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

		At 31 December	
	Notes	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				Non-Controlling Interests	Total Equity
	Share Capital	Total Reserves	Retained Profits	Total		
	(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
Continued

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.

Notes to Consolidated Financial Statements
Continued

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.

Notes to Consolidated Financial Statements
Continued

(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.

Notes to Consolidated Financial Statements
Continued

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.

Notes to Consolidated Financial Statements
Continued

(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.

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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.

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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.

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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

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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**

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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**

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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**

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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)**

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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.

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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)**

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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.

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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
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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**

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(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
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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%.

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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.

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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.

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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**

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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**

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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
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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 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
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 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	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
Continued

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
Continued

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)**

Notes to Consolidated Financial Statements
Continued

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.

Notes to Consolidated Financial Statements
Continued

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.

Notes to Consolidated Financial Statements
Continued

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
Continued

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
Continued

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
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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
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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
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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
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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
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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%.

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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.

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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.

Notes to Consolidated Financial Statements
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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.

Notes to Consolidated Financial Statements
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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**

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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.

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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[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]	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**

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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.

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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[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]	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[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	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
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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
Continued

40. Company Statement of Financial Position, Reserves and Accumulated Losses

(a) Company Statement of Financial Position

	Note	At 31 December 2024 US$ million	At 31 December 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
Continued

(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**