent of a high-grade Zn-Pb-Ag zone within the northern EDR.

Rosebery

In 2024, a total of 123,171 meters of drilling was completed at Rosebery, with 81,518 meters dedicated to growth drilling. Underground growth drilling focussed on extending the Z- and U- lenses to the north and south, respectively. Further extensional drilling targeted previously mined lenses (AB, T, V, P and K- lenses), including new targets such as P- hanging wall and K- Cu.

Surface exploration drilling (15,614 meters in 82 holes) concentrated primarily at the historical mine of Hercules and South Hercules. Additional surface drilling was conducted north of the Rosebery mine at Oak, Bastyan, Lake Rosebery, as well as south of the mine at Snake Gully, and the historical Jupiter mine. Exploration at Hercules, Oak, Lake Rosebery and Snake Gully will continue in 2025.

Management Discussion and Analysis
Continued

Project	Hole type	Meterage (metres)	Number of holes	Average length (metres)
Americas				
Las Bambas	Diamond (Ferrobamba Deeps)	45,368	61	744
	Diamond (Ferrobamba South)	8,383	8	1,048
	Diamond (Ferrobamba East)	2,070	3	690
	Diamond (Chalcobamba NW)	3,188	3	1,063
	Diamond (Chalcobamba Deeps)	1,203	3	401
	Diamond (Jatun Charcas)	1,599	3	533
	Diamond (Jatun Charcas North)	4,642	11	422
	Diamond (Jatun Charcas West)	3,170	5	634
	Diamond (Plant North)	1,280	3	427
	Diamond (Tomoco)	777	2	389
Africa				
Kinsevere	Diamond (Mashi Extension)	3,940	10	394
Khoemacau	Diamond (Banana SW Hinge)	1,188	3	396
	Diamond (Zone 9)	1,276	4	319
	Diamond (South Mango Dome)	1,470	6	245
	Diamond (Zone 5)	3,117	2	1,559
Australia				
Dugald River	Diamond (Wallaroo)	4,584	6	764
	Diamond (M1)	1,530	2	765
	Diamond (M2)	989	1	989
	Diamond EDR (Zn-Pb-Ag)	3,907	5	781
Rosebery	Diamond – surface exploration	32,724	109	300
	Diamond – underground exploration	48,794	196	249
Total		**175,199**	**446**	**393**

Management Discussion and Analysis
Continued

Events after the reporting date

On 18 February 2025, the Group entered into an agreement to acquire the Anglo American nickel business in Brazil. The total consideration is up to US$500 million including upfront cash consideration of US$350 million and contingent consideration of US$150 million. The completion of this transaction is still subject to the fulfillment of the conditions under the agreement.

Financial and other risk management

The Group's activities expose it to a variety of financial risks, including commodity price risk, interest rate risk, foreign exchange risk, credit risk, and liquidity risk. 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 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, molybdenum and cobalt 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 2024, the Group entered into various commodity trades to hedge the sales prices for copper and zinc. Unsettled commodity trades as of 31 December 2024 included

- Zero/low-cost collar hedges:
  - 5,500 tons of copper with put strike price ranging from US$9,250/tonne to US$10,385/tonne and call strike price ranging from US$9,750/tonne to US $10,700/tonne;
  - 900 tons of zinc with put strike price ranging from US$2,850/tonne to US$2,900/tonne and call strike price ranging from US$3,315/tonne to US$3,430/tonne.
- Fixed price swap hedges:
  - 13,800 tons of copper with fixed price ranging from US$9,008/tonne to US$9,253/tonne;
  - 8,550 tons of zinc with fixed price ranging from US$2,690/tonne to US$3,150/tonne.
- Above hedges settlement ranged from January to May 2025.

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

Management Discussion and Analysis
Continued

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 US$ million	Hedging gain 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 2024							
Derivative financial assets/(liabilities)	**March 2024 to May 2025**	2.9	2.9	(2.9)	1.2	2.0	-
At 31 December 2023							
Derivative financial assets	**March 2023 to December 2023**	-	-	-	10.8	-	-

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:

	2024			2023	
Commodity	Commodity price movement	Increase in profit US$ million	Decrease in OCI US$ million	Commodity price movement	Increase in profit US$ million
Copper	+10%	9.3	(5.5)	+10%	11.2
Zinc	+10%	-	-	+10%	7.2
Total		**9.3**	**(5.5)**		**18.4**

Commodity	Commodity price movement	Decrease in profit US$ million	Increase in OCI US$ million	Commodity price movement	Decrease in profit US$ million
Copper	-10%	(8.8)	5.5	-10%	(10.9)
Zinc	-10%	0.1	-	-10%	(7.2)
Total		**(8.7)**	**5.5**		**(18.1)**

Management Discussion and Analysis
Continued

(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 current exposures mainly arise on non-derivative financial assets and liabilities.

At 31 December 2024 and 2023, if the interest rate had increased/(decreased) by 100 basis points, with all other variables held constant, post-tax profit would have changed as follows:

	2024		2023	
	+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**	**(Decrease)/ increase in profit after tax**
Financial assets				
Cash and cash equivalents	0.8	(0.8)	3.0	(3.0)
Financial liabilities				
Borrowings - variable interest rate	(21.5)	21.5	(17.6)	17.6
Total	**(20.7)**	**20.7**	**(14.6)**	**14.6**

(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.

Management Discussion and Analysis
Continued

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$	BWP$	OTHERS	Total
At 31 December 2024						
Financial assets						
Cash and cash equivalents	173.2	6.4	3.1	5.6	4.4	**192.7**
Trade receivables	443.7	-	-	-	-	**443.7**
Other receivables	51.6	188.0	0.4	3.4	0.1	**243.5**
Derivative financial assets	11.0	-	-	-	-	**11.0**
Other financial assets	1.0	-	-	-	-	**1.0**
Financial liabilities						
Trade and other payables	(465.7)	(413.0)	(68.0)	(35.0)	(7.2)	**(988.9)**
Borrowings	(4,628.8)	-	-	-	-	**(4,628.8)**
Lease liabilities	(109.0)	(9.3)	(29.9)	-	-	**(148.2)**
Derivative financial liabilities	(0.7)	-	-	-	-	**(0.7)**
	(4,523.7)	**(227.9)**	**(94.4)**	**(26.0)**	**(2.7)**	**(4,874.7)**

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)**

Management Discussion and Analysis
Continued

Based on the Group's net monetary assets and financial liabilities at 31 December 2024 and 2023, 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:

	2024		2023	
	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 (2023: 10%)	(6.6)	6.6	(5.1)	5.1
10% movement in Peruvian sol (2023: 10%)	(15.5)	15.5	(10.7)	10.7
10% movement in Botswana pula	(1.8)	1.8	-	-
Total	**(23.9)**	**23.9**	**(15.8)**	**15.8**

(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 within 30 days after delivery and the balance within 30 days of submission of all required documentation and fulfilment of obligations under the respective incoterm for the sales. 100% of the trade receivables 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 bank 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 2024 in assessing the expected credit loss ("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 2024 and 2023, the Group assessed the ECL for these balances and considered no significant impact to the consolidated financial statements.

Management Discussion and Analysis
Continued

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:

	2024	2023
CMN	42.6%	46.6%
CITIC Metal	16.6%	20.2%
Trafigura	16.2%	8.2%

The Group's largest debtor at 31 December 2024 was CMN with a balance of US$228.9 million (2023: US$159.1 million) and the five largest debtors accounted for 81.5% (2023: 77.6%) 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	**2024**	**2023**
Asia	361.7	264.7
Europe	74.5	78.6
Others	7.5	11.5
	443.7	**354.8**

(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.

Management Discussion and Analysis
Continued

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 2024						
Financial assets						
Cash and cash equivalents	192.7	-	-	-	**192.7**	**192.7**
Trade receivables	443.7	-	-	-	**443.7**	**443.7**
Other receivables	127.5	116.0	-	-	**243.5**	**243.5**
Derivative financial assets	11.0	-	-	-	**11.0**	**11.0**
Other financial assets	-	1.0	-	-	**1.0**	**1.0**
Financial liabilities						
Trade and other payables	(679.3)	(309.6)	-	-	**(988.9)**	**(988.9)**
Borrowings (including interest)	(1,132.9)	(1,312.8)	(2,630.7)	(271.6)	**(5,348.0)**	**(4,628.8)**
Lease liabilities (including interest)	(36.1)	(34.0)	(74.5)	(55.9)	**(200.5)**	**(148.2)**
Derivative financial liabilities	(0.7)	-	-	-	**(0.7)**	**(0.7)**
	(1,074.1)	**(1,539.4)**	**(2,705.2)**	**(327.5)**	**(5,646.2)**	**(4,874.7)**
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)**
	(1,351.6)	**(1,450.8)**	**(1,960.5)**	**(898.0)**	**(5,660.9)**	**(4,700.8)**

Management Discussion and Analysis
Continued

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 2024, these guarantees amounted to US$330.7 million (2023: US$310.5 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, Botswana, Laos and Congo. Except for the financial impacts disclosed for the Peruvian tax matters in subsequent paragraphs, 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 of the Group, such disclosure may seriously prejudice the position of the Group in dealing with those matters.

Management Discussion and Analysis
Continued

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 ("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.

In June and July 2024, MLB received favourable decisions of the Tax Court in Peru determining that MLB is not liable to penalty withholding tax at a 30% rate. The Tax Court decision relates to the 2014, 2015, 2016 and 2017 tax periods. The Tax Court stated that the purpose of the related-party provisions in the Income Tax law is to prevent tax avoidance practices and according to the Court, the nature of the relationship between MLB, MMG and the Chinese lender banks (the Lenders) is not for tax avoidance purposes. Therefore, the Court concluded that the interpretation of SUNAT was against the law and dismissed it and revoked the appealed Assessments in relation to the 2014 to 2017 tax periods in the amount of US$557.0 million. The assessments for omitted taxes, along with the corresponding penalties and interest, have been revoked, and the outstanding debt is currently recorded as zero in SUNAT's system.

Having received the above Tax Court decisions, external legal and tax advice, the Group has the continued point of 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.

Since September 2024, SUNAT filed judicial lawsuits challenging the Tax Court's decisions. MLB has already submitted its response and commenced its legal defence for FY 2017 and FY 2016. In January 2025 SUNAT filed judicial appeals on FY 2014 and FY 2015 cases. MLB has responded within the deadline. A final decision in the Judiciary may take several years.

Peru – Income Taxes (2016, 2017, and 2018)

Las Bambas received assessment notices from SUNAT in connection with the 2016, 2017 and 2018 income tax audit during 2023 and 2024. SUNAT assessments and interpretations include:

- Denying 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;
- Alleging 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);
- Alleging 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; and
- Denying recognition of previous years' tax losses, including 2014, 2015 and 2016 development costs.

Management Discussion and Analysis
Continued

The Assessment issued by SUNAT for tax, interest and penalties for the tax periods above totalled PEN7,474.0 million (approximately US$1,992.0 million).

In September 2024, MLB received Tax Court Resolutions related to 2016 and 2017 income tax audits. MLB successfully addressed the objections and the tax exposure was reduced from US$1,121.0 million to zero.

The income tax 2018 audit concluded with the same interpretation of previous years regarding the non-deductibility of interest expenditure. Due to the favourable rulings for FY 2016 and 2017, a favourable outcome is also expected for FY 2018.

Las Bambas has notified the Peruvian Government of a dispute pursuant to the Peru-Netherlands Bilateral Investment Treaty (Treaty) in respect of the deductions denied for interest on the loans from Chinese banks, and the Peruvian Government has confirmed its inability to resolve the dispute by way of commercial negotiation. Due to the favourable rulings, the arbitration has not commenced.

Considering Las Bambas' positive results 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. However, SUNAT have appealed as mentioned above. If Las Bambas' defence is unsuccessful in the appeal, it could result in significant liabilities being recognised.

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.

Las Bambas copper production for 2025 is expected to reach 360,000 - 400,000 tonnes. Kinsevere copper cathode production is expected at 63,000 - 69,000 tonnes. Khoemacau copper production for 2025 is expected to be between 43,000 and 53,000 tonnes. For zinc, Dugald River zinc production for 2025 is expected to be in the range of 170,000 and 185,000 tonnes of zinc in zinc concentrate. Rosebery zinc production for 2025 is expected to be in the range of 45,000 to 55,000 tonnes of zinc in zinc concentrate.

Las Bambas

Las Bambas annual production is expected to produce 350,000-400,000 tonnes of copper in copper concentrate in the short-to-medium term. Since the second half of 2024, mining operations at the Chalcobamba pit have stabilised, providing high-grade ore to the Las Bambas processing plant. In 2025, Las Bambas will continue to drive mining operations in both the Chalcobamba and Ferobamba pits as well as maintaining robust community engagement and supporting a range of social programs focused on local business development, education, health, infrastructure and agriculture, among others.

Management Discussion and Analysis
Continued

Kinsevere

In the DRC, the mechanical construction of the Kinsevere expansion project was completed on 15 September 2024. The mine is now focusing on ramping up the concentrator and roasting systems and integrating them with the existing SXEW plant. This phased approach is expected to gradually increase copper cathode production towards nameplate capacity. MMG will continue to invest in regional exploration programs focusing on proving up discoveries within an operating radius of the Kinsevere mine.

Khoemacau

The Khoemacau Mine is a rare, high-grade copper producing asset with a planned expansion that will leverage existing skills and infrastructure at a low capital intensity and in the bottom half of the global cost curve. The 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.

Subsequent to the acquisition completed on 22 March, 2024, the Company is implementing a comprehensive plan to increase annual copper concentrate production to 60,000 tonnes by 2026-2027. This will be facilitated by ongoing mining development efforts to increase mining fronts, operational flexibility and access to higher-grade areas. These efforts will be further enhanced by constructing a paste fill plant to increase extraction rates and completion of the installation of Primary Vent Fans. C1 costs are expected to improve as the operation scales up.

In addition, the company is dedicated to completing the construction of an expansion project by 2028, which aims to increase production capacity to 130,000 tonnes of copper. This will involve constructing a new 4.5 Mtpa process plant, expanding Zone 5 output, and developing expansion deposits.

Dugald River

Dugald River remains committed to safe, greener and sustainable production to support the delivery of 2,000,000 tonnes of ore mined per year. This will pave the way for targeted zinc equivalent production to remain at around 200,000 tonnes annually. Dugald River is looking at the feasibility of building a wind farm to complement the long-term solar offtake agreement with energy provider APA. This is part of our ongoing commitment to reduce our carbon footprint.

Rosebery

At Rosebery, MMG's strategic priority is to extend the operational life of the mine. This is being supported by initiatives including an accelerated resource extension and near-mine exploration drilling program (initiated in 2023), and a recently approved sustainable tailings storage solution.

The drilling program, utilising both underground and surface drilling, has already resulted in the increase in Rosebery's ore reserves by 47%, with zinc, lead, silver, gold and copper increasing by over 30% (as detailed in MMG's Mineral Resources and Ore Reserves Statement as at 30 June 2024).

In addition, final approval for the further expansion of the existing tailings storage facility (TSF) was received in December 2024, a key enabler of the ore reserve increase and mine life extension. In 2025, the mine will focus on the Stage 11 and 12 embankment raises at the Bobadil TSF, and a capacity increase at 2/5 Dam. These projects, subject to permitting approvals, have the potential to extend the life of the existing tailings facilities to 2030.

Management Discussion and Analysis
Continued

Capital expenditure plan in 2025

Total capital expenditure in 2025 is expected to be between US$1,200 million and US$1,300 million. This includes US$550-600 million for Las Bambas (tailings dam facility expansion, Ferrobamba pit infrastructure, and Chalcobamba execution); US$300 million and US$350 million for Khoemacau (including US$170-190 million for expansion studies and early works, plus paste-fill plant design and construction); and US$200 million for Kinsevere, reflecting reduced spending on the Kinsevere Expansion Project, increased capitalised waste mining expenditure during ramp-up of the project and spending on debottlenecking projects. Should MMG successfully complete the acquisition of Nickel Brazil, additional capital expenditure will be required in 2025.

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.

Directors and Senior Management

Directors' biographies

Chairman

MR XU JIQING

Mr Xu, aged 57, was redesignated from an Executive Director to a Non-executive Director of the Company in January 2020 and was appointed as the Chairman of the Company in August 2023. Prior to his redesignation, he was an Executive Director and Executive General Manager of the Company from May 2013 to December 2019 with responsibility for various areas, most recently China Relations, Marketing and Supply. Mr Xu was also a Non-executive Director of the Company from May 2009 to May 2013. He is a member of the Company's Audit and Risk Management Committee and the Governance, Remuneration, Nomination and Sustainability Committee.

Mr Xu was appointed as Deputy General Manager of China Minmetals Corporation (CMC) in February 2025. He is also a director and the Chairman of China Minmetals Non-ferrous Metals Co., Ltd (CMN) since February 2016 and September 2023 respectively. He was the President of CMN from January 2020 to September 2023.

Mr Xu holds a Bachelor's degree in Accounting from the University of International Business and Economics in the PRC, and a Master's degree in Business Administration from Saint Mary's University in Canada. He is a qualified senior accountant in the PRC, a fellowship member of the Certified General Accountants Association of Canada and a chartered professional accountant member of the Chartered Professional Accountants of British Columbia, Canada. Mr Xu has extensive experience in strategic planning, accounting, marketing and corporate financial and risk management.

Mr Xu joined the CMC Group in 1991, holding a number of management roles from 1997 in various Finance departments. He was the Vice President and CFO of CMN between 2005 and 2013.

Executive Director

MR CAO LIANG

Mr Cao, aged 44, was appointed as the Chief Executive Officer (CEO) and an Executive Director of the Company in April 2024. He is also a director of a few subsidiaries of the Company.

Previously, Mr Cao was the Vice President of CMN and the Vice President/Chief of Staff of MLB at the Company.

He has a Bachelor's Degree in Resources Engineering and a Master's Degree in Mining Engineering from the University of Science and Technology Beijing in China. Mr Cao has nearly 20 years' experience in international mining investment and strategy. He also has a deep understanding of international mining project management and mine operations. Further, he has collaborated with and has had experience with different stakeholders in China, Peru and Australia. Mr Cao has participated in mining acquisitions and divestments and mining project construction for CMN and MMG.

Directors and Senior Management Continued

Non-executive Director

MR ZHANG SHUQIANG

Mr Zhang, aged 58, was appointed as a Non-executive Director of the Company in February 2017. He is a member of the Company's Audit and Risk Management Committee.

Mr Zhang has been the Auditor – General of CMC since August 2023; the General Manager of Audit Department of CMC and Supervisor of China Minmetals Corporation Limited (CMCL) since April 2023. He was appointed as a director of China Minmetals Non-ferrous Metals Holdings Co., Ltd (CMNH) since January 2016 and was designated as a chairman of CMNH in February 2021. Mr Zhang was the General Manager of the Finance Department of CMC from January 2016 to April 2023, a director of CMN from February 2016 to March 2023, and a director of Minmetals HK from August 2016 to July 2024. He was the chairman of Minmetals Finance Co., Ltd. from September 2018 to April 2023. Mr Zhang was appointed as a director of China Rare Earth Group Co., Ltd since December 2021.

Mr Zhang graduated from Zhejiang Metallurgical Economy College in the PRC, majoring in Financial Accounting. He also obtained a Master's degree in Economics from Wuhan University of Technology in the PRC. Mr Zhang started his career at China National Nonferrous Metals Import and Export Corporation, working as the Financial Accountant since 1987. From 1997 to 2000, he served as the Deputy Chief of the Finance Division of China National Nonferrous Metals Industry Trading Group Corporation. From 2000 to 2002, Mr Zhang served as the Assistant General Manager of the Finance Department of China National Nonferrous Metals Industry Trading Group Corporation. He also served as the Assistant General Manager (from April 2002 to March 2003) and the Deputy General Manager (from March 2003 to October 2005) of the Finance Department of CMN. From October 2005 to May 2013, Mr Zhang was the Deputy General Manager of the Finance Department of CMC. From May 2013 to December 2015, he served as the Vice President and the CFO of CMN and CMNH. From December 2015 to January 2016, Mr Zhang was the acting Deputy General Manager of the Finance Department of CMC. From December 2016 to August 2018, he was a director of Minmetals Development Co., Ltd. From April 2017 to May 2020, Mr Zhang was a director of Minmetals Capital Co., Ltd. and from July 2017 to June 2020, he was a director of Minmetals Innovative Investment Co., Limited. Mr Zhang was the Vice Chairman and a director of Xiamen Tungsten Co. Ltd (a company listed on the Shanghai Stock Exchange) from January 2014 to December 2014. He was also a director of Hunan Nonferrous Metals Holding Group Co., Ltd from August 2013 to January 2017 and a director of China Tungsten and Hightech Materials Co., Ltd. (a company listed on the Shenzhen Stock Exchange) from June 2016 to November 2018.

Independent Non-executive Directors

DR PETER CASSIDY

Dr Cassidy, aged 79, was appointed as an Independent Non-executive Director of the Company in December 2010. He is the Chairman of the Company's Governance, Remuneration, Nomination and Sustainability Committee and a member of Audit and Risk Management Committee.

Dr Cassidy is a metallurgical engineer with over 50 years' experience in the resources and energy sectors, including more than 30 years as a director of major public companies listed in Australia, Canada, the USA and Hong Kong. Following his retirement from the position of CEO of Goldfields Limited in 2001, he has served as a non-executive director on the Boards of companies involved in the base metals, precious metals and renewable energy generation sectors. Dr Cassidy was also a member of the Board of Advice of Monash University Division of Mining and Resources Engineering.

Dr Cassidy has most recently been involved in the development and operation of major mining and processing projects in Australia, Peru, the PRC, Laos, Papua New Guinea, the DRC and Côte d'Ivoire.

Directors and Senior Management Continued

MR LEUNG CHEUK YAN

Mr Leung, aged 73, was appointed as an Independent Non-executive Director of the Company in July 2012. He is a member of the Company's Audit and Risk Management Committee and Governance, Remuneration, Nomination and Sustainability Committee.

Mr Leung is a solicitor admitted to practise law in Hong Kong, England and Wales, and Victoria and the Australian Capital Territory in Australia. He holds a Bachelor of Social Science (First Class Honours) degree from the Chinese University of Hong Kong, and a Master of Philosophy degree from the University of Oxford. Mr Leung, a corporate finance and capital markets specialist, was a partner at Baker & McKenzie and for many years the head of its securities practice group in Hong Kong. He retired from Baker & McKenzie in 2011.

Mr Leung was an independent non-executive director of Bank of China Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) from September 2013 to September 2019.

MR CHAN KA KEUNG, PETER

Mr Chan, aged 73, was appointed as an Independent Non-executive Director, the Chairman of the Audit and Risk Management Committee and a member of the Governance, Remuneration, Nomination and Sustainability Committee of the Company in December 2019.

Mr Chan graduated from Hong Kong Polytechnic majoring in accounting. He is a member of Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants of the United Kingdom, an associate member of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) of the United Kingdom, and a member of CPA Australia.

From January 1994 to December 2008, Mr Chan served as Beijing-based managing partner of the Tax and Investment Advisory Service Department and then managing partner of the NPA Transaction Advisory Service Department of Ernst & Young. He also served as member of the executive committee of the Hong Kong Chamber of Commerce in China from 1996 to 2003 and the Chairman of Hong Kong Chamber of Commerce in China in 2000 and 2003. Mr Chan was an independent non-executive director of CRRC Corporation Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) from June 2014 to May 2018. He was also an independent non-executive director of Metallurgical Corporation of China Ltd. (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) and China Railway Signal & Communication Corporation Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) from November 2014 to April 2020 and from August 2018 to February 2022 respectively.

MS CHEN YING

Ms Chen, aged 53, was appointed as an Independent Non-executive Director of the Company in July 2024. She is a member of the Company's Audit and Risk Management Committee and Governance, Remuneration, Nomination and Sustainability Committee.

Ms Chen is currently an independent non-executive director of Orient Overseas International Limited (a company listed on The Stock Exchange of Hong Kong Limited, stock code: 316) since August 2018. She is also an independent non-executive director of COSCO Shipping Container Lines Co. Ltd. since November 2019. Ms Chen also serves as an independent non-executive director of China Shipbuilding Industry Company Limited, (a company listed on the Shanghai Stock Exchange, stock code: 601989) since August 2020 and Shanghai Rural Commercial Bank Co., Ltd., (a company listed on the Shanghai Stock Exchange, stock code: 601825) since November 2023. Ms Chen joined Baoshan Iron and Steel Company Limited, (a company listed on the Shanghai Stock Exchange, stock code 600019) in 1993 and successively served as director of Accounting, director of Cost

Directors and Senior Management Continued

and Financial Controller and Deputy General Manager (CFO) and company secretary within the group from 1999 to 2016. She also served as the chairperson of Shanghai Meishan Iron & Steel Co., Ltd. from 2011 to 2012. From 2016 to 2018 Ms Chen served as vice chairperson of Shanghai Chongyang Investment Co. Ltd. She also served as an independent director of Pingdingshan Tianan Coal Mining Co. Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601666) until June 2024.

Ms Chen has significant experience in the resources sector and in particular mining management in the iron and steel industries. She is familiar with the iron ore production cycle, including mining, processing and metallurgy.

Ms Chen holds a Masters degree in Business Administration from Fudan University, a Masters degree in Business Administration with a major in Finance from Masstricht College in The Netherlands, and obtained a Bachelor degree in Finance from the School of Finance of Renmin University of China. Ms Chen is a CIMA (Certified Management Accountant, USA) and is a member of the Shanghai Accounting Association of China.

Biographies of senior management

MR QIAN SONG, CHIEF FINANCIAL OFFICER

Mr Qian, aged 53, has served on the Executive Committee of the Company since February 2024 in his capacity as Executive General Manager – Finance and redesignated to CFO of the Company since July 2024. He brings to the role significant executive experience within CMC and was most recently the CFO of Minmetals Innovative Investment Co., Limited. Prior to this role, Mr Qian was the Vice President of Capital Markets of CMC from 2019 to 2022. He was also employed by the Company from 2010 to 2012 in the role of Group Manager Board Support.

Mr Qian has over 3 decades of invaluable experience in global treasury systems and a profound understanding of commercial and investment banking, financial markets, and cross-cultural integration in mining assets as well as multi-industrial assets, both domestically and internationally.

MR TROY HEY, EXECUTIVE GENERAL MANAGER – CORPORATE RELATIONS

Mr Hey, aged 54, has served on the Executive Committee of the Company since August 2013 in his capacity as the Executive General Manager – Stakeholder Relations. His present role title is Executive General Manager – Corporate Relations. In this role, he is responsible for Stakeholder Relations, Corporate Affairs, Global Business Services, Enterprise Technology and Legal and Company Secretarial. Mr Hey is also a director of a number of subsidiaries of the Company.

Prior to joining the Company as General Manager – Stakeholder and Investor Relations in April 2011, Mr Hey was the General Manager – Media and Reputation at Foster's Group since 2005. He was previously the Group Manager – Public Affairs for WMC Resources Limited, up to its acquisition by BHP Billiton Limited in 2005. Mr Hey began his career in economic and public policy consultancy at the Allen Consulting Group and Australian Centre for Corporate Public Affairs, before working across the aviation, entertainment and mining sectors.

Mr Hey has over 20 years' experience in government, media, community and investor relations, economic and public policy, industry association and communications management.

Mr Hey has dual degrees in Law and Commerce from the University of Melbourne and is the recipient of an Australia-Japan Foundation Language Scholarship at Kwansei Gakuin University, Nishinomiya, Japan.

Directors and Senior Management Continued

MR NAN WANG, EXECUTIVE GENERAL MANAGER – OPERATIONS

Mr Wang, aged 51, has served on the Executive Committee of the Company since May 2022 in his capacity as the Executive General Manager – Australia and Africa and redesignated as the Executive General Manager – Operations which has integrated group operational accountability with operational excellence since 1 February 2024. He is also a director of a number of subsidiaries of the Company.

Mr Wang is a mining executive with over 20 years of management, technical and operational experience, in open cut and underground operations. He previously spent over 6 years at MMG in Australia as Group Manager Mining between 2013 and 2019 and had extensive knowledge of MMG's operations.

Prior to his time at MMG, Mr Wang worked with Gold Fields Limited as Vice President and Head of Technical Services for West African Regional operations in Ghana. He also previously worked for various mining companies in different commodities.

Mr Wang has a Bachelor of Engineering – Mining (Honours), University of Queensland, Australia and is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM).

MR ZHAO JING IVO, EXECUTIVE GENERAL MANAGER – AMERICAS

Mr Zhao, aged 41, was appointed as Interim Executive General Manager – Americas of the Company in June 2024. He was redesignated to Executive General Manger – Americas of the Company and has served as Executive Committee of the Company since September 2024. Mr Zhao is also a director of a number of subsidiaries of the Company.

Prior to Mr Zhao's appointment as the Executive General Manger - Americas, he was the Vice President of Sustainability & Corporate Affairs at Minera Las Bambas S.A., a non wholly-owned subsidiary of the Company since 2022. Mr Zhao was also the Deputy Director of the International Cooperation Division of CMC from 2020 to 2021. He has nearly 20 years extensive practical experience in international management and is proficient in dealing with stakeholder relations in the mining industry.

Mr Zhao holds a Bachelor's Degree in Spanish Language from the Beijing Language Culture University and a Master's Degree in Business Administration from Université du Québec à Montréal.

Directors' Report

The board of directors of the Company (Board) is pleased to present the Annual Report together with the audited Financial Statements of the Group for the year ended 31 December 2024.

Principal activities

The principal activities of the Group during the financial year were exploration, development and mining of copper, zinc, cobalt, gold, silver, molybdenum and lead deposits around the world.

The full details of the principal activities of the Company's subsidiaries are set out in Note 16 to the Consolidated Financial Statements.

An analysis of the Group's revenue for the year ended 31 December 2024 by reportable segments, together with their respective contributions to profit from operations (EBIT), is set out in Note 5 to the Consolidated Financial Statements.

Strategy and business review

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 resource, production and value, by leveraging Chinese and international expertise.

MMG has established strong foundations that support future growth and development. The Company has four strategic drivers that are embedded into corporate planning and decision-making processes:

- **China Champion:** Building on the strength of the world's largest commodity consumer to create a sustainable competitive advantage.
- **Business Miner:** Adopting a mindset that leverages excellence in owning and operating mines to generate superior returns on investment, enhancing our ability to fund and deliver future growth.
- **Federation of MMG:** Embracing the advantages of an empowered and diverse operating structure with core group disciplines and guiding values that drive a unique way of working across our international footprint.
- **Delivering Progress:** Taking pride in mining's role in driving social progress through local, regional and national contributions and delivering materials for a changing world.

Aligned with achievement of its ambitions, the Company is structured along the following lines:

- **Operations:** Largely self-sufficient sites, with regional offices driving local efficiencies.
- **Group Operations Support:** A limited number of experts in areas critical to the operation of the global asset base.
- **Global Services:** Lowest cost delivery of truly global and shared activities.
- **Corporate:** A lean corporate office, based in Melbourne and Beijing, focused on only what is needed to operate and govern a listed business and deliver inorganic growth.

The recent changes to the MMG Board and management structure do not change the Company's overarching strategy and the Board, together with the Executive Committee and management, will continue to drive the ongoing success of the Group's business and pursue its growth and financial objectives. The Board is committed to sustaining the successful model that brings together the best fit management team and a strong relationship with China that draws upon the strength of the world's largest commodities consumer, provides deep understanding of markets and access to its sources of funding.

The Company is focused on containing costs, continually improving productivity, growing its resource base and maintaining a strong balance sheet while pursuing disciplined growth.

Directors' Report
Continued

A review of the business of the Group during the year, possible risks and uncertainties that the Group may be facing, and a discussion on the Group's future business development are provided in the Chairman's Review, CEO's Report and the Management Discussion and Analysis in this Annual Report.

In addition to financial performance, the Group maintains a belief that a high standard of corporate social responsibility is essential for building good corporate and social relationships, motivating staff and creating sustainable returns. Further discussion on the Group's environmental policies and performance, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group is provided on pages 110 to 123 of this Annual Report.

Major customers and suppliers

During the year, sales to the largest customer and the five largest customers in aggregate accounted for approximately 36.2% and approximately 79.9% of the total sales of the Group respectively. Purchases from the five largest suppliers to the Group in aggregate accounted for approximately 17.5% of the total purchases of the Group during the year.

Apart from CMC, the ultimate controlling Shareholder, having an interest of 88.4% in one of the five largest customers, none of the Directors or any of their close associates or any Shareholders (which to the knowledge of the Directors, owned more than 5% of the total number of issued shares of the Company) had any beneficial interest in any of the five largest customers or suppliers of the Group.

Results and appropriations

The results of the Group for the year ended 31 December 2024 are set out in the Consolidated Statement of Profit or Loss in the Financial Statements on page 131 of this Annual Report.

No interim dividend was declared for 2024 (2023: nil). The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil).

Rights Issue

On 4 June 2024, the Company announced a Rights Issue of 3,465,432,486 rights shares at HK$2.62 per rights share on the basis of 2 rights shares for every 5 existing shares held by Shareholders. The result of the Rights Issue was confirmed on 12 July 2024 and 3,465,432,486 rights shares were allotted and issued on 15 July 2024. The rights shares are ranked pari passu in all respects with the then existing shares. The gross proceeds from the Rights Issue amounted to US$1,152.4 million, excluding share issue costs of US$10.5 million. Details of the Rights Issue are set out in the prospectus of the Company dated 20 June 2024.

Reserves

Movements in reserves of the Group during the year are set out in Note 25 to the Consolidated Financial Statements.

Distributable reserves

Details of the distributable reserves of the Company as at 31 December 2024 are set out in Note 25 to the Consolidated Financial Statements.

Property, plant and equipment

Movements in property, plant and equipment during the year are set out in Note 13 to the Consolidated Financial Statements.

Directors' Report
Continued

Borrowings

Particulars of borrowings of the Group, as at 31 December 2024, are set out in Note 26 to the Condensed Consolidated Financial Statements.

During 2024, the Company and its subsidiaries continued to maintain loan agreements that included conditions imposing specific performance obligations on a controlling Shareholder. A breach of such an obligation would cause a default in respect of loans that are significant to the operations of the issuer, the details of which are set out below.

Loan agreements with covenants relating to specific performance of the controlling shareholder

In accordance with the continuing disclosure requirements under Rule 13.21 of the Listing Rules, following are the details of the Group's facility agreements that contain covenants requiring specific performance obligations of the controlling Shareholders.

1. **Facility granted by Industrial and Commercial Bank of China Limited to MMG Finance Limited**

   On 21 December 2020, MMG Finance Limited (MMG Finance) entered into a facility agreement (ICBC Facility) pursuant to which Industrial and Commercial Bank of China Limited (ICBC) agreed to provide MMG Finance with a US$300.0 million revolving credit facility for a term of three years for general corporate purposes. The outstanding amount of US$300.0 million was repaid in full in December 2023.

   On 15 December 2023, the ICBC Facility was renewed for a further 3 years until 15 December 2026. (Extended ICBC Facility). As at 31 December 2024, there is no utilised amount of the Extended ICBC Facility.

   Under the Extended ICBC Facility, an event of default will occur in the event that the Company ceases to be a subsidiary of China Minmetals Non-ferrous Metals Co., Ltd (CMN) or MMG Finance ceases to be a wholly-owned subsidiary of the Company, and ICBC is entitled to declare all outstanding loans under the facilities immediately due and payable.

2. **Facility granted by Bank of China Limited, Sydney Branch to MLB**

   On 26 April 2023, Minera Las Bambas S.A. (MLB) entered into a US$275.0 million three-year revolving loan facility for its general funding requirements with Bank of China Limited, Sydney Branch (BOC Sydney Branch), (2023 BOC Facility). The 2023 BOC Facility replaced the US$175.0 million working capital facility that BOC Sydney Branch granted to MLB from August 2019 to August 2022. As at 31 December 2024, there is no utilised amount of the 2023 BOC Facility.

   Under the 2023 BOC Facility, upon the occurrence of the following events, BOC Sydney may, by not less than 5 days' notice to MLB, declare all outstanding loans under the facility agreement due and payable:

   (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or

   (b) CMC ceases to have the power, directly or indirectly, to:

      (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

      (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

      (iii) directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

   The same control requirements are imposed on the Company in relation to its interest in, and control of MLB, failing which the BOC Sydney Branch may also declare all outstanding loans under the Facility Agreement immediately due and payable.

Directors' Report
Continued

3. Facility granted by Industrial and Commercial Bank of China Limited, Panama Branch to MLB

On 18 June 2023, MLB entered into a US$150.0 million revolving credit facility for working capital funding with ICBC Panama branch (June 2023 ICBC Facility). The June 2023 ICBC Facility is comprised of three tranches of US$50.0 million available for a term of three years and to be drawn pursuant to the facility agreements with ICBC Panama branch. The June 2023 ICBC Facility replaced the US$175.0 million working capital facility that ICBC Luxembourg granted to MLB from August 2019 to August 2022. As at 31 December 2024, there is no utilised amount of the June 2023 ICBC Facility.

Under the June 2023 ICBC Facility, upon the occurrence of the following events, ICBC Panama branch may, by not less than 3 days' notice to MLB, declare all outstanding loans under the facility agreements immediately due and payable:

(a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or

(b) CMC ceases to have the power, directly or indirectly, to:

(i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

(iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

The same control requirements are imposed on the Company in relation to its interest in and control of MLB, failing which the ICBC Panama branch may also declare all outstanding loans under the facility agreements immediately due and payable.

4. Facility granted by China Construction Bank (Asia) Corporation Limited to MMG Finance Limited

On 2 January 2024, MMG Finance entered into revolving credit facility agreement with China Construction Bank (Asia) Corporation Limited (CCB) (CCB Facility) pursuant to which CCB agreed to provide MMG Finance the amount of US$200.0 million for a term of three years for the purpose of satisfying general corporate funding requirements. As at 31 December 2024, there is no utilised amount of the CCB Facility.

Pursuant to the terms of the CCB Facility, upon the occurrence of the following events, CCB may, by not less than 3 days' notice to MMG Finance, declare all outstanding loans under the CCB Facility immediately due and payable:

(a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or

(b) CMC ceases to have the power, directly or indirectly, to:

(i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

(iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

The same control requirements are imposed on the Company in relation to its interest in and control of MMG Finance, failing which CCB may also declare all outstanding loans under the CCB Facility immediately due and payable.

Directors' Report
Continued

5. Facility granted by China Construction Bank (Asia) Corporation Limited to MLB

On 20 February 2024, MLB entered into a US$100.0 million revolving credit facility for general corporate purposes with CCB (February 2024 CCB Facility) for a term of three years. As at 31 December 2024, there is no utilised amount of the February 2024 CCB Facility.

Under the February 2024 CCB Facility, upon the occurrence of the following events, CCB may, by not less than 3 days' notice to MLB, declare all outstanding loans under the facility agreements immediately due and payable:

CMC does not at any time directly or indirectly:

(a) has the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

(iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or

(b) hold beneficially more than 50% of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

The same control requirements are imposed on the Company in relation to its interest in and control of MLB, failing which CCB may also declare all outstanding loans under the CCB Facility immediately due and payable.

6. Facility granted by China Development Bank to MMG Africa Resources Company Limited

On 15 March 2024, MMG Africa Resources Company Limited (MMG Africa Resources) entered into a facility agreement with China Development Bank (CDB) pursuant to which CDB agreed to provide a US$1,050.0 million term loan facility (CDB Facility) for a term of seven years. As at 31 December 2024, the CDB Facility has an outstanding balance of US$1,020.0 million.

Under the terms of the CDB Facility, CDB may, by not less than 20 business days' prior notice to MMG Africa Resources, cancel the CDB Facility and declare all outstanding loans under the CDB Facility immediately due and payable if, among other things, CMC does not at any time directly or indirectly:

(a) has the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the MMG Africa Resources;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the MMG Africa Resources; or

(iii) give directions with respect to the operating and financial policies of MMG Africa Resources with which the directors or other equivalent officers of the MMG Africa Resources are obliged to comply; or

(b) holds beneficially more than 51% of the issued share capital of MMG Africa Resources (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

Under the terms of the CDB Facility, on and at any time after the occurrence of an event of default which is continuing, CDB may by notice to MMG Africa Resources:

Directors' Report
Continued

(a) without prejudice to any loans then outstanding: (i) cancel the commitments (and reduce them to zero), whereupon they shall immediately be cancelled (and reduced to zero); or (ii) cancel any part of any commitment (and reduce such commitment accordingly), whereupon the relevant part shall immediately be cancelled (and the relevant commitment shall be immediately reduced accordingly);

(b) declare that all or part of the loans, together with accrued interest, and all other amounts accrued or outstanding under the finance documents be immediately due and payable, whereupon they shall become immediately due and payable;

(c) declare that all or part of the loans be payable on demand, whereupon they shall immediately become payable on demand by the CDB; and/or

(d) exercise any or all of its rights, remedies, powers or discretions under the finance documents.

7. Facility granted by China Development Bank, The Export-Import Bank of China, China Construction Bank (Asia) Corporation Limited and Bank of Communications Co., Ltd. to MLB

On 22 March 2024, MLB entered into a facility agreement with China Development Bank, The Export-Import Bank of China, CCB and Bank of Communications Co., Ltd. (BOCOM) (collectively, Lenders) pursuant to which the Lenders agreed to grant a revolving credit facility in the amount of US$700.0 million for a term of three years (March Syndicated Facility). As at 31 December 2024, the March Syndicated Facility has an outstanding balance of US$140.0 million.

Pursuant to the terms of the March Syndicated Facility, upon the occurrence of the following events, the Lenders may, by not less than 20 days' notice to MLB, declare all outstanding loans under the March Syndicated Facility immediately due and payable if CMC at any time does not directly or indirectly:

(a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

   (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

   (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

   (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or

(b) hold beneficially more than 50% of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

The same control requirements are imposed on the Company in relation to its interest in and control of MLB, failing which the Lenders may also declare all outstanding loans under the March Syndicated Facility immediately due and payable.

Directors' Report
Continued

8. Facility granted by China Construction Bank (Asia) Corporation Limited to MMG Finance

On 22 April 2024, MMG Finance, entered into a facility agreement with CCB agreed to provide a US$100.0 million revolving credit facility (April 2024 CCB Facility) for a term of three years. As at 31 December 2024, the outstanding amount, US$70.0 million of the April 2024 CCB Facility, was repaid in full.

Pursuant to the terms of the April 2024 CCB Facility, upon the occurrence of the following events, CCB may, by not less than 3 days' notice to MMG Finance, declare all outstanding loans under the CCB Facility immediately due and payable:

(a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or

(b) CMC ceases to have the power, directly or indirectly, to:

(i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or

(iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

The same control requirements are imposed on the Company in relation to its interest in and control of MMG Finance, failing which CCB may also declare all outstanding loans under the CCB Facility immediately due and payable.

9. Syndicated Facility granted by Bank of China Limited, Sydney Branch, Industrial and Commercial Bank of China (Asia) Limited, China Construction Bank (Asia) Corporation Limited, China Construction Bank, Agencia en Chile and Bank of Communications Co., Ltd. to MLB

On 6 September 2024, MLB, entered into a facility agreement with BOC Sydney Branch, Industrial and Commercial Bank of China (Asia) Limited, CCB, China Construction Bank, Agencia en Chile and BOCOM agreed to provide a US$1,000.0 million revolving credit facility (2024 Syndicated Facility) for a term of five years. As at 31 December 2024, the 2024 Syndicated Facility has an outstanding balance of US$900.0 million.

Pursuant to the terms of the 2024 Syndicated Facility, upon the occurrence of the following events, the BOC Sydney Branch, Industrial and Commercial Bank of China (Asia) Limited, CCB, China Construction Bank, Agencia en Chile and BOCOM may, by not less than 20 days' notice to the MLB, declare all outstanding loans under the 2024 Syndicated Facility immediately due and payable if CMC at any time does not directly or indirectly:

(a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of MLB;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of MLB; or

(iii) remove all, or the majority, of the directors or other equivalent officers of MLB; or

(b) hold beneficially more than 50% of the issued share capital of MLB (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

Directors' Report
Continued

Five-year financial summary

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 225 to 226 of this Annual Report.

Share capital

Details of the movements in the Company's share capital are set out in Note 24 to the Consolidated Financial Statements.

Donations

Donations made by the Group during the year for charitable and community purposes amounted to approximately US$510,246.

Directors

The Directors who held office during the year and up to the date of this report are as follows:

Chairman

Mr XU Jiqing (Non-executive Director)

Executive Directors

Mr CAO Liang (CEO)
(Appointed as an Executive Director and the CEO of the Company on 24 April 2024)

Mr LI Liangang (Interim CEO)
(Resigned as an Executive Director and the Interim CEO of the Company on 24 April 2024)

Non-executive Director

Mr ZHANG Shuqiang

Independent Non-executive Directors

Dr Peter CASSIDY

Mr LEUNG Cheuk Yan

Mr CHAN Ka Keung, Peter

Ms CHEN Ying
(Appointed as an Independent Non-executive Director of the Company on 29 July 2024)

On 24 April 2024, Mr CAO Liang was appointed as an Executive Director and the CEO of the Company in accordance with article 77 of the Articles of Associations of the Company, he was appointed to fill a casual vacancy and re-elected at the AGM held on 23 May 2024. On 29 July 2024, Ms CHEN Ying was appointed as an Independent Non-executive Director of the Company in accordance with article 77 of the Articles of Associations of the Company. On 12 April 2025, Mr ZHAO Jing Ivo was appointed as Executive Director of the Company in accordance with article 77 of the Articles of Associations of the Company.

In accordance with article 98 of the Articles of Associations of the Company, Mr XU Jiqing and Mr ZHANG Shuqiang who will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

Ms CHEN Ying and Mr ZHAO Jing Ivo, who will also retire by rotation at the forthcoming AGM, being eligible, offer themselves for re-election in accordance with Article 77 of the Articles of Associations of the Company.

Directors' Report
Continued

The Company has received from each of the Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers them to be independent.

Directors' service contracts

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract that is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory compensation.

Directors' interests in transaction, arrangement or contract of significance

No contracts of significance to which the Company, any of its holding companies, or any of their subsidiaries was a party, in which a Director had a material interest, subsisted at the end of the year or at any time during the year.

Directors' interests and short positions in shares, underlying shares and debentures

As at 31 December 2024, the interests and short positions of the Directors and the CEO of the Company or any of their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (SFO)), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (Model Code) were as follows:

Long position in the shares and the underlying shares of the company as at 31 December 2024

		Number of underlying Shares held			
Name of Directors	Nature of interest	Number of shares held	Options	Performance awards	Approximate percentage of total number of issued shares (%)[3]
LI Liangang[1]	Personal	764,962	-	-	0.01
XU Jiqing[2]	Personal	940,050	-	-	0.01

Notes:

1 The interests of Mr LI Liangang in the 764,962 Shares were from the vested Performance Awards granted to him under 2020 Performance Awards which were subject to meeting performance conditions and vested on 1 June 2023. The 760,615 performance awards which were granted on 21 June 2021 under 2021 Performance Awards; and the 1,249,244 Performance Awards which were granted under 2022 Performance Awards on 21 April 2022, were lapsed on 24 April 2024 following resignation of Mr LI Liangang as Interim CEO and executive director of the Company with effect from 24 April 2024. The details of interests in the 2,009,859 Performance Awards of which are set out under the section headed 'Performance Awards' on pages 82 to 84 of this Annual Report.

2 The 940,050 Shares held by Mr XU Jiqing were the balance of the vested Performance Awards granted to him under 2015 Performance Awards in 2015 and 2016 which were subject to holding locks for various periods of up to three years after vesting in 2018.

3 The calculation is based on the number of shares and/or underlying shares as a percentage of the total number of issued shares of the Company (that is, 12,129,013,702 shares) as at 31 December 2024.

Save as disclosed above, as at 31 December 2024, none of the Directors or the CEO of the Company or any of their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, which they are taken or deemed to have under such provisions of the

Directors' Report
Continued

SFO), or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. In addition, none of the Directors or the CEO of the Company or any of their associates had been granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) during the year ended 31 December 2024.

Directors' interests in competing businesses

As at the date of this report, the interests of Directors in a business that competes or is likely to compete with the businesses of the Group, as defined in the Listing Rules, are as follows:

1. Mr XU Jiqing, a Non-executive Director and Chairman of the Company, is:
   - a director and the Chairman of CMN; and
   - Deputy General Manager of CMC (appointed in February 2025).
2. Mr ZHANG Shuqiang, a Non-executive Director of the Company, is:
   - the Auditor – General and General Manager of the Audit Department of CMC; and
   - Supervisor of CMCL.

Although the Group and the above companies are involved in businesses in the same industry, they are separate companies operated by separate and independent management. The Company is therefore capable of carrying on its business independently of, and at arm's length from, the CMC Group.

Permitted indemnity and directors' and officers' liability insurance

Pursuant to the Articles of Association of the Company and subject to the provisions of the Companies Ordinance, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all loss and liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, provided that such Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the year.

Share Scheme

Performance Awards

The purpose of the Performance Awards is to assist in the retention and incentivisation of selected employees of Members of the Group and align their interests with the development and growth of the Group.

The Company may grant Performance Awards to anyone who is an employee of the Group or any other company that is associated with the Company and is so designated by Directors.

The Governance, Nomination, Remuneration and Sustainability Committee has reviewed the following plans for approval by the Board from 1 January 2024 to 31 December 2024:

- Structure of the 2024 Long Term Incentive (LTI) Plan; and Implement cash plan in place of the Long Term Incentive Equity Plan (LTIEP) if approval for the new 10-year LTI Umbrella Plan cannot be obtained by 31 December 2024;
- Vesting of 64.93% of Performance Share Awards under 2021 LTIEP; and
- Reviewed and discussed the 2025 Long Term Incentive Cash Plan.

Directors' Report
Continued

Pursuant to the Performance Awards granted under the LTIEP, Performance Awards were granted to eligible participants under the 2021 Performance Awards and 2022 Performance Awards. As at 31 December 2024, there were a total of 7,534,028 Performance Awards under 2021 Performance Awards vested in June 2024; and there were a total of 23,188,433 Performance Awards outstanding which granted under the 2022 Performance Awards, which represented approximately 0.19% of the total number of issued shares of the Company as at that date.

2021 Performance Awards

On 21 June 2021, the Company granted Performance Awards to the eligible participants pursuant to the Long Term Incentive Equity Plan (2021 Performance Awards). There were no Performance Awards outstanding as at 31 December 2024 as a result of vesting was completed in June 2024.

During the year ended 31 December 2024, the movements of the 2021 Performance Awards were as follows:

		Number of Performance Awards					
Categories and name of participants	**Date of grant[2]**	**Balance as at 1 January 2024**	**Granted during the year**	**Vested during the year[3]**	**Cancelled during the year**	**Lapsed during the year[4]**	**Balance as at 31 December 2024**
Director							
LI Liangang[1]	21 June 2021	760,615	-	-	-	(760,615)	-
Employees of the Group	21 June 2021	12,904,828	-	(7,534,028)	-	(5,370,800)	-
TOTAL		**13,665,443**	**-**	**(7,534,028)**	**-**	**(6,131,415)**	**-**

Notes:

1 The interests of Mr LI Liangang in the 760,615 Performance Awards were lapsed following his resignation as the Interim CEO and an Executive Director of the Company on 24 April 2024.

2 The vesting and performance period of the Performance Awards is three years from 1 January 2021 to 31 December 2023. The vesting was completed on 5 June 2024. The vesting of Performance Awards is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. Performance Awards vest on a percentage basis based on the threshold and target performance levels achieved. Portions of the vested Performance Awards will be subject to holding locks for various periods of up to two years after vesting. The Performance Awards are granted for nil cash consideration. Achievement of the Company and individual performance conditions have resulted in 64.93% of the 2021 Performance Awards granted to participants vesting on 5 June 2024. The weighted closing price on the vesting date and the date before the vesting date were HK$3.01 and HK$3.13 respectively. The closing price of the Shares of the Company immediately before the date on which the Performance Awards were granted on 21 June 2021 was HK$3.39 per share.

3 Upon vesting was completed on 5 June 2024, a portion of the 7,534,028 Performance Awards were vested and 6,131,415 Performance Awards were lapsed during the reporting period. As a result, 7,534,028 Shares were issued on 5 June 2024.

4 Performance Awards lapsed due to non-achievement of performance conditions during the vesting period and cessation of employment during the period.

The estimated fair value of the Performance Awards granted on 21 June 2021 was approximately US$0.3928 each, estimated at the date of grant by using Monte Carlo Simulations (for market-based conditions) and reference to market price of the Company's shares at the date of grant.

The value of the Performance Awards was subject to a number of assumptions and limitations of the Performance Awards-pricing model, including a risk-free interest rate, price volatility, expected life of the Performance Awards, market price of the Company's shares and expected dividend. The risk-free interest rate was 0.45%; the expected volatility used in calculating the value of Performance Awards was 69.06% and the expected dividend was assumed to be nil.

Directors' Report
Continued

2022 Performance Awards

On 21 April 2022, the Company granted Performance Awards to the eligible participants pursuant to the Long Term Incentive Equity Plan (2022 Performance Awards). There were 23,188,433 Performance Awards outstanding as at 31 December 2024, representing approximately 0.19% of the total number of issued shares of the Company as at that date.

During the year ended 31 December 2024, the movements of the 2022 Performance Awards were as follows:

		Number of Performance Awards					
Categories and name of participants	**Date of grant[2]**	**Balance as at 1 January 2024**	**Granted during the year**	**Vested during the year**	**Cancelled during the year**	**Lapsed during the year[4]**	**Balance as at 31 December 2024**
Director							
LI Liangang[1]	21 April 2022	1,249,244	-	-	-	(1,249,244)	-
Employees of the Group	21 April 2022	24,885,611	1,416,095[3]	-		(3,113,273)[4]	23,188,433
TOTAL		**26,134,855**	**1,416,095**	**-**	**-**	**(4,362,517)**	**23,188,433**

Notes:

1 The interests of Mr LI Liangang in the 1,249,244 Performance Awards were lapsed following his resignation as the Interim CEO and an Executive Director of the Company on 24 April 2024.

2 The vesting and performance period of the Performance Awards is three years from 1 January 2022 to 31 December 2024. The time of vesting will be on or around June 2025. The vesting of Performance Awards is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. Performance Awards vest on a percentage basis based on the threshold and target performance levels achieved. Portions of the vested Performance Awards will be subject to holding locks for various periods of up to two years after vesting. The Performance Awards are granted for nil cash consideration. The closing price of the Shares of the Company immediately before the date on which the Performance Awards were granted on 21 April 2022 was HK$3.50 per share.

3 Pursuant to the terms of the Long Term Incentive Equity Plan, which governs (among others) the Performance Awards, adjustments of 1,416,095 award shares are required to be made to the number of Shares issuable upon exercise of the Performance Awards, as a result of the Rights Issue. Details of such adjustments are disclosed in the Company's announcement dated 12 July 2024.

4 Performance Awards lapsed due to cessation of employment.

The estimated fair value of the Performance Awards granted on 21 April 2022 was approximately US$0.4114 each, estimated at the date of grant by using Monte Carlo Simulations (for market-based conditions) and reference to market price of the Company's shares at the date of grant.

The value of the Performance Awards was subject to a number of assumptions and limitations of the Performance Awards-pricing model, including a risk-free interest rate, price volatility, expected life of the Performance Awards, market price of the Company's shares and expected dividend. The risk-free interest rate was 2.87%; the expected volatility used in calculating the value of Performance Awards was 68.26% and the expected dividend was assumed to be nil.

Directors' Report
Continued

Substantial shareholders' interests and short positions in the shares and underlying shares of the company

So far as is known to the Directors and the CEO of the Company, as at 31 December 2024, the following persons had interests or short positions in the shares or underlying shares of the Company that were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or that were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the shares of the company as at 31 December 2024

Name of substantial Shareholders	Capacity	Number of shares held[1]	Approximate percentage of total number of issued shares (%)[2]
China Minmetals Corporation (CMC)	Interest of controlled corporations	8,186,032,923	67.49
China Minmetals Corporation Limited (CMCL)	Interest of controlled corporations	8,186,032,923	67.49
China Minmetals Non-ferrous Metals Co., Ltd (CMN)	Interest of controlled corporations	8,186,032,923	67.49
Album Enterprises Limited (Album Enterprises)	Interest of controlled corporations	8,186,032,923	67.49
China Minmetals H.K. (Holdings) Limited (Minmetals HK)	Beneficial owner	8,186,032,923	67.49

Notes:

1 Following completion of the Rights Issue of allotted 2,338,866,549 new Shares to Minmetals HK on 15 July 2024, the number of Shares/interests held in respective substantial Shareholders increased from 5,847,166,374 to 8,186,032,923, representing 67.49% of the issued voting Shares of the Company. The detail of new Shares subscribed by Minmetals HK are set out in Company's announcement, the results of the Rights Issue dated 12 July 2024.

2 Minmetals HK is owned as to approximately 39.04%, 38.95% and 22.01% by CMCL, Album Enterprises and Top Create respectively. Album Enterprises and Top Create are wholly-owned by CMN that, in turn, it is wholly-owned by CMCL. CMCL is owned as to approximately 87.5% by CMC and approximately 0.8% by Minmetals (Beijing) Metal Products Co., Ltd. that (formerly known as China National Metal Products Co. Ltd.), in turn, is a wholly-owned subsidiary of CMC. Accordingly, each of CMC, CMCL, CMN and Album Enterprises was deemed as interested in the 8,186,032,923 Shares of the Company held by Minmetals HK.

3 China Minmetals Non-ferrous Metals Holding Co., Ltd (CMNH), a wholly-owned subsidiary of CMCL, it had ceased as substantial Shareholder of the Company as it was deregistered with effect from 20 September 2024.

4 The calculation is based on the number of shares that each person is interested in (whether directly/indirectly interested or deemed to be interested) as a percentage of the total number of issued shares (that is, 12,129,013,702 shares) of the Company as at 31 December 2024.

Save as disclosed above, as at 31 December 2024, there was no other person who was recorded in the register of the Company, as having an interest or short positions in the shares or underlying shares of the Company who was required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was recorded in the register required to be kept by the Company under Section 336 of the SFO.

Directors' Report
Continued

Connected transactions

During the year ended 31 December 2024 the Group had the following material connected transactions, details of which are set out below:

1. On 4 April 2023, the Company announced that MMG Kinsevere SARL had entered into an agreement with MCC International Incorporation Ltd. (MCCI) for the procurement of materials required for the construction of the concentrator plant that forms part of the processing facility for the Kinsevere Expansion Project (KEP), valued at a lump-sum payment of approximately US$17.0 million. During 2024, approximately US$4.9 million was paid to MCCI pursuant to the terms of the agreement.

   On the same date, MMG Kinsevere had entered into an agreement with Metkins Construction S.A. for the procurement of materials in the DRC to enable the construction of the concentrator plant at Kinsevere as part of the KEP including sand, pebble and concrete, and local co-ordination works for all materials. The procurement agreement was value at a total sum of US$9.0 million and approximately US$5.3 million was paid to Metkins during 2024.

   MCCI is a wholly-owned subsidiary of MCC Ltd. MCC Ltd.'s parent company, China Metallurgical Group Corporation (MCC Group), is a wholly-owned subsidiary of CMC, the controlling Shareholder of the Company, and MCCI is therefore an associate of CMC and a connected person of the Company under the Listing Rules. MCCI has a 49% ownership interest in Metkins. As a more than 30%-controlled company of CMC, Metkins is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the materials purchase agreements both constitute connected transactions for the Company.

2. On 19 September 2023, the Company announced that MMG Kinsevere had entered into a goods and services agreement with Beijing Dadi Trading Company Limited (Beijing Dadi) for the supply of Machine Maintenance Devices for the KEP, valued at a lump-sum payment of approximately US$162,322. During 2024, US$2.1 million was paid to Beijing Dadi for additional goods and services pursuant to the terms of the agreement.

   When the goods and services agreement was executed, some of the relevant percentage ratios in respect of the agreement were more than 0.1% but less than 5%, when aggregated with other connected transactions with connected persons providing services to the KEP in the previous 12-month period. Those agreements were for the supply of piping materials of the cobalt plant with Beijing Dadi (valued at approximately US$47,700), and agreement with Beijing Dadi for supply of materials for leaching tank (valued at approximately US$31,500), supply of SAG mill ball charger (valued at approximately US$36,000), supply of bolts and buts for leaching tank (valued at approximately US$10,800), supply of cables for tailing transfer system (valued at approximately US$20,094), supply of three flanges (valued at approximately US$699), supply of sampling device (valued at approximately US$2.31 million), supply of bag breaker (valued at approximately US$48,500), supply of hose pumps (valued at approximately US$345,800) and supply of supplemented gap spare parts (valued at approximately US$47,000).

   Beijing Dadi is a wholly-owned subsidiary of MCCT, which is a wholly-owned subsidiary of MCC Ltd. The MCC Group has an interest of 49.18% in MCC Ltd. The MCC Group is a wholly-owned subsidiary of CMC. As a result, the goods and services agreement constitutes a connected transaction for the Company.

3. On 18 December 2023, the Company announced that MMG Kinsevere had entered into a goods and services agreement with China ENFI Engineering Corporation (ENFI Corporation) in supply of LV Cabinets for the KEP, valued at a lump-sum payment of approximately US$2.3 million. During 2024, approximately US$1.3 million was paid to ENFI Corporation pursuant to the terms of the agreement.

Directors' Report
Continued

When the agreement was executed, some of the relevant percentage ratios in respect of the agreement were more than 0.1% but less than 5%, when aggregated with other connected transactions with connected persons providing services to the KEP in the previous 12-month period. Those agreements were for the supply of fence materials for TSF3 with Minmetals Logistics Group (valued at approximately US$34,941), supply of instrumentation for concentrator plant with Beijing Dadi (valued at approximately US$384,000) and supply of technical review on RGA plant with Changsha Research Institute of Mining and Metallurgy Co., Ltd (valued at approximately US$45,000).

A 90% stake of ENFI Corporation is held by China ENFI Engineering Co., Ltd (ENFI Ltd), ENFI Ltd is a wholly-owned subsidiary of Metallurgical Corporation of China Ltd. (MCC Ltd.). MCC Group holds a 49.18% stake in MCC Ltd. MCC Group is a wholly-owned subsidiary of CMC. Therefore, ENFI Corporation and the Company are connected persons. As a result, the goods and services agreement constitutes a connected transaction for the Company.

4. On 27 March 2024, the Company announced that MMG Dugald River Pty Ltd (MMG Dugald) entered into a sales agreement with Minmetals North-Europe Aktiebolg (Minmetals North-Europe) in relation to the sale of zinc concentrate to Minmetals North Europe valued at a lump-sum payment of approximately US$10.0 million. During 2024, approximately US$11.3 million was paid to Minmetals North-Europe pursuant to the terms of the agreement.

   On 8 July 2024, the Company announced that MMG Dugald River Pty Ltd (MMG Dugald) entered into another sales agreement with Minmetals North-Europe in relation to the sale of zinc concentrate to Minmetals North Europe valued at a lump-sum payment of approximately US$12.0 million. During 2024, approximately US$14.7 million was paid to Minmetals North-Europe pursuant to the terms of the agreement.

   Minmetals North-Europe is a wholly-owned subsidiary of CMC, the ultimate controlling Shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. Accordingly, the agreements with MMG Australia constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

5. On 16 April 2024, the Company announced that it had resolved to satisfy the Performance Awards in respect of the 2021 and 2022 Performance Awards, to the extent they vest in accordance with their terms, by way of issue and allotment of an aggregate of up to 51,189,439 new Award Shares pursuant to the general mandate granted to the Board at the AGM held on 23 May 2024. Certain incentive participants under the Company's Long Term Incentive Equity Plan are directors of the Company and/or directors of Significant Subsidiaries of the Company, each of whom is a connected person of the Company under the Listing Rules. Accordingly, the proposed issuance of new Award Shares by the Company to such incentive participants, to the extent that the relevant performance awards vest in accordance with their terms (of up to 15,619,812 new connected Award Shares), constituted non-exempt connected transactions of the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, approval by the Independent Shareholders at the 2024 AGM.

   On 29 April 2024, the Company despatched (i) a circular to provide Shareholders with details of the issue of new Award Shares, advice from the Independent Board Committee and advice from Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders, in relation to the issue of new Award Shares and (ii) a Notice of Meeting to Shareholders convening an AGM on 23 May 2024 at which the issue of Award Shares was considered. The issue of the new Award Shares was approved by the shareholders entitled to vote at the AGM.

Directors' Report
Continued

6. On 30 May 2024, following completion of the acquisition of Khoemacau Mine, the Company announced that the Company, MMG Africa Holdings Company Limited, Comor Holdings Corporation Limited (Comor Holdings), CNIC, and MMG Africa Resources Company Limited entered into a subscription and shareholders' agreement, (i) pursuant to which MMG Africa Holdings Company Limited and Comor Holdings (Subscribers) conditionally agreed to subscribe for and MMG Africa Resources Company Limited agreed to allot and issue shares at the subscription price on completion, and (ii) in accordance with which the relationship between the Subscribers as shareholders of MMG Africa Resources Company Limited, and the management and the affairs of MMG Africa Resources Company Limited as a joint venture, will be governed from Completion. Comor Holdings, a wholly-owned subsidiary of CNIC, paid a subscription price of US$500.0 million by way of advancing a loan for acquisition of the Khoemacau Mine (CNIC Loan) for 45% of the total issued shares of MMG Africa Resources Company Limited.

   Comor Holdings is a wholly-owned subsidiary of CNIC, which itself is a substantial shareholder of a subsidiary of the Company, Comor Holdings is a connected person of the Company at the subsidiary level. Therefore, the CNIC Loan is a connected transaction of the Company under Chapter 14A of the Listing Rules. As the CNIC Loan is on normal commercial terms or better, and no security over the assets of the Group had been granted in respect of the CNIC Loan, it is wholly exempted from the reporting, announcement, circular and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

Continuing connected transactions

During the year ended 31 December 2024, the Group had the following material continuing connected transactions, details of which are set out below:

1. On 27 June 2014, MMG South America Company Limited (MMG SA) entered into an agreement with CMN in relation to the sale of copper concentrate to be purchased by MMG SA from the Las Bambas Project to the CMN Group (Las Bambas CMN Copper Sale Framework Agreement), subject to the approval of the Independent Shareholders. The Independent Shareholders approved the Las Bambas CMN Copper Sale Framework Agreement, and the proposed annual caps on sales, at an EGM held on 21 July 2014.

   On 11 January 2016, pursuant to the terms of the Las Bambas CMN Copper Sale Framework Agreement, MMG SA and CMN entered into an agreement to set out the specific terms on which the sale and purchase of the copper concentrate between CMN and MMG SA will be made (Las Bambas CMN Copper Concentrate Offtake Agreement).

   In accordance with the Las Bambas CMN Copper Sale Framework Agreement, the term of the Las Bambas CMN Copper Concentrate Offtake Agreement is for the term of the life of the Las Bambas mine. The annual caps with respect to the Las Bambas CMN Copper Sale Framework Agreement are set as a fixed quantity of copper contained in copper concentrate from the Las Bambas Project to be sold by MMG SA to members of the CMN Group in a year, which for the year commencing 1 January 2024 was set at 277,000 tonnes. During the year ended 31 December 2024, approximately 181,500 tonnes of copper contained in copper concentrate were sold by MMG SA to members of the CMN Group under the Las Bambas CMN Copper Concentrate Offtake Agreement.

   CMN is a controlling Shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Las Bambas CMN Copper Sale Framework Agreement and Las Bambas CMN Copper Concentrate Offtake Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Directors' Report
Continued

2. On 11 January 2016, pursuant to the Shareholders' Agreement, MLB and CITIC Metal Peru Investment Limited (CITIC) entered into an agreement for the sale and purchase of CITIC's entitlement to copper concentrate from the Las Bambas mine (CITIC Copper Concentrate Offtake Agreement). The term of the CITIC Copper Concentrate Offtake Agreement is for the term of the life of the Las Bambas mine. The annual caps with respect to the CITIC Copper Sale Framework Agreement are set as a fixed quantity of copper contained in copper concentrate from the Las Bambas Project to be sold by MLB to CITIC in a year, which for the year commencing 1 January 2024 was set at 127,000 tonnes. During the year ended 31 December 2024, approximately 82,500 tonnes of copper contained in copper concentrate were sold by MLB to CITIC under the CITIC Copper Concentrate Offtake Agreement.

   As CITIC controls more than 10% of the total number of issued shares of MMG SAM, it is a substantial shareholder of MMG SAM. CITIC is therefore a connected person of the Company and the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

3. On 9 December 2021, MMG Australia Limited (MMG Australia) entered into an agreement with Minmetals North-Europe in relation to the sale of concentrate for the period from 1 January 2022 to 31 December 2023 (Rosebery Concentrate Sales Agreement). The annual cap for sales for each year of this agreement is US$100.0 million. During the year ended 31 December 2023, sales of US$65,179,451.0 were transacted under the Rosebery Concentrate Sales Agreement.

   On 21 December 2023, the Company announced that MMG Australia entered into an agreement with Minmetals North-Europe in relation to the sale of concentrate for the period from 1 January 2024 to 31 December 2025 (Rosebery Concentrate Sales Agreement). The annual cap for sales for each year of this agreement is US$100.0 million. During the year ended 31 December 2024, sales of approximately US$84.5 million were transacted under the Rosebery Concentrate Sales Agreement.

   Minmetals North-Europe is a wholly-owned subsidiary of CMC, the ultimate controlling Shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. Accordingly, the agreements with MMG Australia constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

4. On 16 December 2021, MMG Dugald River entered into an agreement with Minmetals North-Europe in relation to the sale of zinc concentrate for the period from 1 January 2022 to 31 December 2024 (Dugald River Zinc Concentrate Sales Agreement). The annual cap for sales for each year of this agreement was increased in April 2022 from US$145.0 million to US$205.0 million. During the year ended 31 December 2024, sales of approximately US$96.3 million was transacted under the Dugald River Zinc Concentrate Sales Agreement.

   Minmetals North-Europe is a wholly-owned subsidiary of CMC, the ultimate controlling Shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the agreement with MMG Dugald River constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

5. On 15 March 2023, the Company announced that it had entered into a shipping framework agreement with Minmetals Logistics in relation to the provision of ocean transport by Minmetals Logistics for the shipment of the products of the Group during 2023 and 2024 with annual caps of US$10.0 million. During the year ended 31 December 2024, approximately US$5.1 million was paid to Minmetals Logistics under the shipping framework agreement.

Directors' Report
Continued

Minmetals Logistics is a wholly-owned subsidiary of CMC, the ultimate controlling Shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the shipping framework agreements constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

6. On 24 March 2023, the Company announced that MLB had entered into a molybdenum concentrate sales framework agreement with CMN for sales of molybdenum concentrate during 2023, 2024 and 2025 to CMN and its associates with an annual cap of US$110.0 million (Las Bambas Molybdenum Concentrate Sales Framework Agreements). During the year ended 31 December 2024, sales of approximately US$41.9 million was transacted under the molybdenum concentrate sales framework agreement.

   CMN is the controlling Shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the Las Bambas Molybdenum Concentrate Sales Framework Agreements each constitute a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

7. On 9 May 2024, the Company announced that MMG Kinsevere had entered into the sales framework agreement with CMN in relation to the sale of the crude cobalt hydroxide concentrate during 2024, 2025 and 2026 to CMN and its associates with an annual cap of US$103.0 million (Cobalt Sales Framework Agreement). During the year ended 31 December 2024, sales of approximately US$7.0 million was transacted under the Cobalt Sales Framework Agreement.

   CMN is the controlling Shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the Cobalt Sales Framework Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

8. On 29 October 2024, Khoemacau Copper Mining Pty Ltd had entered into the copper concentrate sales agreement (Khoemacau Copper Concentrate Sales Agreement) with CMN in relation to the sale of copper concentrate during 2024 and 2025 to CMN and its associates with an annual cap of US$20.0 million in 2024 and US$130.0 million in 2025. During the year ended 31 December 2024, sales of approximately US$6.9 million was transacted under the Khoemacau Copper Concentrate Sales Agreement.

   CMN is the controlling Shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the Copper Concentrates Sales Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

9. Upon the completion of the acquisition of Minerals and Metals Group on 31 December 2010, the following material continuing transaction became a continuing connected transaction under Chapter 14A of the Listing Rules (Grandfathered Continuing Connected Transaction).

   On 10 June 2010, MMG Management Pty Ltd, a wholly-owned subsidiary of the Company, entered into a loan facility agreement with Album Enterprises (Grandfathered MMG Loan Facility) pursuant to which MMG Management Pty Ltd agreed to make loan facilities available to Album Enterprises on an uncommitted basis. During the year ended 31 December 2024, no amounts were advanced or outstanding under the Grandfathered MMG Loan Facility. Album Enterprises is a substantial Shareholder and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Grandfathered MMG Loan Facility constitutes a Grandfathered Continuing Connected Transaction for the Company and the Company will comply with Listing Rule 14A.60 in respect of this transaction.

The Company has followed its pricing policies and guidelines when determining the price and terms of the connected transactions and continuing connected transactions conducted during the year.

Directors' Report
Continued

Review of continuing connected transactions

The continuing connected transactions described above for the year ended 31 December 2024 have been reviewed by the Independent Non-executive Directors of the Company.

The Independent Non-executive Directors of the Company have confirmed that the continuing connected transactions have been entered into:

(a) the ordinary and usual course of business of the Group;

(b) either on normal commercial terms or better; and

(c) in accordance with the respective terms of the Las Bambas CMN Copper Sale Framework Agreement, the Las Bambas CMN Copper Concentrate Offtake Agreement, the CITIC Copper Concentrate Offtake Agreement, the Rosebery Concentrate Sales Agreement, the Dugald River Zinc Concentrate Sales Agreement, the Shipping Framework Agreement, the Las Bambas Molybdenum Concentrate Sales Framework Agreements, the Cobalt Sales Framework Agreement and the Khoemacau Copper Concentrates Sales Agreement that are fair and reasonable, in the interests of the Shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and with reference to Practice Note 740 (Revised) 'Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules' issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued their unqualified letter containing its conclusion in respect of the continuing connected transactions for the year ended 31 December 2024 disclosed above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

In addition, the auditor of the Company has confirmed to the Board that nothing has come to their attention that causes them to believe that the above continuing connected transactions for the year ended 31 December 2024:

(a) have not been approved by the Board;

(b) were not, in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of goods or services by the Group;

(c) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

the Las Bambas CMN Copper Sale Framework Agreement, the Las Bambas CMN Copper Concentrate Offtake Agreement, the CITIC Copper Concentrate Offtake Agreement, the Rosebery Concentrate Sales Agreement, the Dugald River Zinc Concentrate Sales Agreement, the Shipping Framework Agreement, the Las Bambas Molybdenum Concentrate Sales Framework Agreements, the Cobalt Sales Framework Agreement and the Khoemacau Copper Concentrate Sales Agreement have exceeded the respective annual caps or revised annual cap as disclosed in the announcements of the Company.

Directors' Report
Continued

Controlling shareholders' interests in contracts

On 22 July 2014 Top Create, a subsidiary of CMN, a controlling Shareholder, extended a loan facility for a principal sum of up to US$2,262.0 million to MMG SA for a term of four years for the purpose of acquiring the Las Bambas Project. On 29 December 2017, 22 December 2020, 27 December 2022, 25 July 2023 and 28 June 2024 the loan facility was amended by the parties for the purpose of (among other things) extending the term of the loan, deferring payment dates and adjusting interest rates. Such loan facility was exempt from the announcement and reporting requirements of the Listing Rules with respect to connected transactions on the basis that it was unsecured and on normal commercial terms.

Particulars of other contracts of significance that exist between the Company (or one of its subsidiary companies) and a controlling Shareholder (or any of its subsidiaries) are set out under Connected Transactions on pages 86 to 91 of this Annual Report.

Related party transactions

Details of the related party transactions undertaken in the normal course of business are set out in Note 33 to the Consolidated Financial Statements.

Related party transactions set out in Note 33 to the Consolidated Financial Statements also constitute connected transactions and continuing connected transactions of the Company under the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules except for those transactions that are exempt from the disclosure requirements in Chapter 14A of the Listing Rules.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Purchase, sale or redemption of the company's listed securities

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Emolument policy

The Group's Emolument Policy is formulated by the Governance, Remuneration, Nomination and Sustainability Committee on the basis of employees' merit, market practice, qualifications and competence.

The determination of remuneration for the Directors takes into consideration factors such as remuneration paid by comparable companies, accountabilities of the Directors, applicable regional employment conditions. In the circumstance of Executive Directors, appropriate 'at-risk' performance-based remuneration is also provided.

The Company has adopted Performance Awards as incentives to the Executive Directors and eligible employees. Details of the Performance Awards are set out under the sections headed 'Performance Awards'. In relation to MMG, it has adopted both long-term and short-term 'at-risk' incentive plans to reward its Executive Directors and eligible employees and to align their incentive remuneration with the performance of MMG.

Directors' Report
Continued

Retirement schemes

Details of the Group's retirement schemes are set out in Note 12 to the Consolidated Financial Statements.

Directors and senior management

Particulars of the Directors and senior management of the Company are set out on pages 68 to 72 of this Annual Report.

Independent auditor

The Consolidated Financial Statements have been audited by Deloitte Touche Tohmatsu who will retire at the forthcoming AGM and, being eligible, offer themselves for re-appointment.

Corporate governance report

Details of the Corporate Governance Report are set out on pages 94 to 109 of this Annual Report.

Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of its Board, as at the latest practicable date prior to the printing of this report, the Company has maintained sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

Events after the balance sheet date

On 18 February 2025, the Group entered into an agreement to acquire the Anglo American nickel business in Brazil. The total consideration is up to US$500 million including upfront cash consideration of US$350 million and contingent consideration of US$150 million. The completion of this transaction is still subject to the fulfillment of the conditions under the agreement.

Other than the matter above, 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.

By order of the Board

XU Jiqing
Chairman

4 March 2025

Corporate Governance Report

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.

Corporate governance

The Company has complied with all the code provisions set out in the Corporate Governance Code (CG Code) under Appendix C1 of the Listing Rules throughout the year ended 31 December 2024, except for the deviation from code provision F.1.1 of the CG Code as explained under the section headed 'Dividend Policy'.

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.

Dividend policy

Code provision F.1.1 of the CG code requires an issuer to have a policy on the payment of dividends (Dividend Policy). The Company did not have a Dividend Policy in the Financial Year 2024, but the payment of a dividend was discussed by the Board during meetings where the interim and annual financial results were approved.

On 1 April 2025, the Board resolved to adopt the Company Dividend Policy and that a summary of the Dividend Policy is as follows.

MMG is committed to driving long-term shareholder value through a combination of value accretive growth and dividend returns. The Company's current strategic priorities include capital expenditure for production expansion projects, alongside efforts to reduce debt in order to maintain a strong balance sheet. The Board may recommend the payment of dividends to the Shareholders after considering the Company's future growth plans and expected operational, financial and business conditions, which will depend on a number of factors, including but not limited to:

(i) legal requirements: full compliance with all applicable laws and regulations, including but not limited to the Companies Ordinance, Chapter 622, Section 297, which restricts distributions to profits available for distribution or retained earnings;

(ii) the Company's operating and financial performance;

(iii) the Company's growth plans;

(iv) the Company's liquidity position;

(v) the Company's balance sheet strength;

(vi) the diverse interests and expectations of the Company's Shareholders;

(vii) the general economic conditions; and

(viii) any other factors that the Board deems 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. In compliance with applicable laws and regulations, the Company may distribute dividends in cash, company shares, or a combination thereof. This Dividend Policy may be amended or repealed by resolution of the Board as deemed necessary from time to time.

Corporate Governance Report
Continued

Directors' securities transactions

The Company has adopted a model code for securities transactions 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).

A specific enquiry was made of all the Directors and they 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 2024.

Board

Composition

The Board currently comprises seven Directors of which one is an Executive Director, two are Non-executive Directors and four are Independent Non-executive Directors.

The members of the Board as at the date of this report are as follows:

Executive Director

Mr CAO Liang (CEO)
(Appointed on 24 April 2024)

Mr. Cao has obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has also provided a confirmation that he understood his obligations as a director of the Company on 24 April 2024.

Non-executive Directors

Mr XU Jiqing (Chairman)

Mr ZHANG Shuqiang

Independent Non-executive Directors

Dr Peter CASSIDY

Mr LEUNG Cheuk Yan

Mr CHAN Ka Keung, Peter

Ms CHEN Ying
(Appointed on 29 July 2024)

Ms Chen has obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has also provided a confirmation that she understood his obligations as a director of the Company on 25 July 2024.

The current Board possesses an appropriate balance of skills, experience and diversity of perspectives relevant to the management of the Company's business. The Directors' biographical information is set out on pages 68 to 72 under the section headed 'Directors and Senior Management' of this Annual Report.

The Company announced on 17 March 2025 that Mr Cao will resign as CEO of the Company with effect from 11 April 2025, to commence a senior executive role with China Minmetals Non-ferrous Metals Co., Ltd in Beijing. Mr Cao will remain on the Board of the Company and will be re-designated from an Executive Director to a Non-executive Director with effect from 12 April 2025.

Mr ZHAO Jing Ivo will be appointed as the CEO and an Executive Director of the Company with effect from 12 April 2025.

Corporate Governance Report
Continued

Role and function

The Board formulates overall strategies and policies of the Group. It also ensures the availability of adequate capital and managerial resources to implement the strategies adopted, the adequacy of systems of financial and internal control and the conduct of business in conformity with applicable laws and regulations. The Board members are fully committed to their roles and have acted in the best interests of the Group and its Shareholders at all times. There is no financial, business, family or other material/ relevant relationship among the Directors.

All Directors are required to comply with Rule 3.08(d) of the Listing Rules to avoid actual and potential conflicts of interest and duty at all times. Directors are required to declare their interest in the matters to be considered at each Board meeting and Board committee meeting. If a Director or any of his/her associates has material interest in the matter to be considered, the Director will not be allowed to vote at the meeting. The Director may also be required to withdraw from the meeting during discussion of the matter.

During the year ended 31 December 2024, other than resolutions passed in writing by all the Directors, the Company held nine Board meetings. The AGM was held on 23 May 2024. Board meetings were attended by a majority of the Directors in person or through electronic means of communication.

The attendance of each Director at the Board meetings and the AGM during the year ended 31 December 2024 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a Board member.

	Number of meetings attended	
Directors	**Board meetings**	**AGM**
Executive Director		
LI Liangang[1]	2/(3)	N/A
CAO Liang[2]	6/(6)	1/(1)
Non-executive Directors		
XU Jiqing (Chairman)	9/(9)	1/(1)
ZHANG Shuqiang	9/(9)	1/(1)
Independent Non-executive Directors		
Peter CASSIDY	9/(9)	1/(1)
LEUNG Cheuk Yan	9/(9)	1/(1)
CHAN Ka Keung, Peter	9/(9)	1/(1)
CHEN Ying[3]	3/(3)	N/A

Notes:

1 Mr LI Liangang resigned as the Interim CEO and an Executive Director of the Company on 24 April 2024. During Mr Li's tenure in 2024, three meetings of the Board were held.

2 Mr CAO Liang was appointed as the CEO and an Executive Director of the Company on 24 April 2024. During Mr Cao's tenure in 2024, six meetings of the Board were held.

3 Ms CHEN Ying was appointed as an Independent Non-executive Director of the Company on 29 July 2024. During Ms Chen's tenure in 2024, three meetings of the Board were held.

Board and workforce diversity

The Company has developed the Board Diversity Statement recognising and embracing the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

Corporate Governance Report
Continued

In designing the Board's composition, the Company has considered Board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. A female director, Ms CHEN Ying, was appointed with effect from 29 July 2024 in accordance with the Board Diversity Statement, Board Succession Guidelines and Board Skills Matrix of the Group. Such appointment of the female director is in line with the Board diversity strategy.

All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. The ultimate decision will be based on the contribution that the selected candidate will bring to the Board.

The Board comprises members from a diverse background. The Company has at all times during the year had one Independent Non-executive Director who is a qualified accountant. One of the Independent Non-executive Directors is a qualified solicitor. Five Directors have experience sitting on the boards of other companies listed on the Stock Exchanges of Hong Kong, the PRC and/or Australia. Collectively the Directors have extensive experience in the metals and mining industry, trading, finance and accounting, business strategy, law, enterprise risk management and have exposure or experience in various countries. Some of them are members of professional and/or industry bodies.

MMG strives to provide an inclusive workplace and to nurture and support the employees to reach their fullest potential. The Company believes that this is a key driver for innovation and adaptability which will increase competitiveness and drive the Group forward. As at 31 December 2024, women represent 15.9% (2023: 14.8%) of our employee population and 18.9% (2023: 5.3%) of our senior management across the Group.

Empowering women with more leadership roles has been a key focus of the Group. We have taken measures to ensure team compositions are diverse with a balanced number of women and men. By the year end of 2025, the Company strives to increase the employment levels of women across all operation areas to 17.5%.

Chairman of the Board and Chief Executive Officer

The Chairman of the Board is Mr XU Jiqing; and Mr CAO Liang is currently the CEO of the Company who was appointed on 24 April 2024. The roles of the Chairman of the Board and the CEO of the Company are segregated to ensure their respective independence, accountability and responsibility.

The Chairman takes the lead in formulating the Group's overall strategies and policies, ensures the Board's effective performance of its functions, including compliance with good corporate governance practices, and encourages and facilitates active contribution of Directors in Board activities. Directors with different views are encouraged to voice their concerns. They are allowed sufficient time for discussion of issues so as to ensure that Board decisions fairly reflect Board consensus. A culture of openness and debate is promoted to facilitate the effective contribution of Non-executive Directors and Independent Non-executive Directors and to ensure constructive relations between Executive Directors, Non-executive Directors and Independent Non-executive Directors. Under code provision C.2.7 of the CG Code, the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. In addition to regular full Board meetings, the Chairman met with the Independent Non-executive Directors without the presence of other Directors in March, May and June of 2024.

The Chairman also ensures that all Directors are properly briefed on issues arising at Board meetings and have received, in a timely manner, adequate information, which must be accurate, clear, complete and reliable.

The CEO/Interim CEO, supported by a management committee comprising himself and senior management (Executive Committee), is responsible for managing the day-to-day operations of the Group and executing the strategies adopted by the Board. The CEO/Interim CEO is also accountable to the Board for the implementation of the Group's overall strategies, and coordination of overall business operations.

Corporate Governance Report
Continued

Executive Directors and Executive Committee

The Board has delegated the management of the Group's day-to-day operations to the CEO/Interim CEO and the Executive Committee. The Executive Committee is also required to report regularly to the Board on the progress being made by the Group's businesses. The members of the Executive Committee as at the date of this report are as follows:

- Mr CAO Liang (CEO and Executive Director, was appointed with effect from 24 April 2024);
- Mr QIAN Song (CFO, was appointed as Executive General Manager – Finance on 1 February 2024 and redesignated to CFO with effect from 1 July 2024);
- Mr Troy HEY (Executive General Manager – Corporate Relations);
- Mr Nan WANG (Executive General Manager – Operations, was appointed with effect from 1 February 2024); and
- Mr ZHAO Jing Ivo (Executive General Manager – Americas, was appointed with effect from 1 September 2024).

During 2024, the Company announced the following changes in the functions and position of the Executive General Manager:

1. Mr QIAN Song was appointed as the Executive General Manager – Finance with effect from 1 February 2024 and redesignated to CFO with effect from 1 July 2024;
2. Mr Nan WANG was appointed as a new position of Executive General Manager – Operations with effect from 1 February 2024 which the new position had been created to integrate group operational accountability with operational excellence. Mr Wang who was the Executive General Manager - Australia and Africa with responsibilities for the Dugald River, Rosebery and Kinsevere operations, was redesignated to this new role;
3. Mr Troy HEY, the current Executive General Manager – Corporate Relations, took accountability for the Legal and Company Secretarial functions alongside his existing accountabilities and the General Counsel will report to Mr Hey. The People function reports directly to the CEO and retains a secondary reporting line to Executive General Manager - Corporate Relations;
4. Mr Ross CARROLL retired from the role of CFO with effect from 6 March 2024 and that he remained at MMG until 1 July 2024 in order to assist with the transition;
5. Mr LI Liangang, the then Interim CEO and Executive Director, also performed as Executive General Manager – Commercial and Development who resigned with effect from 24 April 2024;
6. Mr WEI Jianxian resigned as the Executive General Manager – Americas with effect from 31 May 2024; and
7. Mr ZHAO Jing Ivo was appointed as the Interim Executive General Manger – Americas with effect from 1 June 2024 and redesignated to Executive General Manger – Americas with effect from 1 September 2024.

Corporate Governance Report
Continued

Non-executive Directors

The Non-executive Directors (including the Independent Non-executive Directors) possess a wide range of expertise and experience and bring independent judgement on issues relating to the Group's strategies, development, performance and risk management through their contribution at Board and committee meetings.

Independent Non-executive Directors

The Independent Non-executive Directors serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. Their participation provides adequate checks and balances to safeguard the interests of Shareholders. The Board has four Independent Non-executive Directors and two of them have accounting or related financial management expertise. The Board confirms that the Company has received from each of the Independent Non-executive Directors a confirmation of independence for the year ended 31 December 2024 pursuant to Rule 3.13 of the Listing Rules and considers such Directors to be independent.

Re-election of Directors

Each of the Non-executive Directors entered into an appointment agreement with the Company for a specific term of three years, except for Dr Peter CASSIDY. Dr Cassidy's appointment agreement commenced on 31 December 2010 and continues until either the Company or he terminates such agreement by serving on the other not less than one month's prior written notice.

In accordance with the Company's Articles of Association, each Director appointed by the Board shall be subject to re-election by Shareholders at the next general meeting (in the case of filling a casual vacancy) or at the next AGM (in the case of an addition to the Board), and thereafter be subject to retirement by rotation at least once every three years at the AGM. Dr Cassidy, who was appointed by the Board on 31 December 2010 to fill a casual vacancy, is also subject to retirement from the Board by rotation at least once every three years at the AGM. Since Dr Cassidy has been appointed, he has been re-elected by Shareholders at the AGMs held in 2011, 2013, 2016, 2019, 2022 and 2024.

Directors' training and continuous professional development

Every newly appointed Director receives a briefing and orientation on his/her legal and other responsibilities as a listed company director and the role of the Board. He/She also receives a comprehensive induction package covering the statutory and regulatory obligations of a director, organisational structure, policies, procedures and codes of the Company, terms of reference of Board committees and Board charter. All Directors are encouraged to participate in continuous professional development and refresh their knowledge and skills. All Directors have been updated on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices.

The directors participated in various forms of training during 2024. This included in-house director training sessions that focused on specific topics relevant to the Board. Some of the directors participated in training onsite at our Rosebery operation. Directors also attended external industry related events, conferences, seminars and forums. Finally, reading materials on industry related topics also contributed toward continuous professional training.

Corporate Governance Report
Continued

All Directors provided a record of training to the Company. A summary of training attended by the Directors for the year ended 31 December 2024 is set out below:

Directors	Types of training & hours (notes)	Training provider(s)
Executive Directors		
CAO Liang (Appointed on 24 April 2024)	1 (24 hours) 3 (50 hours)	• MMG Limited • Minmetals Group • University of Queensland • Linklaters
Non-executive Directors		
XU Jiqing	1 (40 hours) 2 (17 hours) 3 (90 hours)	• MMG Limited • China Non-ferrous Metals Industry Association • Minmetals Group • China Railway Resources • University of Queensland
ZHANG Shuqiang	1 (17 hours)	• MMG Limited • Minmetals Group • University of Queensland
Independent Non-executive Directors		
Peter CASSIDY	1 (17 hours) 3 (164 hours)	• MMG Limited • University of Queensland • Australasian Institute of Mining and Metallurgy
LEUNG Cheuk Yan	1 (3.5 hours) 3 (100 hours)	• MMG Limited • University of Queensland
CHAN Ka Keung, Peter	1 (3.5 hours) 3 (156 hours)	• MMG Limited • University of Queensland
CHEN Ying (Appointed on 29 July 2024)	1 (8.5 hours)	• MMG Limited • University of Queensland • Linklaters • U.S. Securities and Exchange Commission

Notes:

1 Attending seminars and/or conferences and/or forums and/or in-house trainings.

2 Delivering speeches/presentations at seminars and/or conferences and/ or forums.

3 Reading journals, documentaries, books, newspapers relating to director's duties and responsibilities.

Directors' and officers' liabilities insurance

The Company has arranged appropriate directors' and officers' liabilities insurance in respect of legal action against the Directors and officers of the Company.

Corporate Governance Report
Continued

The Board committees

There are two Board committees, namely the Audit and Risk Management Committee and the Governance, Remuneration, Nomination and Sustainability Committee, for overseeing particular aspects of the Company's affairs.

Audit and Risk Management Committee

The Audit and Risk Management Committee comprises six members including four Independent Non-executive Directors, namely Mr CHAN Ka Keung, Peter as Chair, Dr Peter CASSIDY, Mr LEUNG Cheuk Yan and Ms CHEN Ying, 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 terms of reference of the Audit and Risk Management Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the year ended 31 December 2024, the Audit and Risk Management Committee held five meetings. The Committee reviewed financial reporting matters, the Company's Financial Statements, annual and interim reports, the connected transactions and the continuing connected transactions entered into by the Group and the audit fees for the year ended 31 December 2024. It also reviewed the external audit scope and plans and audit findings, material risk profile and prioritised material risk analysis including internal audit plans and audit findings, treasury, tax matters, compliance against the Risk Management Framework, and the Insurance Program including the renewals of the annual insurance and the directors and officers liabilities insurance and the programs for Audit and Risk Management Committee activities for 2024 and 2025. The Committee discussed with senior management the independence of the external auditors and the effectiveness of the external and internal audit process.

The attendance of each member at the Audit and Risk Management Committee meetings for the year ended 31 December 2024 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a member of the Audit and Risk Management Committee.

Members	Number of meetings attended
Non-executive Directors	
ZHANG Shuqiang	5/(5)
XU Jiqing	4/(5)
Independent Non-executive Directors	
Peter CASSIDY	5/(5)
LEUNG Cheuk Yan	5/(5)
CHAN Ka Keung, Peter (Chairman)	5/(5)
CHEN Ying[1]	2/(2)

Note:

1 Ms CHEN Ying was appointed as an Independent Non-executive Director of the Company on 29 July 2024. During her tenure in 2024, two meetings of the Audit and Risk Management Committee were held.

Corporate Governance Report
Continued

Governance, Remuneration, Nomination and Sustainability Committee

The Governance, Remuneration, Nomination and Sustainability Committee comprises five members including four Independent Non-executive Directors, namely Dr Peter CASSIDY as Chair, Mr LEUNG Cheuk Yan, Mr CHAN Ka Keung, Peter and Ms CHEN Ying, and a Non-executive Director, namely Mr XU Jiqing.

The Governance, Remuneration, Nomination and Sustainability Committee is principally responsible for (i) developing, reviewing and monitoring the Group's policies and practices on corporate governance to ensure compliance with the relevant legal and regulatory requirements; (ii) formulating the Company's remuneration policy and structure for all Directors and senior management's remuneration and to make recommendations to the Board on the above remuneration policy and proposal; (iii) formulating the policy for nomination of Directors and leading the process of identifying and nominating candidates suitably qualified to become Board members, and reviewing the structure, size and composition of the Board and Board committees (including knowledge, skills and experience, independence and diversity of the members) and makes recommendations to the Board with regard to any changes; review ESG and sustainability reporting and relevant compliance requirements. The terms of reference of the Governance, Remuneration, Nomination and Sustainability Committee are available on the websites of the Hong Kong Stock Exchange and the Company.

During the year ended 31 December 2024, the Governance, Remuneration, Nomination and Sustainability Committee held four meetings. The Committee reviewed the Mineral Resources and Ore Reserves Statement, the Whistleblower Reports, the 2024 Disclosure Reports, the performance review and evaluation of the Board and the Board committees, the Directors and senior management training program and the Corporate Governance Report for inclusion in the annual report. It also reviewed the remuneration policy, the incentive and retention plans, annual remuneration and the programs for Governance, Remuneration, Nomination and Sustainability Committee activities for 2024 and 2025, as well as the assessment and recommendation of female director's appointment to the Board.

The attendance of each member at the Governance, Remuneration, Nomination and Sustainability Committee meetings for the year ended 31 December 2024 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a member of the Governance, Remuneration, Nomination and Sustainability Committee.

Members	Number of meetings attended
Non-executive Director	
XU Jiqing	4/(4)
Independent Non-executive Directors	
Peter CASSIDY (Chairman)	4/(4)
LEUNG Cheuk Yan	4/(4)
CHAN Ka Keung, Peter	4/(4)
CHEN Ying[1]	2/(2)

Note:

1 Ms CHEN Ying was appointed as an Independent Non-executive Director of the Company on 29 July 2024. During her tenure in 2024, two meetings of the Governance, Remuneration, Nomination and Sustainability Committee were held.

The Company's Mineral Resources and Ore Reserves Committee and Disclosure Committee also report to the Governance, Remuneration, Nomination and Sustainability Committee.

The Mineral Resources and Ore Reserves Committee is responsible for overseeing the Mineral Resources and Ore Reserves reporting process and ensuring its compliance with the Listing Rules and JORC Code.

Corporate Governance Report
Continued

The Disclosure Committee is responsible for advising on disclosure obligations of the Company. The Company has adopted a Disclosure Framework to ensure its compliance with the disclosure obligations under the Listing Rules and the timely disclosure of inside information to the market. The Disclosure Committee comprises the CEO, CFO, Executive General Manager – Corporate Relations, the General Counsel and the Company Secretary. The Disclosure Framework requires employees to refer all information that potentially requires disclosure to a member of the Disclosure Committee.

Executive Committee

The Executive Committee reviews safety, health and environmental and social performance in order to improve efficiency and effectiveness. Specific Safety, Health, Environment and Community (SHEC) matters to be discussed by the Board include identification, review and governance of SHEC-related material issues, significant incidents, remediation/mitigation strategies and any specific areas of focus as identified by the Board.

Accountability and audit

Financial reporting

The Directors acknowledge their responsibility for preparing all information and representations contained in the Financial Statements for the year ended 31 December 2024 as disclosed in this Annual Report. The Directors consider that the Financial Statements have been prepared in conformity with Hong Kong Financial Reporting Standards (HKFRS) issued by the Hong Kong Institute of Certified Public Accountants and the Companies Ordinance, and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgement of the Board and management with an appropriate consideration to materiality. The Directors, having made appropriate enquiries, were not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Please refer to Note 3.1 to the Consolidated Financial Statements for further details.

Accordingly, the Directors have prepared the Financial Statements on a going-concern basis. The statement of the Company's external auditor regarding its responsibilities for the Financial Statements is set out in the Independent Auditor's Report on pages 124 to 129 of this Annual Report.

Management has provided all members of the Board with monthly updates giving a balanced and comprehensive assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

Risk management and internal controls

The Audit and Risk Management Committee assists the Board with regard to the oversight of the Company's risk management and internal control systems and practices.

The Risk and Audit function in MMG supports the Audit and Risk Management Committee and line management by:

- establishing and maintaining Group-wide Standards relating to risk management and assurance;
- undertaking internal audits to test compliance with Group Standards and legal obligations and to assess the adequacy and effectiveness of critical controls to material risks;
- reporting control weaknesses and non-compliances at MMG's operations;
- monitoring critical control failings across the industry and assessing implications for MMG;
- monitoring and reporting closeout of management agreed actions to improve control effectiveness and to correct non-compliances; and

Corporate Governance Report
Continued

- monitoring the Group's risk profile and reporting substantive changes in the risk profile.

The Company's risk management and internal audit processes are subject to periodic, independent external assessment against relevant international standards and industry best practices.

The annual internal audit plan is approved by the Audit and Risk Management Committee. Its focus is on material risks to the business, both financial and non-financial.

The Audit and Risk Management Committee is responsible for ensuring that there is appropriate coordination between internal and external audit. It is also responsible for ensuring that internal audit is adequately resourced and has appropriate standing within the Group. It also reviews and monitors the effectiveness of internal audit.

MMG's Internal Audit Procedure requires the Risk and Audit function to maintain its independence. It also requires reporting, to the Chair of the Audit and Risk Management Committee, of any instance where the Group's independence may have been compromised.

Auditor's remuneration

An analysis of the remuneration of the external auditor, Deloitte Touche Tohmatsu (which for these purposes includes any entity under common control, ownership or management with the external auditor or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), for the year ended 31 December 2024 is set out as follows:

Services rendered	Fee paid/payable 2024 US$'000
Audit services	2,167.02
Other assurance services	531.41
Non-audit Services	413.97
	3,112.40

Company secretary

Ms WONG Lok Wun, Anfield is the Company Secretary of the Company with over 16 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies and private companies. Ms Wong is a chartered secretary, a chartered governance professional and an associate member of The Hong Kong Chartered Governance Institute (HKCGI) (formerly known as The Hong Kong Institute of Chartered Secretaries).

The Company Secretary assists the Board by ensuring good information flow within the Board and that the Board policy and procedures including those on governance matters are followed. All Directors are entitled to have access to the advice and services of the Company Secretary. She reports to the Chairman of the Board and also the CEO. Ms Wong has attended various professional seminars during the year ended 31 December 2024, which exceed the requirements of the Listing Rules.

Shareholders' rights

Procedures for Shareholders to convene a general meeting

Shareholders holding at least 5% of the total voting rights of all Shareholders having a right to vote at the Company's general meeting can deposit a written request to convene a general meeting at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the

Corporate Governance Report
Continued

Company, for the attention of the Company Secretary, or send the written request to the Company by fax at +852 2840 0580.

The written request: (i) must state the general nature of the business to be dealt with at the meeting, and (ii) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting, and must be signed by all the Shareholders concerned.

The request will be verified with the Company's Share Registrar and, upon confirmation that the request is proper and in order, the Board will convene a general meeting by serving sufficient notice to all the registered Shareholders.

However, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and, accordingly, a general meeting will not be convened as requested. Pursuant to the Articles of Assocation of the Company and the Companies Ordinance, the notice period to be given to all the registered Shareholders for consideration of the proposed resolutions at a general meeting is not less than 14 days.

If the Directors do not within 21 days after the date on which they become subject to the requirement to call a general meeting to be held on a date not more than 28 days after the date of the notice convening the meeting, the Shareholders concerned or any of them representing more than one half of the total votes of all of them, may themselves call a general meeting, provided that such general meeting must be called for a date not more than three months after the date on which the Directors become subject to the requirement to call a meeting.

Any reasonable expenses incurred by the Shareholders concerned by reason of the failure of the Directors duly to call a general meeting shall be repaid to the Shareholders concerned by the Company.

The procedures for Shareholders to convene a general meeting are available on the Company's website.

Procedures for Shareholders to put forward proposals at the Annual General Meeting

Shareholders holding at least 2.5% of the total voting rights of all Shareholders having the right to vote at the AGM, or at least 50 Shareholders who have a right to vote on the resolution at the AGM to which the request relates, can submit a written request to move a resolution at the AGM, including or be accompanied by a statement containing the information and explanation, if any, that is reasonably necessary to indicate the purpose of the resolution.

The written request must state the resolution and be signed by all the Shareholders concerned. The written request must be deposited at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary, or sent to the Company by fax at +852 2840 0580 not later than six weeks before the AGM to which the request relates, or if later, the time at which notice is given of that meeting.

The request will be verified with the Company's Share Registrar and, upon confirmation that the request is proper and in order, the Board will include the resolution in the agenda for the next AGM in accordance with statutory requirements. However, if the request has been verified as not in order, the Shareholders concerned will be advised of this outcome and, accordingly, the proposed resolution will not be included in the agenda for the AGM.

The Company will be responsible for the expenses in serving the notice of the resolution and circulating the statement submitted by the Shareholders concerned. The procedures for Shareholders to put forward proposals at the AGM are available on the Company's website.

Corporate Governance Report
Continued

Procedures for Shareholders to propose a person for election as a Director

If a Shareholder wishes to propose a person other than a Director for election as a Director at an AGM or a general meeting, he/she can deposit a written notice to that effect signed by the Shareholder concerned at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary.

The written notice must:

- state the full name of the person proposed for election as a Director;
- state the person's biographical details as required by Rule 13.51(2) of the Listing Rules; and
- be accompanied by a confirmation signed by the candidate indicating his/her willingness to be appointed.

The period for lodgement of the above notice shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.

If the written notice is received after the AGM/general meeting notice has been despatched but later than seven clear calendar days prior to the date of the AGM/ general meeting, the Company may need to consider the adjournment of the AGM/general meeting in order to allow a sufficient period of notice.

The procedures for Shareholders to propose a person for election as a Director at an AGM/general meeting are available on the Company's website.

Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary to the registered office of the Company at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.

Shareholders may also make enquiries with the Board at the AGM/general meetings of the Company.

Shareholders' questions in relation to their shareholdings should be directed to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Communication with shareholders and investors

The Company recognises the importance of maintaining an ongoing dialogue with the Company's Shareholders and endeavours to develop and maintain continuing relationships and effective communication with its Shareholders and investors. In an effort to facilitate and enhance the relationships and communication, the Company has adopted a Shareholder Communication Policy, which was reviewed by the Board in 2024 to ensure its effectiveness. The effectiveness of engagement with Shareholders is assessed by the Governance, Remuneration, Nomination and Sustainability Committee. The Committee endorsed the Shareholder Communication Policy in 2024, noting that it remained effective and was appropriate for the Company as it articulated the various communication channels for Shareholders. Such Policy is available on the Company's website. The principles of the Shareholder Communication Policy are to ensure effective communication between the Company and its Shareholders is maintained, and ready, equal and timely access to clear and balanced information about the Company (including its financial performance, strategic plans, material developments, governance and risk profile) is available to the Shareholders to enable them to exercise their rights in an informed manner.

Corporate Governance Report
Continued

Corporate communications

The Company will generally communicate with Shareholders and the investing public through the following corporate communication materials:

- financial reports (interim and annual reports), quarterly production reports and sustainability reports;
- announcements, Shareholder circulars and other disclosures through the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company; and
- other corporate communications, presentations, publications and media releases of the Company.

The Company endeavours to use plain, non-technical language in all its communication materials provided to Shareholders and, where possible, the communication materials are made available in both English and Chinese.

Investor relations

The Company may from time to time conduct investor/ analyst briefings and presentations, road shows, site visits, or marketing activities for the financial community.

Communications and dialogues with Shareholders, investors, analysts, media or other parties will be conducted in compliance with the disclosure obligations and requirements under the Disclosure Framework, which aims to ensure equal, fair and timely dissemination of information.

Corporate website

A dedicated 'Investors and Media Centre' section is available on the Company's website where all corporate communication materials of the Company including materials published on the website of the Hong Kong Stock Exchanges (www.hkexnews.hk) is posted as soon as practicable after their release.

The following information is available on the Company's website:

- the Articles of Assocation of the Company;
- the terms of reference of the Audit and Risk Management Committee and the Governance, Remuneration, Nomination and Sustainability Committee;
- a summary of the procedures for Shareholders to convene a general meeting, to put forward proposals at the AGM, and to propose a person for election as a Director;
- a news archive of Stock Exchanges announcements and media releases; and ESG Approach and Performance; and
- an events calendar setting out important dates and forthcoming events of the Company.

Information on the Company's website is updated on a regular basis. Shareholders are encouraged to subscribe to news updates.

Shareholder meetings

Shareholders are encouraged to participate in AGM/ general meetings or appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend.

Board members including the Chairman of the Board, and where appropriate, Chairmen and other members of the relevant Board committees or their delegates, appropriate management executives and representatives from the Company's external auditor will attend AGM/general meetings to answer Shareholders' questions.

In addition, separate resolutions are proposed at the AGM/ general meetings on each substantially separate issue.

Corporate Governance Report
Continued

Environmental policies and performance

Respect for the environment is a core part of the way MMG operates. The objective of the Company is to maximise recycling and reuse and to minimise the draw on natural resources, with water being the most significant natural resource used in our operations. The Company also seeks to reduce direct and indirect energy consumption across our operations and supply chains.

The environmental management approach is based on the principles of plan, do, check, act and aligns to the principles of ISO14001. The approach involves identification, assessment and control of material risks across all phases of our business, from exploration through to development, operation and mine closure. The Company works in partnership with its stakeholders to understand the challenges and opportunities of its activities, and how best to manage them.

The MMG Safety, Security, Health and Environment (SSHE) Performance Standard defines MMG's minimum requirements and provides the basis for sustainable environmental management through its deployment at its operations. These requirements are audited as part of an integrated assurance process.

Through the application of the MMG Operating Model, the Company's operations focus on essential environmental delivery work, supported by functional excellence that drives continual improvement of our management processes.

Key stakeholder relationships

The Company cultivates stakeholder relationships based on trust, transparency and mutual respect for culture, values and heritage. Understanding the needs, expectations and aspirations of communities impacted by its operations is vital for the Company to achieve its vision and growth objectives.

The Company's key relationships are with its employees, communities, suppliers, governments and regulators, Shareholders, investors, non-government organisations, industry, media and customers.

Areas of interest vary between each stakeholder group but cover topics including economic performance, safety and health management, employee development and well-being, environmental management and compliance, and support for community and regional development.

Stakeholders interact with the Company through a variety of avenues including direct communication and meetings, receipt of newsletters and corporate publications, disclosures to the Hong Kong Stock Exchange and membership and representation on industry associations.

MMG has relationships with a range of customers globally for the sale of its products. The sales and marketing of all products is managed by a Group Sales and Marketing function that negotiates all terms and conditions at arm's length arrangements. All prices are referenced to S&P Global Platts or LME or London Bullion Market Association or Fastmarkets MB market prices for the appropriate products sold. Further information is discussed in the Management Discussion and Analysis on pages 24 to 67 of this Annual Report.

Information on MMG's approach to environmental, social and governance issues will be reported in the 2024 MMG Sustainability Report available on the Company's website at (www.mmg.com) in the Second Quarter 2025.

Corporate Governance Report
Continued

Compliance with laws and regulations

The Company has adopted the Corporate Legal Compliance Standard and other practices to ensure adherence to applicable legal and regulatory requirements and, in particular, those that have a significant impact on the operations of the Group. Our Governance, Remuneration, Nomination and Sustainability Committee is delegated by the Board to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements. Any changes in applicable laws, rules and regulations are brought to the attention of relevant employees and business units from time to time.

Constitutional documents

At the 2024 AGM held on 23 May 2024, Shareholders passed a special resolution to approve the amendments to the Articles of Association of the Company.

The amendments were made to reflect the latest legal and regulatory requirements and market practices as well as provide flexibility to the Company in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers.

The amended Articles of Association was adopted on 23 May 2024 and is available on the websites of the Hong Kong Stock Exchange and the Company.

ESG Approach and Performance

MMG Limited (the Company) operates and develops copper, zinc, cobalt and other base metals projects across Australia, Botswana, the DRC and Peru. As at 31 December 2024, MMG has five mining operations: Las Bambas, Kinsevere, Dugald River, Rosebery, and Khoemacau, which was acquired by MMG on 22 March 2024.

The Company is committed to responsible environmental and social performance and effective governance of its operations. This supports our growth strategy by helping to:

- manage reputational and regulatory risks;
- control costs and drive efficiencies;
- build strong stakeholder relationships; and
- attract and retain talented employees.

ESG reporting and materiality

The Company conducts a Global Reporting Initiative (GRI)-aligned materiality assessment to ensure that ESG issues which matter most to our stakeholders are reported.

The MMG Sustainability Report provides an annual summary of our approach and performance across our material sustainability issues. Elements of our sustainability reports are externally assured in line with our commitments as a member of the International Council on Mining and Metals (ICMM).

Further information on MMG's approach to sustainability, health and safety, security, social performance, environmental performance, key stakeholder relationships and compliance with laws and regulations will be reported in the 2024 MMG Sustainability Report available on the Company's website at www.mmg.com in the Second Quarter of 2025.

Corporate governance

The Company is dedicated to upholding a high standard of corporate governance practices demonstrated through an experienced Board, sound risk management and internal controls, and transparency and accountability to all stakeholders. For the Company, good governance extends beyond the Board, with executive management integrating governance practices throughout the organisation. The company complies with the principles of good corporate governance as set out in the Corporate Governance Code (CG Code) of the Hong Kong Listing Rules, those of the ICMM and all external reporting obligations.

The Company has applied the principles of good corporate governance as set out in the Corporate Governance Code and CG Code found in Appendix C1 of the Hong Kong Listing Rules. It has complied with all applicable code provisions set out in the Appendix C1 of the Hong Kong Listing Rules over the years, except for the deviation from code provision F.1.1 as explained under the section headed 'Dividend Policy' of the MMG Annual Reports.

MMG has the Audit and Risk Management (ARM) Committee and the Governance, Remuneration, Nomination and Sustainability (GRNS) Committee, both of which operate under clear Terms of Reference. Additionally, MMG has several Executive Management Committees, including the Executive Committee, the Disclosure Committee, Investment Review Committee, Mineral Resources and Ore Reserves Committee and Code of Conduct and People Committee. A function of the Executive Committee is to review security, safety, health, environmental and social performance to enhance efficiency and effectiveness. The Board discusses specific security, safety, health, environment and community (SSHEC) matters on a quarterly basis, including the identification, review and governance of SSHEC-related material issues, significant incidents, remediation/mitigation strategies, governance of human rights-related issues and any specific areas of focus as identified by the Board.

ESG Approach and Performance
Continued

In accordance with the Company's Sustainability Framework, which is reviewed and endorsed by the GRNS Committee and implemented across the Company, the Board identifies, reviews and governs SSHEC-related material issues. The Framework is consistent with the ICMM's Mining Principles and incorporates all MMG's Sustainability-related reporting and disclosure obligations as well as stakeholder expectations. The Company's approach to sustainability is guided by our Corporate Governance Policy, People Policy, Shareholder Communication Policy, SSHEC Policy and Human Rights Policy.

There is no universal formula for good corporate governance. Throughout this Statement, we emphasise compliance with our internal standards, guided by the CG Code of the Hong Kong Listing Rules, the ICMM principles, and all external reporting obligations.

Compliance

The GRNS Committee is responsible for developing and reviewing the Company's policies and practices on corporate governance, the Sustainability material-topics, the Code of Conduct as well monitoring MMG's compliance with the Listing Rules and other applicable laws.

Our Executive Committee oversees our performance in accordance with the Group's policies, standards and regulatory requirements related to safety, health, environment and community.

Business ethics

Our values and Code of Conduct inform ongoing, long-term relationships with communities, employees, governments, investors and other stakeholders. Formal structures guide how we review and respond to any potential behavioural, ethical or cultural issues that may arise. MMG's Code of Conduct, which outlines the standards of behaviour for our employees, contractors and suppliers, covers areas such as conflict of interest, fraud, anti-corruption and legal compliance. This Code is overseen by our Code of Conduct and People Committee, chaired by the Executive General Manager, Corporate Relations. MMG engages an independent confidential Whistleblower service which is available to all employees, contractors, suppliers and external stakeholders globally. MMG's Whistleblower Framework explains the process for reporting any improper conduct, the protections afforded to people who report improper conduct, how such reports will be dealt with and the type of action which may be taken as a result. The Whistleblower Framework is integral to MMG's Corporate Legal Compliance Standard. MMG's stakeholder grievance mechanism is fully aligned with this framework and contains additional mechanisms to enable external stakeholders to anonymously raise grievances, further strengthening protections for stakeholders who raise issues with MMG. We also have an Anti-Corruption Standard and Framework, and a Supplier Code of Conduct, all of which are publicly available at www.mmg.com.

All MMG employees, including senior management and directors, are informed of and required to comply with the Code of Conduct and Anti-Corruption Standard and Framework as a condition of their employment. An online training module is made available to employees and directors and face to face training is conducted periodically. As part of our Sustainability performance indicators, progress against targets relating to the percentage of employees required to complete anti-bribery and corruption training modules as well as grievance response and resolution times are regularly monitored by the MMG Executive Committee and MMG Board. In 2025, ongoing monitoring will continue to be conducted quarterly by MMG's Executive Committee and the GRNS Committee.

We recognise that some of the jurisdictions where we operate present unique human rights challenges. To address this, we pair good governance with a commitment to transparent initiatives, such as the Extractive Industries Transparency Initiative (EITI) along with open and reciprocal host community discussions. The Company released the MMG Human Rights Policy in 2024, which outlines MMG's strong commitment to human rights for its employees, stakeholders and communities.

ESG Approach and Performance
Continued

Data protection including customer data is ensured by the use of SAP, enforcing identification authorisation, and is monitored by MMG's Global Business Services department. Privacy is controlled by the Company's Anti-Corruption Framework, segregation of duties and anti-bribery, anti-corruption and anti-competitive behaviour expectations. Confidentiality terms are clearly defined in all contracts. These processes and frameworks are overseen by our legal, assurance and risk departments. In addition, all corporate technology applications are hosted on Microsoft Azure cloud, with security design as well as Advanced Protection service procured from Microsoft.

Managing cyber security risk is a priority applied across MMG's different jurisdictions. All employees are required to understand and adhere to the acceptable use guidelines outlined in the MMG Technology Work Quality Requirement (WQR). This establishes a safe technology use standard to protect our people and data from the risk of cyber security attacks, which could compromise MMG systems and services.

In 2024, there were no confirmed significant non-compliances with the Company's Code of Conduct identified and no legal cases regarding corrupt practices brought against the Company or its employees.

Developing and supporting our workforce and protecting labour rights

The Company adheres to a single global standard for people and benefits matters, known as the People Standard. This Standard is supported with detailed work quality requirements, systems and processes to ensure global standards and local requirements are met, which include policies related to compensation and dismissal, working hours, recruitment and people movements.

The Company is also aligned with all national legislation and legal requirements in the countries where our operations are located. The Company, through robust selection processes, chooses the best people for each position and rewards them competitively with salary and benefits that reflect market conditions and their contribution to our overall business success. The Company is committed to sharing its successes with its communities through local employment opportunities, and by investing in training and education to help local residents' transition to careers in mining or related fields.

The Company provides its people with the opportunity to develop their skills, expertise and experience to optimise their contribution to our business and to advance their careers. The Company has two broad streams of vocational training: operational training and competency verification, aimed at driving safety, efficiency and managing material business risks.

In addition, the Company supports employees' professional development to enhance leadership capabilities and support career pathways. The Company undertakes extensive workforce and community engagement on, and offers support to, individuals affected by any business decisions to downsize or close operations.

The Company is committed to providing safe workplaces that are free of discrimination and harassment, fostering an environment of diversity and inclusion. Our global Diversity and Inclusion approach is led by the Executive Committee. The Company, through the Code of Conduct and People Committee, provides guidance on diversity and inclusion policy and practices, collaborating with teams globally to develop initiatives and actions tailored to their specific needs. MMG's approach to inclusion and diversity supports our comparative advantage in attracting and retaining talent, in addition to delivering business benefits associated with greater levels of collaboration.

The Company promotes good mental health practices in the workplace and supports our workers to be physically fit and well rested, ensuring they are able to carry out their duties safely.

We are committed to upholding the International Labour Organisation's (ILO) Declaration of Fundamental Principles and Rights at Work and their Core Labour Standards and comply with local labour laws, as a minimum, and with consideration of the eight core conventions of the ILO focusing on human rights that are directly applicable to

ESG Approach and Performance
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business. This includes respecting our employees' rights to freedom of association and collective representation, and we strive to have positive and constructive negotiations with their elected representatives. The Company also upholds the ILO Principles regarding the elimination of all forms of forced and child labour.

In 2024, there were no confirmed non-compliance incidents or grievances in relation to labour practices that have had a significant impact on the Group.

The following tables represent the Company's workforce by gender, employment type, age group and geographical region as well as the employee turnover rate by gender, age group and geographical region.

Table 1: 2024 Total Workforce by Employment Type and Site

Site	Permanent	Temporary	Permanent %	Temporary %	Total Workforce
Dugald River	499	379	57	43	878
Khoemacau	519	1,474	26	74	1,993
Kinsevere	887	4,340	17	83	5,227
Las Bambas	2,696	7,939	25	75	10,635
Rosebery	382	262	59	41	644
Corporate	205	2	99	1	207
Australian Operations	20	0	100	0	20
MMG	**5,208**	**14,396**	**27**	**73**	**19,604**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

** Please note that in this table, MMG permanent employees represents employees directly employed by MMG. Temporary employees includes contractors, consultants and other short-term engagements.

*** Headcount for MMG permanent employees is at 31 December 2024. For temporary, this is an average of the total workforce throughout the course of the year.

Table 2: 2024 Total Permanent Workforce by Gender and Site

Site	Male (#)	Female (#)	Male %	Female %	Total Workforce
Dugald River	428	71	85.8	14.2	499
Khoemacau	422	97	81.3	18.7	519
Kinsevere	754	133	85.0	15.0	887
Las Bambas	2,334	362	86.6	13.4	2,696
Rosebery	329	53	86.1	13.9	382
Corporate	104	101	50.7	49.3	205
Australian Operations	9	11	45.0	55.0	20
MMG	**4,380**	**828**	**84.1**	**15.9**	**5,208**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

** Please note this table refers to MMG permanent employees directly employed by MMG. This does not include temporary employees, including contractors or consultants.

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Table 3: 2024 MMG Workforce Turnover Rate by Age Group and Site

Site	Age (<30)	Age (31-50)	Age (>50)	Age (<30)%	Age (31-50)%	Age (>50)%
Dugald River	11	35	11	9.2	13.3	9.5
Khoemacau	1	13	2	1.5	3.3	3.4
Kinsevere	2	15	12	4.0	2.3	6.1
Las Bambas	11	56	11	4.1	2.7	2.8
Rosebery	11	15	10	14.3	7.5	9.5
Corporate	0	9	2	0	6.6	5.9
Australian Operations	0	0	1	0	0	14.3
Total	**36**	**143**	**49**	**5.8**	**3.9**	**5.4**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

** Please note this table refers to total MMG permanent employees during 2024, including all voluntary resignations for permanent employees. This does not include temporary employees, including contractors or consultants.

*** The workforce turnover rate by age group and site was calculated using the total turnover for each operation, rather than as a percentage of the total permanent workforce.

Table 4: 2024 MMG Workforce Turnover Rate by Gender and Site

Site	Male	Female	Male (%)	Female (%)
Dugald River	44	13	10.3	18.3
Khoemacau	15	1	3.6	1.0
Kinsevere	24	5	3.2	3.8
Las Bambas	63	15	2.7	4.1
Rosebery	32	4	9.7	7.5
Corporate	9	2	8.7	2.0
Australian Operations	1	0	11.1	0.0
Total	**188**	**40**	**4.3**	**4.8**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

** Please note this table refers to total MMG permanent employees during 2024, including all voluntary resignations for permanent employees. This does not include temporary employees, including contractors or consultants.

*** The workforce turnover rate by age group and site was calculated using the total turnover for each operation, rather than as a percentage of the total permanent workforce.

Table 5: 2024 MMG Permanent Workforce Training by Employee Category

	Total workforce	Trained Workforce (#)	Trained Workforce (%)	Total Trained Hours	Avg Trained Hours / Total Workforce
Executives - level 5/6	6	4	66.7	14	2.3
Senior Management - level 4	18	15	83.3	161	8.9
Middle Management - level 3	122	103	84.4	2,427	19.9
Lower Management - level 2	326	297	91.1	9,313	28.6
Employees - level 1	4,736	4,519	95.8	197,542	41.7
Total	**5,208**	**4,938**	**95.2**	**209,542**	**40.2**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

** Please note this table refers to total MMG permanent employees during 2024, including all voluntary resignations for permanent employees. This does not include temporary employees, including contractors or consultants.

ESG Approach and Performance
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Social performance and stakeholder engagement

We work hard to foster relationships with our host communities based on trust, mutual respect and ongoing engagement from exploration through to the cessation of our mining activities. The participation of our host communities, local stakeholders and Indigenous Peoples in planning processes and decisions that impact their lives are key to our site engagement and social performance plans.

We aim to partner with our communities and strive to maintain socially and culturally inclusive and proactive communication with stakeholders regarding future plans and performance. MMG's commitment to the ICMM's Mining Principles, including the commitment to community dialogue and position on free, prior and informed consent regarding Indigenous Peoples, guides our approach to stakeholder engagement. The Company's responsibilities regarding interactions and contribution to host communities are further defined in the Company's Social Performance Standard.

The social and economic benefits we provide through our operations and their supply chains support our employees, contractors, shareholders, communities, regions and host countries to develop and prosper. This contribution comes through our payment of taxes, royalties, wages and employee entitlements; our purchase of goods and services; and through community compensation, support for local initiatives, benefit sharing and our direct investment in addressing the UN SDGs 1–6, as listed below:

SDG1: No Poverty

SDG2: Zero Hunger

SDG3: Good Health and Wellbeing

SDG4: Quality Education

SDG5: Gender Equality

SDG6: Clean Water and Sanitation

Table 6: 2024 Total Community Investment Spend by Focus Area (US$)

Investment by SDG	Dugald River	Khoemacau*	Kinsevere	Las Bambas	Rosebery	Total
SDG1: No Poverty	$7,914	$41,278	$1,631,298	$20,912,429	$14,377	**$22,607,296**
SDG2: Zero Hunger	$3,298	$22,146	$731,337	$3,600,200	$16,369	**$4,373,350**
SDG3: Good Health and Wellbeing	$130,251	$4,586	$2,560,915	$6,925,292	$43,076	**$9,664,120**
SDG4: Quality Education	$126,294	$38,753	$1,996,394	$7,984,563	$34,310	**$10,180,314**
SDG5: Gender Equality	$14,113	$10,962	0	$96,990	$98,925	**$220,990**
SDG6: Clean Water and Sanitation	0	$3,600	$26,334	$788,155	0	**$818,089**
Total	**$281,870**	**$121,325**	**$6,946,278**	**$40,307,629**	**$207,057**	**$47,864,158**

* Khoemacau data has been included where available for reference from 1 April 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

In addition to improving access to health, education and other livelihood indicators, MMG's approach to social performance acknowledges the importance of managing vulnerability and building community resilience through the integration of local employment and businesses into MMG's value chain. Communities and countries must be able to withstand ongoing pressures around social and economic security, as well as the impacts of development and political instability. We aim to support our communities as they go through this journey and plan for a resilient,

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sustainable future.

More information about the Company's stakeholder engagement approach, as well as social performance and investment initiatives, can be found in the 2024 MMG Sustainability Report, available in the second quarter of 2025 on www.mmg.com.

In 2024, there were no confirmed non-compliance incidents or grievances in relation to human rights that have had a significant impact on the Group.

Supply chain

The Company sources goods and services through a global supply chain to meet the requirements of our operating sites. Our suppliers are crucial to our business and our commitments to the environment and social contributions; therefore, all suppliers must satisfactorily pass the Company's Due Diligence requirements prior to the commencement of any sourcing activity. We value our relationships with qualified suppliers.

The provision of goods and services across our operations is helping local suppliers to develop sustainable businesses. Where possible, we source from providers who meet our key selection criteria in safety, environment, quality, technical, social responsibility and commercial viability. Where gaps are identified, we assist our suppliers to take up future opportunities to grow their businesses and expand their offering to customers beyond MMG.

In 2024, the Company has 4,755 active suppliers, of which 39% are in Peru, 32% in Australia, 10% in the DRC, 5% in South Africa, and 5% in China. The rest are distributed among other countries. Our total spend in 2024 was over US$3,034 million, of which over 88% was spent in the countries our operations are located.

The Company's supplier engagement and contract award process includes a comprehensive assessment across a range of criteria, including commercial, social, safety, environmental, human rights, quality and technical capabilities. As part of the supplier selection process, we also evaluate a range of non-financial criteria related to supporting sustainable development in the regions where we work, including local community training and commitment to local employment.

As part of our supplier engagement process, the Company seeks formal agreement from suppliers to comply with the Supplier Code of Conduct and Anti-Corruption Framework as well as all relevant Company standards, policies and procedures, including the Supply, Fatal Risk Management, Human Rights, Social Performance and Safety, Security, Health and Environment (SSHE) Performance Standards. In 2024 the Company regularly reviewed and reported on agreed contract performance measures, as well as identified and actioned improvement opportunities.

In 2024, there were no confirmed non-compliance incidents or grievances in relation to supply chain management that have had a significant impact on the Group.

Product stewardship

The Company aims to supply metal and metal concentrate products that consistently meet customer quality expectations and that are safe for people and the environment in their intended use. The Company has processes in place for managing customer complaints to ensure timely and satisfactory resolution.

The Product Stewardship Work Quality Requirement guides activities to understand the characteristics of the Company's products and manage their potential impacts on human health and the environment during transportation, storage and handling. Shipments of copper, zinc and lead concentrates comply with international maritime legislation and the Company's products are classified in line with the International Maritime Organisation's (IMO) MARPOL Convention Annex V and the International Maritime Solid Bulk Cargoes Code. Most products are delivered by standard bulk container process without packaging materials. Khoemacau copper concentrate,

ESG Approach and Performance
Continued

Rosebery copper concentrate, Las Bambas molybdenum concentrate and Kinsevere cobalt hydroxide are packed in non-returnable bags and loaded for shipment in ISO general purpose shipping containers.

The Company's global customers also have a shared responsibility for managing impacts throughout the life cycle of the goods they make from downstream processing of our products.

Products sold by the Company are commodities of which intellectual property is not applicable. The quality of products is priced with multiple commercial terms such as payable and claims in a wide range without recall. Therefore, no products sold or shipped are subject to recalls for safety and health reasons.

In 2024, the Company is not aware of any significant incidents of non-compliance with regulations and voluntary codes concerning the provision and use of the Company's products and services that have had a significant impact on the Company.

Health and safety

The Company's first value is safety, underscored by a commitment to eliminating fatalities and permanent disabling injuries, and reduction of incidents and injuries within the workplace. The Company's Safety, Security, Health, Environment and Community (SSHEC) Policy, standards, work quality requirements and procedures collectively define the way work should be planned, assigned and executed to achieve safe outcomes. These standards include safety, security, health and environment (Fatal Risk, SSHE Performance Standards), contract management (Supply and Insurance Standard), project management (Project Standard), plant and equipment maintenance (Production and Maintenance Standard), asset and site management processes (Asset Management Standard) and learning from events (Risk Management Standard).

The Company's dedication to cultivating a safety-oriented mindset is reinforced by supportive leadership and critical processes integrated into every facet of the business.

Four key elements in developing an organisational culture with a strong and effective focus on safety and health has been identified including:

1. Leadership and culture, with sites aligned to common MMG leadership attributes.
2. Elimination of fatalities and permanent disabling injuries (low-probability, high consequence events) consistent with the requirements of our Fatal Risk Standard.
3. Prevention of injuries and eliminate high potential injuries consistent with the requirements of our Safety, Security, Health and Environment (SSHE) Performance Standard.
4. Reporting of significant events and implementation of learnings from incidents in line with the requirements of our internal safety and health standards.

MMG' Executive Committee has established a safety purpose: achieving significant and ongoing safety and health improvement to our people, which is being communicated company-wide to guide our assets' business plans in aligning with this purpose. Through our Safety Leadership Program, the Company strives to develop a culture where safety leadership is reinforced by:

- a commitment to caring for each other and embodying MMG's values;
- building safety capability and commitment in MMG people;
- training MMG's people to be competent in all their tasks;
- empowering MMG frontline leaders to effectively implement MMG standards and processes;
- maintaining a strong focus on operational risk management;

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- consistently supporting and promoting safe behaviour;
- empowering our people to stop and think to identify and control hazards; and
- ensuring through our assurance framework material risks and standards are implemented.

No fatalities were recorded at any of MMG's operations in 2024.

At the end of 2024, the total recordable injury frequency rate (TRIF) for the Company was 2.06 per million hours worked. Of the full year TRIF, the high potential recordable injuries rate was 0.17 per million hours worked, down from 0.31 in 2023. We aim to continue the reduction of this type of injuries in 2025 and beyond. The Company is committed to doing more to achieve its target of zero fatalities and reduce recordable injuries. 97 people across the Company's operations in 2024 experienced injuries that required medical treatment, time away from work or resulted in them being unable to perform their normal duties for a period of time.

Occupational exposure to endemic disease is minimised through heightened personal awareness, active management with local and regional responses, and the promotion of employee health and wellbeing. Occupational exposures to harmful agents are identified through qualitative and quantitative exposure assessments and managed based on the hierarchy of controls.

We provide culturally appropriate induction, training and education to employees about physical, mental health and wellbeing within the workplace.

We develop, maintain and conduct an annual review of asset-specific Similar Exposure Groups (SEGs) and the Health Risk Assessment (HRA), prepare and execute an appropriate asset-specific Hygiene Monitoring Strategy.

We identify and assess health risks using Occupational Exposure Limits (OELs) or other internationally agreed standards where applicable, considering extended work shifts and combined exposures.

All MMG assets implement and maintain an asset-specific Health Surveillance Monitoring Plan.

In 2024, MMG received no significant safety related fines or non-monetary sanctions.

Environment

The Company is committed to minimising its environmental footprint through the efficient use of natural resources, management of waste produced and adopting a comprehensive life-cycle approach to reduce the environmental impacts caused by our operations. We prioritise addressing climate change and biodiversity conservation, ensuring our environmental initiatives are integrated with life-of-asset plans to deliver sustainable outcomes.

The Company's SSHEC Policy and SSHE Performance Standard defines minimum requirements for the management of water, greenhouse gases emission (GHG) reduction measures, mineral and non-mineral wastes, land, biodiversity, cultural heritage and air quality. All sites are required to comply with these requirements.

The Company's approach to environmental management and impact is based on the principle of continuous improvement and is aligned to the ISO14001. The approach involves identification, assessment and control of material environmental risks across all phases of our business, from exploration through to development, operation and closure. Further, the SSHE Performance Standard sets the benchmark for the efficient use of resources and minimisation of environmental impacts from our operations that include mining, processing and transportation.

Site compliance with the requirements of the SSHE Performance Standard is internally audited as part of an integrated assurance process.

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The Company acknowledges human induced climate change and its impacts on the environment, the economy and communities. As extreme weather events intensify globally, the Company's need to assess and build resilience has become more critical than ever. The Company is dedicated to being part of the global solution by providing the minerals and metals required for a low carbon future and committing to net zero emissions by 2050 on Scopes 1 and 2. MMG has set an interim reduction target of 40% in Scopes 1 and 2 emissions by 2030, from a 2020 base year, aligned to the Net Zero target. A climate strategy, developed and approved by the Board in March 2022, is currently being implemented to strengthen our commitment to reducing GHG emissions. In addition to these targets, MMG is also focusing on Scope 3 emissions. In 2023, MMG finalised its first Scope 3 emission inventory, which informed its ambition to work towards net zero Scope 3 emissions by 2050. By the end of 2025, MMG aims to improve upstream and downstream data collection from material Scope 3 sources and engage key customers and suppliers in emission-reduction opportunities.

MMG's Climate Strategy is tied to business planning, with all sites determining potential decarbonisation pathways and credible timelines for implementing greenhouse gas (GHG) reduction opportunities. Carbon emissions data, reporting and projections have been strengthened, and a Scope 3 emissions (indirect greenhouse gases) inventory was developed in 2023 together with customers and suppliers. Transitioning to 100% renewable electricity supply is the fastest and most reliable way to reduce emissions. MMG is committed to improving GHG emission data collection, reporting, risk assessment and climate projections. These steps will boost transparency of how MMG tracks and publicly discloses GHG emission targets, reinforcing a key company value: 'We do what we say'. MMG also stress-tests production cases under carbon pricing scenarios to strengthen the climate strategy.

Further information can be found in the 2024 MMG Sustainability Report available at www.mmg.com.

The Company tracks and monitors hazardous and non-hazardous waste types and volumes, with opportunities for waste reduction and efficacy highlighted through reporting processes. Hazardous waste is managed as per state and national regulations with certified contractors transporting to appropriate waste facilities. As part of MMG's sustainability performance indicators, progress towards performance at optimal level of compliance against Global Industry Standard on Tailings Management and the ICMM - Water Reporting: Good practice guide (2nd Edition) is monitored quarterly by the Executive Committee.

In 2024, there were no significant fines or penalties related to environmental management that have had a significant impact on the Group.

Information and data relating to the type and total air and greenhouse gas emissions, hazardous and non-hazardous waste produced, direct and indirect energy consumption and water consumption are listed in the 2024 Environmental Data section below and are managed in accordance with the Environmental Standard and core principles of ISO14001.

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Continued

2024 Environmental data

Energy consumption is listed in gigajoules (GJ), emissions to air and waste is reported in tonnes, and water is reported in megalitres (ML). For consistency, ratios are calculated on a per tonne of ore milled or per kilo tonnes (kt) of ore milled basis.

Due to the integration process and different calculation methodologies employed during the year, Khoemacau's environmental data has not been disclosed for 2024. From 1 January 2025, all sustainability-related data will be reported aligned with other MMG operations.

Table 7: Total energy consumption (GJ)

SITE	2024	2023
Dugald River	1,218,506.66	1,141,671.90
Kinsevere	2,114,109.56	1,646,297.13
Las Bambas	11,925,488.83	11,903,823.22
Rosebery	833,753.33	784,267.24
MMG Total	**16,091,858.38**	**15,476,059.49**

* These values consist of the total energy consumption within MMG's operational control, including fuel and electricity.

Table 8: Energy consumption (GJ/tonnes milled)

SITE	2024	2023
Dugald River	0.69	0.69
Kinsevere	0.81	0.78
Las Bambas	0.23	0.23
Rosebery	0.81	0.85
MMG Total	**0.28**	**0.27**

Table 9: Direct and indirect energy consumption (GJ)

Site and year	Direct energy consumption	Indirect energy consumption
Dugald River		
2024	290,095.48	928,411.18
2023	258,035.80	883,636.10
Kinsevere		
2024	1,461,688.55	652,421.02
2023	1,143,154.12	503,143.01
Las Bambas		
2024	7,269,558.07	4,655,930.76
2023	7,184,942.97	4,718,880.25
Rosebery		
2024	253,626.92	580,126.41
2023	239,988.52	544,278.73
MMG Total		
2024	**9,274,969.01**	**6,816,889.37**
2023	**8,826,121.40**	**6,649,938.09**

* Direct energy is fuel consumption and indirect energy is electricity use.

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Continued

Table 10: Total greenhouse gas emissions (tonnes CO2-e)

Site and year	Scope 1 GHG emissions	Scope 2 GHG emissions	Total
Dugald River			
2024	19,469.56	69,854.32	89,323.88
2023	17,628.62	62,849.70	80,478.32
Kinsevere			
2024	103,700.09	2,392.21	106,092.30
2023	80,858.14	1,537.38	82,395.52
Las Bambas			
2024	508,418.18	220,934.80	729,352.98
2023	507,042.94	280,102.22	787,145.16
Rosebery			
2024	17,278.57	21,862.47	39,141.04
2023	16,284.49	21,765.18	38,049.67
MMG Total			
2024	**648,866.40**	**315,043.80**	**963,910.20**
2023	**621,814.19**	**366,254.48**	**988,068.67**

Table 11: Greenhouse gas (GHG) emissions (tonnes CO2-e/'kt milled)

Site	2024	2023
Dugald River	50.89	48.48
Kinsevere	40.66	39.10
Las Bambas	14.14	14.89
Rosebery	37.86	41.45
MMG Total	**16.92**	**17.17**

* Considering Scopes 1 and 2.

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Continued

Table 12: Air emissions (tonnes)

	2024	2023
Oxides of Nitrogen (NOx)		
Dugald River	131.00	125.42
Kinsevere	4,481.50	4,040.00
Las Bambas	1,136.30	1,352.90
Rosebery	104.72	99.00
MMG Total	**5,853.52**	**5,617.32**
Oxides of Sulphur (SOx)		
Dugald River	0.13	0.13
Kinsevere	20.00	3.00
Las Bambas	158.00	152.40
Rosebery	0.08	0.07
MMG Total	**178.21**	**155.60**
Particulate Matter (PM10)		
Dugald River	403.00	390.42
Kinsevere	4,155.50	3,232.00
Las Bambas	6,811.40	5,907.30
Rosebery	347.48	360.00
MMG Total	**11,717.38**	**9,889.72**
Volatile Organic Compounds (VOCs)		
Dugald River	17.10	16.39
Kinsevere	207.00	204.00
Las Bambas	21.80	33.30
Rosebery	7.36	7.00
MMG Total	**253.26**	**260.69**

Table 13: Total hazardous waste (tonnes)

Site	2024	2023
Dugald River	331.68	271.27
Kinsevere	392.38	85.96
Las Bambas	2,942.60	2,590.38
Rosebery	633.54	393.78
MMG Total	**4,300.20**	**3,341.39**

ESG Approach and Performance
Continued

Table 14: Hazardous waste produced (tonnes/kt milled)

Site	2024	2023
Dugald River	0.19	0.16
Kinsevere	0.15	0.04
Las Bambas	0.06	0.05
Rosebery	0.61	0.43
MMG Total	**0.08**	**0.06**

Table 15: Total non-hazardous waste (tonnes)

Site	2024	2023
Dugald River	2,359.75	1,750.63
Kinsevere	688.65	601.39
Las Bambas	13,053.76	14,042.39
Rosebery	1,394.07	1,114.48
MMG Total	**17,496.23**	**17,508.89**

Table 16: Non-hazardous waste produced (tonnes/kt milled)

Site	2024	2023
Dugald River	1.34	1.05
Kinsevere	0.26	0.29
Las Bambas	0.24	0.27
Rosebery	1.35	1.21
MMG Total	**0.30**	**0.30**

Table 17: Total water consumption (ML)

Site	2024	2023
Dugald River	2,299.00	2,171.00
Kinsevere	3,867.65	4,633.81
Las Bambas	18,328.00	18,496.00
Rosebery	681.00	704.00
MMG Total	**25,175.65**	**26,004.81**

* Water consumption is considered as the portion of water withdrawn or used by our operations that is no longer available for reuse, consisted of water evaporated, entrained and other losses.

Table 18: Total water consumption intensity (ML/kt milled)

Site	2024	2023
Dugald River	1.31	1.31
Kinsevere	1.48	2.20
Las Bambas	0.36	0.35
Rosebery	0.66	0.77
MMG Total	**0.44**	**0.45**

Independent Auditor's Report

Deloitte. 德勤

To the Members of MMG Limited

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of MMG Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 131 to 224, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report
Continued

To the Members of MMG Limited - continued

(incorporated in Hong Kong with limited liability)

Key Audit Matters – continued

Key audit matters	How our audit addressed the key audit matters
Acquisition accounting of Cuprous Capital Ltd and its subsidiaries	
We identified the acquisition accounting of Cuprous Capital Ltd ("CCL") and its subsidiaries (together the "CCL Group") on 22 March 2024 as a key audit matter due to the accounting process for the acquisition involved the management judgement and estimates in (i) allocating of the purchase consideration of US$1,734.7 million to the identifiable assets and liabilities; and (ii) determining the fair value of assets acquired and liabilities assumed. Management engaged valuation specialists to identify and measure the fair value of certain identifiable tangible and intangible assets acquired and relevant liabilities assumed. The valuation basis and methodology in determining the fair values of these assets and liabilities are complex which involved estimates and assumptions on key inputs and data used. Details of the acquisition are set out in note 31 to the consolidated financial statements.	Our procedures in relation to the acquisition accounting of CCL Group included: • Obtaining and reviewing the share purchase agreement to understand the terms of the acquisition and evaluate management's accounting treatment for the acquisition in accordance with HKFRS 3 *Business Combination* and the Group's accounting policy; • Evaluating the competence, capabilities and objectivity of the valuation specialists engaged by management; • Engaging our valuation specialists to assist in understanding the methodology, key assumptions, critical judgements on key inputs and data used by the management to determine fair value of certain identifiable tangible and intangible assets acquired and relevant liabilities assumed and evaluating them for reasonableness; • Assessing the allocation of the purchase consideration to the identifiable assets and liabilities and the calculation of goodwill; and • Assessing the appropriateness of the related disclosures included in note 31 to the consolidated financial statements.

Independent Auditor's Report
Continued

To the Members of MMG Limited - continued
(incorporated in Hong Kong with limited liability)

Key Audit Matters – continued

Key audit matters	How our audit addressed the key audit matters
Impairment of goodwill and other non-current assets – Las Bambas	
We identified the impairment of goodwill and other non-current assets for the Las Bambas cash generating unit ("CGU") as a key audit matter due to the significance of these balances in the Group's consolidated statement of financial position. In addition, the estimation of recoverable amount of the Las Bambas CGU involves complex and subjective estimates based on management's judgement of key variables and market conditions such as future commodity prices, future operating performance, the timing and approval of future capital and operating expenditure, and the discount rate. As at 31 December 2024, the Las Bambas CGU has segment non-current assets, which mainly comprise of property, plant and equipment and goodwill, details of which are set out in notes 5, 13 and 15 to the consolidated financial statements. Goodwill is required to be tested for impairment annually. As a result, management completed impairment testing for the Las Bambas CGU as at 31 December 2024. Following management's assessment, no impairment has been recognised for the year ended 31 December 2024.	Our procedures in relation to the impairment assessment of goodwill and other non-current assets for the Las Bambas CGU included: • Understanding key controls over the valuation of the Las Bambas CGU's non-financial assets and goodwill, including those to determine asset impairments; • Working with our valuation specialists to: - Evaluate the appropriateness of the model used by management to calculate the fair value less cost of disposal of the Las Bambas CGU; - Assess and challenge the reasonableness of the key assumptions such as future commodity prices, discount rate, including country specific risk rates used, and comparing them to external market data; - Review and assess the appropriateness of mining-based assumptions, including dilution and recovery rates, ore grades and ramp-up profiles included within the models; and - Assess management's sensitivity analysis on key variables (e.g. commodity pricing and discount rate). • Analysing the future projected cash flows used in the model to determine whether they are reasonable and supportable given the current macroeconomic climate, the political environment in Peru and the expected future operating performance of the Las Bambas CGU; • Evaluating the competence, capabilities and objectivity of management's experts who assisted in the valuation, including those who prepared the resource and reserve estimates; • Evaluating comparable market transactions that support the valuation of exploration potential value included in the Las Bambas CGU; and • Assessing the appropriateness of the related disclosures included in notes 5, 13 and 15 to the consolidated financial statements.

Independent Auditor's Report
Continued

To the Members of MMG Limited - continued

(incorporated in Hong Kong with limited liability)

Key Audit Matters – continued

Key audit matters	How our audit addressed the key audit matters
Accounting for uncertain tax matters	
We identified the accounting for uncertain tax matters as a key audit matter due to the Group's related party relationships and associated tax implications of substantial transactions, the significant judgement involved in the determination of the tax positions and the relevant estimates and assumptions in light of the number of jurisdictions in which the Group operates, including judgement concerning residency of key operations and holding companies, application of transfer pricing rules, the recognition of deferred income tax assets, the taxation impacts of any corporate restructurings and the recognition and measurement of provisions for tax exposures that may arise and associated disclosures. This gives rise to complexity and uncertainty in respect of the calculation of income taxes and deferred taxation and consideration of contingent liabilities associated with tax years open to audit. As at 31 December 2024, the Group operates across a number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business, including transfer pricing, indirect taxes, change of taxation laws, and transaction related tax matters as disclosed in notes 4.2(a), 9, 19, 20 and 38 to the consolidated financial statements.	Our procedures in relation to the accounting for uncertain tax matters included: • Understanding key controls relating to the accounting for and the disclosure tax related transactions and matters; • Working with our tax specialists in Australia, Peru and Democratic Republic of Congo to evaluate the Group's tax obligations, review tax computations of the Group, obtain an understanding of the current status of tax assessments and investigations and to evaluate developments in ongoing tax disputes, if any; • Assessing the recognition and measurement of any relevant deferred income tax assets, deferred income tax liabilities and current provisions for tax; • Reading recent rulings, correspondence with local tax authorities and the advices from management's external tax advisors with the assistance from our tax specialists, to satisfy ourselves that the tax provisions recognised or contingent liabilities disclosed have been appropriately recorded or adjusted to reflect the latest external developments; • Assessing the Group's related party relationships for any transactions and associated tax implications outside the normal course of business; and • Assessing the appropriateness of the related disclosures included in notes 4.2(a), 9, 19, 20 and 38 to the consolidated financial statements.

Independent Auditor's Report
Continued

To the Members of MMG Limited - continued

(incorporated in Hong Kong with limited liability)

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report
Continued

To the Members of MMG Limited - continued
(incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements - continued

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Lee Wing Cheong, Wilfred.

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

4 March 2025

Contents

Consolidated Statement of Profit or Loss

	Notes	Year Ended 31 December 2024 US$ million	2023 US$ million
Revenue	5	4,479.2	4,346.5
Other expenses, net	6	(19.1)	(2.2)
Expenses (excluding depreciation and amortisation)	7	(2,411.4)	(2,882.4)
Earnings before interest, income tax, depreciation and amortisation – EBITDA		**2,048.7**	**1,461.9**
Depreciation and amortisation expenses	7	(1,005.7)	(930.2)
Impairment expenses	13	(53.0)	-
Earnings before interest and income tax – EBIT		**990.0**	**531.7**
Finance income	8	22.2	24.3
Finance costs	8	(390.8)	(366.4)
Profit before income tax		**621.4**	**189.6**
Income tax expense	9	(255.4)	(67.5)
Profit for the year		**366.0**	**122.1**
Profit for the year attributable to:			
Equity holders of the Company		161.9	9.0
Non-controlling interests		204.1	113.1
		366.0	**122.1**
Earnings per share attributable to equity holders of the Company			
Basic earnings per share	10	US 1.53 cents	US 0.10 cents
Diluted earnings per share[1]	10	US 1.52 cents	US 0.10 cents

1 The dilution factors include Long Term Incentive Equity Plans and Rights Issue. Refer to Note 10 for more details.

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

Consolidated Statement of Comprehensive Income

	Year Ended 31 December	
	2024 US$ million	2023 US$ million
Profit for the year	**366.0**	**122.1**
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss		
Movement on hedging instruments designated as cash flow hedges	(56.1)	(54.9)
Income tax benefit relating to cash flow hedges	18.0	17.6
Item that may not be reclassified to profit or loss		
Remeasurement on the net defined benefit liability	0.2	(1.0)
Other comprehensive loss for the year, net of income tax	**(37.9)**	**(38.3)**
Total comprehensive income for the year	**328.1**	**83.8**
Attributable to:		
Equity holders of the Company	140.1	(15.3)
Non-controlling interests	188.0	99.1
	328.1	**83.8**

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

Consolidated Statement of Financial Position

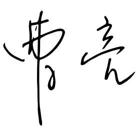
	Notes	At 31 December 2024 US$ million	2023 US$ million
ASSETS			
Non-current assets			
Property, plant and equipment	13	11,722.6	9,417.1
Right-of-use assets	14	119.9	118.1
Intangible assets	15	1,044.2	534.0
Inventories	18	179.1	115.0
Deferred income tax assets	19	279.6	150.0
Other receivables	20	137.4	168.8
Other financial assets	22	1.0	2.7
Total non-current assets		**13,483.8**	**10,505.7**
Current assets			
Inventories	18	529.4	389.5
Trade and other receivables	20	751.6	476.0
Current income tax assets		17.4	79.5
Derivative financial assets	21	11.0	3.1
Cash and cash equivalents	23	192.7	447.0
Total current assets		**1,502.1**	**1,395.1**
Total assets		**14,985.9**	**11,900.8**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	24	4,379.8	3,224.6
Reserves and retained profits	25	(960.8)	(1,101.2)
		3,419.0	**2,123.4**
Non-controlling interests	17	2,859.5	2,188.6
Total equity		**6,278.5**	**4,312.0**

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

Consolidated Statement of Financial Position
Continued

	Notes	At 31 December 2024 US$ million	 2023 US$ million
LIABILITIES			
Non-current liabilities			
Borrowings	26	3,740.1	3,375.8
Lease liabilities	27	124.2	125.6
Provisions	28	665.0	647.0
Trade and other payables	29	309.6	286.5
Deferred income tax liabilities	19	1,576.3	952.7
Deferred revenue	30	323.0	-
Total non-current liabilities		**6,738.2**	**5,387.6**
Current liabilities			
Borrowings	26	888.7	1,331.3
Lease liabilities	27	24.0	22.0
Provisions	28	126.7	127.3
Derivative financial liabilities	21	0.7	-
Trade and other payables	29	679.3	616.4
Current income tax liabilities		225.7	104.2
Deferred revenue	30	24.1	-
Total current liabilities		**1,969.2**	**2,201.2**
Total liabilities		**8,707.4**	**7,588.8**
Net current liabilities		**(467.1)**	**(806.1)**
Total equity and liabilities		**14,985.9**	**11,900.8**

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



CAO Liang
CEO and Executive Director

XU Jiqing
Chairman of the Board and Non-Executive Director

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 24)	(Note 25)	(Note 25)		(Note 17)	
At 1 January 2024	**3,224.6**	**(1,855.1)**	**753.9**	**2,123.4**	**2,188.6**	**4,312.0**
Profit for the year	-	-	161.9	**161.9**	204.1	**366.0**
Other comprehensive loss	-	(21.8)	-	**(21.8)**	(16.1)	**(37.9)**
Total comprehensive (loss)/income for the year	**-**	**(21.8)**	**161.9**	**140.1**	**188.0**	**328.1**
Provision of surplus reserve	-	4.7	(4.7)	**-**	-	**-**
Internal transfer	**-**	**4.7**	**(4.7)**	**-**	**-**	**-**
Issue of shares, net of transaction costs	1,152.4	-	-	**1,152.4**	-	**1,152.4**
Non-controlling interest arising on share subscription (Note 17)	-	-	-	**-**	482.9	**482.9**
Employee long-term incentives	-	3.1	-	**3.1**	-	**3.1**
Employee performance awards vested and exercised	2.8	(2.8)	-	**-**	-	**-**
Total transactions with owners	**1,155.2**	**0.3**	**-**	**1,155.5**	**482.9**	**1,638.4**
At 31 December 2024	**4,379.8**	**(1,871.9)**	**911.1**	**3,419.0**	**2,859.5**	**6,278.5**

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

Consolidated Statement of Changes in Equity
Continued

US$ million	Share Capital	Total Reserves	Retained Profits	Total	Non-Controlling Interests	Total Equity
	Attributable to Equity Holders of the Company					
	(Note 24)	(Note 25)	(Note 25)		(Note 17)	
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)	**-**	-	**-**
Internal transfer	**-**	**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**	**(4.5)**	**0.1**	**(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.

Consolidated Statement of Cash Flows

	Notes	Year Ended 31 December 2024 US$ million	2023 US$ million
Cash flows from operating activities			
Receipts from customers		4,707.8	4,605.3
Payments to suppliers and employees		(2,921.0)	(2,621.8)
Payments for exploration expenditure		(62.6)	(49.6)
Income tax paid		(111.7)	(79.1)
Net settlement of commodity hedges		(0.6)	(4.9)
Net cash generated from operating activities	**32**	**1,611.9**	**1,849.9**
Cash flows from investing activities			
Purchase of property, plant and equipment	32	(905.2)	(790.0)
Purchase of intangible assets		(22.3)	(1.2)
Acquisition of subsidiaries, net of cash acquired	31	(2,042.8)	-
Proceeds from disposal of property, plant and equipment		0.1	1.2
Net cash used in investing activities		**(2,970.2)**	**(790.0)**
Cash flows from financing activities			
Proceeds from non-controlling interest subscription for a subsidiary's share		482.9	-
Proceeds from issue of shares	24	1,162.9	-
Transaction costs attributable to issue of shares	24	(10.5)	-
Proceeds from external borrowings	26	3,677.1	1,650.0
Repayments of external borrowings	26	(3,625.1)	(2,458.8)
Proceeds from related party borrowings	26	1,641.1	1,150.0
Repayments of related party borrowings	26	(1,806.1)	(1,050.0)
Net settlement of interest rate swap		-	132.4
Proceeds from shares issued upon exercise of employee share options		-	1.2
Repayment of lease liabilities	27	(38.7)	(37.7)
Interest and financing costs paid on external borrowings		(235.7)	(279.0)
Interest and financing costs paid on related party borrowings		(151.5)	(100.3)
Withholding taxes paid in respect of financing arrangements		(15.3)	(14.6)
Interest received		22.9	21.7
Net cash generated from/(used in) financing activities		**1,104.0**	**(985.1)**
Net (decrease)/increase in cash and cash equivalents		**(254.3)**	**74.8**
Cash and cash equivalents at 1 January		447.0	372.2
Cash and cash equivalents at 31 December	**23**	**192.7**	**447.0**

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

Notes to Consolidated Financial Statements

1. General Information

MMG Limited (the "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 2024 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 (the "Group") are engaged in the exploration, development and mining of copper, zinc, gold, silver, molybdenum, lead and cobalt deposits around the world.

The consolidated financial statements for the year ended 31 December 2024 are presented in United States dollars ("US$") unless otherwise stated and were approved for issue by the Board of Directors of the Company (the "Board") on 4 March 2025.

2. Significant Events and Transactions

On 22 March 2024, the Group completed the acquisition of the Cuprous Capital Ltd (CCL) and its subsidiaries (together the "CCL Group" or "Khoemacau", including the Khoemacau Mine) at a consideration of US$1,734.7 million. Khoemacau Mine is a large, long life copper and silver mine located in north-west of Botswana, in the emerging Kalahari Copperbelt. Refer to Note 31 for more details.

On 6 June 2024, Comor Holdings Corporation Limited ('Comor Holdings', a fully owned subsidiary of CNIC) subscribed shares in MMG Africa Resources Company Limited ("Khoemacau JV Co.") (the wholly-owned subsidiary of MMG Limited) at the subscription price of $482.9 million. After the subscription, Comor Holdings directly holds 45% equity interest which was considered a material non-controlling interest. Refer to Note 17 for more details.

On 15 July 2024, the Company issued a total of 3,465,432,486 new shares as a result of the completion of the Rights Issue at the subscription price of HK$2.62 per rights share on the basis of 2 rights shares for every 5 shares held on the record date. The proceeds from the Rights Issue were US$1,152.4 million net of US$10.5 million for transaction costs. Refer to Note 24 for more details.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information

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.

3.1 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"). In addition, the consolidated financial statements have been properly prepared in compliance with the Hong Kong Companies Ordinance. 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 ("FVTPL") which are measured at fair value.

Notes to Consolidated Financial Statements
Continued

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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

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 2024, the Group had net current liabilities of US$467.1 million (31 December 2023: US$806.1 million) and cash and cash equivalents of US$192.7 million (31 December 2023: US$447.0 million). For the year ended 31 December 2024, the Group generated a net profit of US$366.0 million (2023: US$122.1 million) and operational net cash inflows of US$1,611.9 million (2023: US$1,849.9 million).

The Group has various debt facilities to assist with liquidity requirements. As at 31 December 2024, these include undrawn facilities of US$2,950.0 million (2023: US$4,325.0 million) for the Group.

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, China Minmetals Non-ferrous Metals Company Limited ("CMN") and its subsidiaries. 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, early payments for shipments of commodities 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 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.

3.2 Application of new and amendments to HKFRSs and agenda decisions of the IFRS interpretations committee (the "Committee")

3.2.1 Amendments to existing standards effective and adopted in 2024 with no significant impact to the Group

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Noncurrent and related amendments to Hong Kong Interpretation 5 (2020)*
Amendments to HKAS 1	*Non-current Liabilities with Covenants*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The application of the above amendments to HKFRSs 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.

In addition, the Group applied the following agenda decisions of the Committee which are relevant to the Group:

Climate-related Commitments (IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*)
Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8 *Operating Segments*)

Notes to Consolidated Financial Statements
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Climate-related Commitments

In April 2024, the Committee published the agenda decision which analysed how *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* applies to climate-related commitments to a fact pattern where an entity publicly states a net-zero transition commitment.

The Group had made a public statement for its commitment to gradually reduce its annual greenhouse gas emissions and offset its greenhouse gas emissions. It will gradually modify its mining and processing methods to achieve the reduction of the greenhouse gas. As a result of the application of the agenda decision, and as the Group prepares to report against HKEx New Climate Requirements, further information about whether provisioning for climate-related commitments apply to the Group will be disclosed in the 2025 Annual Report.

Disclosure of Revenues and Expenses for Reportable Segments

In July 2024, the Committee published the agenda decision which analysed how an entity applies the disclosure requirements for each reportable segment related to segment profit or loss. An entity should apply judgement in determining information to disclose for each reportable segment, considering the core principle of IFRS 8—disclosing information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

The Group has provided adequate disclosures to apply the agenda decision of the Committee. Refer to Note 5 for details.

Overall, the Committee's agenda decisions have had no material impact on the Group's financial positions and performance for the current and prior years and on the disclosures set out in these consolidated financial statements.

3.2.2 New and 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 new and amendments to standards that have been issued but are not effective for financial year 2024.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[3]
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 Accounting Standards	*Annual Improvements to HKFRS Accounting Standards — Volume 11*[3]
Amendments to HKAS 21	*Lack of Exchangeability*[2]
HKFRS 18	*Presentation and Disclosure in Financial Statements*[4]

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2025.

3 Effective for annual periods beginning on or after 1 January 2026.

4 Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRSs mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

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HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 "*Presentation and Disclosure in Financial Statements*", which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "*Presentation of Financial Statements*". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements.

The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3.3 Consolidation

(a) Acquisition method of accounting for non-common control combination

The Group applies the acquisition method of accounting to account for business combinations other than common control combinations. The purchase consideration for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The purchase consideration includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiaries. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, which is the date on which control is obtained. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

The excess of purchase consideration, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over the fair value of the identifiable net assets acquired are recorded as goodwill. If the total of purchase consideration, non-controlling interest recognised and previously held interest measured are less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of profit or loss.

(b) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group has power over the investees, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when it has existing rights to direct the relevant activities that significantly affect the entity's returns. The subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances, cash flows, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

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(c) Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income or loss ("OCI") in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture. When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint arrangement or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss.

(d) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of the investment. The results of subsidiaries are accounted for by the investing Group entity on the basis of dividend received and receivable.

3.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee of the Company.

3.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates (functional currency). The functional currency of the Company is US$, which is also the presentation currency of the Group.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or reporting date where monetary items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the consolidated statement of profit or loss.

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Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in OCI, any exchange component of that gain or loss is also recognised in OCI. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.6 Property, plant and equipment

Cost

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items and costs incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Sale proceeds of items that are produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly), and the related costs of producing those items are recognised in the profit or loss, if any. The cost of those items are measured in accordance with the measurement requirements of HKAS 2. The cost of property, plant and equipment includes the estimated cost of mine rehabilitation, restoration and dismantling.

Depreciation and amortisation

Property, plant and equipment are depreciated over the estimated useful lives of the assets on straight line, unit of production or reducing balance basis as indicated below. The useful lives below are subject to the lesser of the asset categories' useful life and the life of the mine:

- Freehold land – Not depreciated; straight line over the useful life or unit of production (tonnes mined) as applicable;
- Buildings – Straight line over the useful life of the asset as applicable which do not exceed 40 years; reducing balance over useful life or units-of-production (tonnes mined or milled);
- Plant and machinery – Units-of-production (tonnes mined or milled), straight line over the useful life of the asset as applicable which does not exceed 20 years or reducing balance over useful life;
- Plant and machinery (other) – Straight line over 2 to 15 years or reducing balance over useful life;
- Mine property and development assets – Units-of-production (tonnes mined, milled, or metal produced) or straight line over useful life;
- Exploration and evaluation assets – Not depreciated; and
- Construction in progress – Not depreciated.

Depreciation and amortisation commence when an asset is available for use.

The units-of-production method is applied based on assessments of proven and probable ore reserves and a portion of mineral resources available to be mined or processed by the current production equipment to the extent that such resources are considered to be economically recoverable. Resource and Reserves estimates are reviewed annually.

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(a) Exploration and evaluation assets

Exploration and evaluation activities include expenditure to identify potential Mineral Resources, determine the technical feasibility and assess the commercial viability of the potential Mineral Resources.

Exploration and evaluation costs that are incurred before the Group has obtained the legal right to explore an area, or are incurred up to and including the pre-feasibility phase, are recognised in the consolidated statement of profit or loss. Subsequent exploration and evaluation costs are capitalised as exploration and evaluation asset where the relevant capitalisation criteria under the applicable standard is met.

Exploration and evaluation costs that relate to an area of interest acquired as part of an asset acquisition or business combination are capitalised and the exploration and evaluation asset is measured at fair value on acquisition.

Exploration and evaluation assets are recognised as tangible assets and classified under property, plant and equipment. As these assets are not yet ready for use they are not depreciated.

Exploration and evaluation assets are carried forward if the rights to the area of interest are current and the expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by the sale of the asset.

The assets are monitored for indications of impairment and an assessment is performed where an indicator of impairment exists. For the purpose of the impairment testing, exploration and evaluation assets are allocated to cash-generating units ("CGU") to which the exploration activity relates. The group identified each of five mine assets as unique CGUs because they are the smallest identifiable group of assets that generate largely independent cash inflows.

Once the technical feasibility and commercial viability of the development of an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to "mine property and development" assets within property, plant and equipment.

(b) Development expenditure

The following assets are classified directly as mine property and development assets from the commencement of development:

- Mineral rights balances representing identifiable exploration and evaluation assets including Mineral Resources and Ore Reserves acquired as part of a business combination and recognised at fair value at the date of acquisition; and
- Mine rehabilitation, restoration and dismantling assets.

After the technical feasibility and commercial viability of the development of an area of interest are demonstrated, all subsequent expenditure to develop the mine to the production phase is capitalised and classified as "mine property and development" assets.

(c) Overburden and waste removal

Overburden and other waste removal costs incurred in the development phase of a mine before production commences are initially capitalised as part of construction in progress. At the completion of development, costs are transferred to the mine property and development category of property, plant and equipment.

The Group defers a portion of waste removal costs incurred during the production phase of an open-pit operation as part of determining the cost of inventories. Current period waste mining expenses are allocated between current period inventory and deferred waste assets based on the ratio of waste tonnes mined to ore tonnes mined (waste

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to ore ratio). The amount of deferred waste asset is calculated for each separate component of the ore body identified based on mine plans. Current period expenses are deferred to the extent that the current period waste to ore ratio exceeds the life-of-mine waste to ore ratio for the identified component of ore body. Deferred waste assets are categorised in the mine property and development category of property, plant and equipment and are amortised over the life of the component on a units-of-production basis. Changes to estimates are accounted for prospectively.

(d) Other expenditure

When further development expenditure is incurred in respect of the mine property after the commencement of the production phase, or additional property, plant and equipment are acquired, such expenditure is capitalised and carried forward only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Major spare parts are carried as property, plant and equipment when an entity expects to use them during more than one period or when they can be used only in connection with an item of property, plant and equipment. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed in the consolidated statement of profit or loss during the accounting period in which they are incurred.

(e) Disposal of property, plant and equipment

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and the carrying amount of the asset is recognised as a gain or loss in the consolidated statement of profit or loss within other income.

3.7 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of purchase consideration, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired as at acquisition date.

Goodwill is not amortised and is tested for impairment annually (refer to Note 3.8). For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the acquisition. Each unit or group of units to which the goodwill is allocated, represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(b) Software development

Development costs that are directly attributable to the design, testing and deployment of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

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Directly attributable costs include direct materials, employee costs, services and an appropriate portion of relevant overheads.

Other development expenditure that does not meet these criteria and costs associated with maintaining computer software programs is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software development assets are amortised over their estimated useful lives, which do not exceed seven years.

3.8 Impairment of non-financial assets

All intangible assets that have an indefinite useful life, for example goodwill, or are not ready for use are tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment.

Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal and value in use of an asset. For the purposes of impairment assessment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Any impairment loss related to goodwill is recognised immediately as an expense and is not subsequently reversed. Any impairment loss related to non-financial assets other than goodwill is reviewed and may be reversed at subsequent reporting dates. A reversal of previously recognised impairment loss is limited to the lesser of the amount that would not cause the carrying amount to exceed its recoverable amount or the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised.

3.9 Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(a) Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group are reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

(b) Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate ("IBR") at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in rental rates, in which case the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

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(c) Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3.10 Financial assets

Classification

Classification of financial assets depends on the Group's business model for managing its financial assets and the contractual terms of the cash flows. The Group classifies its financial assets as:

- financial assets measured at amortised cost, or
- financial assets measured at fair value.

Gains or losses of assets measured at fair value will be recognised either through profit or loss or through OCI.

(a) Amortised cost

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to collect contractual cash flows, and where the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) FVTPL

A financial asset shall be measured at FVTPL unless it is measured at amortised cost or at fair value through OCI for certain hedging instruments designated as cash flow hedges (Note 3.10 (c)).

Recognition and measurements

Regular purchases and sales of financial assets are recognised on the trade-date being the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at FVTPL. Financial assets carried at FVTPL are initially recognised at fair value and transaction costs are expensed in the consolidated statement of profit or loss.

Financial assets at FVTPL are subsequently carried at fair value. Financial assets at amortised cost are measured at the amount recorded at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and adjusted for any loss allowance.

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Gains or losses arising from changes in the fair value of the financial assets at FVTPL are presented in the consolidated statement of profit or loss within expenses in the period in which they arise. The net gain or loss recognised in profit or loss arising from changes in the fair value of the financial assets at FVTPL excludes any dividend income. Dividend income from financial assets at FVTPL is recognised in the consolidated statement of profit or loss as part of other income when the right of the Group to receive payment is established, the Group is probable to obtain the economic benefits associated with it and the amount can be measured reliably.

Financial assets are derecognised when the contractual rights to receive cash flows from the investments have expired or have been transferred, and the Group has transferred substantially all risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment of financial assets

The Group applies an expected credit loss ("ECL") approach in respect of receivables classified as financial assets at amortised cost, which is assessed on an individual basis for each counterparty at the end of each reporting period where relevant. The Group reviews credit risk with respect to the counterparty, likelihood or risk of default and forward-looking reasonable and supportable documentation in assessing a loss allowance for the respective financial asset at the end of each reporting period. The Group's consideration of credit risk takes into account, among other things, the instrument type, credit risk rating, date of initial recognition, remaining term to maturity and geographical location of the debtor. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Credit loss is measured at the present value of such difference in cash flows, discounted using the effective interest rate determined at initial recognition. The Group measures the loss allowance equal to 12-month ECL ("12m ECL"). In the event when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(c) Derivative financial instruments and hedge accounting

For the year ended 31 December 2024, the Group has held derivative financial instruments, all of which have been detailed in Note 34.1 (a). Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedging relationship the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking the hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

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Assessment of hedging relationship and effectiveness

For hedge effectiveness assessment, the Group considers whether the hedging instrument is effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

The effective portion of changes in the fair value of the hedging instrument designated as cash flow hedges is recognised in OCI and accumulated under the heading of cash flow hedge reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'finance income' or 'finance costs' line item for a financing hedge (e.g., an interest rate swap) or in 'other expenses, net' (for any other hedges, e.g., a commodity hedge). As to cash flow statements disclosure, cashflow resulting from commodity hedge is part of 'operating activities'; cashflow resulting from financing hedge (e.g., an interest rate swap) is part of 'financing activities'.

Discontinuation of hedge accounting

The Group discontinues hedge accounting prospectively only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuing hedge accounting can either affect a hedging relationship in its entirety or only a part of it (in which case hedge accounting continues for the remainder of the hedging relationship).

For cash flow hedge, any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transactions is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

3.11 Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

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3.12 Inventories

Inventories comprise stores and consumables, work in progress and finished goods. Inventories are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price for inventory in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Costs are assigned to individual items of inventory based on weighted average costs. Costs include the costs of direct materials, overburden removal, mining, processing, labour, related transportation costs to the point of sale, an appropriate proportion of related production overheads, mine rehabilitation costs incurred in the extraction process and other fixed and variable costs directly related to mining activities. They exclude borrowings costs.

3.13 Trade and other receivables

Trade receivables are recognised initially at transaction price and subsequently measured at FVTPL. The terms of sales contracts with third parties contain provisional pricing arrangements whereby the selling price for contained metal is based on prevailing spot prices during a specified future date range after shipment to the customer (quotation period). For provisional pricing arrangements, the Group re-estimates the fair value of the final sales price adjustment continually by reference to forward market prices. The fair value of the final sales price is recognised as an adjustment to revenue. Refer to Note 3.21 for details.

Other receivables are measured at amortised cost using the effective interest method, less provision for impairment. If collection of trade and other receivables is expected in one year or less, trade and other receivables are classified as current assets. If not, they are presented as non-current assets.

3.14 Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- cash, which comprises of cash on hand and deposits held at call with banks, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value and restricted deposits arising from securing payment to certain vendors. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.15 Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(a) Financial liabilities

Financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to Consolidated Financial Statements
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Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current unless the Group has a right to defer settlement of the liability for at least 12 months after the reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(b) Equity instruments

Equity instruments are any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Subsequent to initial recognition, the equity instrument is not remeasured. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(c) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'expenses' line item in profit or loss (Note 7) as part of foreign exchange loss - net.

3.16 Mine rehabilitation, restoration and dismantling obligations

Provisions are made for the estimated cost of rehabilitation, restoration and dismantling relating to areas disturbed during the mine's operations up to the reporting date but not yet rehabilitated. Provision has been made in full for all the disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of recontouring, top soiling and revegetation to meet legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

Uncertainty exists as to the amount of rehabilitation obligations that will be incurred due to the impact of changes in environmental legislation, and many other factors, including future developments, changes in technology, price increases and changes in interest rates. The amount of the provision relating to mine rehabilitation, restoration and dismantling obligations is recognised at the commencement of the mining project and/or construction of the assets where a legal or constructive obligation exists at that time.

The provision is recognised as a liability, separated into current (estimated expenditure arising within 12 months) and non-current components, based on the expected timing of these cash flows. A corresponding asset is included in mine property and development assets, only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity, otherwise a corresponding expense is recognised in the profit or loss. The capitalised cost of this asset is recognised in property, plant and equipment and is amortised over the life of the mine.

Notes to Consolidated Financial Statements
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At each reporting date, the rehabilitation liability is remeasured in line with changes in discount rates, and timing or amounts of the costs to be incurred. Rehabilitation, restoration and dismantling provisions are adjusted for changes in estimates. Adjustments to the estimated amount and timing of future rehabilitation and restoration cash flows are a normal occurrence considering the significant judgements and estimates involved. Changes in the liability relating to mine rehabilitation, restoration and dismantling obligations are added to or deducted from the related asset (where it is probable that future economic benefits will flow to the entity), other than the unwinding of discount on provisions, which is recognised as a finance cost in the consolidated statement of profit or loss. Changes to capitalised cost result in an adjustment to future depreciation charges.

The provisions referred to above do not include any amounts related to remediation costs associated with unforeseen circumstances.

3.17 Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

A provision is recognised for the amount expected to be paid under short-term or long-term bonus entitlements if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the Director or employee and the obligation can be estimated reliably.

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the limited circumstances where no reliable estimate can be made.

3.18 Current and deferred income tax

The tax expense recognised for the year comprises current and deferred income tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Income tax expense represents the sum of current and deferred income tax expense.

Notes to Consolidated Financial Statements
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The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the jurisdictions or where a stability agreement is applicable where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date or where a stability agreement is applicable and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention and agreement with tax authorities to settle the balances on a net basis.

Tax consolidation – Australia

The majority of the Australian subsidiaries of the Company are an income tax consolidated group and are taxed as a single entity. MMG Australia Limited is the head company of the Australian tax consolidated group.

The subsidiaries in the Australian tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone tax payer in its own right. In addition to its own current and deferred tax amounts, the head entity recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from the other entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements between entities within the tax consolidated group entities are utilised as amounts receivable from or payable to other entities within the tax consolidated group.

3.19 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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3.20 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued by employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations – defined contribution plans

Arrangements for staff retirement benefits are made in accordance with local regulations and customs.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payment is available.

(c) Long-term employee benefits

Long-term employee benefit obligations are measured at the present value of expected future payments to be made. Long-term benefits include post-employment defined benefit plan in Democratic Republic of the Congo ("DRC") and long service leave in Australia.

Post-employment defined benefit plan

Defined benefit obligation under the plan is measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method and recorded as non-current liabilities. In determining the present value of the Group's defined benefit obligations and the related current service cost and, where applicable, past service cost, the Group attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than earlier years, the Group attributes the benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service) until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Consideration is given to expected future salary increase and historic attrition rates. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in OCI in the period in which they occur. Remeasurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments are recognised as past service costs. Current and past service costs related to post-employment benefits are recognised immediately in the consolidated statement of profit and loss while unwinding of the liability at discount rates used are recorded as financial cost.

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Long service leave

Long service leave is a period of paid leave granted to an employee in recognition of a long period of service to an employer. The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The Group applies simplified method of accounting as required by HKAS 19 Employee Benefits and all past service costs and actuarial gains and losses (where applicable) are recognised immediately.

(d) Share-based compensation to employees

The Group operates multiple equity-settled and cash-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options or performance shares or cash awards is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options/performance shares granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability and remaining employees of the entity over a specified period). Non-market vesting conditions are included in assumptions about the number of options/performance shares that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each reporting date, the Group revises its estimates of the number of options/performance shares that are expected to vest based on the non-market vesting conditions. For cash-settled share-based compensation plans, at the end of each reporting period until the provision is settled , and at the date of settlement, the provision is remeasure to fair value. For cash awards that are vested, any changes in the fair value are recognised in profit or loss for the year. It recognises the impact of the revision of original estimates, if any, in the consolidated statement of profit or loss with a corresponding adjustment to equity or provision.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. Options which lapse or are cancelled prior to their exercisable date are deleted from the register of outstanding options and the amount previously recognised in share-based payment reserve or liability will be transferred to retained profits.

3.21 Revenue recognition

Revenue is recognised when persuasive evidence of an arrangement exists, usually in the form of an executed sales agreement, indicating there has been a transfer of control and completion of distinctive performance obligations separately identified by the Group. Factors which indicate transfer of control include, but are not limited to, transfer of risk and reward, transfer of legal title to customer and a present right to payment.

Transaction price under the sales agreement is allocated to the various performance obligations under the relevant sales agreement and revenue is recognised in line with satisfaction of each performance obligation.

Revenue is presented net of value-added tax ("VAT"), returns, rebates and discounts and after eliminating sales within the Group.

(a) Sale of goods

Sale of goods is recognised upon transfer of control, which for majority of the products is the bill of lading date when the commodity is delivered for shipment, or in case of bill-and-hold arrangements, once a holding and title

Notes to Consolidated Financial Statements
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certificate is issued to the buyer together with the invoice. Depending on various incoterms associated with the sales agreement, the Group may have other performance obligations such as shipping service. Revenue may be allocated to various performance obligations and is recognised for each performance obligation as such obligations are fulfilled. Allocation of transaction price to other performance obligations (e.g. shipping services) is based on best estimate of a similar stand-alone service.

Revenue is reported net of discounts and pricing adjustments. Royalties paid and payable are separately reported as expenses. Revenues from the sale of significant by-products, such as gold and silver, are included in sales revenue.

Price adjustments in case of provisionally priced sales

The Group has certain provisionally priced sales where the contract terms for the Group's concentrate sales allow for adjustment based on a final assay of the goods determined after discharge. The Group assesses such provisional pricing to be a variable consideration and recognises revenue at an amount representing the Group's estimate for the expected final consideration. This amount is based on the most recently determined estimate of product assays. The Group applies judgement regarding likelihood of significant reversals to ensure that revenue is only recognised to the extent that it is highly probable that significant reversal will not occur. Any adjustments to the final price are recognised as revenue.

Changes in fair value of provisionally priced sales

The terms of sales contracts with third parties contain provisional pricing arrangements whereby the initial selling price (provisional price) for contained metal is based on prevailing spot prices before the shipment to the customer (provisional quotational period). Adjustment to the provisional price occurs based on movements in quoted market prices up to the completion of a specific future date range (quotational period). The period between provisional invoicing and quotational period completion is typically between 0 and 120 days.

In case of such provisional pricing arrangements, the Group re-estimates the fair value of the final sales price adjustment continually by reference to forward market prices. The fair value of the final sales price is recognised as an adjustment to revenue.

Payment from customers is due within 2-30 working days of receiving the provisional invoicing and any adjustments as per the final invoice are payable in 2-30 working days.

(b) Deferred revenue

In July 2019, Khoemacau Copper Mining Proprietary Limited ("KCM mine" or "KCM"), a subsidiary of CCL entered into a silver purchase and sale agreement (Streaming Agreement) with Royal Gold AG (Streamer).

Under the Streaming Agreement, KCM received funds of US$265.0 million as upfront sales receipt in respect of future delivery of silver. Under the Streaming Agreement, the Streamer has the right to 100% of the silver production from the Area of Interest (AOI, being defined mining zones) until 40 million ounces of silver delivered, after which this right reduces to only 50% of the silver production from the AOI. The Streamer's right will be settled by KCM by delivering metal credits to Streamer's metal account, representing underlying silver produced. On delivery of the metal credits to the Streamer, the Streamer is still required to pay a minimum 20% of the spot price of the silver delivered in cash. This percentage of cash payment increases in line with the Streaming Agreement depending on increased processing rates at KCM.

The upfront cash payment received by KCM for future delivery of silver has been recognised as "deferred revenue". Management has assessed the Streaming Agreement to have a significant financing component. Deferred revenue is increased as interest expense is recognised based on an appropriate interest rate, determined by management of the Group upon acquisition of CCL Group, and which is reflective of the nature of financing and the risks involved.

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Upon delivery of the metal credits, a portion of deferred revenue is recognised as revenue in the profit and loss statement. The amount to be recognised in revenue is determined based on silver ounces delivered during the year as a proportion of the total expected silver ounces to be delivered over the life of mine and giving regard to the estimated value of such silver ounces to be delivered over the life of mine. Periodically, where a change to the life of mine plan results in a significant adjustment to silver ounces expected to be delivered over the life of mine, management will re-assess the deferred revenue which should have been recognised in the profit and loss cumulatively up to the date of such change, and an adjustment is recognised in the year when such change in life of mine is determined.

(c) Interest and dividend income

Interest income is recognised on a time-proportion basis, using the effective interest method. Dividend income is recognised when right to receive dividend is established.

3.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or the Board, as appropriate.

4. Critical Accounting Estimates and Judgements

In preparing these consolidated financial statements, management has made estimates and judgements that affect the application of the Group's accounting policies. Estimates and judgements are reviewed on an ongoing basis based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 Estimates

(a) Mine rehabilitation, restoration and dismantling obligations

Provision is made for the anticipated costs of future restoration, rehabilitation and dismantling of mining areas from which natural resources have been extracted in accordance with the accounting policy in Note 3.16. These provisions include future cost estimates associated with reclamation, plant closures, waste site closures, monitoring, demolition, decontamination, water purification and permanent storage of historical residues. These future cost estimates are discounted to their present value. The calculation of these provision estimates require assumptions such as the application of environmental legislation, the scope and timing of planned activities, available technologies, engineering cost estimates, inflation, and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine rehabilitation, restoration and dismantling provisions. For non-operating sites, changes to estimated costs are recognised immediately in the consolidated statement of profit or loss.

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(b) Mineral Resources and Ore Reserves estimates

The estimated quantities of economically recoverable Mineral Resources and Ore Reserves are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as estimates of short and long-term exchange rates, estimates of short and long-term commodity prices, future capital requirements and future operating performance. Changes in reported Reserves and Resources estimates can impact the carrying value of property, plant and equipment through depreciation, restoration and dismantling obligations at the end of mine life, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the consolidated statement of profit or loss. The changes are effective from next financial year following Board approval of the revised Reserves and Resources estimates.

(c) Inventory valuation

Accounting for inventory involves the use of estimates. Such estimates include determination of the net realisable value of inventory (refer Note 3.12). Net realisable value is estimated based on expected selling price for inventory in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale. Management utilises the mine plan of the respective operations in order to estimate the net realisable value. Where the net realisable value is lower than the cost of inventory, the inventory value is reduced to reflect such difference. In particular, the lower grade ore inventory is generally susceptible to such value reduction. A change in assumptions may result in the net realisable value estimate to vary significantly, thereby impacting the overall inventory valuation.

(d) Recoverability of non-financial assets

The recoverable amount of each of the Group's CGUs is determined as the higher of the asset's fair value less costs of disposal and its value in use in accordance with the accounting policy in Notes 3.8 and 13. These calculations require the use of estimates and assumptions including real post-tax discount rates, foreign exchange rates, commodity prices, reserves and resources and conversion of exploration targets, future capital requirements, future operating performance, rehabilitation costs and timing, recovery of taxes and political instability and social unrest impacting regulatory approvals and timing thereof. Furthermore, the estimates and assumptions are subject to change due to ongoing uncertain macro-economic and geopolitical environment, which includes the persistent effects of climate change, higher interest rates and inflation, energy security concerns, elections in major economies, and international conflicts and tensions.

(e) Deferral of waste removal costs

The Group defers a portion of waste removal costs incurred during the production phase of an open-pit operation as part of determining the cost of inventories. The amount of deferred waste asset is calculated for each separate component of the ore body as identified by management based on mine plans.

(f) Depreciation and amortisation

The Group allocates the depreciable amount of assets on a systematic basis over the relevant asset's useful life. Refer to Note 3.6 where depreciation methods and useful life estimates for major classes of assets has been disclosed. The estimation of the useful life of the asset is a matter of management judgement and changes in such estimation can result in material impact to the current and future depreciation and amortisation expenses. As per Group's policy, the depreciation method is re-assessed periodically and changes are made where management believes that such changes in depreciation method or useful life estimate are required to better reflect the pattern of consumption of economic benefits embodied in the asset.

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(g) Deferred revenue

Management has assessed the terms and conditions of the Streaming Agreement together with the requirement of relevant applicable accounting standards and has determined that the upfront payment received under the Agreement is to be recognised as a deferred revenue liability in the consolidated statement of financial position. The fair value of deferred revenue liability at acquisition date of CCL Group was subject to management judgement relating to expected silver ounces to be delivered, expected silver pricing and the discount rate to apply. Subsequently, the amount of deferred revenue to be recognised as revenue in the profit and loss each period, remains subject to management judgement and estimate around expected silver ounces to be delivered during the life of mine. This may increase or decrease due to modifications to the life of mine plan and result in a variance to the deferred revenue recognised.

4.2 Judgements

(a) Taxes

The Group is subject to tax in a number of jurisdictions. Some of these are in countries that carry higher levels of sovereign risk. Management continually assesses the levels of sovereign risk in determining whether political and administrative changes and reforms in laws, regulations or taxation may impact the Group's future performance.

Significant judgement is required in determining the tax position and the estimates and assumptions in relation to the provision for taxes and the recovery of tax assets, having regard to the nature and timing of their origination and compliance with the relevant tax legislation. There are some tax matters for which the ultimate tax determination is uncertain during the ordinary course of business, which could have a significant impact on the Group. Where the final outcome of pending tax matters is different from the amounts that were initially recognised, such differences will impact the balances in the accounting period in which such determination is made. Also refer to Note 38 in respect of tax matters with uncertain outcomes, which could result in further claims in future against the Group.

A number of above-mentioned tax matters exist at Las Bambas which are also currently subject to multiple audits and reviews by the Peruvian taxation authority in relation to VAT, withholding taxes and income taxes. Some of these tax matters remain ongoing in the judicial process.

For some of the tax matters under audit in Peru, Minera Las Bambas S.A ("MLB") may appeal and not pay the assessed amount if unfavourable assessment resolutions were ultimately issued, or make judgements as to the timing of payments in relation to these matters. The timing of resolution and potential economic outflow of the unresolved tax matters are uncertain. Some of these uncertain tax matters are either incapable of being measured reliably or there is remote possibility of economic outflow at the reporting date. As such, no provision has been reflected in the consolidated financial statements for those tax matters.

Where income tax, VAT and withholding tax obligations have been assessed and deemed to have probable future economic outflows capable of reliable measurement, the Group has recognised a provision for these.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise those temporary differences and losses, and the tax losses continue to be available having regard to the nature and timing of their origination and compliance with the relevant tax legislation associated with their recoupment.

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(b) Khoemacau Acquisition

For Khoemacau acquisition, the Group has performed an assessment of the estimated fair value of the identifiable assets and liabilities as at 22 March 2024 over the CCL Group. The assessment of fair value of assets acquired and liabilities assumed is subject to management judgement and estimates.

This includes assessing the unit of account to which valuation needs to be assigned and multiple assumptions undertaken for discounted cash flow model which aided valuation (e.g., for mineral rights and exploration assets). Similarly, in some areas, valuation may be by using a market approach (copper equivalent resource multiple). Liabilities such as obligation for mine rehabilitation are also subject to estimates and assumptions. Deferred tax balances are also subject to assessment related to when such balances will materialise. Due to the subjectivity involved in fair valuation, a change in management judgement, estimates and assumptions used could lead to significant changes in the fair values assigned to the assets and liabilities at acquisition.

5. 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 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.
Khoemacau	The Khoemacau mine, acquired on 22 March 2024, is a large, long life, and underground copper and silver mining operation located in north-west of Botswana, in the emerging Kalahari Copperbelt.
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.

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The segment revenue and results for the year ended 31 December 2024 are as follows:

	For the Year Ended 31 December 2024						
US$ million	Las Bambas	Kinsevere	Khoemacau[8]	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Revenue by metal:							
- *Copper*[1]	2,614.5	403.1[3]	266.3	-	10.1	14.4	3,308.4
- *Zinc*[2]	-	-	-	362.6	118.5	-	481.1
- *Lead*	-	-	-	45.9	39.0	-	84.9
- *Gold*	136.4	-	-	-	72.8	-	209.2
- *Silver*	98.3	-	29.5[6]	53.3	65.6	-	246.7
- *Molybdenum*	128.4	-	-	-	-	-	128.4
- *Cobalt*	-	20.5	-	-	-	-	20.5
Revenue from contracts with customers	**2,977.6**	**423.6**	**295.8**	**461.8**	**306.0**	**14.4**	**4,479.2**
EBITDA	**1,594.3**	**67.8**	**125.9**	**169.4**	**123.2**	**(31.9)[7]**	**2,048.7**
Depreciation and amortisation expenses (Note 7)	(762.2)	(65.4)	(32.5)	(56.1)	(78.8)	(10.7)	(1,005.7)
EBIT (underlying)	**832.1**	**2.4**	**93.4**	**113.3**	**44.4**	**(42.6)**	**1,043.0**
Finance income (Note 8)							22.2
Finance costs (Note 8)							(390.8)
Income tax expense (underlying)							(271.3)
Profit for the year (underlying)							**403.1**
Impairment of Kinsevere assets (Note 13)	-	(53.0)	-	-	-	-	(53.0)
Tax impact associated with impairment (Note 13)	-	15.9	-	-	-	-	15.9
Profit for the year							**366.0**
Other segment information:							
Additions to non-current assets (excluding deferred income tax assets, inventories and financial instruments)	487.1	262.2	115.0	76.6	13.6	0.8	**955.3**

Notes to Consolidated Financial Statements
Continued

The segment assets and liabilities at 31 December 2024 are as follows:

	At 31 December 2024						
US$ million	Las Bambas	Kinsevere	Khoemacau[8]	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Segment assets	**9,100.3**	**1,110.8**	**3,077.7**	**706.4**	**219.5**	**474.2[4]**	**14,688.9**
Current/deferred income tax assets							297.0
Consolidated assets							**14,985.9**
Segment liabilities	**2,164.9**	**388.3**	**1,432.7**	**108.1**	**161.9**	**2,649.5[5]**	**6,905.4**
Current/deferred income tax liabilities							1,802.0
Consolidated liabilities							**8,707.4**
Segment non-current assets	**8,335.7**	**951.6**	**3,016.0**	**646.4**	**190.7**	**343.4**	**13,483.8**

Notes to Consolidated Financial Statements
Continued

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)**[7]	**1,461.9**
Depreciation and amortisation expenses (Note 7)	(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 8)						24.3
Finance costs (Note 8)						(366.4)
Income tax expense (Note 9)						(67.5)
Profit for the year						**122.1**
Other segment information:						
Additions to non-current assets (excluding deferred income tax assets, inventories and financial instruments)	351.0	332.2	92.3	68.0	4.9	**848.4**

Notes to Consolidated Financial Statements
Continued

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	**9,449.3**	**852.8**	**687.0**	**295.8**	**386.4**[4]	**11,671.3**
Current/deferred income tax assets						229.5
Consolidated assets						**11,900.8**
Segment liabilities	**3,093.2**	**317.4**	**367.6**	**197.8**	**2,555.9**[5]	**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**

1 Commodity derivative net gains with a total amount of US$13.6 million (2023: net losses of US$15.9 million) were included in "Revenue" of Copper;

2 Commodity derivative net losses with a total amount of US$3.3 million (2023: US$3.0 million) were included in "Revenue" of Zinc;

3 Commodity hedge trades with net gains of US$8.4 million (2023: net losses of US$0.3 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$474.2 million (2023: US$386.4 million) under the other unallocated items is cash of US$104.5 million (2023: US$39.1 million) mainly held in the Group treasury entities and US$275.3 million trade receivables (2023: US$213.2 million) for MMG South America Company Limited ("MMG SA") in relation to copper concentrate sales;

5 Included in segment liabilities of US$2,649.5 million (2023: US$2,555.9 million) under the other unallocated items are borrowings of US$2,564.5 million (2023: US$2,459.9 million), which are managed at the Group level.

6 Deferred revenue recognised of US$24.3 million (2023: nil) was included in "Revenue" of Silver (Note 30) from Khoemacau Streaming Agreement;

7 Included in EBITDA of negative amount US$31.9 million (2023: negative amount of US$14.4 million) under the other unallocated items are transactions costs and integration costs of US$15.3 million (2023: US$1.0 million) for the purpose of the Khoemacau acquisition (refer to Note 7); and

8 Khoemacau JV Co. and its subsidiaries consolidated financial information presented above included impacts of fair value adjustment in acquisition (refer to Note 31).

6. Other Expenses, net

	2024 US$ million	2023 US$ million
Losses on disposal of property, plant and equipment	(15.1)	(2.6)
Sundry (expenses)/income	(4.0)	0.4
Total net other expenses	**(19.1)**	**(2.2)**

Notes to Consolidated Financial Statements
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7. Expenses

Profit before income tax includes the following expenses:

	2024 US$ million	2023 US$ million
Changes in inventories of finished goods and work in progress	(225.9)	506.8
Write-down of inventories to net realisable value	35.3	17.9
Employee benefit expenses[1]	372.4	320.6
Contracting and consulting expenses[2]	704.5	565.5
Energy costs	347.4	360.9
Stores and consumables costs	571.8	511.1
Depreciation and amortisation expenses[3]	982.7	913.2
Other production expenses[2]	162.1	210.4
Cost of goods sold	**2,950.3**	**3,406.4**
Other operating expenses	53.5	59.2
Royalty expenses	155.6	140.9
Selling expenses[2]	122.5	127.4
Total operating expenses including depreciation and amortisation[4]	**3,281.9**	**3,733.9**
Exploration expenses[1,2,3]	62.6	49.6
Administrative expenses[1,2]	26.3	11.9
Khoemacau acquisition transaction and integration expenses[5]	15.3	1.0
Auditors' remuneration	2.2	1.8
Foreign exchange loss – net	8.1	3.5
Loss/(gain) on FVTPL	1.7	(1.2)
Other expenses[1,2,3]	19.0	12.1
Total expenses	**3,417.1**	**3,812.6**

1 In aggregate US$62.0 million (2023: US$45.1 million) employee benefit expenses by nature is included in the administrative expenses, exploration expenses, and other expenses categories. Total employee benefit expenses were US$434.4 million (2023: US$365.7 million) (Note 12).

2 The expenses under these categories include 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$100.9 million (2023: US$102.8 million) in respect of variable lease payments contracts and US$3.0 million (2023: US$0.4 million) and US$0.7 million (2023: US$0.9 million) for short-term and low-value lease contracts, respectively.

3 In aggregate US$23.0 million (2023: US$17.0 million) depreciation and amortisation expenses are included in exploration expenses and the other expenses category. Total depreciation and amortisation expenses were US$1,005.7 million (2023: US$930.2 million).

4 Operating expenses include mining and processing costs, royalties, selling expenses (including transportation) and other costs incurred by operations.

5 Include transaction expenses of US$9.0 million (2023: US$1.0 million) after net of recharge of US$8.2 million (2023: nil) to Comor Holdings, and integration expenses of US$6.3 million (2023: nil) for KCM acquisition.

Notes to Consolidated Financial Statements
Continued

8. Finance Income and Finance Costs

	2024 US$ million	2023 US$ million
Finance income		
Interest income	22.2	24.3
	22.2	**24.3**
Finance costs		
Interest expense-3rd parties	(223.7)	(239.9)
Interest expense-related parties (Note 33(a))	(133.4)	(108.2)
Withholding taxes in respect of financing arrangements	(9.5)	(15.2)
Unwinding of discount on provisions and receivables	(22.0)	(22.9)
Unwinding of discount on lease liabilities	(12.8)	(12.9)
Unwinding of discount on deferred revenue (Note 30)	(21.6)	-
Other finance cost-3rd party	(21.0)	(0.3)
Other finance cost – related parties (Note 33(a))	(5.8)	(4.0)
	(449.8)	**(403.4)**
Gain reclassified from equity to profit or loss on interest rate swaps ("IRS") designated as cash flow hedges	59.0	37.0
Finance costs – total	**(390.8)**	**(366.4)**

Notes to Consolidated Financial Statements
Continued

9. 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%), DRC (30.0%) and Botswana (22% to 55%, depending on the percentage of taxable income to gross income). 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.

	2024 US$ million	2023 US$ million
Current income tax (expense)/benefit		
– Hong Kong income tax	(1.4)	0.4
– Overseas income tax	(242.2)	(139.9)
Deferred income tax (expense)/benefit		
– Hong Kong income tax	-	1.0
– Overseas income tax	(11.8)	71.0
Income tax expense	**(255.4)**	**(67.5)**

Of the jurisdictions in which the Group operates, Pillar Two legislation was enacted in Singapore, with the Income Inclusion Rule ("IIR") and DMTT set to come into effect from 1 January 2025, and in the Netherlands, with the Undertaxed Profits Rule ("UTPR") set to come into effect from 1 January 2025.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ("GloBE") effective tax rate ("ETR") per jurisdiction and the 15% minimum rate.

Given the complexities involved in calculating GloBE Income, the Group has conducted the Pillar Two assessment for all the entities in the Group using FY2023 financial information. Based on the assessment, all jurisdictions in which the group operates satisfied the Transitional Country-by-Country Reporting Safe Harbour criteria and therefore the top-up tax is deemed to be zero, except for Singapore and the British Virgin Islands.

The average ETR in Singapore and BVI is less than 15%. Based on the assessment, if the Pillar Two rules were to have been effective in 2024, the top-up tax liability would be insignificant.

Notwithstanding the above, since Singapore and the British Virgin Islands are not impacted by the Pillar Two rules at the reporting date, the Group has no related current tax liability regarding those jurisdictions. In addition, the Group qualifies for the temporary mandatory exception from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

Notes to Consolidated Financial Statements
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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:

	2024 US$ million	2023 US$ million
Profit before income tax	621.4	189.6
Calculated at domestic tax rates applicable to profits or losses in the respective countries	(206.0)	(47.4)
Net (non-deductible)/non-taxable amounts	(19.5)	4.5
(Under)/over provision in prior years	(3.5)	47.4
Non-creditable withholding tax	(23.2)	(70.7)
Others	(3.2)	(1.3)
Income tax expense	**(255.4)**	**(67.5)**

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

	Year Ended 31 December					
	2024 US$ million			2023 US$ million		
	Before tax amount	Tax (expense)/ benefit	Net of income tax amount	Before tax amount	Tax benefit	Net of income tax amount
Items that will be reclassified subsequently to profit or loss:						
Fair value gain/(loss) on commodity hedging	2.9	(0.9)	2.0	-	-	-
Fair value (loss)/gain on IRS	-	-	-	(17.9)	5.8	(12.1)
Movement on IRS closure	(59.0)	18.9	(40.1)	(37.0)	11.8	(25.2)
	(56.1)	**18.0**	**(38.1)**	**(54.9)**	**17.6**	**(37.3)**

Notes to Consolidated Financial Statements
Continued

10. Earnings Per Share

Basic earnings per share is calculated by dividing the profit 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 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 performance awards. For the year ended 31 December 2024, the dilutive factor of the Rights Issue (Note 24) is considered given the rights were effective on 11 June 2024.

	2024 US$ million	2023 US$ million
Earnings attributable to equity holders of the Company in the calculation of basic and diluted earnings per share	161.9	9.0

	Number of Shares '000	
	2024	2023 (restated)
Weighted average number of ordinary shares used in the calculation of the basic earnings per share	10,561,557	9,190,637[1]
Shares deemed to be issued in respect of Long Term Incentive Equity Plans	22,813	38,654
Dilution for Rights Issue	83,311	-
Weighted average number of ordinary shares used in the calculation of the diluted earnings per share	10,667,681	9,229,291
Basic earnings per share	**US 1.53 cents**	**US 0.10 cents**
Diluted earnings per share	**US 1.52 cents**	**US 0.10 cents**

1 As the Company's share market price immediately before the close of rights exercise was higher than the rights issue price, this gave rise to a bonus element in the Rights Issue to existing shareholders. Therefore the weighted average number of ordinary shares used in the calculation of the basic earnings per share was restated for the year ended 31 December 2023 as if the bonus element (but not the total rights issue) arose proportionately at the start of the earliest period for which earnings per share is presented in accordance with the requirements under HKAS 33 (Note 24).

11. Dividends

The Directors did not recommend the payment of an interim or final dividend for the year ended 31 December 2024 (2023: nil).

12. Employee Benefit Expenses, Including Directors' Emoluments

	2024 US$ million	2023 US$ million
Salaries and other benefits	418.2	349.7
Retirement scheme contributions (a)	16.2	16.0
Total employee benefit expenses (Note 7)	**434.4**	**365.7**

Notes to Consolidated Financial Statements
Continued

(a) Retirement schemes

The Group provides retirement benefits to all eligible Hong Kong employees under the Mandatory Provident Fund (MPF Scheme). Under the MPF Scheme, the Group and its employees make monthly contributions to the MPF Scheme at 5% of the employees' salaries as defined under the Mandatory Provident Fund legislation. Contributions of both the Hong Kong subsidiaries and their employees are subject to a maximum of HK$1,500 per month and thereafter contributions are voluntary and are not subject to any limitation. The MPF Scheme is administered by an independent trustee and its assets are held separately from those of the Group. Severance Payment (SP)/Long Service Payment (LSP) offsetting mechanism effective on 1 May 2025 does not have a significant impact on the Group.

The Group provides a superannuation contribution for all Australian-based employees to their nominated superannuation fund. This contribution is to provide benefits for employees and their dependants in retirement, and for relevant employees, for disability or death. In accordance with the applicable regulation in Australia, the Group was required to withhold and deposit 11% of ordinary time earnings of all Australian-based employees. This rate increased to 11.5% with effect from 1 July 2024. Also, in accordance with the applicable regulation in Australia, the Group caps the superannuation contributions at the maximum super contribution base. The maximum super contribution base is used to determine the maximum limit on any individual employee's earnings base for each quarter of any financial year. Organisations do not have to provide the minimum support for the part of earnings above this limit.

The Group provides for retirement benefits to those employees who reach statutory retirement age in the DRC in accordance with the Collective Bargaining Agreement with its employees at the Kinsevere mine. A provision for the retirement benefit is recognised which is measured as the present value of the expected future payments to be made taking into consideration the period of employee service and their job position at the reporting date.

The Group provides on a monthly basis to various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the People's Republic of China ("PRC"). The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made.

The Group provides pension contributions on a monthly basis for all Peru based employees. There are two pension schemes in Peru: the National Pension System and the Private Pension System. Employees can elect to join one of the two pension schemes. Contributions to both schemes are deducted from the employee's monthly base salary and no cap applies.

- The National Pension System (Sistema Nacional de Pensiones – ONP), is administered by the state and the mandatory contribution is 13% of the employee's total remuneration;
- The Private Pension System (Sistema Privado de Pensiones – SPP) is formed by the Private Pension Funds Administrators (Administradoras Privadas de Fondos de Pensiones – AFP) and the mandatory contribution is 10% of the monthly base salary, not including fees and insurances. The overall deduction to employee's salary is approximately 14%, including fees and insurances charged by AFP.

There is also an Early Retirement Fund for employees who are classified as working in high risk jobs in the following areas: underground mining, mining extraction to open pit, centres of mining, metallurgical and steel production, exposed to risk of toxicity, insalubrity and danger and construction activities. The employee and the relevant subsidiaries provide monthly contributions towards the early retirement fund. This additional amount is added to the employee's preferred pension scheme.

Notes to Consolidated Financial Statements
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The Group provides Social Security contributions to all Laos employees in accordance with the relevant legislation. Contributions will only be made under the National Social Security Scheme and will be calculated on the accumulation of the employee's total gross remuneration, capped at the maximum contribution base of LAK4,500,000. The current contribution rates are:

- 6% of the gross remuneration must be contributed by the employer;
- 5.5% of the gross remuneration must be contributed by the employee.

13. Property, Plant and Equipment

US$ million	Land and buildings	Plant and machinery	Mine property and development	Exploration and evaluation	Construction in progress	Total
At 1 January 2024						
Cost	940.5	5,251.3	10,713.9	106.4	718.9	17,731.0
Accumulated depreciation, amortisation and impairment	(440.6)	(2,712.2)	(5,054.7)	(106.4)	-	(8,313.9)
Net book amount at 1 January 2024	**499.9**	**2,539.1**	**5,659.2**	**-**	**718.9**	**9,417.1**
Year ended 31 December 2024						
At the beginning of the year	499.9	2,539.1	5,659.2	-	718.9	9,417.1
Acquisition of subsidiaries (Note 31)	49.8	196.3	1,991.9	156.7	30.8	2,425.5
Additions (Note 32(b))	18.8	31.2	322.7	-	555.2	927.9
Depreciation and amortisation	(66.0)	(293.9)	(619.8)	-	-	(979.7)
Impairment loss recognised in profit or loss	-	-	(20.9)	-	(32.1)	(53.0)
Disposals, net	(2.1)	(3.6)	(2.7)	-	(6.8)	(15.2)
Transfers, net	19.4	19.4	138.8	-	(177.6)	-
At the end of the year	**519.8**	**2,488.5**	**7,469.2**	**156.7**	**1,088.4**	**11,722.6**
At 31 December 2024						
Cost	1,025.1	5,468.2	13,164.9	263.0	1,120.5	21,041.7
Accumulated depreciation, amortisation and impairment	(505.3)	(2,979.7)	(5,695.7)	(106.3)	(32.1)	(9,319.1)
Net book amount at 31 December 2024	**519.8**	**2,488.5**	**7,469.2**	**156.7**	**1,088.4**	**11,722.6**

Notes to Consolidated Financial Statements
Continued

US$ million	Land and buildings	Plant and machinery	Mine property and development	Exploration and evaluation	Construction in progress	Total
At 1 January 2023						
Cost	937.6	4,993.8	10,388.8	106.4	502.5	16,929.1
Accumulated depreciation, amortisation and impairment	(386.5)	(2,325.8)	(4,601.0)	(106.4)	-	(7,419.7)
Net book amount at 1 January 2023	**551.1**	**2,668.0**	**5,787.8**	**-**	**502.5**	**9,509.4**
Year ended 31 December 2023						
At the beginning of the year	551.1	2,668.0	5,787.8	-	502.5	9,509.4
Additions (Note 32(b))	3.7	110.0	242.8	-	457.0	813.5
Depreciation and amortisation	(55.4)	(285.0)	(561.6)	-	-	(902.0)
Disposals, net	(2.4)	(1.4)	-	-	-	(3.8)
Transfers, net	2.9	47.5	190.2	-	(240.6)	-
At the end of the year	**499.9**	**2,539.1**	**5,659.2**	**-**	**718.9**	**9,417.1**
At 31 December 2023						
Cost	940.5	5,251.3	10,713.9	106.4	718.9	17,731.0
Accumulated depreciation, amortisation and impairment	(440.6)	(2,712.2)	(5,054.7)	(106.4)	-	(8,313.9)
Net book amount at 31 December 2023	**499.9**	**2,539.1**	**5,659.2**	**-**	**718.9**	**9,417.1**

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, indicators of impairment were noted largely due to unfavourable cobalt market conditions.

In respect of Khoemacau, goodwill of US$509.5 million as at 31 December 2024 was a result of the acquisition on 22 March 2024 (refer to Note 31). The impairment review of the Khoemacau CGU as at 31 December 2024 did not result in the recognition of a goodwill impairment charge in 2024.

In respect of Dugald River, an impairment loss was recognised in 2015. Management has reviewed the operational performance and considered the operation's sensitivity to a range of factors including commodity prices, throughput, grade, recovery, operating expenditure, 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.

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(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 costs and 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$4.14 per pound (2023: US$4.03 per pound). The long-term price assumed for zinc remains unchanged at US$1.30 per pound.

The long-term AUD:USD exchange rate remains unchanged at 0.73.

The real post-tax discount rates used in the Fair Value estimates of the CGU's are listed below at 10.50% for Kinsevere (2023: 10.75%), 6.50% for Dugald River and Rosebery (2023: 6.75%) and 7.75% for Las Bambas (2023: 8.0%), reflecting a 0.25% decrease in the Weighted Average Cost of Capital (WACC) as compared to the prior year. The real post-tax discount rate used in the Fair Value estimate of Khoemacau is 8.0%.

Notes to Consolidated Financial Statements
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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 2024. 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 improved access to the heavy haul road for concentrate transportation was maintained during 2024, 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 2024 did not result in the recognition of any impairment.

Kinsevere

During 2024, the LME cobalt closing price averaged US$11.94 per pound compared to the 2023 average of US$15.52 per pound and the 2022 average of $28.16 per pound. With the deterioration of the cobalt market, the future value expected from cobalt production at Kinsevere has reduced and, as a result, an impairment write-down of US$53.0 million pre-tax (US$37.1 million on a post-tax basis) was recognised in relation to the Kinsevere CGU at 31 December 2024. This has resulted in a reduction to the carrying value of the related assets to more accurately reflect the remaining life of the operation to US$740.8 million.

The impairment write-down was recognised pursuant to detailed assessments of the recoverable value, based on the discounted cash flows from the 2024 Life of Mine Plan and assumes delivery of the Kinsevere Expansion Project (KEP) and further regional exploration targets which are at varying levels of confidence.

KEP, which was approved in March 2022, continued in 2024. 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 commenced commissioning in the fourth quarter of 2023. Mechanical completion of the sulphide plant as well as first copper cathode production from sulphides was achieved in the third quarter of 2024. However, the cobalt plant was placed in care and maintenance in December 2024 due to unfavourable cobalt market conditions. In 2025, MMG will focus on ramping up the concentrator and roasting systems, integrating them with the existing solvent extraction and electrowinning plant to reach nameplate capacity. A flexible cobalt production strategy will be implemented going forward, adapting to cobalt prices, market conditions, and varying cobalt content across different mineral sectors.

Notes to Consolidated Financial Statements
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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 ramp-up, and dilution.

The pre-tax impairment of US$53.0 million is in addition to pre-tax impairments of US$377.0 million and US$150.0 million recognised in 2015 and 2019, respectively, due to operational challenges and risks associated with political and legislative matters.

Khoemacau

An impairment assessment of the Khoemacau CGU as at 31 December 2024 was performed and did not result in the recognition of impairment.

Dugald River

The impairment assessment of the Dugald River CGU at 31 December 2024 resulted in a 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 2024 Life of Mine Planning discounted cash flows. 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.

Notes to Consolidated Financial Statements
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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$140 million;
- A change of 5% in cobalt price over the remaining mine life would impact the recoverable amount by approximately US$40 million; and
- A movement of 1% to the discount rate would impact recoverable amount by approximately US$30 million.

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14. Right-of-use Assets

US$ million	Land and building	Plant and machinery	Mine property and development	Total
At 1 January 2024				
Cost	16.9	168.0	-	184.9
Accumulated depreciation	(11.8)	(55.0)	-	(66.8)
Net book amount at 1 January 2024	**5.1**	**113.0**	**-**	**118.1**
Year ended 31 December 2024				
At the beginning of the year	5.1	113.0	-	118.1
Acquisition of subsidiaries (Note 31)	0.5	-	-	0.5
Additions, net	2.3	23.1	0.4	25.8
Depreciation	(1.6)	(22.9)	-	(24.5)
At the end of the year	**6.3**	**113.2**	**0.4**	**119.9**
At 31 December 2024				
Cost	8.4	188.6	0.4	197.4
Accumulated depreciation	(2.1)	(75.4)	-	(77.5)
Net book amount at 31 December 2024	**6.3**	**113.2**	**0.4**	**119.9**
At 1 January 2023				
Cost	13.3	148.0	-	161.3
Accumulated depreciation	(10.7)	(39.4)	-	(50.1)
Net book amount at 1 January 2023	**2.6**	**108.6**	**-**	**111.2**
Year ended 31 December 2023				
At the beginning of the year	2.6	108.6	-	111.2
Additions, net	5.2	28.5	-	33.7
Depreciation	(2.7)	(24.1)	-	(26.8)
At the end of the year	**5.1**	**113.0**	**-**	**118.1**
At 31 December 2023				
Cost	16.9	168.0	-	184.9
Accumulated depreciation	(11.8)	(55.0)	-	(66.8)
Net book amount at 31 December 2023	**5.1**	**113.0**	**-**	**118.1**

Notes to Consolidated Financial Statements
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15. Intangible Assets

US$ million	Goodwill	Software development	Total
At 1 January 2024			
Cost	739.9	217.1	957.0
Accumulated amortisation and impairment	(211.4)	(211.6)	(423.0)
Net book amount at 1 January 2024	**528.5**	**5.5**	**534.0**
Year ended 31 December 2024			
At the beginning of the year	528.5	5.5	534.0
Acquisition of subsidiaries (Note 31)	509.5	0.6	510.1
Additions, net	-	1.6	1.6
Amortisation	-	(1.5)	(1.5)
At the end of the year	**1,038.0**	**6.2**	**1,044.2**
At 31 December 2024			
Cost	1,249.4	219.3	1,468.7
Accumulated amortisation and impairment	(211.4)	(213.1)	(424.5)
Net book amount at 31 December 2024	**1,038.0**	**6.2**	**1,044.2**
At 1 January 2023			
Cost	739.9	215.9	955.8
Accumulated amortisation and impairment	(211.4)	(210.2)	(421.6)
Net book amount at 1 January 2023	**528.5**	**5.7**	**534.2**
Year ended 31 December 2023			
At the beginning of the year	528.5	5.7	534.2
Additions	-	1.2	1.2
Amortisation	-	(1.4)	(1.4)
At the end of the year	**528.5**	**5.5**	**534.0**
At 31 December 2023			
Cost	739.9	217.1	957.0
Accumulated amortisation and impairment	(211.4)	(211.6)	(423.0)
Net book amount at 31 December 2023	**528.5**	**5.5**	**534.0**

Notes to Consolidated Financial Statements
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16. Investment in Subsidiaries

The following is a list of the principal subsidiaries of the Group at 31 December 2024 and 2023:

				Proportion of issued capital held by the Company			
				2024		2023	
Name of companies	Place of incorporation/ operation	Principal activities	Particulars of issued or paid-up capital	Directly	Indirectly	Directly	Indirectly
MMG Australia Limited	Australia	Mineral exploration and production, management and employment services	490,000,000 ordinary shares at A$[1]1 a share	-	100%	-	100%
MMG Dugald River Pty Ltd	Australia	Holds Dugald River Assets	301,902,934 ordinary shares at A$1 a share	-	100%	-	100%
MMG Exploration Pty Ltd	Australia	Investment holding	1 ordinary share at A$1 a share	-	100%	-	100%
MMG Management Pty Ltd	Australia	Treasury and management services	1 ordinary share at A$1 a share	-	100%	-	100%
Topstart Limited	British Virgin Islands	Investment holding	1,386,611,594 ordinary shares at US$1 a share	100%	-	100%	-
Anvil Mining Limited	British Virgin Islands	Investment holding	100 Class A Common Shares at US$1	-	100%	-	100%
MMG Resources Inc.	Canada	Mineral exploration	200 Common Shares at C$[1]1 a share	-	100%	-	100%
MMG Kinsevere SARL	DRC	Mineral exploration and production	10,000 ordinary shares at CDF[1] 10,000 a share	-	100%	-	100%
MMG Exploration Holdings Limited	Hong Kong	Mineral exploration and holding company	1 ordinary share providing a share capital of HK$[1]1	100%	-	100%	-

Notes to Consolidated Financial Statements
Continued

Name of companies	Place of incorporation/ operation	Principal activities	Particulars of issued or paid-up capital	Proportion of issued capital held by the Company			
				2024		2023	
				Directly	Indirectly	Directly	Indirectly
MMG Finance Limited	Hong Kong	Administration and treasury services	1 ordinary share at HK$1 a share and 290,000,000 ordinary shares at US$290,000,000	100%	-	100%	-
MMG South America Company Limited	Hong Kong	Investment holding and sales of copper concentrate	1,880,000 ordinary shares providing a share capital of HK$1,880,000	100%	-	100%	-
MMG South America Management Company Limited	Hong Kong	Holding investments in Peru	1,200 ordinary shares providing a share capital of HK$28,046,249,501	-	62.5%	-	62.5%
MMG Netherlands B.V.	Netherlands	Investment holding	5,000 ordinary shares at EUR[1] 1 a share	-	62.5%	-	62.5%
Minera Las Bambas S.A.	Peru	Mineral exploration and production	15,107,754,037 Common Shares at PEN[1] 1 a share	-	62.5%	-	62.5%
Album Investment Pte Ltd	Singapore	Investment holding	488,211,901 ordinary shares at S$[1] 1 a share	-	100%	-	100%
Album Resources Pte Ltd	Singapore	Investment holding	488,211,901 ordinary shares at S$1 a share	-	100%	-	100%
MMG Swiss Finance AG	Switzerland	Investment holding and financial services	100,000 ordinary shares at CHF[1] 1 a share	-	62.5%	-	62.5%
MMG Beijing Co., Ltd	Beijing	Corporate management services	Registered capital of CNY[1] 10,000,000	100%	-	100%	-

Notes to Consolidated Financial Statements
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Name of companies	Place of incorporation/ operation	Principal activities	Particulars of issued or paid-up capital	Proportion of issued capital held by the Company 2024 Directly	2024 Indirectly	2023 Directly	2023 Indirectly
MMG Africa Holdings Company Limited[2]	Hong Kong	Investment holding	1 Ordinary Share providing a share capital of HK$1	100%	-	-	-
MMG Africa Resources Company Limited[2]	Hong Kong	Investment holding	8,370,266,700 Ordinary Shares at HK$1 a share	-	55%	-	-
Hana Mining Limited	British Virgin Islands	Investment holding	1,734,656,709 Ordinary Shares at US$1 a share	-	55%	-	-
Khoemacau Copper Mining Proprietary Limited[2]	Botswana	Mineral exploration and mining	1,749,287,384 Ordinary Shares providing a share capital of BWP$[1]2,682,102,074.10	-	55%	-	-
Discovery Copper Botswana Proprietary Limited	Botswana	Mineral exploration and mineral processing facilities	4,063,989,885 Ordinary Shares providing a share capital of BWP$3,823,874,193	-	55%	-	-

1 A$, C$, CDF, HK$, S$, PEN, CHF, CNY, EUR and BWP stand for Australian dollar, Canadian dollar, Congolese Franc, Hong Kong dollar, Singapore dollar, Peruvian Sol, Swiss Franc, Chinese Yuan, Euro and Botswana pula respectively.

2 Refer to Note 2, Note 17 and Note 31 for details of new subsidiaries.

17. Principal Subsidiaries with Material Non-Controlling Interests

As described in Note 2, on 6 June 2024, Comor Holdings subscribed shares in Khoemacau JV Co. with a 45% equity interest which was considered to be a material non-controlling interest.

Management of the Group, having assessed the terms of the Subscription and Shareholders' Agreement with Comor Holdings, considers that Khoemacau JV Co. continue to be considered a subsidiary of the Company and be included in the Group's consolidated financial statements. Comor Holdings' 45% interest is considered a material non-controlling interest and has been measured by reference to the proportionate share of recognised amounts of net assets of Khoemacau JV Co. and its subsidiaries.

The Group had total non-controlling interests of US$2,859.5 million at 31 December 2024 (2023: US$2,188.6 million). The non-controlling interests comprise the following:

US$ million	At 31 December 2024	At 31 December 2023
MMG South America Management Company Limited. ("Las Bambas JV Co.") and its subsidiaries	2,372.0	2,188.6
Khoemacau JV Co. and its subsidiaries	487.5	-
Total	**2,859.5**	**2,188.6**

The summarised financial information of the subsidiaries with material non-controlling interests is shown on a 100% basis. It represents the amounts shown in subsidiaries' consolidated financial statements prepared in accordance with HKFRSs.

Notes to Consolidated Financial Statements
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Summarised Consolidated Statements of Financial Position

	Las Bambas JV Co.		Khoemacau JV Co.	
	At 31 December			
US$ million	2024	2023	2024	2023[1]
Assets	**9,556.9**	**9,930.7**	**3,196.1**	**-**
Current	1,160.9	1,227.8	61.8	-
Including: Cash and cash equivalents	60.7	399.2	19.5	-
Non-current	8,396.0	8,702.9	3,134.3	-
Liabilities	**(3,231.5)**	**(4,094.4)**	**(2,114.3)**	**-**
Current	(586.1)	(970.1)	(98.3)	-
Non-current	(2,645.4)	(3,124.3)	(2,016.0)	-
Net assets	**6,325.4**	**5,836.3**	**1,081.8**	**-**

Summarised Consolidated Statements of Profit or Loss and Comprehensive Income

	Las Bambas JV Co		Khoemacau JV Co	
	Year Ended 31 December			
US$ million	2024	2023	2024	2023[1]
Revenue	2,977.6	3,417.3	295.8	-
Net financial cost	(108.9)	(202.6)	(79.7)	-
Income tax expense	(195.6)	(92.4)	(5.4)	-
Profit for the year	**527.6**	**301.0**	**8.4**	**-**
Other comprehensive (loss)/income for the year, net of tax	(38.5)	(37.3)	0.4	-
Total comprehensive income	**489.1**	**263.7**	**8.8**	**-**
Total comprehensive income attributable to:				
Equity holders of the Company	305.7	164.6	4.2	-
Non-controlling interests	183.4	99.1	4.6	-
	489.1	**263.7**	**8.8**	**-**

Summarised Consolidated Statement of Cash Flows

	Las Bambas JV Co		Khoemacau JV Co	
	Year Ended 31 December			
US$ million	2024	2023	2024	2023[1]
Net (decrease)/increase in cash and cash equivalents	(338.5)	227.4	19.5	-
Cash and cash equivalents at 1 January	399.2	171.8	-	-
Cash and cash equivalents at 31 December	**60.7**	**399.2**	**19.5**	**-**

1 There is no comparative information for the Khoemacau JV Co., as the acquired Khoemacau assets and profit are consolidated from 22 March 2024 when the acquisition completed.

Notes to Consolidated Financial Statements
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18. Inventories

	2024 US$ million	2023 US$ million
Non-current[1]		
Work in progress	**179.1**	**115.0**
Current		
Stores and consumables	177.9	164.7
Work in progress	214.2	175.7
Finished goods	137.3	49.1
	529.4	**389.5**
Total	**708.5**	**504.5**

1 Inventories of US$179.1 million (2023: US$115.0 million) are expected to be recovered after more than 12 months.

19. Deferred Income Tax

The movements in deferred income tax assets/(liabilities) during the years are as follows:

US$ million	Property, plant and equipment	Provisions	Tax losses	Deferred revenue	Others	Total
At 1 January 2023	**(1,271.9)**	**249.6**	**152.1**	**-**	**(22.1)**	**(892.3)**
Credited /(charged) to profit or loss (Note 9)	158.6	69.2	(148.0)	-	(7.8)	72.0
Credited to other comprehensive loss (Note 9)	-	-	-	-	17.6	17.6
At 31 December 2023	**(1,113.3)**	**318.8**	**4.1**	**-**	**(12.3)**	**(802.7)**
Acquisition of subsidiaries (Note 31)	(763.4)	2.5	100.0	117.0	43.7	(500.2)
Credited/(charged) to profit or loss (Note 9)	36.6	(39.1)	15.0	(0.6)	(23.7)	(11.8)
Credited to other comprehensive loss (Note 9)	-	-	-	-	18.0	18.0
At 31 December 2024	**(1,840.1)**	**282.2**	**119.1**	**116.4**	**25.7**	**(1,296.7)**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to income tax levied by the same taxation authority on either the same taxation entity or different taxation entities, and there is an intention to settle the balances on a net basis. The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

	2024 US$ million	2023 US$ million
Deferred income tax assets	279.6	150.0
Deferred income tax liabilities	(1,576.3)	(952.7)
	(1,296.7)	**(802.7)**

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The Group only recognises deferred income tax assets for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses in the foreseeable future. Management will continue to assess the recognition of deferred income tax assets in future reporting periods. At 31 December 2024 and 2023, the Group had unrecognised tax losses and deductible temporary differences as follows:

	2024 US$ million	2023 US$ million
Tax losses (tax effected)	23.9	29.9
Deductible temporary differences (tax effected)	44.6	45.3
At 31 December	**68.5**	**75.2**

Unrecognised tax losses of US$16.1 million (2023: US$21.9 million) were with expiry years ranging from 2025 to 2043 (2023: from 2024 to 2042). Other losses will be carried forward indefinitely.

20. Trade and Other Receivables

	2024 US$ million	2023 US$ million
Non-current other receivables		
Prepayment	1.6	0.3
Other receivables – government taxes (net of provisions)[1]	10.3	20.3
Sundry receivables, net of provisions[2]	125.5	148.2
	137.4	**168.8**
Current trade and other receivables		
Trade receivables[3] (Note 34.1(c) (d) and (e), 34.3 and 34.4)	443.7	354.8
Prepayments	71.3	32.9
Other receivables – government taxes[1]	109.1	66.0
Sundry receivables[2]	127.5	22.3
	751.6	**476.0**

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 2024 and 2023, 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 the 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 2024 and 2023 were within 6 months from the date of invoice and were measured at fair value at the balance sheet date as these are subject to change in accordance with movements in the commodity price. At 31 December 2024, there was no trade receivable past due (2023: nil). At 31 December 2024, the Group's trade receivables, other receivables and prepayments included an amount of US$242.2 million (2023: US$160.9 million) which were due from related companies of the Group (Note 33(d)). The carrying amounts of the Group's trade receivables are all denominated in US$. As at 1 January 2023, trade receivables amounted to US$212.7 million.

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21. Derivative Financial Assets/(Liabilities)

	2024 US$ million	2023 US$ million
Assets		
Current		
Commodity derivative-Copper	8.0	3.1
Commodity derivative-Zinc	0.1	-
Cash flow hedge-Copper (Note 34.1(a))	2.9	-
	11.0	**3.1**
Liabilities		
Current		
Commodity derivative-Zinc	(0.7)	-
	(0.7)	**-**

22. Other Financial Assets

	2024 US$ million	2023 US$ million
Non-current financial assets (Note 34.1(c) (e), 34.3 and 34.4)		
FVTPL – listed[1]	1.0	2.7
	1.0	**2.7**

1 Financial assets at fair value through profit or loss are listed investments outside Hong Kong and their carrying values are equal to their market values.

23. Cash and Cash Equivalents

	2024 US$ million	2023 US$ million
Cash at bank and in hand	115.5	138.8
Short-term bank deposits and others[1,2]	77.2	308.2
Total (Note 34.1 (b) (c) and (e), 34.3 and 34.5)	**192.7**	**447.0**

1 The effective interest rate on short-term bank deposits as at 31 December 2024 range from 3.90% to 4.05% (31 December 2023: 5.37% to 5.70%). These deposits have an average 8 days (2023: 29 days) to maturity.

2 Includes demand deposits of US$1.2 million (2023: US$1.2 million) that are required to be maintained as warranty to secure payment for the imported power supply to Kinsevere.

The carrying amounts of the cash and cash equivalents are denominated in various currencies. Refer to Note 34.1 (c) for details.

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24. Share Capital

	Number of Ordinary Shares		Share Capital	
	2024 '000	2023 '000	2024 US$ million	2023 US$ million
Issued and fully paid:				
At 1 January	8,656,047	8,639,767	3,224.6	3,220.5
Employee share options exercised	-	3,159	-	1.9
Employee performance awards vested and exercised[1]	7,534	13,121	2.8	2.2
Rights Issue	3,465,433	-	1,152.4	-
At 31 December	**12,129,014**	**8,656,047**	**4,379.8**	**3,224.6**

1 During the year ended 31 December 2024, a total of 7,534,028 new shares were issued as a result of 2021 Performance Awards vesting on 5 June 2024. The closing price of the shares of the Company immediately before the date on which the performance award was exercised was HK$3.33. Refer to Note 36 for more details of 2021 Performance Awards.

Rights Issue

On 15 July 2024, a total of 3,465,432,486 new shares were issued as a result of the completion of the Rights Issue at the subscription price of HK$2.62 per rights share on the basis of 2 rights shares for every 5 shares held on the record date. The proceeds from the Rights Issue were US$1,152.4 million net of US$10.5 million for transaction costs. The Company has repaid Top Create borrowings of US$786.1 million using the proceeds from the Rights Issue. Such repayment includes US$611.1 million funding provided for the Khoemacau acquisition. The remaining proceeds have been used to repay external borrowings.

Notes to Consolidated Financial Statements
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25. Reserves and Retained Profits

US$ million	Special capital reserve	Exchange translation reserve	Merger reserve[1]	Surplus reserve[2]	Share-based payment reserve	Cash flow hedge reserve[3]	Other reserve	Total reserves	Retained profits	Total
At 1 January 2024	**9.4**	**2.7**	**(1,946.9)**	**50.6**	**5.4**	**25.2**	**(1.5)**	**(1,855.1)**	**753.9**	**(1,101.2)**
Profit for the year	-	-	-	-	-	-	-	**-**	161.9	**161.9**
Other comprehensive (loss)/income for the year	-	-	-	-	-	(22.0)	0.2	**(21.8)**	-	**(21.8)**
Total comprehensive (loss)/income for the year	**-**	**-**	**-**	**-**	**-**	**(22.0)**	**0.2**	**(21.8)**	**161.9**	**140.1**
Provision of surplus reserve	-	-	-	4.7	-	-	-	**4.7**	(4.7)	**-**
Internal transfer	**-**	**-**	**-**	**4.7**	**-**	**-**	**-**	**4.7**	**(4.7)**	**-**
Employee long-term incentives	-	-	-	-	3.1	-	-	**3.1**	-	**3.1**
Employee performance awards vested and exercised	-	-	-	-	(2.8)	-	-	**(2.8)**	-	**(2.8)**
Total transactions with owners	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**0.3**	**-**	**0.3**
At 31 December 2024	**9.4**	**2.7**	**(1,946.9)**	**55.3**	**5.7**	**3.2**	**(1.3)**	**(1,871.9)**	**911.1**	**(960.8)**

Notes to Consolidated Financial Statements Continued

US$ million	Special capital reserve	Exchange translation reserve	Merger reserve[1]	Surplus reserve[2]	Share-based payment reserve	Cash flow hedge reserve[3]	Other reserve	Total reserves	Retained profits	Total
At 1 January 2023	**9.4**	**2.7**	**(1,946.9)**	**50.2**	**9.9**	**48.5**	**(0.5)**	**(1,826.7)**	**745.2**	**(1,081.5)**
Profit for the year	-	-	-	-	-	-	-	**-**	9.0	**9.0**
Other comprehensive loss for the year	-	-	-	-	-	(23.3)	(1.0)	**(24.3)**	-	**(24.3)**
Total comprehensive (loss)/income for the year	**-**	**-**	**-**	**-**	**-**	**(23.3)**	**(1.0)**	**(24.3)**	**9.0**	**(15.3)**
Provision of surplus reserve	-	-	-	0.4	-	-	-	**0.4**	(0.4)	**-**
Internal transfer	**-**	**-**	**-**	**0.4**	**-**	**-**	**-**	**0.4**	**(0.4)**	**-**
Employee long-term incentives	-	-	-	-	(1.5)	-	-	**(1.5)**	-	**(1.5)**
Employee share options and performance awards vested and exercised	-	-	-	-	(2.9)	-	-	**(2.9)**	-	**(2.9)**
Employee share options lapsed	-	-	-	-	(0.1)	-	-	**(0.1)**	0.1	**-**
Total transactions with owners	**-**	**-**	**-**	**-**	**(4.5)**	**-**	**-**	**(4.5)**	**0.1**	**(4.4)**
At 31 December 2023	**9.4**	**2.7**	**(1,946.9)**	**50.6**	**5.4**	**25.2**	**(1.5)**	**(1,855.1)**	**753.9**	**(1,101.2)**

1 Merger reserve represents the excess of investment cost in entities that have been accounted for under merger accounting for common control combinations in accordance with AG5 (Accounting Guideline 5 issued by the HKICPA) against their share capital.

2 According to the General Law of Companies in Peru, surplus reserve is constituted by transferring 10%, as a minimum, of the net income for each period, after deducting accumulated losses, until reaching an amount equivalent to a fifth of capital.

3 The cashflow hedge reserve records the portion of the gain or loss on a hedging instrument including commodity hedge and IRS that are attributed to equity holders of the Company, retained in OCI and being transferred to "financial income and cost" from amortisation. For year ended 31 December 2024, there were realised gains after tax of US$40.1 million (2023: US$25.2 million) which were transferred to "finance income and finance costs" from amortisation of IRS (Note 8) from opening balance. The portion belonged to equity holders of the Company was US$25.1 million (2023: US$15.8 million).

Distributable reserves

At 31 December 2024 and 2023, the Company did not have any distributable reserves available for distribution to shareholders.

Notes to Consolidated Financial Statements
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26. Borrowings

	2024 US$ million	2023 US$ million
Non-current		
Borrowings from related parties (Note 33(d))	1,705.0	1,831.3
Bank borrowings, net[1]	2,035.1	1,544.5
	3,740.1	**3,375.8**
Current		
Borrowings from related parties (Note 33(d))	861.3	900.0
Bank borrowings, net[1]	27.4	431.3
	888.7	**1,331.3**
Analysed as:		
– Secured[1]	-	2,016.8
– Unsecured	4,635.1	2,731.3
	4,635.1	**4,748.1**
Prepayments – finance charges	(6.3)	(41.0)
	4,628.8	**4,707.1**
Borrowings (excluding: prepayments) are repayable as follows:		
– Within one year	891.2	1,336.8
– More than one year but not exceeding two years	1,125.0	1,078.0
– More than two years but not exceeding five years	2,360.0	1,620.4
– More than five years	258.9	712.9
	4,635.1	**4,748.1**
Prepayments – finance charges	(6.3)	(41.0)
Total (Notes 34.1(b), (c), (e) and 34.3)	**4,628.8**	**4,707.1**

1 The US$2,016.8 million secured project facility loan from China Development Bank ("CDB"), Industrial and Commercial Bank of China ("ICBC"), Bank of China ("BOC") Sydney and Export-Import Bank of China that was outstanding at 31 December 2023 was fully repaid in September 2024. The associated security and restrictions under the project facility have been released.

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

	2024 US$ million	2023 US$ million
US dollars		
– At floating rates	3,154.9	2,586.8
– At fixed rates	1,480.2	2,161.3
	4,635.1	**4,748.1**

The effective interest rate of borrowings during the year ended 31 December 2024 was 5.5% (2023: 5.2%) per annum.

Notes to Consolidated Financial Statements
Continued

Reconciliation of borrowings arising from financing activities

US$ million	Notes	1 January 2024	Financing Cashflow[1]	Non-Cash Changes: Effective Interest	Non-Cash Changes: Other Changes[2]	31 December 2024
Loans from related parties	33(d)	**2,731.3**	(165.0)	-	-	**2,566.3**
Bank borrowings		**1,975.8**	52.0	-	34.7	**2,062.5**
Accrued interest[3]	29, 33(d)	**50.9**	(348.0)	346.0	-	**48.9**
		4,758.0	**(461.0)**	**346.0**	**34.7**	**4,677.7**

US$ million	Notes	1 January 2023	Financing Cashflow[1]	Non-Cash Changes: Effective Interest	Non-Cash Changes: Other Changes[2]	31 December 2023
Loans from related parties	33(d)	**2,631.3**	100.0	-	-	**2,731.3**
Bank borrowings		**2,781.3**	(808.8)	-	3.3	**1,975.8**
Accrued interest[3]	29, 33(d)	**46.0**	(327.8)	332.7	-	**50.9**
		5,458.6	**(1,036.6)**	**332.7**	**3.3**	**4,758.0**

1 Net bank borrowings financing cashflow is made up of repayments of and proceeds from borrowings in the consolidated statement of cash flows.

2 Other changes include the amortisation of capitalised prepayments on borrowings.

3 Accrued interest includes both interest on external bank borrowings and related party borrowings.

Notes to Consolidated Financial Statements
Continued

27. Lease Liabilities

	2024 US$ million	2023 US$ million
Non-current		
Lease liabilities	124.2	125.6
Current		
Lease liabilities	24.0	22.0
Total (Notes 34.1(c) and (e), 34.3)	**148.2**	**147.6**
Lease liabilities were repayable as follows:		
– Within one year	24.0	22.0
– More than one year but not exceeding two years	22.4	22.2
– More than two years but not exceeding five years	54.0	43.0
– More than five years	47.8	60.4
	148.2	**147.6**

The weighted average incremental borrowing rates applied to lease liabilities at 31 December 2024 was from 5.78% to 8.33% (2023: from 5.15% to 8.60%).

Refer to Note 34.1(e) for maturity profile of the undiscounted lease liabilities. However, in case of certain leases the Group has extension option exercisable at the discretion of the Group. Such extension options allow for operational flexibility in managing the Group's assets. Where the Group assesses at lease commencement date that it is reasonably certain to exercise the extension options, rentals during the extension period are included in determination of lease liability. The undiscounted potential estimated exposure in respect of future lease payments for extension options which the Group is not reasonably certain to exercise is presented as follows:

	2024 US$ million	2023 US$ million
- Within one year	-	0.4
- More than one year but not exceeding two years	1.0	0.6
- More than two years but not exceeding five yeas	4.4	3.3
- More than five years	37.8	41.0
Total	**43.2**	**45.3**

As presented under financing cashflows in the consolidated statement of cashflows, cash outflows for lease payments of US$38.7 million (2023: US$37.7 million) include repayment of US$25.9 million principal (2023: US$24.8 million) and US$12.8 million interest (2023: US$12.9 million).

In respect of lease contracts not recognised as right-of-use assets in line with HKFRS 16 requirements (refer to Note 7), payments of US$104.6 million (2023: US$104.1 million) have been presented under operating cash flows.

Notes to Consolidated Financial Statements
Continued

28. Provisions

	2024 US$ million	2023 US$ million
Non-current		
Employee benefits	29.3	28.3
Mine rehabilitation, restoration and dismantling (a)	505.7	443.8
Other provisions[1]	130.0	174.9
Total non-current provisions	**665.0**	**647.0**
Current		
Employee benefits	79.3	49.0
Workers' compensation	-	0.1
Mine rehabilitation, restoration and dismantling (a)	3.0	3.8
Other provisions[1]	44.4	74.4
Total current provisions	**126.7**	**127.3**
Aggregate		
Employee benefits	108.6	77.3
Workers compensation	-	0.1
Mine rehabilitation, restoration and dismantling (a)	508.7	447.6
Other provisions[1]	174.4	249.3
Total provisions	**791.7**	**774.3**

1 Other provisions primarily include amounts for certain tax related matters which are partially released due to favourable outcomes (refer to Note 38).

(a) Mine rehabilitation, restoration and dismantling

	2024 US$ million	2023 US$ million
At 1 January	447.6	405.0
Acquisition of subsidiaries (Note 31)	18.0	-
Recognition of provisions	38.8	20.5
Payments made	(0.7)	(1.6)
Unwinding of discount on provisions	22.9	22.4
Exchange rate differences	(17.9)	1.3
At 31 December	**508.7**	**447.6**

Provision is made in these consolidated financial statements for the anticipated costs of the mine rehabilitation obligations under the mining leases and exploration licences.

Notes to Consolidated Financial Statements
Continued

29. Trade and Other Payables

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

	2024 US$ million	2023 US$ million
Non-Current		
Other payables and accruals	**309.6**	**286.5**
Current		
Trade payables		
- Less than 6 months	384.3	322.5
- More than 6 months	2.9	-
	387.2	322.5
Related party interest payable (Note 33(d))	41.9	45.5
Other payables and accruals	250.2	248.4
Total current trade and other payables	**679.3**	**616.4**
Aggregate		
Trade payables[1]	387.2	322.5
Related party interest payable (Note 33(d))	41.9	45.5
Other payables and accruals[2]	559.8	534.9
Total trade and other payables (Notes 34.1(c), (e) and 34.3)	**988.9**	**902.9**

1 At 31 December 2024, the Group's trade and other payables included an amount of US$1.1 million (2023: US$4.2 million) (Note 33(d)), 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 2024, the Group's other payables and accruals included an amount of US$7.0 million (2023: US$5.4 million) accrued interest on external bank borrowings.

Notes to Consolidated Financial Statements
Continued

30. Deferred Revenue

	2024 US$ million
Balance as at acquisition date (Note 31)	**349.8**
Deferred revenue recognised during the period (Note 5)	(24.3)
Interest charge (Note 8)	21.6
31 December 2024	**347.1**
Current	24.1
Non-current	323.0
	347.1

31. Business Combination

Summary of acquisition

On 20 November 2023, the Group entered into a Share Purchase Agreement ("SPA") 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"), to purchase the entire issued share capital of CCL from the Sellers. The acquisition was completed on 22 March 2024.

The acquisition is structured via an investment holding company established by the Group for the purpose of the acquisition, MMG Africa Holdings Company Limited (a wholly-owned subsidiary of the Company). At the date of the acquisition, the Group satisfied the total consideration of US$1,734.7 million. The transaction has been accounted for as an acquisition of a business using the acquisition method. In addition to the payment of consideration, under the terms of the SPA, the Group was also required to advance a loan to CCL to enable CCL to repay certain borrowings, derivatives and seller transaction costs at the completion of the transaction. The Group has performed an assessment of the estimated fair value of the net identifiable assets and liabilities as at 22 March 2024. The fair value estimation subjects to management judgement and estimates as disclosed in Note 4, 2(b).

Notes to Consolidated Financial Statements
Continued

The following table summarises the consideration paid, and the amounts of the assets acquired and liabilities assumed that were recognised at the acquisition date as per the assessment.

	As at 22 March 2024 Fair Value US$ million
Consideration	
Total consideration[3]	1,734.7
	1,734.7
Identifiable Assets Recognised and Liabilities Assumed	
Assets	
Non-current assets	
Property, plant and equipment	2,425.5
Intangible assets	0.6
Right-of-use assets	0.5
Deferred income tax assets	9.3
	2,435.9
Current assets	
Inventories	12.1
Trade and other receivables[1]	17.6
Cash and cash equivalents	46.5
	76.2
Total assets	**2,512.1**
Liabilities	
Non-current liabilities	
Deferred revenue	327.4
Provisions	18.0
Deferred income tax liabilities	509.5
Borrowings	354.6
	1,209.5
Current liabilities	
Trade and other payables	54.2
Lease liabilities	0.5
Deferred revenue	22.4
Current income tax liability	0.3
	77.4
Total liabilities	**1,286.9**
Net identifiable assets acquired	**1,225.2**
Add: Goodwill[2]	509.5
Consideration paid	**1,734.7**

Notes to Consolidated Financial Statements
Continued

1 There is no material difference between the gross contractual amount receivable and their fair value.

2 The goodwill arising from purchase price allocation included the effect of deferred tax liability for the difference between the fair value of newly consolidated assets and liabilities and their carrying amounts. Refer to Note 15.

3 Acquisition-related costs amounting to US$15.3 million (2023: US$1.0 million) have been excluded from the consideration transferred and have been recognised directly as an expense in the period within the "other expenses" line item (Note 5 and 7) in the consolidated statement of profit or loss, net of recharge of US$8.2 million to Comor Holdings (2023: nil).

Net cash outflows arising on acquisition of CCL Group

	US$ million
Consideration paid in cash	1,734.7
Repayment of CCL Group's borrowings, derivatives and sellers' transaction costs	354.6
	2,089.3
Less: cash and cash equivalents acquired	(46.5)
	2,042.8

For the year ended 31 December 2024, there was revenue of US$295.8 million and net profits of US$8.4 million generated by CCL Group and consolidated in the Group financial statements. Had the acquisition been completed on 1 January 2024, revenue and net profit for the year ended 31 December 2024 of the Group would have been US$4,546.7 million and US$320.3 million respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results. In determining the revenue and profit of the Group had CCL Group been acquired at the beginning of the year, the directors of the Company calculated depreciation and amortisation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

Upon acquisition, CCL Group became a wholly-owned subsidiary of Khoemacau JV Co., an entity owned 100% by MMG Africa Holdings Company Limited. The Company is of the opinion that it has the ability to govern the financial and operating policies of CCL Group. On 6 June 2024, the Group transferred 45% interest of Khoemacau JV Co.to Comor Holdings without losing control. Refer to Notes 2 and 17 for more details.

Notes to Consolidated Financial Statements
Continued

32. Notes to Consolidated Statement of Cash Flows

(a) Reconciliation of profit for the year to net cash generated from operating activities is as follows:

	2024 US$ million	2023 US$ million
Profit for the year	**366.0**	**122.1**
Adjustments for:		
Finance income (Note 8)	(22.2)	(24.3)
Finance costs (Note 8)	390.8	366.4
Depreciation and amortisation expenses (Note 7)	1,005.7	930.2
Impairment expenses (Note 13)	53.0	-
Losses on disposal of property, plant and equipment (Note 6)	15.1	2.6
Loss/(gain) on FVTPL (Note 7)	1.7	(1.2)
Share-based payment	3.1	(1.5)
Unrealised gain on commodity hedge[1]	(7.4)	(3.1)
Changes in working capital:		
Inventories	(191.7)	490.3
Trade and other receivables	(166.9)	(126.2)
Trade and other payables	(45.8)	67.2
Provisions	31.6	50.8
Deferred revenue (Note 30)	(24.3)	-
Tax assets and tax liabilities	203.2	(23.4)
Net cash generated from operating activities	**1,611.9**	**1,849.9**

1 The unrealised gain on commodity derivative is recognised in revenue.

(b) In the Consolidated Statement of Cash Flows, purchase of property, plant and equipment comprises:

	2024 US$ million	2023 US$ million
Total additions (Note 13)	927.9	813.5
Adjustments for non-cash (addition)/reduction		
Recognition of provisions for mine rehabilitation, restoration and dismantling[1]	(20.9)	(21.8)
Other non-cash additions	(1.8)	(1.7)
Purchase of property, plant and equipment	**905.2**	**790.0**

1 The transfer from provision for mine rehabilitation, restoration and dismantling included the impact of exchange rate differences on foreign currency provisions for mine rehabilitation, restoration and dismantling for operating sites. Refer to Note 28(a) for details.

Notes to Consolidated Financial Statements
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33. Significant Related Party Transactions

The Group is controlled by CMN through China Minmetals H.K. (Holdings) Limited ("Minmetals HK"), which is a subsidiary of CMN. At 31 December 2024, 67.5% (31 December 2023: 67.6%) of the Company's shares were held by CMN and 32.5% (31 December 2023: 32.4%) were widely held by the public. The Directors consider the ultimate holding company to be China Minmetals Corporation ("CMC"), a stated-owned company incorporated in the PRC, of which CMN is a subsidiary.

For the purposes of the related party transaction disclosures, the Directors believe that meaningful information in respect of related party transactions has been adequately disclosed. In addition to the related party information and transactions disclosed elsewhere in the consolidated financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties during the year.

(a) Transactions with CMC and its group companies (other than those within the Group)

	2024 US$ million	2023 US$ million
Sales		
Sales of non-ferrous metals	1,908.7	2,027.5
Commodity derivatives transaction		
Gain/(loss) on commodity derivatives	5.2	(15.6)
Other loss	(3.3)	(1.3)
Purchases		
Purchases of consumables and services	(22.2)	(22.9)
Finance costs – net		
Interest expense (Note 8)	(133.4)	(108.2)
Other finance cost (Note 8)[1]	(5.8)	(4.0)

1 For the year ended 31 December 2024, other finance cost – related parties includes an amount of US$5.8 million (2023: US$4.0 million) guarantee fee, paying for guarantee CMC and CMN provided for obtaining certain Resolving Credit Facilities ("RCF") from external banks.

Guarantee

For the year ended 31 December 2024, CMN continues to provide credit guarantees supporting MMG Finance Limited ("MMF", a subsidiary of the Company), in respect of the US$300.0 million RCF with ICBC and the US$200.0 million RCF with China Construction Bank ("CCB") Asia. CMC provides credit guarantees to Las Bambas in respect of US$700.0 million RCF with syndicate banks, US$1.0 billion RCF with syndicated banks; and CMC also provides credit guarantees to Khoemacau JV Co. in respect of US$1.05 billion term loan with CDB for the acquisition of Khoemacau.

(b) Transactions and balances with other state-owned enterprises

During the year ended 31 December 2024, the Group's significant transactions with Chinese state-owned enterprises (excluding CMC and its subsidiaries) are sales of non-ferrous metals and purchases of consumables and services and the related receivables and payables balances. These transactions were based on terms as set out in the underlying agreements, on statutory rates or market prices or actual cost incurred, or as mutually agreed.

Notes to Consolidated Financial Statements
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(c) Key management compensation

Key management includes Directors (executive and non-executive) and members of the Executive Committee. The key management personnel remuneration for the Group was as follows:

	2024 US$ million	2023 US$ million
Salaries and other short-term employee benefits	5.1	4.0
Short-term incentives and discretionary bonus	2.5	1.6
Long-term incentives	1.8	0.5
Post-employment benefits	0.2	0.1
Termination benefits	1.7	-
	11.3	**6.2**

During the years ended 31 December 2024 and 2023, no emoluments were paid or payable by the Group to the Directors or members of the Executive Committee as an inducement to join or upon joining the Group.

(d) Year-end balances

	2024 US$ million	2023 US$ million
Amounts payable to related parties		
Loans from Top Create[1,2,3] (Note 26)	2,566.3	2,461.3
Loan from Album Trading Company (Note 26)	-	270.0
Interest payable to related parties (Note 29)	41.9	45.5
Trade and other payable to CMN (Note 29)	1.1	4.2
	2,609.3	**2,781.0**
Amounts receivable from related parties (Note 20)		
Trade receivables from CMN	228.9	159.1
Other receivables from CMN	7.0	1.8
Prepayments to CMN	2.9	-
Prepayments to CMC	3.4	-
	242.2	**160.9**
Derivative financial assets-transacted with related parties	**10.6**	**3.1**

1 The loan amount from Top Create included the amounts from a facility agreement dated on 22 July 2014 between MMG SA and Top Create. In accordance with that agreement, a loan facility of up to US$2,262.0 million was made available to MMG SA, for a period of eleven years commencing on the date of the first drawdown of the loan. For the year ended 31 December 2024, the Group repaid US$375.0 million and deferred US$525.0 million repayment from July 2024 to July 2027. The total balance as at 31 December 2024 was US$1,786.3 million consisting of three tranches maturing in July 2025, July 2026 and July 2027 respectively. Tranche II and III incur interest at a separate all-in fixed rate for each of the repayment tranches of between 4.10% and 4.50% per annum, which is payable annually. Tranche I incurred all-in fixed rate of 2.2% and the interest of the deferred US$525.0 million was SOFR plus a margin commencing on or after 25 July 2024.

2 The loan amount from Top Create included US$570.0 million drawn by the Company pursuant to a revolving credit facility agreement dated 7 December 2023 between MMF and Top Create. In accordance with that agreement, a loan facility of up to US$1.0 billion was made available to MMF for a period of three years commencing on the date of the first drawdown of the loan. The interest rate is SOFR plus a margin.

3 The loan amount from Top Create also included US$210.0 million drawn by the Group in the year of 2024 pursuant to a KEP project facility agreement dated 7 December 2023 between MMF and Top Create. In accordance with that agreement, a loan facility of up to US$300.0 million is made available to MMF. This facility will expire in December 2030. The interest rate under the facility is fixed at 4.15%.

Notes to Consolidated Financial Statements
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34. Financial and Other Risk Management

34.1 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, and liquidity risk. 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 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, molybdenum and Cobalt 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 2024, the Group entered into various commodity trades to hedge the sales prices for copper and zinc. Unsettled commodity trades as of 31 December 2024 included:

- Zero/low-cost collar hedges:
  - 5,500 tons of copper with put strike price ranging from US$9,250/ton to US$10,385/ton and call strike price ranging from US$9,750/ton to US $10,700/ton;
  - 900 tons of zinc with put strike price ranging from US$2,850/ton to US$2,900/ton and call strike price ranging from US$3,315/ton to US$3,430/ton.
- Fixed price swap hedges:
  - 13,800 tons of copper with fixed price ranging from US$9,008/ton to US$9,253/ton;
  - 8,550 tons of zinc with fixed price ranging from US$2,690/ton to US$3,150/ton.
- Above hedges settlement ranged from January to May 2025.

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

Notes to Consolidated Financial Statements
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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: Hedging instrument US$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness: Hedged item US$ million	Settled portion of hedging instrument realised gains US$ million	Hedging gain recognised in cash flow hedge reserve US$ million	Cost of hedging reserve US$ million
Cash flow hedges:							
At 31 December 2024							
Derivative financial assets/(liabilities)	**March 2024 to May 2025**	2.9	2.9	(2.9)	1.2	2.0	-
At 31 December 2023							
Derivative financial assets	**March 2023 to December 2023**	-	-	-	10.8	-	-

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:

	2024			2023	
Commodity	Commodity price movement	Increase in profit US$ million	Decrease in OCI US$ million	Commodity price movement	Increase in profit US$ million
Copper	+10%	9.3	(5.5)	+10%	11.2
Zinc	+10%	-	-	+10%	7.2
Total		**9.3**	**(5.5)**		**18.4**

Commodity	Commodity price movement	Decrease in profit US$ million	Increase in OCI US$ million	Commodity price movement	Decrease in profit US$ million
Copper	-10%	(8.8)	5.5	-10%	(10.9)
Zinc	-10%	0.1	-	-10%	(7.2)
Total		**(8.7)**	**5.5**		**(18.1)**

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(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. Details of the Group's cash and cash equivalents have been disclosed in Note 23 while the details of the Group's borrowings are set out in Note 26.

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 current exposures mainly arise on non-derivative financial assets and liabilities.

At 31 December 2024 and 2023, if the interest rate had increased/(decreased) by 100 basis points, with all other variables held constant, post-tax profit would have changed as follows:

	2024		2023	
	+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	(Decrease)/ increase in profit after tax
Financial assets				
Cash and cash equivalents	0.8	(0.8)	3.0	(3.0)
Financial liabilities				
Borrowings - variable interest rate	(21.5)	21.5	(17.6)	17.6
Total	**(20.7)**	**20.7**	**(14.6)**	**14.6**

(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$. The majority of revenue received by the Group is in US$. 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.

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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	Notes	US$	PEN	A$	BWP$	Others	Total
At 31 December 2024							
Financial assets							
Cash and cash equivalents	23	173.2	6.4	3.1	5.6	4.4	**192.7**
Trade receivables	20	443.7	-	-	-	-	**443.7**
Other receivables		51.6	188.0	0.4	3.4	0.1	**243.5**
Derivative financial assets	21	11.0	-	-	-	-	**11.0**
Other financial assets	22	1.0	-	-	-	-	**1.0**
Financial liabilities							
Trade and other payables	29	(465.7)	(413.0)	(68.0)	(35.0)	(7.2)	**(988.9)**
Borrowings	26	(4,628.8)	-	-	-	-	**(4,628.8)**
Lease liabilities	27	(109.0)	(9.3)	(29.9)	-	-	**(148.2)**
Derivative financial liabilities	21	(0.7)	-	-	-	-	**(0.7)**
		(4,523.7)	**(227.9)**	**(94.4)**	**(26.0)**	**(2.7)**	**(4,874.7)**

US$ million	Notes	US$	PEN	A$	HK$	Others	Total
At 31 December 2023							
Financial assets							
Cash and cash equivalents	23	425.3	16.5	0.8	0.4	4.0	**447.0**
Trade receivables	20	354.8	-	-	-	-	**354.8**
Other receivables		30.9	211.4	6.8	-	0.1	**249.2**
Derivative financial assets	21	3.1	-	-	-	-	**3.1**
Other financial assets	22	2.7	-	-	-	-	**2.7**
Financial liabilities							
Trade and other payables	29	(459.3)	(384.8)	(52.0)	-	(6.8)	**(902.9)**
Borrowings	26	(4,707.1)	-	-	-	-	**(4,707.1)**
Lease liabilities	27	(118.8)	(0.2)	(28.6)	-	-	**(147.6)**
		(4,468.4)	**(157.1)**	**(73.0)**	**0.4**	**(2.7)**	**(4,700.8)**

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Based on the Group's net monetary assets and financial liabilities at 31 December 2024 and 2023, 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:

	2024		2023	
	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 (2023: 10%)	(6.6)	6.6	(5.1)	5.1
10% movement in Peruvian sol (2023: 10%)	(15.5)	15.5	(10.7)	10.7
10% movement in Botswana pula	(1.8)	1.8	-	-
Total	**(23.9)**	**23.9**	**(15.8)**	**15.8**

(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 within 30 days after delivery and the balance within 30 days of submission of all required documentation and fulfilment of obligations under the respective incoterm for the sales. The aging analysis of the trade receivables is provided in Note 20, and 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 as disclosed in Note 20 best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

Investments in cash, short-term bank 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 2024 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 2024 and 2023, the Group assessed the ECL for these balances and considered no significant impact to the consolidated financial statements.

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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:

	2024	2023
CMN	42.6%	46.6%
CITIC Metal	16.6%	20.2%
Trafigura	16.2%	8.2%

The Group's largest debtor at 31 December 2024 was CMN with a balance of US$228.9 million (2023: US$159.1 million) and the five largest debtors accounted for 81.5% (2023: 77.6%) 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	**2024**	**2023**
Asia	361.7	264.7
Europe	74.5	78.6
Others	7.5	11.5
	443.7	**354.8**

(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.

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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 2024						
Financial assets						
Cash and cash equivalents (Note 23)	192.7	-	-	-	**192.7**	**192.7**
Trade receivables (Note 20)	443.7	-	-	-	**443.7**	**443.7**
Other receivables	127.5	116.0	-	-	**243.5**	**243.5**
Derivative financial assets (Note 21)	11.0	-	-	-	**11.0**	**11.0**
Other financial assets (Note 22)	-	1.0	-	-	**1.0**	**1.0**
Financial liabilities						
Trade and other payables (Note 29)	(679.3)	(309.6)	-	-	**(988.9)**	**(988.9)**
Borrowings (including interest) (Note 26)	(1,132.9)	(1,312.8)	(2,630.7)	(271.6)	**(5,348.0)**	**(4,628.8)**
Lease liabilities (including interest) (Note 27)	(36.1)	(34.0)	(74.5)	(55.9)	**(200.5)**	**(148.2)**
Derivative financial liabilities (Note 21)	(0.7)	-	-	-	**(0.7)**	**(0.7)**
	(1,074.1)	**(1,539.4)**	**(2,705.2)**	**(327.5)**	**(5,646.2)**	**(4,874.7)**
At 31 December 2023						
Financial assets						
Cash and cash equivalents (Note 23)	447.0	-	-	-	**447.0**	**447.0**
Trade receivables (Note 20)	354.8	-	-	-	**354.8**	**354.8**
Other receivables	93.4	150.7	5.1	-	**249.2**	**249.2**
Derivative financial assets (Note 21)	3.1	-	-	-	**3.1**	**3.1**
Other financial assets (Note 22)	-	2.7	-	-	**2.7**	**2.7**
Financial liabilities						
Trade and other payables (Note 29)	(616.4)	(286.5)	-	-	**(902.9)**	**(902.9)**
Borrowings (including interest) (Note 26)	(1,599.6)	(1,285.1)	(1,899.6)	(824.3)	**(5,608.6)**	**(4,707.1)**
Lease liabilities (including interest) (Note 27)	(33.9)	(32.6)	(66.0)	(73.7)	**(206.2)**	**(147.6)**
	(1,351.6)	**(1,450.8)**	**(1,960.5)**	**(898.0)**	**(5,660.9)**	**(4,700.8)**

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Available debt facilities

As at 31 December 2024, the Group had available in its undrawn debt facilities an amount of US$2,950.0 million (31 December 2023: US$4,325.0 million). These include:

1. US430.0 million that was undrawn and available under US$1,000.0 million RCF from Top Create. It will expire in December 2026;
2. A US$300.0 million RCF from ICBC was undrawn and available. It will expire in December 2026;
3. A new US$200.0 million RCF from CCB Asia was undrawn and available. It will expire in January 2027;
4. A new US$100.0 million RCF from CCB Asia was undrawn and available. It will expire in April 2027;
5. A new US$100.0 million RCF from BOC was undrawn and available. It will expire in April 2027;
6. A new US$100.0 million RCF from Development Bank of Singapore ("DBS") was undrawn and available. It will expire in June 2025;
7. A 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;
8. A US$275.0 million RCF from BOC was undrawn and available. This facility will expire in April 2026;
9. A US$95.0 million term loan from Bank of Communication ("BOCOM") was undrawn and available. The loan will expire in August 2026;
10. US$90.0 million that was undrawn and available under the $300 million Term Loan from Top Create. It will expire in December 2030;
11. A new US$100.0 million RCF from CCB was undrawn and available. This facility will expire in February 2027;
12. US$560.0 million that was undrawn and available under a new $700.0 million syndicated RCF borrowed from CDB, China Construction Bank, BOCOM and The Export-Import Bank of China which will expire in March 2027;
13. US$100.0 million that was undrawn and available under a new US$1,000.0 million syndicated RCF borrowed from BOC, ICBC, CCB and BOCOM which will expire in September 2029;
14. A US$350.0 million RCF from Album Enterprises was undrawn and available. This facility will expire in July 2027;

Some of the Group's 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 2024. 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.

34.2 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.

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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.

34.3 Fair values of financial instruments

The fair values of cash and cash equivalents and short-term monetary financial assets and financial liabilities approximate their carrying values. The fair values of other monetary financial assets and liabilities are either based upon market prices, where a market exists, or have been determined by discounting the expected future cash flows by the current interest rate for financial assets and financial liabilities with similar risk profiles.

The fair value of commodity derivatives is determined based on the discounted future cash flows. Future cash flows are estimated based on forward commodity price from observable yield curves at the end of the reporting period and contracted price, discounted by the current interest rate.

The fair values of listed equity investments have been valued by reference to market prices prevailing at the reporting date.

The carrying values of other receivables less impairment provisions and trade payables are a reasonable approximation of their fair values due to the short-term nature of trade receivables and payables. The fair values of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

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The carrying amounts and fair values of financial assets and liabilities by category and class at 31 December 2024 and 2023 are:

US$ million	Notes	Amortised cost (assets)	Financial assets/ (liabilities) at FVTPL	Financial assets at fair value designated under cash flow hedge	Amortised cost (liabilities)	Total carrying value	Total fair value
At 31 December 2024							
Financial assets							
Cash and cash equivalents	23	192.7	-	-	-	**192.7**	**192.7**
Trade receivables	20	-	443.7	-	-	**443.7**	**443.7**
Other receivables		243.5	-	-	-	**243.5**	**243.5**
Derivative financial assets	21	-	8.1	2.9	-	**11.0**	**11.0**
Other financial assets	22	-	1.0	-	-	**1.0**	**1.0**
Financial liabilities							
Trade and other payables	29	-	-	-	(988.9)	**(988.9)**	**(988.9)**
Borrowings	26	-	-	-	(4,628.8)	**(4,628.8)**	**(4,674.8)**
Lease liabilities	27	-	-	-	(148.2)	**(148.2)**	**(148.2)**
Derivative financial liabilities	21	-	(0.7)	-	-	**(0.7)**	**(0.7)**
		436.2	**452.1**	**2.9**	**(5,765.9)**	**(4,874.7)**	**(4,920.7)**

US$ million	Notes	Amortised cost (assets)	Financial assets at FVTPL	Amortised cost (liabilities)	Total carrying value	Total fair value
At 31 December 2023						
Financial assets						
Cash and cash equivalents	23	447.0	-	-	**447.0**	**447.0**
Trade receivables	20	-	354.8	-	**354.8**	**354.8**
Other receivables		249.2	-	-	**249.2**	**249.2**
Derivative financial assets	21	-	3.1	-	**3.1**	**3.1**
Other financial assets	22	-	2.7	-	**2.7**	**2.7**
Financial liabilities						
Trade and other payables	29	-	-	(902.9)	**(902.9)**	**(902.9)**
Borrowings	26	-	-	(4,707.1)	**(4,707.1)**	**(4,850.1)**
Lease liabilities	27	-	-	(147.6)	**(147.6)**	**(147.6)**
		696.2	**360.6**	**(5,757.6)**	**(4,700.8)**	**(4,843.8)**

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34.4 Fair value estimation

The table below analyses financial instruments carried at fair value, by the valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2024 and 31 December 2023.

US$ million	Level 1	Level 2	Total
At 31 December 2024			
Trade receivables (Note 20)	-	443.7	**443.7**
Derivative financial assets[2] (Note 21)	-	11.0	**11.0**
Derivative financial liabilities[2] (Note 21)	-	(0.7)	**(0.7)**
Other financial assets[1] (Note 22)	1.0	-	**1.0**
	1.0	**454.0**	**455.0**
At 31 December 2023			
Trade receivables (Note 20)	-	354.8	**354.8**
Derivative financial assets[2] (Note 21)	-	3.1	**3.1**
Other financial assets[1] (Note 22)	2.7	-	**2.7**
	2.7	**357.9**	**360.6**

There were no transfers between levels 1, 2 during the reporting period.

1 The fair values of financial instruments traded in active markets are based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Instruments included in level 1 comprise investments in listed stock exchanges.

2 The fair value of the collar hedge and fixed price swap hedge is determined based on discounted future cash flows. Future cash flows are estimated based on London Metal Exchange contract future rates for commodities at the end of the reporting period and contracted commodity prices, discounted at a rate that reflects the credit risk of various counterparties.

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34.5 Capital risk management

The Group's objectives in managing capital are to safeguard its ability to continue as a going concern, support sustainable growth, enhance shareholder value and provide capital for potential acquisitions and investment.

The gearing ratio for the Group is set out below, with gearing 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.

The Group	2024 US$ million	2023 US$ million
Total borrowings (excluding prepaid finance charges)[1] (Note 26)	4,635.1	4,748.1
Less: cash and cash equivalents (Note 23)	(192.7)	(447.0)
Net debt	**4,442.4**	**4,301.1**
Total equity	6,278.5	4,312.0
Net debt + Total equity	**10,720.9**	**8,613.1**
Gearing ratio	**0.41**	**0.50**

1 Borrowings at an MMG Group level reflect 100% of borrowings of the Las Bambas JV Co. and Khoemacau JV Co. Joint venture companies' borrowings have not been reduced to reflect the MMG Group's share of equity interest in entities. This is consistent with the basis of preparation of MMG's financial statements.

Under the terms of relevant debt facilities held by the Group, the gearing ratio for covenant compliance purposes is calculated exclusive of US$1,786.3 million (2023: US$2,161.3 million) of shareholder debts that were used to fund the MMG Group's equity contribution to the Las Bambas JV Co. For the purpose of the above, they have however been included as borrowings.

35. Directors' and Senior Management's Emoluments

(a) Directors' emoluments

The remuneration of every Director for the year ended 31 December 2024 is set out below:

	For the Year Ended 31 December 2024					
Name of Directors	Fees US$'000	Salaries US$'000	Other benefits[1] US$'000	Short-term incentive plans[2] US$'000	Long-term incentive plans[3] US$'000	Total US$'000
Mr CAO Liang[4]	-	645	14	552	306	1,517
Mr LI Liangang[5]	-	320	6	-	-	326
Mr XU Jiqing (Chairman)[7]	-	-	-	-	-	-
Mr LEUNG Cheuk Yan	138	-	-	-	-	138
Dr Peter William CASSIDY	145	-	1	-	-	146
Mr ZHANG Shuqiang	-	-	-	-	-	-
Mr Peter Ka Keung CHAN	155	-	1	-	-	156
Ms Chen Ying[6]	59	-	-	-	-	59
	497	**965**	**22**	**552**	**306**	**2,342**

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The remuneration of every Director for the year ended 31 December 2023 is set out below:

	For the Year Ended 31 December 2023					
Name of Directors	Fees US$'000	Salaries US$'000	Other benefits[1] US$'000	Short-term incentive plans[2] US$'000	Long-term incentive plans[3] US$'000	Total US$'000
Mr LI Liangang[5]	-	962	17	304	93	1,376
Mr XU Jiqing (Chairman)[7]	-	-	1	-	-	1
Mr LEUNG Cheuk Yan	138	-	-	-	-	138
Dr Peter William CASSIDY	144	-	1	-	-	145
Mr ZHANG Shuqiang	-	-	-	-	-	-
Dr Peter Ka Keung CHAN	154	-	1	-	-	155
	436	**962**	**20**	**304**	**93**	**1,815**

1. Other benefits include statutory superannuation, pension contributions and non-monetary benefits. Not all benefits apply to each executive; benefits are applied variably based on contractual obligations.

2 Short-term incentive ("STI") plans include at-risk, performance-linked remuneration, STI plans and discretionary bonuses.

The STI plan is an annual cash award determined by performance against Group financial and safety targets and individual performance. For operational roles, additional components include performance targets related to production rates, unit costs, and operational safety.

Participation in the at-risk incentive plans is offered to participants as a percentage of their fixed remuneration according to seniority and their ability to influence the performance of the Group. All employees on long-term employment contracts are eligible to participate in a STI plan. The incentive plans' provision for STIs was re-assessed at the reporting date.

3 Long Term Incentive ("LTI") plans are performance-linked remuneration LTI plans, and most recently consist of the 2022 Long Term Incentive Equity plans ("LTIEP"), which is the Performance Awards Schemes vesting at the conclusion of a three year performance period, and the 2023 and 2024 Performance Incentive Cash Award plan. The vesting of LTI plans is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant, including amongst others, achievement of financial, resources growth and market-related performance targets at the conclusion of the respective vesting period.

Participation in the at-risk incentive plans is offered to participants as a percentage of their fixed remuneration according to seniority and their ability to influence the performance of the Group. The LTI plans are limited to senior managers invited to participate by the Board. The incentive plans' provision for LTI plans was re-assessed at the reporting date. The values attributed to the LTI plans are estimated values based on an assessment of the likely outcomes for each LTI plans and may be adjusted based on the actual outcome. The values attributed to the LTI plans are subject to Board approval at end of the vesting period.

4 Mr CAO Liang was appointed as the CEO and an Executive Director of the Company on 24 April 2024.

5 Mr LI Liangang resigned as the interim CEO and an Executive Director of the Company on 24 April 2024.

6 Ms Chen Ying was appointed as the independent non-executive director on 29 July 2024; and

7 Mr Xu Jiqing was appointed as the Chairman of the board on 21 August 2023.

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(b) Five highest-paid individuals

The five individuals whose emoluments were the highest in the Group for the year include one Director (2023: one) whose emoluments are reflected in the analysis presented above and four (2023: four) senior executives and senior management whose remuneration by band are set out in the "Senior management remuneration by band" section in this Note.

Details of the emoluments payable to all five individuals during the year are as follows:

	2024 US$'000	2023 US$'000
Salaries and other short-term employee benefits	3,185	3,551
Short-term incentives and discretionary bonus	1,966	1,641
Long-term incentives	1,478	536
Post-employment benefits	100	120
Termination benefits	1,690	-
	8,419	**5,848**

During the years ended 31 December 2024 and 2023, no emoluments were paid or payable by the Group to any of the five highest-paid individuals as an inducement to join or upon joining the Group.

(c) Senior management remuneration by band

The emoluments of current senior management fell within the following bands:

	Number of Individuals	
	2024	2023
HK$6,000,001 - HK$6,500,000 (US$765,591 - US$829,390)	1	1
HK$6,500,001 - HK$7,000,000 (US$829,391 - US$893,190)	1	-
HK$7,000,001 - HK$7,500,000 (US$893,191 - US$956,990)	-	1
HK$7,500,001 - HK$8,000,000 (US$956,991 - US$1,020,790)	1	-
HK$8,000,001 - HK$8,500,000 (US$1,020,791 - US$1,084,580)	-	1
HK$9,500,001 - HK$10,000,000 (US$1,212,181 - US$1,275,980)	1	-
HK$10,500,001 - HK$11,000,000 (US$1,339,781 - US$1,403,580)	-	1
HK$11,500,001 - HK$12,000,000 (US$1,467,381 - US$1,531,180)	1	-
HK$12,000,001-HK$12,500,000 (US$1,531,181 - US$1,594,980)	-	1
HK$12,500,001 - HK$13,000,000 (US$1,594,981 - US$1,658,780)	1	-
	6	**5**

Notes to Consolidated Financial Statements
Continued

36. Long-Term Incentive Plans

Performance Awards (Shares)

Pursuant to the performance awards granted under the LTIEP, Performance Awards were granted to eligible participants under 2021 Performance Awards and 2022 Performance Awards. At 31 December 2024, there were a total of 23,188,433 Performance Awards (2023: 39,800,298) outstanding granted under the 2021 Performance Awards and 2022 Performance Awards, which represented approximately 0.19% (2023: 0.46%) of the total number of issued shares of the Company at that date.

2021 Performance Awards

On 21 June 2021, the Company granted performance awards to the eligible participants pursuant to the LTIEP (2021 Performance Awards). There were no performance awards outstanding at 31 December 2024.

During the year ended 31 December 2024, the movements of the 2021 Performance Awards were as follows:

		Number of Performance Awards					
Category and name of participant	Date of grant[1][2]	Balances at 1 January 2024	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year[3]	Balance at 31 December 2024
Director							
LI Liangang[4]	21 June 2021	760,615	-	-	-	(760,615)	-
Employees of the Group	21 June 2021	12,904,828	-	(7,534,028)	-	(5,370,800)	-
Total		**13,665,443**	**-**	**(7,534,028)**	**-**	**(6,131,415)**	**-**

During the year ended 31 December 2023, the movements of the 2021 Performance Awards were as follows:

		Number of Performance Awards					
Category and name of participant	Date of grant[1][2]	Balances at 1 January 2023	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year[3]	Balance at 31 December 2023
Director							
LI Liangang	21 June 2021	760,615	-	-	-	-	760,615
Employees of the Group	21 June 2021	14,060,567	-	-	-	(1,155,739)	12,904,828
Total		**14,821,182**	**-**	**-**	**-**	**(1,155,739)**	**13,665,443**

1 The closing price of the shares of the Company immediately before the date on which the awards were granted on 21 June 2021 was HK$3.39 per share.

2 The vesting and performance period of the performance awards is three years from 1 January 2021 to 31 December 2023. The vesting was completed on 5 June 2024. The vesting of performance awards is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. Performance awards vest on a percentage basis based on the threshold and target performance levels achieved. Portions of the vested performance awards will be subject to holding locks for various periods of up to two years after vesting. The performance awards are granted for nil cash consideration. Achievement of the Company and Individual performance conditions have resulted in 64.93% of the 2021 Performance Awards granted to participants vesting on 5 June 2024.

3 Performance Awards lapsed due to non-achievement of some performance conditions during the vesting period and cessation of employment during the year.

4 Mr LI Liangang resigned as the Interim CEO and Executive Director of the Company on 24 April 2024. His interests in the Performance Awards lapsed on the same day.

Notes to Consolidated Financial Statements
Continued

The Performance Awards are granted for nil cash consideration. The vesting of the Performance Awards will be subject to the achievement by each participant of certain performance conditions, among other things, independently assessed measures of achievement of non-market based conditions such as resources growth and financial and market based conditions such as total shareholder return. Portions of the vested Performance Awards will be subject to holding locks for various periods of up to two years after vesting.

The estimated fair value of the Performance Awards granted on 21 June 2021 was approximately US$0.3928 each, estimated at the date of grant by using Monte Carlo Simulations (for market based conditions) and reference to market price of the Company's shares at the date of grant.

The value of the Performance Awards was subject to a number of assumptions and limitations of the Performance Awards-pricing model, including a risk-free interest rate, price volatility, expected life of the Performance Awards, market price of the Company's shares and expected dividend. The risk-free interest rate was 0.45%; the expected volatility used in calculating the value of Performance Awards was 69.06% and the expected dividend was assumed to be nil.

During the year ended 31 December 2024, the Group recognised a share award expense of approximately US$0.5 million (2023: US$0.1 million) in relation to the 2021 Performance Awards.

2022 Performance Awards

On 21 April 2022, the Company granted Performance Awards to the eligible participants pursuant to the LTIEP (2022 Performance Awards). There were 23,188,433 Performance Awards outstanding at 31 December 2024, representing approximately 0.19% of the total number of issued shares of the Company at that date.

During the year ended 31 December 2024, the movements of the 2022 Performance Awards were as follows:

		Number of Performance Awards					
Category and name of participants	**Date of grant[1,2]**	**Balances at 1 January 2024**	**Granted during the year**	**Vested and exercised during the year**	**Cancelled during the year**	**Lapsed during the year[3]**	**Balance at 31 December 2024**
Director							
LI Liangang[4]	21 April 2022	1,249,244	-	-	-	(1,249,244)	-
Employees of the Group	21 April 2022	24,885,611	1,416,0955	-	-	(3,113,273)	23,188,433
Total		**26,134,855**	**1,416,095**	**-**	**-**	**(4,362,517)**	**23,188,433**

Notes to Consolidated Financial Statements
Continued

During the year ended 31 December 2023, the movements of the 2022 Performance Awards were as follows:

		Number of Performance Awards					
Category and name of participants	Date of grant[1][2]	Balances at 1 January 2023	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year[3]	Balance at 31 December 2023
Director							
LI Liangang	21 April 2022	1,249,244	-	-	-	-	1,249,244
Employees of the Group	21 April 2022	26,802,050	-	-	-	(1,916,439)	24,885,611
Total		**28,051,294**	**-**	**-**	**-**	**(1,916,439)**	**26,134,855**

1 The closing price of the shares of the Company immediately before the date on which the awards were granted on 21 April 2022 was HK$3.50 per share.

2 The vesting and performance period of the performance awards is three years from 1 January 2022 to 31 December 2024. The time of vesting will be on or around June 2025. The vesting of performance awards is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. Performance awards vest on a percentage basis based on the threshold and target performance levels achieved. Portions of the vested performance awards will be subject to holding locks for various periods of up to two years after vesting. The performance awards are granted for nil cash consideration.

3 Performance awards lapsed due to cessation of employment.

4 Mr LI Liangang resigned as the Interim CEO and Executive Director of the Company on 24 April 2024. His interests in the performance awards lapsed on the same day.

5 Pursuant to the terms of the LTIEP, which governs (among others) the performance awards, the number of Shares issuable upon exercise of 2022 Performance Awards was adjusted as a result of the Rights Issue, with effect from 15 July 2024.

The performance awards are granted for nil cash consideration. The vesting of the performance awards will be subject to the achievement by each participant of certain performance conditions, among other things, independently assessed measures of achievement of non-market based conditions such as resources growth and financial and market based conditions such as total shareholder return. Portions of the vested performance awards will be subject to holding locks for various periods of up to two years after vesting.

The estimated fair value of the performance awards granted on 21 April 2022 was approximately US$0.4114 each, estimated at the date of grant by using Monte Carlo Simulations (for market based conditions) and reference to market price of the Company's shares at the date of grant.

The value of the performance awards was subject to a number of assumptions and limitations of the performance awards-pricing model, including a risk-free interest rate, price volatility, expected life of the performance awards, market price of the Company's shares and expected dividend. The risk-free interest rate was 2.87%; the expected volatility used in calculating the value of performance awards was 68.26% and the expected dividend was assumed to be nil.

During the year ended 31 December 2024, the Group reversed a share award expense of approximately US$2.6 million (2023: US$0.8 million) in relation to the 2022 Performance Awards.

Notes to Consolidated Financial Statements
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Performance Incentive Cash Award (Cash)

2023 Performance Incentive Cash Award

Pursuant to the Board approval, a performance incentive cash award was granted on 19 June 2023 to eligible participants under the 2023 Performance Incentive Cash Award ("PICA"). The award requires the Company to pay the intrinsic value of the PICA to the employees at the date of exercise. At 31 December 2024, there were a total of 39,012,345 PICA (2023: 45,164,016) outstanding.

During the year ended 31 December 2024, the movement of PICA was as follows:

		Number of Performance Incentive Cash Award					
Category and name of participant	**Date of grant**[12]	**Balances at 1 January 2024**	**Granted during the year**	**Vested and exercised during the year**	**Cancelled during the year**	**Lapsed during the year**[3]	**Balance at 31 December 2024**
Director							
LI Liangang[4]	19 June 2023	1,700,976	-	-	-	(1,700,976)	-
Employees of the Group	19 June 2023	43,463,040	-	-	-	(4,450,695)	39,012,345
Total		**45,164,016**	**-**	**-**	**-**	**(6,151,671)**	**39,012,345**

During the year ended 31 December 2023, the movement of PICA was as follows:

		Number of Performance Incentive Cash Award					
Category and name of participant	**Date of grant**[12]	**Balances at 1 January 2023**	**Granted during the year**	**Vested and exercised during the year**	**Cancelled during the year**	**Lapsed during the year**[3]	**Balance at 31 December 2023**
Director							
LI Liangang	19 June 2023	-	1,700,976	-	-	-	1,700,976
Employees of the Group	19 June 2023	-	45,777,105	-	-	(2,314,065)	43,463,040
Total		**-**	**47,478,081**	**-**	**-**	**(2,314,065)**	**45,164,016**

1 The closing price of the shares of the Company immediately before the date on which the PICA were granted on 19 June 2023 was HK$2.60 per share.

2 The vesting and performance period of the PICA is three years from 1 January 2023 to 31 December 2025. The time of vesting will be on or around June 2026. The vesting of PICA is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. PICA vests on a percentage basis based on the threshold and target performance levels achieved. PICA is granted for nil cash consideration .

3 PICA lapsed due to cessation of employment.

4 Mr LI Liangang resigned as the Interim CEO and Executive Director of the Company on 24 April 2024. His interests in the performance awards lapsed on the same day.

Notes to Consolidated Financial Statements
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The fair value of 2023 PICA was determined using Monte Carlo Simulations (for market based conditions) and reference to market price of the Company's shares at the date of each valuation date.

At 31 December 2024, the Group has recorded liabilities of approximately US$4.7 million (2023: US$2.9 million). The value of PICA was subject to a number of assumptions and limitations of the PICA pricing model, including a risk-free interest rate, price volatility, expected life of the PICA, price multiplier, market price of the Company's shares and expected dividend. The risk-free interest rate was 3.73%; the expected volatility used in calculating the value of 2023 PICA was 58.41% and the expected dividend was assumed to be nil.

During the year ended 31 December 2024, the Group recognised a cash-award expense of approximately US$1.8 million (2023: US$2.9 million) in relation to the 2023 PICA.

2024 Performance Incentive Cash Award

Pursuant to the Board approval, a performance incentive cash award was granted on 43,248,975 July 2024 to eligible participants under the 2024 PICA. The award requires the Company to pay the intrinsic value of the PICA to the employees at the date of exercise. At 31 December 2024, there were a total of 43,248,975 PICA (2023: nil) outstanding.

During the year ended 31 December 2024, the movement of PICA was as follows:

		Number of Performance Incentive Cash Award					
Category and name of participant	Date of grant[1][2]	Balances at 1 January 2024	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year[3]	Balance at 31 December 2024
Director							
CAO Liang[4]	1 September 2024	-	4,997,229	-	-	-	4,997,229
Employees of the Group	1 September 2024	-	38,251,746	-	-	-	38,251,746
Total		-	**43,248,975**	-	-	-	**43,248,975**

1 The closing price of the shares of the Company immediately before the date on which the PICA were granted on 1 September 2024 was HK$2.59 per share.

2 The vesting and performance period of the PICA is three years from 1 January 2024 to 31 December 2026. The time of vesting will be on or around June 2027. The vesting of PICA is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. PICA vests on a percentage basis based on the threshold and target performance levels achieved. PICA is granted for nil cash consideration.

3 PICA lapsed due to cessation of employment.

4 Mr CAO Liang was appointed as the CEO and an Executive Director of the Company on 24 April 2024.

The fair value of 2024 PICA was determined using Monte Carlo Simulations (for market based conditions) and reference to market price of the Company's shares at the date of each valuation date.

At 31 December 2024, the Group has recorded a cash-award expense and related liabilities of approximately US$2.6 million (2023: nil). The value of PICA was subject to a number of assumptions and limitations of the PICA pricing model, including a risk-free interest rate, price volatility, expected life of the PICA, price multiplier, market price of the Company's shares and expected dividend. The risk-free interest rate was 3.81%; the expected volatility used in calculating the value of 2024 PICA was 58.41% and the expected dividend was assumed to be nil.

During the year ended 31 December 2024, the Group recognised a cash-award expense of approximately US$2.6 million (2023: nil) in relation to the 2024 PICA.

Notes to Consolidated Financial Statements
Continued

37. Commitments

Capital commitments

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

	2024 US$ million	2023 US$ million
Property, plant and equipment		
Within one year	261.3	225.6
Over one year but not more than five years	129.0	119.8
	390.3	**345.4**
Intangible assets		
Within one year	0.8	1.9
Over one year but not more than five years	-	0.4
	0.8	**2.3**

Aggregate	2024 US$ million	2023 US$ million
Property, plant and equipment and intangible assets		
Contracted but not provided for	**391.1**	**347.7**

38. 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 2024, these guarantees amounted to US$330.7 million (2023: US$310.5 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, Botswana, Laos and Congo. Except for the financial impacts disclosed for the Peruvian tax matters in subsequent paragraphs, 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 of the Group, such disclosure may seriously prejudice the position of the Group in dealing with those matters.

Notes to Consolidated Financial Statements
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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 ("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.

In June and July 2024, MLB received favourable decisions of the Tax Court in Peru determining that MLB is not liable to penalty withholding tax at a 30% rate. The Tax Court decision relates to the 2014, 2015, 2016 and 2017 tax periods. The Tax Court stated that the purpose of the related-party provisions in the Income Tax law is to prevent tax avoidance practices and according to the Court, the nature of the relationship between MLB, MMG and the Chinese lender banks (the Lenders) is not for tax avoidance purposes. Therefore, the Court concluded that the interpretation of SUNAT was against the law and dismissed it and revoked the appealed Assessments in relation to the 2014 to 2017 tax periods in the amount of US$557.0 million. The assessments for omitted taxes, along with the corresponding penalties and interest, have been revoked, and the outstanding debt is currently recorded as zero in SUNAT's system.

Having received the above Tax Court decisions, external legal and tax advice, the Group has the continued point of 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.

Since September 2024, SUNAT filed judicial lawsuits challenging the Tax Court's decisions. MLB has already submitted its response and commenced its legal defence for FY 2017 and FY 2016. In January 2025 SUNAT filed judicial appeals on FY 2014 and FY 2015 cases. MLB has responded within the deadline. A final decision in the Judiciary may take several years.

Notes to Consolidated Financial Statements
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Peru – Income Taxes (2016, 2017, and 2018)

Las Bambas received assessment notices from SUNAT in connection with the 2016, 2017 and 2018 income tax audit during 2023 and 2024. SUNAT assessments and interpretations include:

- Denying 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;
- Alleging 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);
- Alleging 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; and
- Denying recognition of previous years' tax losses, including 2014, 2015 and 2016 development costs.

The Assessment issued by SUNAT for tax, interest and penalties for the tax periods above totalled PEN7,474.0 million (approximately US$1,992.0 million).

In September 2024, MLB received Tax Court Resolutions related to 2016 and 2017 income tax audits. MLB successfully addressed the objections and the tax exposure was reduced from US$1,121.0 million to zero.

The income tax 2018 audit concluded with the same interpretation of previous years regarding the non-deductibility of interest expenditure. Due to the favourable rulings for FY 2016 and 2017, a favourable outcome is also expected for FY 2018.

Las Bambas has notified the Peruvian Government of a dispute pursuant to the Peru-Netherlands Bilateral Investment Treaty (Treaty) in respect of the deductions denied for interest on the loans from Chinese banks, and the Peruvian Government has confirmed its inability to resolve the dispute by way of commercial negotiation. Due to the favourable rulings, the arbitration has not commenced.

Considering Las Bambas' positive results 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. However, SUNAT have appealed as mentioned above. If Las Bambas' defence is unsuccessful in the appeal, it could result in significant liabilities being recognised.

39. Events after the end of the reporting period

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 18 February 2025, the Group entered into an agreement to acquire the Anglo American nickel business in Brazil. The total consideration is up to US$500 million including upfront cash consideration of US$350 million and contingent consideration of US$150 million. The completion of this transaction is still subject to the fulfillment of the conditions under the agreement.

Notes to Consolidated Financial Statements
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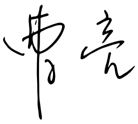
40. Company Statement of Financial Position, Reserves and Accumulated Losses

(a) Company Statement of Financial Position

		At 31 December	
	Note	2024 US$ million	2023 US$ million
ASSETS			
Non-current assets			
Loans to subsidiaries		1,074.1	103.4
Interests in subsidiaries		2,618.9	2,420.7
		3,693.0	**2,524.1**
Current assets			
Other receivables		3.7	0.1
Cash and cash equivalents		0.4	0.7
		4.1	**0.8**
Total assets		**3,697.1**	**2,524.9**
EQUITY			
Share capital		4,379.8	3,224.6
Reserves and accumulated losses	(b)	(789.6)	(713.7)
Total equity		**3,590.2**	**2,510.9**
LIABILITIES			
Current liabilities			
Other payables		0.6	0.2
Borrowings from a subsidiary		106.3	13.8
Total liabilities		**106.9**	**14.0**
Net current liabilities		**(102.8)**	**(13.2)**
Total equity and liabilities		**3,697.1**	**2,524.9**



CAO Liang
CEO and Executive Director

XU Jiqing
Chairman of the Board and Non-Executive Director

Notes to Consolidated Financial Statements
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(b) Company reserves and accumulated losses

US$ million	Special capital reserve	Share-based payment reserve	Accumulated losses	Total
At 1 January 2024	**9.4**	**5.4**	**(728.5)**	**(713.7)**
Loss for the year	-	-	(76.2)	**(76.2)**
Employee long-term incentives	-	3.1	-	**3.1**
Employee performance awards vested and exercised	-	(2.8)	-	**(2.8)**
At 31 December 2024	**9.4**	**5.7**	**(804.7)**	**(789.6)**
At 1 January 2023	**9.4**	**9.9**	**(634.0)**	**(614.7)**
Loss for the year	-	-	(94.6)	**(94.6)**
Employee long-term incentives	-	(1.5)	-	**(1.5)**
Employee share options vested and exercised	-	(2.9)	-	**(2.9)**
Employee share options lapsed	-	(0.1)	0.1	**-**
At 31 December 2023	**9.4**	**5.4**	**(728.5)**	**(713.7)**

Five-year Financial Summary

US$ million	2024	2023	2022	2021	2020
Results – the Group					
Revenue	4,479.2	4,346.5	3,254.2	4,255.0	3,033.7
EBITDA	**2,048.7**	**1,461.9**	**1,535.4**	**2,725.4**	**1,379.7**
EBIT	990.0	531.7	745.3	1,827.4	451.9
Finance income	22.2	24.3	15.0	5.4	1.9
Finance costs	(390.8)	(366.4)	(299.8)	(329.0)	(401.4)
Profit before income tax	**621.4**	**189.6**	**460.5**	**1,503.8**	**52.4**
Income tax expense	(255.4)	(67.5)	(217.0)	(583.3)	(46.8)
Profit for the year	**366.0**	**122.1**	**243.5**	**920.5**	**5.6**
Attributable to:					
Equity holders of the Company	161.9	9.0	172.4	667.1	(64.7)
Non-controlling interests	204.1	113.1	71.1	253.4	70.3
	366.0	**122.1**	**243.5**	**920.5**	**5.6**

A summary of the Group results that relate to current operations involving the exploration for, and development of mining projects, is presented below.

US$ million	2024	2023	2022	2021	2020
Results – current operations					
EBIT	990.0	531.7	745.3	1,827.4	451.9
Significant non-recurring items	53.0	-	-	-	-
Underlying EBIT[1]	**1,043.0**	**531.7**	**745.3**	**1,827.4**	**451.9**

1 Underlying EBIT represents EBIT adjusted for significant non-recurring items (before tax). During the year ended 31 December 2024, the underlying loss attributable to equity holders of the Company excludes non-recurring item relating to the impairment of Kinsevere assets of US$53.0 million (before-tax).

Five-year Financial Summary
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US$ million	2024	2023	2022	2021	2020
Assets and liabilities – the Group					
Property, plant and equipment	11,722.6	9,417.1	9,509.4	9,763.1	10,075.9
Right-of-use assets	119.9	118.1	111.2	104.6	122.8
Intangible assets	1,044.2	534.0	534.2	537.3	546.5
Inventories	708.5	504.5	994.8	682.9	492.7
Trade and other receivables	889.0	644.8	510.0	399.4	601.4
Cash and cash equivalents	192.7	447.0	372.2	1,255.3	192.7
Other financial assets	1.0	2.7	1.5	1.8	1.7
Derivative financial assets	11.0	3.1	126.0	32.7	-
Current income tax assets	17.4	79.5	60.5	62.3	25.7
Deferred income tax assets	279.6	150.0	315.7	184.7	238.6
Total assets	**14,985.9**	**11,900.8**	**12,535.5**	**13,024.1**	**12,298.0**
Capital and reserves attributable to equity holders of the Company	3,419.0	2,123.4	2,139.0	1,930.5	936.4
Non-controlling interests	2,859.5	2,188.6	2,089.5	1,997.5	1,733.3
Total equity	**6,278.5**	**4,312.0**	**4,228.5**	**3,928.0**	**2,669.7**
Borrowings	4,628.8	4,707.1	5,412.6	6,298.1	7,179.5
Lease liabilities	148.2	147.6	138.7	131.1	148.7
Trade and other payables	988.9	902.9	753.0	615.8	582.4
Derivative financial liabilities	0.7	-	0.3	4.9	40.0
Other financial liabilities	-	-	-	-	145.4
Current income tax liabilities	225.7	104.2	114.2	277.6	22.7
Provisions	791.7	774.3	680.2	749.8	644.4
Deferred income tax liabilities	1,576.3	952.7	1,208.0	1,018.8	865.2
Deferred revenue	347.1	-	-	-	-
Total liabilities	**8,707.4**	**7,588.8**	**8,307.0**	**9,096.1**	**9,628.3**
Total equity and liabilities	**14,985.9**	**11,900.8**	**12,535.5**	**13,024.1**	**12,298.0**

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
Anglo American	Anglo American PLC, a company incorporated in England & Wales, whose ordinary shares are listed on the London Stock Exchange (the primary listing), the JSE Limited, the SIX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange
associate(s)	has the meaning ascribed to it under the Listing Rules
Articles of Association	The articles of association of the Company which a special resolution for the adoption of the new Articles of Association was passed by the Shareholders at the AGM of the Company held on 23 May 2024
Australia	The Commonwealth of Australia
Award Shares	the Shares to be awarded pursuant to vesting of the Performance Awards under the Company's Long Term Incentive Equity Plan
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
CCB	China Construction Bank (Asia) Corporation Limited
CDB	China Development Bank
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CG Code	Corporate Governance Code under Appendix C1 of the Listing Rules
China	has the same meaning as PRC
CMC	China Minmetals Corporation, a state-owned enterprise incorporated under the laws of the PRC
CMC Group	CMC and its subsidiaries
CMCL	China Minmetals Corporation Limited, a subsidiary of CMC
CMN	China Minmetals Non-ferrous Metals Co., Ltd, a subsidiary of CMC
CMNH	China Minmetals Non-ferrous Metals Holding Co., Ltd, a subsidiary of CMC which was deregistered on 20 September 2024
CNIC	CNIC Corporation Limited, a company incorporated in Hong Kong
Comor Holdings	Comor Holdings Corporation Limited, a wholly-owned subsidiary of CNIC Corporation Limited
Companies Ordinance	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
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
Director(s)	the director(s) of the Company
DRC	Democratic Republic of Congo

Glossary
Continued

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
Executive Committee	the executive committee of the Group, which consists of all Executive Directors of the Company, Chief Executive Officer, Chief Financial Officer, Executive General Manager – Corporate Relations, Executive General Manager – Operations, Executive General Manager – Americas and Interim Executive General Manager – Commercial and Development
EXIM Bank	The Export-Import Bank of China
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 Luxembourg	Industrial and Commercial Bank of China Limited, Luxembourg Branch
ICBC Panama	Industrial and Commercial Bank of China Limited, Panama Branch
ICMM	International Council on Mining and Metals
JORC Code	Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'
KEP	Kinsevere Expansion Project
Khoemacau Joint Venture Group	MMG Africa Resources Company Limited and its subsidiaries
Las Bambas Joint Venture Group	MMG South America Management Company Limited (also referred to as MMG SAM), and its subsidiaries
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
LME	London Metal Exchange
Metkins	Metkins Construction S.A., a company incorporated in the DRC, and an associate of MCC International Incorporation Ltd., of which 49% of its interest is held by MCC International Incorporation Ltd.
Mineral Resources	as defined under the JORC Code, a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction
Minmetals HK	China Minmetals H.K. (Holdings) Limited, a wholly-owned subsidiary of CMC
Minmetals Logistics	Minmetals Logistics Group Co., Ltd, a wholly-owned subsidiary of CMC
Minmetals North-Europe	Minmetals North-Europe Aktiebolag, a company incorporated in Sweden, and an indirect wholly-owned subsidiary of CMC

Glossary
Continued

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 Australia	MMG Australia Limited, a wholly-owned subsidiary of the Company
MMG Finance	MMG Finance Limited, a wholly-owned subsidiary of the Company
MMG SA	MMG South America Company Limited, a wholly-owned subsidiary of the Company
MMG SAM	MMG South America Management Company Limited, a non wholly-owned 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
Ore Reserves	as defined under the JORC Code, the economically mineable part of a Measured and / or Indicated Mineral Resource
Performance Awards	the performance awards granted by the Company to eligible participants pursuant to the Long Term Incentive Equity Plans
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
Rights Issue	On 4 June 2024, the Company announced a rights issue on the basis of 2 rights shares for every 5 existing shares held by Shareholders. The results of the rights issue were confirmed on 12 July 2024 and 3,465,432,486 rights shares were allotted and issued on 15 July 2024. Details of the Rights Issue are set out in the prospectus of the Company dated 4 June 2024
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Share(s)	fully paid ordinary share(s) of the Company
Shareholder(s)	the shareholder(s) of the Company
SHEC	Safety, Health, Environment and Community
Stock Exchange	The Stock Exchange of Hong Kong Limited
SUNAT	National Superintendence of Tax Administration of Peru
Top Create	Top Create Resources Limited, a wholly-owned 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 Information

Board of Directors

Chairman
XU Jiqing
(Non-executive Director)

Executive Director
ZHAO Jing Ivo
(Appointed as Chief Executive Officer and Executive Director with effect from 12 April 2025)

Non-executive Directors
ZHANG Shuqiang
CAO Liang (Re-designated with effect from 12 April 2025)

Independent Non-executive Directors
Peter CASSIDY
LEUNG Cheuk Yan
CHAN Ka Keung, Peter
CHEN Ying

Audit and Risk Management Committee

Chairman
CHAN Ka Keung, Peter

Members
ZHANG Shuqiang
CAO Liang
Peter CASSIDY
LEUNG Cheuk Yan
CHEN Ying

Governance, Remuneration, Nomination and Sustainability Committee

Chairman
Peter CASSIDY

Members
CAO Liang
LEUNG Cheuk Yan
CHAN Ka Keung, Peter
CHEN Ying

Disclosure Committee

Members
ZHAO Jing Ivo
QIAN Song
Troy HEY
Nicholas MYERS
WONG Lok Wun, Anfield

General Counsel

Nicholas MYERS

Company Secretary

WONG Lok Wun, Anfield

Legal Adviser

Linklaters, Hong Kong

Auditor

Deloitte Touche Tohmatsu
Certified Public Accounts
Registered Public Interest Entity Auditor

Share Registrar

Computershare Hong Kong Investor Services Limited
17th Floor Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Principal Bankers

China Development Bank
Industrial and Commercial Bank of China Limited
Bank of China Limited
The Export-Import Bank of China
Bank of America Merrill Lynch Limited
Australia and New Zealand Banking Group Limited
Banco Bilbao Vizcaya Argentaria, S.A.

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Share Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 1208

Additional Shareholder Information

The Chinese version of the Annual Report is prepared based on the English version. If there is any inconsistency between the English and Chinese versions of this Annual Report, the English text shall prevail to the extent of the inconsistency.