

HKEX: 1208

**ICMM**  
International Council  
on Mining & Metals

**MINING WITH  
PRINCIPLES**



**MMG Limited**



THERE IS SO MUCH MORE  
TO BE SAFE FOR



# Annual Report 2025

We mine for  
**progress**

An aerial photograph of a mining operation in a dry, hilly landscape. In the foreground, there is a large, dark, rocky area, possibly a tailings pile or a road. A large, dark blue reservoir is visible in the middle ground, surrounded by a concrete dam. To the left of the reservoir, there are several industrial buildings, including a large blue one, and a parking lot with many vehicles. The background shows rolling hills and mountains under a clear blue sky.

Our vision is to create a leading international mining company for a low carbon future. MMG's commitment to sustainable practices, responsible resource management, and community engagement drives our operations and is critical to enabling our growth ambitions.

**Cover image:** Senior Geologist at Dugald River mine in Australia.

**This page:** Las Bambas operation in Peru.

# Contents



Chairman's Review

2

Chief Executive Officer's Report

4

Mineral Resources  
and Ore Reserves

7

Management Discussion  
and Analysis

23

Directors and  
Senior Management

67

Directors' Report

73

Corporate Governance Report

93

ESG Approach  
and Performance

111

Independent Auditor's Report

141

Financial Statements

145

Glossary

240

Corporate Information

243

# Chairman's Review

Dear Shareholders,

I am honoured to have joined MMG's Board as Chairman and thank my fellow Directors for their warm welcome and support. Having previously served as Chief Executive Officer, I am delighted to join the Board. Mining plays a critical role in the energy transition and the low carbon economy, and demand for our minerals continues to grow. It's an exciting time to contribute to this essential industry.

Safety is fundamental to MMG's operations. The Board is committed to building and sustaining a safety-first culture across our operations. We share one collective mission: to achieve meaningful, continuous progress in protecting the health and well-being of our workforce. This unwavering commitment is essential to delivering tangible benefits for all our people and to reducing and eliminating high potential injuries.

## Exceptional results and financial strength

Our 2025 full year result is exceptional with record revenue and cash flow – our strongest financial performance since the Group's formation in 2009. This result is underpinned by disciplined operational performance and financial management and supported by favourable commodity prices. MMG's balance sheet is now substantially stronger, with reduced net debt and a gearing ratio at a record low of 33 per cent. Supported by a Las Bambas joint venture (JV) dividend payment, we further deleveraged. This included the repayment of MMG's debt and, together with the contribution of our Khoemacau JV partner, facilitated the early repayment of US\$500 million in Khoemacau borrowings, which will provide greater financial flexibility for the early stages of the Khoemacau expansion.

It was very pleasing to see favourable demand for our first convertible bond, which was nearly 12 times oversubscribed and priced at some of the most attractive terms seen in the convertible bond market over the past decade - demonstrating significant

investor support for MMG. This support is further evidenced by the strong momentum in our share price during 2025. The Company's market capitalization has since exceeded HK\$100 billion.

## Growing our portfolio

Early in the year, we announced that MMG had entered into a Share Purchase Agreement with Anglo American plc for its nickel business in Brazil (Nickel Brazil). Our team continues to work with the European Commission to facilitate and close out their review. We remain committed to the acquisition and confident in its successful completion.

Following Board approval in December 2025, we marked the groundbreaking of the Khoemacau Copper Mine expansion in Botswana. It was a pleasure to be on the ground to celebrate this significant milestone, an important driver of our copper growth ambition. The expansion will increase production capacity to 130,000 tonnes of copper in copper concentrate per annum with associated silver output exceeding four million ounces. First copper concentrate from the expansion project is expected in the first half of 2028. Looking ahead, a further expansion potential of up to 200,000 tonnes of copper in copper concentrate per annum has been identified, supported by ongoing exploration success.

## Exploration for growth

We also announced increases (net of depletion) for Mineral Resources for total copper and Ore Reserves for total zinc. The gains, detailed in our 2025 Mineral Resources and Ore Reserves statement, underscore the Company's commitment to exploration and maximising value from its assets. These results demonstrate our continued commitment to exploration and resource-to-reserve conversion drilling at all sites. Importantly it is a result that allows us to replenish milled depletion and extend the life of our assets.

**“Our 2025 full year result is exceptional with record revenue and cash flow – our strongest financial performance since the Group’s formation in 2009.”**



## Board updates

We were pleased to have Mr QIAN Song join the Board in January 2026 as an Executive Director of the Company. We were equally delighted to appoint Mr YUE Wenjun as a Non-executive Director. Mr Qian has over three decades of experience in global treasury systems, commercial and investment banking, financial markets, and cross-cultural integration in mining assets as well as multi-industrial assets, both in China and internationally. With over two decades of experience in legal affairs and risk management, Mr Yue has extensive expertise in corporate governance, risk mitigation, regulatory compliance, and strategic asset operations.

Mr Qian remains as our CFO and a member of the Executive Committee, whilst Mr Yue was appointed as a member of MMG’s Governance, Remuneration, Nomination and Sustainability Committee.

## Looking ahead

While there is near-term volatility, the outlook for our commodities remains positive. Copper prices strengthened in 2025 - especially towards the end of the year - driven by factors including mine supply disruptions, robust demand for energy transition applications and accelerating development of AI-related data centres. At the same time, precious metals continue to attract investment during periods of global uncertainty. Our portfolio is well placed to capitalise on these gains.

Our commitment to safety, capital discipline, adoption of innovative new technologies and operational excellence - combined with our major shareholder’s strong support - creates an outstanding platform for growth. As we pursue our ambition to become a top 10 global copper producer, we will continue to empower a diverse international workforce to drive business success.

On behalf of the Board, I would like to acknowledge the MMG team. I am grateful for their outstanding work this year; and to our Shareholders, partners, and host communities I thank you for your ongoing support. The momentum we have built positions us well for the year ahead as we continue creating a safer, profitable and more resilient MMG.

**CAO Liang**  
Chairman

# Chief Executive Officer's Report

Dear Shareholders,

At MMG, we are proud to provide the world with the minerals and metals required to build a low carbon, sustainable global economy. Strong financial performance enables us to sustain this role by investing in our people, empowering our communities, leveraging technology and building a safe, resilient and innovative company that delivers long-term value to our shareholders. MMG ended the year strongly, delivering an excellent finish in terms of our operational and financial performance.

## Safety first

Safety remains our first value, and our focus on this critical area remains steadfast. MMG recorded a Total Recordable Injury Frequency (TRIF) of 2.06 per million hours worked for the full year 2025. The Significant Events with Energy Exchange Frequency (SEEEF) was 0.80 per million hours worked, increased from 0.78 per million hours worked in 2024. As a team we are focussed on reducing and eliminating high potential injuries. In practice, this means planning all work to ensure risks – including those with the potential to impact lives – are well understood and controls are put in place before any work starts.

## A year of growth

Company revenue for 2025 was US\$6,218.0 million, a 39 per cent increase from the prior year. It is a result driven by production growth across copper, zinc, gold, and silver, as well as favourable market prices. Our net profit after tax increased to US\$955.2 million (US\$509.4 million attributable to equity holders), up from US\$366.0 million (US\$161.9 million attributable to equity holders) in 2024.

Our total EBITDA and EBIT reached record highs. EBITDA rose to US\$3,412.1 million, while EBIT increased to US\$1,999.1 million. MMG also generated record net operating cash flows of US\$2,689.5 million and free cash flow of US\$1,608.1 million.

MMG's balance sheet is substantially stronger with debt reduction driven by higher profits and cash generation. This supports our ability to pursue growth while maintaining our commitment to safe operations and sustainable mining practices.

## Technology, innovation and operational excellence

It has been a year where we celebrated many milestones. MMG's total copper production rose 27 per cent year-on-year to 506,899 tonnes, driven by an outstanding performance at Las Bambas. This was made possible by the adoption of leading technology and innovation to drive higher production and stable operations at two pits, along with operational improvements. Total zinc production increased by six per cent to 232,060 tonnes, underpinned by a record year at Dugald River. Precious metals production also performed well, serving as valuable by-products. Our 2026 upper target for production is 528,000 and 235,000 tonnes of copper and zinc respectively.

## Our growth strategy

In this new year, we will work to deliver our production and cost targets and, of course, support our communities and engage stakeholders in our sustainability efforts. We continue to unlock the full strength of the China Minmetals Corporation group of companies and their transformative resources and cutting-edge solutions to deliver superior growth, and operating and financial outcomes. We are building

**“We are focused on delivering our growth plans and harnessing emerging technologies to strengthen our ability to deliver long-term value to shareholders.”**



on the success of the Integrated Remote Operations Centre at Las Bambas and are now trialling similar capabilities at Rosebery. Our three underground operations make extensive use of remote telemetry to operate in areas of higher risk and our fatigue monitoring tools, which use world leading technologies, are increasingly shared across sites to manage a key safety exposure.

An important contribution to MMG's growth pipeline is our Khoemaçau Expansion project. Our plan is to increase annual production capacity to 130,000 tonnes of copper in copper concentrate, with the potential for 200,000 tonnes over time. I was delighted to participate in a groundbreaking ceremony with the local team in February, allowing me to spend time with our employees and community members, and meet representatives from the Government of Botswana.

### **Progressing our sustainability efforts**

With operations spanning four mineral-rich regions, we make a direct contribution to the economic and social development of our host countries. While our results this year have been impressive, I am equally proud of the work our international team has done to strengthen relationships with our host communities and deliver real social innovation that truly makes a difference. This year, we released our first nature strategy, with work nearing completion on a refresh of our climate strategy. Our new United Nations Global Compact membership further aligns MMG with leaders on human rights, climate action, and governance.

### **Our people make the difference**

Meeting teams on the ground in my first year as CEO has been a highlight, and I look forward to continuing this in the new year. Our people are engaged, motivated, and aligned with our purpose. This year's People and Culture Survey shows positive results – engagement has risen from last year and now surpasses global industry benchmarks. There is always room for improvement, and we are committed to making MMG an even better place to work.

### **An exciting outlook**

While we remain mindful of the dynamic market environment, we are focused on delivering our growth plans and harnessing emerging technologies to strengthen our ability to deliver long-term value to shareholders. I am grateful to our people for their commitment and to our major shareholder, China Minmetals Corporation, for their ongoing support. I look forward to working with our team and stakeholders as we build on this success.

**ZHAO Jing Ivo**  
Chief Executive Officer

## Board of Directors



**Mr CAO Liang**  
Chairman and Non-executive Director



**Mr ZHAO Jing Ivo**  
Chief Executive Officer and  
Executive Director



**Mr QIAN Song**  
Executive Director



**Mr ZHANG Shuqiang**  
Non-executive Director



**Mr YUE Wenjun**  
Non-executive Director



**Dr Peter CASSIDY**  
Independent Non-executive  
Director



**Mr LEUNG Cheuk Yan**  
Lead Independent Non-executive  
Director



**Mr CHAN Ka Keung, Peter**  
Independent Non-executive  
Director



**Ms CHEN Ying**  
Independent Non-executive  
Director

## Executive Committee



**Mr ZHAO Jing Ivo**  
Chief Executive Officer



**Mr QIAN Song**  
Chief Financial Officer



**Mr Troy HEY**  
Executive General Manager  
- Corporate Relations



**Mr WANG Nan**  
Chief Operating Officer



**Ms GUAN Xiangjun Sandra**  
Interim Executive General  
Manager - Commercial  
and Development



**Mr XIA Weiquan**  
President of Africa  
Operations



**Mr CHEN Xuesong**  
President of Las Bambas

# Mineral Resources and Ore Reserves

## Executive Summary

Mineral Resources and Ore Reserves for MMG have been estimated as at 30 June 2025 and are reported in accordance with the guidelines in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) and Chapter 18 of the HKSE Listing Rules. Mineral Resources and Ore Reserves tables are provided on pages 8 to 16, which compare the 30 June 2024 and 30 June 2025 estimates for all sites. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources that have been converted to Ore Reserves. All supporting data are provided within the Technical Appendix, available on the MMG website.

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

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

Key changes to the Mineral Resources (contained metal) since the 30 June 2024 estimate include depletion<sup>1</sup> at all sites. At Las Bambas, exploration drilling at Ferrobamba Deeps, coupled with an updated Scoping Study has led to further extension to the Ferrobamba deposit with potential to be mined underground. An update to the Ferrobamba strategic plan has led to changes to the optimised pit and resulted in an increase of 660kt copper (before depletion) within the pit shell. Ferrobamba Deeps has increased by 160kt copper compared to 2024.

At Khoemaçau, reserve conversion drilling has continued at Zone 5 which has not replaced milled depletion of Mineral Resources or Ore Reserves since 2024.

At Dugald River Mine, reserve conversion drilling has converted a significant quantity of Inferred Mineral Resource into Proved and Probable Ore Reserve. This resulted in a reduction in the Inferred Mineral Resource from the same area, resulting in a global reduction of zinc in Mineral Resources by 350kt, 8kt lead and 1Moz silver (before depletion).

At Rosebery, infill and extensional drilling has continued to increase Mineral Resource and Ore Reserve tonnages. Before mill depletion, additional Mineral Resource metal of 540kt zinc, 130kt lead, 17kt copper, 22Moz silver and 400koz gold has been added.

At MMG's assets in the Democratic Republic of Congo (DRC), 42kt copper and 6kt cobalt has been added to the DRC Mineral Resources (before depletion). Kinsevere deposit increased by 14kt copper and 2kt cobalt while Sokoroshe decreased by 21kt copper and 2kt cobalt. However, the Kimbwe-Kafubu deposit increased by 53kt copper and 5kt cobalt resulting from improvements in pit design parameters. This almost doubles the size of the Kimbwe-Kafubu deposit compared to the 2024 Mineral Resource estimate.

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

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

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Las Bambas (62.5%)</b>																
<b>Ferrobamba Oxide Copper</b>																
Indicated	0.06	1.2							0.05	1.2						
Inferred																
<b>Total</b>	<b>0.06</b>	<b>1.2</b>							<b>0.05</b>	<b>1.2</b>						
<b>Ferrobamba Primary Copper</b>																
Measured	300	0.44			1.4	0.03	190		250	0.47			1.8	0.03	200	
Indicated	390	0.61			2.6	0.05	180		310	0.66			2.8	0.04	180	
Inferred	30	0.55			2.2	0.07	110		35	0.58			2.0	0.02	77	
<b>Total</b>	<b>730</b>	<b>0.54</b>			<b>2.1</b>	<b>0.04</b>	<b>180</b>		<b>600</b>	<b>0.57</b>			<b>2.3</b>	<b>0.03</b>	<b>180</b>	
<b>Ferrobamba Underground</b>																
Measured	48	0.32			0.7	0.01	200		67	0.31			1.0	0.02	220	
Indicated	410	0.34			0.9	0.02	180		390	0.37			1.5	0.02	200	
Inferred	290	0.37			0.9	0.03	170		220	0.38			1.3	0.01	170	
<b>Total</b>	<b>750</b>	<b>0.35</b>			<b>0.9</b>	<b>0.02</b>	<b>180</b>		<b>680</b>	<b>0.37</b>			<b>1.4</b>	<b>0.02</b>	<b>190</b>	
<b>Ferrobamba Total</b>	<b>1,500</b>	<b>0.44</b>			<b>1.5</b>	<b>0.03</b>	<b>180</b>		<b>1,300</b>	<b>0.46</b>			<b>1.9</b>	<b>0.03</b>	<b>190</b>	
<b>Chalcobamba Oxide Copper</b>																
Indicated	4.7	1.3							5.0	1.4						
Inferred	0.6	1.3							0.5	1.2						
<b>Total</b>	<b>5.3</b>	<b>1.3</b>							<b>5.5</b>	<b>1.4</b>						
<b>Chalcobamba Primary Copper</b>																
Measured	130	0.44			1.3	0.02	140		150	0.50			1.5	0.02	120	
Indicated	180	0.55			1.9	0.02	130		180	0.60			2.3	0.03	130	
Inferred	39	0.58			1.5	0.02	130		35	0.51			2.3	0.02	160	
<b>Total</b>	<b>350</b>	<b>0.51</b>			<b>1.7</b>	<b>0.02</b>	<b>140</b>		<b>360</b>	<b>0.55</b>			<b>2.0</b>	<b>0.02</b>	<b>130</b>	
<b>Chalcobamba Total</b>	<b>350</b>	<b>0.52</b>			<b>1.7</b>	<b>0.02</b>	<b>140</b>		<b>370</b>	<b>0.56</b>			<b>2.0</b>	<b>0.02</b>	<b>130</b>	
<b>Sulfobamba Primary Copper</b>																
Indicated	110	0.54			3.9	0.02	160		100	0.58			4.2	0.02	160	
Inferred	160	0.43			4.8	0.02	120		130	0.49			5.7	0.02	120	
<b>Total</b>	<b>270</b>	<b>0.48</b>			<b>4.4</b>	<b>0.02</b>	<b>140</b>		<b>230</b>	<b>0.53</b>			<b>5.1</b>	<b>0.02</b>	<b>140</b>	
<b>Sulfobamba Total</b>	<b>270</b>	<b>0.48</b>			<b>4.4</b>	<b>0.02</b>	<b>140</b>		<b>230</b>	<b>0.53</b>			<b>5.0</b>	<b>0.02</b>	<b>140</b>	
<b>Oxide Copper Stockpile</b>																
Indicated	14	1.1							14	1.1						
<b>Total</b>	<b>14</b>	<b>1.1</b>							<b>14</b>	<b>1.1</b>						
<b>Sulphide Stockpile</b>																
Measured	48	0.47			2.1		130		23	0.34			1.8		110	
<b>Total</b>	<b>48</b>	<b>0.47</b>			<b>2.1</b>		<b>130</b>		<b>23</b>	<b>0.34</b>			<b>1.8</b>		<b>110</b>	
<b>Las Bambas Total</b>	<b>2,200</b>								<b>1,900</b>							

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Khoemacau (55%)</b>																
<b>Zone 5</b>																
Measured	13	1.8			15				16	1.7			16			
Indicated	31	1.6			16				33	1.6			15			
Inferred	64	1.8			20				63	1.8			20			
<b>Total</b>	<b>110</b>	<b>1.7</b>			<b>18</b>				<b>110</b>	<b>1.7</b>			<b>18</b>			
<b>Zone 5 North</b>																
Measured	-	-			-				-	-			-			
Indicated	4.4	2.6			44				4.4	2.6			44			
Inferred	19	1.8			30				19	1.8			30			
<b>Total</b>	<b>23</b>	<b>1.9</b>			<b>32</b>				<b>23</b>	<b>1.9</b>			<b>32</b>			
<b>Zeta NE</b>																
Measured	-	-			-				-	-			-			
Indicated	8.9	2.6			53				8.9	2.6			53			
Inferred	20	1.7			33				20	1.7			33			
<b>Total</b>	<b>29</b>	<b>2.0</b>			<b>39</b>				<b>29</b>	<b>2.0</b>			<b>39</b>			
<b>Banana Zone</b>																
Measured	-	-			-				-	-			-			
Indicated	33	1.4			21				33	1.4			21			
Inferred	120	0.8			10				120	0.8			9.7			
<b>Total</b>	<b>150</b>	<b>0.9</b>			<b>12</b>				<b>150</b>	<b>0.9</b>			<b>12</b>			
<b>Ophion</b>																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	14	1.1			12				14	1.1			12			
<b>Total</b>	<b>14</b>	<b>1.1</b>			<b>12</b>				<b>14</b>	<b>1.1</b>			<b>12</b>			
<b>Plutus</b>																
Measured	2.4	1.3			13				2.4	1.3			13			
Indicated	9.3	1.3			13				9.3	1.3			13			
Inferred	57	1.4			12				57	1.4			12			
<b>Total</b>	<b>69</b>	<b>1.4</b>			<b>12</b>				<b>69</b>	<b>1.4</b>			<b>12</b>			
<b>Selene</b>																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	7.1	1.2			20				7.1	1.2			20			
<b>Total</b>	<b>7.1</b>	<b>1.2</b>			<b>20</b>				<b>7.1</b>	<b>1.2</b>			<b>20</b>			
<b>Zeta UG</b>																
Measured	-	-			-				-	-			-			
Indicated	8.5	1.6			31				8.5	1.6			31			
Inferred	12	1.5			29				12	1.5			29			
<b>Total</b>	<b>20</b>	<b>1.6</b>			<b>30</b>				<b>20</b>	<b>1.6</b>			<b>30</b>			
<b>Zone 6</b>																
Measured	-	-			-				-	-			-			
Indicated	-	-			-				-	-			-			
Inferred	7.1	1.6			10				7.1	1.6			10			
<b>Total</b>	<b>7.1</b>	<b>1.6</b>			<b>10</b>				<b>7.1</b>	<b>1.6</b>			<b>10</b>			
<b>Mango</b>																
Measured	-	-			-				-	-			-			
Indicated	11	1.9			23				11	1.9			23			
Inferred	10	1.7			19				10	1.7			19			
<b>Total</b>	<b>21</b>	<b>1.8</b>			<b>21</b>				<b>21</b>	<b>1.8</b>			<b>21</b>			
<b>Stockpile</b>																
Measured	0.04	1.4			19				0.02	1.5			15			
<b>Total</b>	<b>0.04</b>	<b>1.4</b>			<b>19</b>				<b>0.02</b>	<b>1.5</b>			<b>15</b>			
<b>Khoemacau Total</b>	<b>450</b>	<b>1.4</b>			<b>18</b>				<b>450</b>	<b>1.4</b>			<b>18</b>			

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Kinsevere (100%)</b>																
<b>Oxide Copper</b>																
Measured	1.3	2.9						0.09	1.4	2.8						0.09
Indicated	3.5	2.7						0.11	3.5	2.7						0.10
Inferred	1.9	2.1						0.09	2.3	2.0						0.12
<b>Total</b>	<b>6.7</b>	<b>2.6</b>						<b>0.10</b>	<b>7.2</b>	<b>2.5</b>						<b>0.11</b>
<b>Transition Mixed Copper Ore</b>																
Measured	0.5	2.3						0.09	0.5	2.0						0.12
Indicated	1.3	2.0						0.11	1.5	1.8						0.11
Inferred	0.8	1.6						0.06	1.1	1.5						0.07
<b>Total</b>	<b>2.5</b>	<b>1.9</b>						<b>0.09</b>	<b>3.1</b>	<b>1.7</b>						<b>0.10</b>
<b>Primary Copper</b>																
Measured	2.7	1.8						0.13	1.7	2.1						0.15
Indicated	23	2.1						0.09	21	2.2						0.09
Inferred	10	1.8						0.06	11	1.7						0.06
<b>Total</b>	<b>35</b>	<b>2.0</b>						<b>0.08</b>	<b>34</b>	<b>2.0</b>						<b>0.08</b>
<b>Oxide-TMO Cobalt</b>																
Measured	0.04	0.57						0.08	0.01	0.61						0.07
Indicated	0.16	0.46						0.11	0.06	0.52						0.15
Inferred	0.29	0.50						0.10	0.10	0.57						0.08
<b>Total</b>	<b>0.49</b>	<b>0.49</b>						<b>0.10</b>	<b>0.17</b>	<b>0.55</b>						<b>0.10</b>
<b>Primary Cobalt</b>																
Measured	0.02	0.49						0.13	0.02	0.65						0.23
Indicated	0.08	0.32						0.30	0.23	0.64						0.13
Inferred	0.13	0.26						0.34	0.14	0.66						0.09
<b>Total</b>	<b>0.23</b>	<b>0.30</b>						<b>0.30</b>	<b>0.39</b>	<b>0.65</b>						<b>0.12</b>
<b>Stockpiles</b>																
Indicated	12	1.3							13	1.4						
Indicated (Co)	5.4	1.7						0.2	5.3	2.1						0.2
<b>Total</b>	<b>18</b>	<b>1.4</b>							<b>19</b>	<b>1.6</b>						
<b>Kinsevere Total</b>	<b>62</b>	<b>1.9</b>						<b>0.1</b>	<b>63</b>	<b>1.9</b>						<b>0.08</b>

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Sokoroshe 2 (100%)</b>																
<b>Oxide Copper</b>																
Measured																
Indicated	0.9	1.5					0.28	1.7	2.1							0.30
Inferred	0.36	1.5					0.22	0.54	1.6							0.13
<b>Total</b>	<b>1.2</b>	<b>1.5</b>					<b>0.26</b>	<b>2.2</b>	<b>2.0</b>							<b>0.26</b>
<b>Transition Mixed Copper Ore</b>																
Measured																
Indicated	0.05	1.3					0.61	0.29	1.3							0.36
Inferred	0.01	1.0					0.42	0.11	1.4							0.27
<b>Total</b>	<b>0.06</b>	<b>1.2</b>					<b>0.58</b>	<b>0.40</b>	<b>1.4</b>							<b>0.33</b>
<b>Primary Copper</b>																
Measured																
Indicated	0.53	1.6					0.49	0.51	1.7							0.42
Inferred	0.05	1.7					0.27	0.30	1.5							0.22
<b>Total</b>	<b>0.58</b>	<b>1.6</b>					<b>0.47</b>	<b>0.81</b>	<b>1.6</b>							<b>0.34</b>
<b>Oxide Cobalt</b>																
Measured																
Indicated	0.11	0.6					0.37	0.18	0.79							0.38
Inferred	0.06	0.6					0.10	0.08	1.52							0.22
<b>Total</b>	<b>0.17</b>	<b>0.6</b>					<b>0.27</b>	<b>0.25</b>	<b>1.01</b>							<b>0.34</b>
<b>Primary Cobalt</b>																
Measured																
Indicated	0.032	0.41					1.0	0.055	0.61							1.2
Inferred	0.000	0.11					0.5	0.004	0.51							0.9
<b>Total</b>	<b>0.032</b>	<b>0.41</b>					<b>1.0</b>	<b>0.059</b>	<b>0.61</b>							<b>1.1</b>
<b>Stockpiles</b>																
Indicated	0.6	0.8					0.31	1.1	1.3							0.30
<b>Sokoroshe 2 Total</b>	<b>2.6</b>	<b>1.3</b>					<b>0.33</b>	<b>4.8</b>	<b>1.7</b>							<b>0.30</b>
<b>Nambulwa (100%)</b>																
<b>Oxide Copper</b>																
Measured																
Indicated	1.1	2.2					0.11	1.2	2.1							0.11
Inferred	0.08	1.9					0.07	0.11	1.7							0.07
<b>Total</b>	<b>1.2</b>	<b>2.2</b>					<b>0.11</b>	<b>1.3</b>	<b>2.1</b>							<b>0.11</b>
<b>Transition Mixed Copper Ore</b>																
Measured																
Indicated	0.02	3.3					0.18	0.02	3.2							0.18
Inferred																
<b>Total</b>	<b>0.02</b>	<b>3.3</b>					<b>0.18</b>	<b>0.02</b>	<b>3.2</b>							<b>0.18</b>
<b>Oxide-TMO Cobalt</b>																
Measured																
Indicated	0.03	0.41					0.24	0.01	0.53							0.20
Inferred																
<b>Total</b>	<b>0.03</b>	<b>0.41</b>					<b>0.24</b>	<b>0.01</b>	<b>0.53</b>							<b>0.20</b>
<b>Nambulwa Total</b>	<b>1.2</b>	<b>2.1</b>					<b>0.11</b>	<b>1.3</b>	<b>2.1</b>							<b>0.11</b>

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Dianzhenza (DZ) (100%)</b>																
<b>Oxide Copper</b>																
Measured																
Indicated	1.0	1.7					0.13	1.0	1.8						0.13	
Inferred	0.04	1.8					0.12	0.06	1.8						0.10	
<b>Total</b>	<b>1.0</b>	<b>1.7</b>					<b>0.13</b>	<b>1.1</b>	<b>1.8</b>						<b>0.12</b>	
<b>Oxide-TMO Cobalt</b>																
Measured																
Indicated	0.090	0.5					0.21	0.058	0.58						0.22	
Inferred	0.007	0.6					0.08	0.005	0.64						0.09	
<b>Total</b>	<b>0.10</b>	<b>0.5</b>					<b>0.20</b>	<b>0.06</b>	<b>0.58</b>						<b>0.21</b>	
<b>DZ Total</b>	<b>1.1</b>	<b>1.6</b>					<b>0.14</b>	<b>1.2</b>	<b>1.7</b>						<b>0.13</b>	
<b>Kimbwe Kafubu (100%)</b>																
<b>Oxide Copper</b>																
Measured	-	-					-	-	-						-	
Indicated	1.1	1.8					0.12	0.85	1.8						0.13	
Inferred	0.07	1.8					0.18	0.067	1.9						0.15	
<b>Total</b>	<b>1.2</b>	<b>1.8</b>					<b>0.13</b>	<b>0.92</b>	<b>1.8</b>						<b>0.13</b>	
<b>TMO Copper</b>																
Measured	-	-					-	-	-						-	
Indicated	1.9	2.5					0.07	1.3	2.6						0.02	
Inferred	0.87	1.8					0.03	0.42	2.3						0.05	
<b>Total</b>	<b>2.8</b>	<b>2.3</b>					<b>0.06</b>	<b>1.7</b>	<b>2.5</b>						<b>0.03</b>	
<b>Primary Copper</b>																
Measured	-	-					-	-	-						-	
Indicated	0.78	3.7					0.20	0.12	3.17						0.11	
Inferred	-	-					-	-	-						-	
<b>Total</b>	<b>0.78</b>	<b>3.7</b>					<b>0.20</b>	<b>0.12</b>	<b>3.2</b>						<b>0.11</b>	
<b>Oxide-TMO Cobalt</b>																
Measured	-	-					-	-	-						-	
Indicated	0.34	0.42					0.42	0.09	0.58						0.36	
Inferred	0.25	0.45					0.38	0.01	0.60						0.43	
<b>Total</b>	<b>0.60</b>	<b>0.43</b>					<b>0.40</b>	<b>0.10</b>	<b>0.59</b>						<b>0.36</b>	
<b>Kimbwe Kafubu Total</b>	<b>5.4</b>	<b>2.2</b>					<b>0.14</b>	<b>2.8</b>	<b>2.3</b>						<b>0.08</b>	

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

# Mineral Resources and Ore Reserves

## Continued

### Mineral Resources<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Dugald River (100%)</b>																
<b>Primary Zinc</b>																
Measured	17		13.1	1.9	47				16		12.9	1.9	52			
Indicated	13		12.3	1.7	11				10		12.1	1.4	16			
Inferred	32		10.7	1.4	5.5				39		11.5	1.4	4.9			
<b>Total</b>	<b>63</b>		<b>11.7</b>	<b>1.6</b>	<b>18</b>				<b>66</b>		<b>12.0</b>	<b>1.5</b>	<b>18</b>			
<b>Primary Copper</b>																
Inferred	4.8	1.5				0.20			4.3	1.5				0.23		
<b>Total</b>	<b>4.8</b>	<b>1.5</b>				<b>0.20</b>			<b>4.3</b>	<b>1.5</b>				<b>0.23</b>		
<b>Dugald River Total</b>	<b>68</b>								<b>70</b>							
<b>Rosebery (100%)</b>																
Rosebery																
Measured	8.7	0.25	6.7	2.3	110	1.3			8.0	0.25	6.6	2.3	100	1.1		
Indicated	9.9	0.28	6.5	1.8	84	1.5			7.7	0.25	5.9	1.8	77	1.2		
Inferred	11	0.27	7.7	2.0	85	1.2			8.8	0.28	6.8	2.0	76	1.0		
<b>Total</b>	<b>30</b>	<b>0.27</b>	<b>7.0</b>	<b>2.0</b>	<b>92</b>	<b>1.3</b>			<b>25</b>	<b>0.26</b>	<b>6.5</b>	<b>2.0</b>	<b>86</b>	<b>1.1</b>		
<b>Rosebery Total</b>	<b>30</b>	<b>0.27</b>	<b>7.0</b>	<b>2.0</b>	<b>92</b>	<b>1.3</b>			<b>25</b>	<b>0.26</b>	<b>6.5</b>	<b>2.0</b>	<b>86</b>	<b>1.1</b>		
<b>High Lake (100%)</b>																
Measured																
Indicated	7.9	3.0	3.5	0.32	83	1.3			7.9	3.0	3.5	0.32	83	1.3		
Inferred	6.0	1.8	4.3	0.41	84	1.3			6.0	1.8	4.3	0.41	84	1.3		
<b>Total</b>	<b>14</b>	<b>2.5</b>	<b>3.8</b>	<b>0.36</b>	<b>84</b>	<b>1.3</b>			<b>14</b>	<b>2.5</b>	<b>3.8</b>	<b>0.36</b>	<b>84</b>	<b>1.3</b>		
<b>Izok Lake (100%)</b>																
Measured																
Indicated	13	2.4	13.3	1.4	73	0.18			13	2.4	13.3	1.4	73	0.18		
Inferred	1.2	1.5	10.5	1.3	73	0.21			1.2	1.5	10.5	1.3	73	0.21		
<b>Total</b>	<b>15</b>	<b>2.3</b>	<b>13.1</b>	<b>1.4</b>	<b>73</b>	<b>0.18</b>			<b>15</b>	<b>2.3</b>	<b>13.1</b>	<b>1.4</b>	<b>73</b>	<b>0.18</b>		

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

# Mineral Resources and Ore Reserves

## Continued

### Ore Reserves<sup>1</sup>

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

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Las Bambas (62.5%)</b>																
<b>Ferrobamba Primary Copper</b>																
Proved	250	0.46			1.6	0.03	190		220	0.49			1.9	0.03	200	
Probable	240	0.63			2.9	0.06	170		230	0.68			3.1	0.05	180	
<b>Total</b>	<b>490</b>	<b>0.55</b>			<b>2.2</b>	<b>0.04</b>	<b>180</b>		<b>450</b>	<b>0.58</b>			<b>2.5</b>	<b>0.04</b>	<b>190</b>	
<b>Chalcobamba Primary Copper</b>																
Proved	85	0.49			1.6	0.02	140		96	0.60			2.0	0.02	120	
Probable	130	0.58			2.2	0.03	120		130	0.66			2.7	0.03	120	
<b>Total</b>	<b>220</b>	<b>0.55</b>			<b>2.0</b>	<b>0.02</b>	<b>130</b>		<b>220</b>	<b>0.63</b>			<b>2.4</b>	<b>0.03</b>	<b>120</b>	
<b>Sulfobamba Primary Copper</b>																
Proved																
Probable	66	0.66			5.2	0.02	156		63	0.70			5.5	0.03	160	
<b>Total</b>	<b>66</b>	<b>0.66</b>			<b>5.2</b>	<b>0.02</b>	<b>156</b>		<b>63</b>	<b>0.70</b>			<b>5.5</b>	<b>0.03</b>	<b>160</b>	
<b>Primary Copper Stockpiles</b>																
Proved	48	0.47			2.1		130		23	0.34			1.8		110	
<b>Total</b>	<b>48</b>	<b>0.47</b>			<b>2.1</b>		<b>130</b>		<b>23</b>	<b>0.34</b>			<b>1.8</b>		<b>110</b>	
<b>Las Bambas Total</b>	<b>816</b>	<b>0.55</b>			<b>2.4</b>		<b>160</b>		<b>760</b>	<b>0.60</b>			<b>2.7</b>		<b>160</b>	
<b>Khoemacau (55%)</b>																
<b>Zone 5</b>																
Proved	7	2.0			19				8.8	2.0			19			
Probable	26	1.6			16				25	1.7			17			
<b>Total</b>	<b>33</b>	<b>1.7</b>			<b>17</b>				<b>34</b>	<b>1.8</b>			<b>17</b>			
<b>Zone 5 North</b>																
Proved	-	-			-				-	-						
Probable	3.0	2.3			38				3.0	2.3			38			
<b>Total</b>	<b>3.0</b>	<b>2.3</b>			<b>38</b>				<b>3.0</b>	<b>2.3</b>			<b>38</b>			
<b>Zeta NE</b>																
Proved	-	-			-				-	-						
Probable	8.1	1.8			37				8.1	1.8			37			
<b>Total</b>	<b>8.1</b>	<b>1.8</b>			<b>37</b>				<b>8.1</b>	<b>1.8</b>			<b>37</b>			
<b>Mango</b>																
Proved	-	-			-				-	-						
Probable	6.2	1.8			22				6.2	1.8			22			
<b>Total</b>	<b>6.2</b>	<b>1.8</b>			<b>22</b>				<b>6.2</b>	<b>1.8</b>			<b>22</b>			
<b>Stockpile</b>																
Proved	0.04	1.4			19				0.02	1.5			15			
<b>Khoemacau Total</b>	<b>50</b>	<b>1.8</b>			<b>22</b>				<b>51</b>	<b>1.8</b>			<b>22</b>			

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

# Mineral Resources and Ore Reserves

## Continued

### Ore Reserves<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Kinsevere (100%)</b>																
<b>Oxide/TMO Copper and Cobalt</b>																
Proved	0.8	3.1						0.13	1.2	2.6						0.12
Probable	2.7	2.7						0.14	4.0	2.2						0.10
<b>Total</b>	<b>3.5</b>	<b>2.8</b>						<b>0.13</b>	<b>5.2</b>	<b>2.3</b>						<b>0.11</b>
<b>Primary Copper and Cobalt</b>																
Proved	1.9	1.9						0.14	1.3	2.1						0.15
Probable	14	2.3						0.10	13	2.3						0.09
<b>Total</b>	<b>16</b>	<b>2.3</b>						<b>0.10</b>	<b>15</b>	<b>2.3</b>						<b>0.10</b>
<b>Stockpiles</b>																
Proved																
Probable	18	1.4						0.06	19	1.6						
<b>Total</b>	<b>18</b>	<b>1.4</b>						<b>0.06</b>	<b>19</b>	<b>1.6</b>						
<b>Kinsevere Total</b>	<b>37</b>	<b>1.9</b>						<b>0.08</b>	<b>38</b>	<b>1.9</b>						
<b>Sokoroshe 2 (100%)</b>																
<b>Oxide Copper and Cobalt</b>																
Proved																
Probable	0.6	1.3						0.33	1.0	1.9						0.30
<b>Total</b>	<b>0.6</b>	<b>1.3</b>						<b>0.33</b>	<b>1.0</b>	<b>1.9</b>						<b>0.30</b>
<b>Primary Copper and Cobalt</b>																
Proved																
Probable	0.3	1.3						0.61	0.1	1.0						0.58
<b>Total</b>	<b>0.3</b>	<b>1.3</b>						<b>0.61</b>	<b>0.1</b>	<b>1.0</b>						<b>0.58</b>
<b>Stockpiles</b>																
Proved																
Probable	0.6	0.8						0.31	1.1	1.3						0.30
<b>Total</b>	<b>0.6</b>	<b>0.8</b>						<b>0.31</b>	<b>1.1</b>	<b>1.3</b>						<b>0.30</b>
<b>Sokoroshe Total</b>	<b>1.6</b>	<b>1.1</b>						<b>0.39</b>	<b>2.2</b>	<b>1.5</b>						<b>0.32</b>
<b>Nambulwa (100%)</b>																
<b>Oxide/TMO Copper</b>																
Proved																
Probable	0.8	2.2						0.9								
<b>Total</b>	<b>0.8</b>	<b>2.2</b>						<b>0.9</b>								
<b>Dianzenza (100%)</b>																
<b>Oxide/TMO Copper</b>																
Proved																
Probable	0.7	1.8						0.8								
<b>Total</b>	<b>0.7</b>	<b>1.8</b>						<b>0.8</b>								

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

# Mineral Resources and Ore Reserves

## Continued

### Ore Reserves<sup>1</sup>

Deposit	2025								2024							
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Co (%)
<b>Dugald River (100%)</b>																
<b>Primary Zinc</b>																
Proved	14		10.6	1.7	40				14		10.7	1.7	47			
Probable	10.0		10.9	1.6	9				8.3		10.2	1.4	15			
<b>Total</b>	<b>24</b>		<b>10.7</b>	<b>1.6</b>	<b>28</b>				<b>22</b>		<b>10.5</b>	<b>1.6</b>	<b>35</b>			
<b>Dugald River Total</b>	<b>24</b>		<b>10.7</b>	<b>1.6</b>	<b>28</b>				<b>22</b>		<b>10.5</b>	<b>1.6</b>	<b>35</b>			
<b>Rosebery (100%)</b>																
Proved	5.0	0.16	5.2	2.0	95	1.0			4.3	0.18	6.0	2.4	110	1.1		
Probable	3.9	0.19	5.1	1.5	61	1.0			2.4	0.17	5.6	2.1	91	1.1		
<b>Total</b>	<b>8.9</b>	<b>0.17</b>	<b>5.2</b>	<b>1.8</b>	<b>80</b>	<b>1.0</b>			<b>6.7</b>	<b>0.18</b>	<b>5.9</b>	<b>2.3</b>	<b>100</b>	<b>1.1</b>		
<b>Rosebery Total</b>	<b>8.9</b>	<b>0.17</b>	<b>5.2</b>	<b>1.8</b>	<b>80</b>	<b>1.0</b>			<b>6.7</b>	<b>0.18</b>	<b>5.9</b>	<b>2.3</b>	<b>100</b>	<b>1.1</b>		

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

# Mineral Resources and Ore Reserves

## Continued

### Competent Persons

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

Deposit	Accountability	Competent Person	Professional Membership	Employer
MMG Mineral Resources and Ore Reserves Committee	Mineral Resources and Committee Chair	Rex Berthelsen <sup>1</sup>	HonFAusIMM CP (Geo)	MMG
MMG Mineral Resources and Ore Reserves Committee	Ore Reserves	Cornel Parshotam <sup>1</sup>	MAusIMM	MMG
MMG Mineral Resources and Ore Reserves Committee	Metallurgy: Mineral Resources / Ore Reserves	Andrew Goulsbra <sup>1</sup>	MAusIMM	MMG
Las Bambas	Mineral Resources	Hugo Rios	MAusIMM CP (Geo)	MMG
Las Bambas	Ore Reserves	Jose Calle	MAusIMM CP (Min)	MMG
Khoemaçau	Mineral Resources	Shaun Crisp	Pr.Sci.Nat CP (Geo)	MMG
Khoemaçau	Ore Reserves	Denis Grubic	MAusIMM	Maksena Engineering Solutions
Kinsevere	Mineral Resources	Mark Burdett	MAusIMM CP (Geo)	MMG
Kinsevere	Ore Reserves	Papa K. A. Empeh <sup>1</sup>	MAusIMM CP (Min)	MMG
Rosebery	Mineral Resources	Maree Angus	MAusIMM CP (Geo), MAIG	ERM Australia Consultants Pty Ltd
Rosebery	Ore Reserves	Andrew Robertson	FAusIMM	MMG
Dugald River	Mineral Resources	Maree Angus	MAusIMM CP (Geo), MAIG	ERM Australia Consultants Pty Ltd
Dugald River	Ore Reserves	Peter Willcox	MAusIMM CP (Min), RPEQ	MMG
High Lake, Izok Lake	Mineral Resources	Allan Armitage <sup>2</sup>	MAPEG P.Geo	Formerly MMG

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

<sup>2</sup> Member of the Association of Professional Engineers and Geoscientists of British Columbia

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

# Mineral Resources and Ore Reserves

## Continued

### Summary of significant changes

#### Mineral Resources

Mineral Resources as at 30 June 2025 have changed, since the 30 June 2024 estimate, for several reasons with the most significant changes outlined in this section:

- the Group's Mineral Resources (contained metal) have increased for copper (3%), lead (5%), molybdenum (10%), silver (3%) and gold (29%); and
- the Group's Mineral Resources (contained metal) have decreased for zinc (-0.5%) and cobalt (-2%).

#### Increases:

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

- changes in long term strategic mining parameters in Ferrobamba pit leading to an expanded pit shell and an increase of 660kt copper;
- drilling into Ferrobamba Deeps and an update to the Scoping Study resulted in an increase of 160kt copper;
- almost doubling of the Kimbwe-Kafubu copper tonnes with an increase of 53kt copper, resulting from improvements in geotechnical parameter assumptions; and
- continued drilling, improvements to the modelling process and reduced cut off grades at Rosebery have led to an increase of 5 million tonnes of ore being a 21% increase compared to 2024. Contained metal has increased; zinc (30%), lead (21%), silver (29%), gold (41%) and copper (23%).

#### Decreases:

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

- milled depletion at all producing operations;
- underground drilling at Dugald River converted Inferred Mineral Resources into Proved and Probable Ore Reserves, resulting in net decrease of 350kt zinc metal to the Mineral Resources, which significantly contributing to increasing the Ore Reserves;
- removal of a further 15kt copper from Sulfobamba deposit at Las Bambas due to illegal mining over the last 12 months taking the total estimated depletion due to illegal mining to 74kt copper; and
- drilling, remodelling and reclassification of deeper parts of the Sokoroshe deposit resulted in a negative variance of 21kt copper and 2kt cobalt.

#### Ore Reserves

Ore Reserves as at 30 June (contained metal) have:

- increased for zinc (13%), lead (10%), cobalt (3%), gold (10%) and molybdenum (5%); and
- decreased for copper (-2%) and silver (-5%).

# Mineral Resources and Ore Reserves

## Continued

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

### Increases:

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

- metal price and cost improvements resulting in decreased cut off grades at Las Bambas;
- Reserve definition drilling and geological model improvements at Rosebery and small decrease in cut-off grade;
- Reserve definition drilling converting Inferred Mineral Resource into Proved and Probable Ore Reserve at Dugald River; and
- completion of a feasibility study at Nambulwa and Dianzenza have added 31kt copper to the Kinsevere satellite Ore Reserves.

### Decreases:

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

- milling and mining depletion at all producing operations; and
- increased cut off grades at Kinsevere and Dugald River have negatively impacted the increases discussed above.

## Key Assumptions

### Prices and Exchange Rates

The following price and foreign exchange assumptions, set according to the relevant MMG Standard in January 2025, have been applied to all Mineral Resources and Ore Reserves estimates.

These prices and FX rates are based on the October 2024 long term prices (basis date 1 January 2025) as approved by the MMG Board. Prices are adjusted for United States CPI (US CPI as the best global inflation indicator) from 1 January 2025 to 1 July 2025 terms.

The reasonableness of prices is tested against forecasts from both Consensus Economics and Wood Mackenzie. Price assumptions for all metals have changed from the 2024 Mineral Resources and Ore Reserves statement.

Table 2 - 2025 Price (real) and foreign exchange assumptions

	Ore Reserves	Mineral Resources
Cu (US\$/lb)	4.19	5.03
Zn (US\$/lb)	1.32	1.58
Pb (US\$/lb)	0.98	1.17
Au US\$/oz	1,872	2,246
Ag US\$/oz	23.27	27.93
Mo (US\$/lb)	13.66	16.39
Co (US\$/lb)	20.74	24.89
USD:CAD	1.29	
AUD:USD	0.74	As per Ore Reserves
USD:PEN	3.85	

# Mineral Resources and Ore Reserves

## Continued

### Cut-Off Grades

Mineral Resource and Ore Reserve cut-off values are shown in Table 3 and Table 4 respectively. Refer to Table 6 for definitions of abbreviations used in this table.

Table 3 - Mineral Resources cut-off grades

Site	Mineralisation	Likely Mining Method	Cut-Off Value	Comments	
Las Bambas	Oxide copper	OP	1% Cu	Cut-off is applied as a range that varies for each deposit and mineralised rock type at Las Bambas. In-situ copper Mineral Resources constrained within US\$5.03/lb Cu and US\$16.39/lb Mo pit shell.	
	Primary copper Ferrobamba		US\$11.85/t NSR		
	Primary copper Chalcobamba		US\$12.19/t NSR		
	Primary copper Sulfobamba		US\$13.21/t NSR		
Khoemacau	Zone 5 Primary Copper	UG	US\$53/t	Mineral Resources based on \$5.03/lb Cu, \$27.93/oz Ag, recoveries averaging 88% for Cu and 84% for Ag and assumed payability of 97% and 90% respectively. Remnant pillars inside the mining area are considered sterilised and are not included in the stated Mineral Resources.	
	Zone 5 North, Zeta NE, Mango Primary Copper	UG	1% Cu	Underground Mineral Resources reported inside the high-grade zones and for sulphide material only. Reporting cut-off grade (1% Cu) was selected based on assumed prices of US\$3.54/lb and US\$21.35/oz for Cu and Ag, respectively, assumed metallurgical recoveries of 88% and 84% respectively, and assumed payability of 97% and 90% respectively. This equates to approximately US\$66/t of NSR value.	
	Banana Zone (North East Fold and Chalcocite)	OP	0.2% Cu	Reported within RF 1.3 pit shells with assumed recoveries of 88% Cu and 84% Ag.	
	Banana Zone (North East Fold UG, North Limb Mid, North Limb North, North Limb South, South Limb, South Limb Definition, South Limb Mid, South Limb North, New Discovery), Zeta and Zone 6	UG	0.9% CuEQ	Underground Mineral Resources are reported for sulphide only at 0.9% CuEQ where CuEQ = Cu + Ag*0.007; \$4.90/lb Cu, \$26.13/oz Ag and assumed recoveries of 88% for Cu and 84% for Ag.	
	Plutus	UG	1.07% CuEQ	Underground Mineral Resources reported above a cut-off grade of 1.07% CuEq (CuEq = Cu + Ag*0.0113); US\$3.24/lb copper and US\$25/oz silver.	
	Selene	UG	1% Cu	Underground Mineral Resources reported inside high-grade zone and for sulphide material only.	
	Ophion	OP	0.6% Cu	Mineral Resources reported inside high-grade zone and for sulphide material only.	
	Kinsevere	Oxide copper & stockpiles	OP	0.4% CuAS	In-situ copper Mineral Resources constrained within a US\$5.03/lb Cu and US\$24.89/lb Co pit shell.
		Transition mixed ore copper (TMO)	OP	0.65% Cu	
		Primary copper	OP	0.55% Cu	
Oxide TMO cobalt		OP	>0 NVS		
Primary cobalt		OP	>0 NVS		
Sokoroshe 2	Oxide	OP	0.5% CuAS	In-situ copper Mineral Resources constrained within a US\$5.03/lb Cu and US\$24.89/lb Co pit shell.	
	TMO copper	OP	0.8% Cu		
	Primary copper	OP	0.7% Cu		
	Oxide TMO cobalt	OP	>0 NVS		
	Primary cobalt	OP	>0 NVS		

## Mineral Resources and Ore Reserves

### Continued

Site	Mineralisation	Likely Mining Method	Cut-Off Value	Comments
Nambulwa / DZ	Oxide copper	OP	0.5% CuAS	In-situ copper Mineral Resources constrained within a US\$5.03/lb Cu and US\$24.89/lb Co pit shell.
	TMO copper	OP	0.8% Cu	
Kimbwe-Kafubu	Oxide TMO cobalt	OP	>0 NVS	In-situ cobalt Mineral Resources constrained within a US\$5.03/lb Cu and US\$24.89/lb Co pit shell, but exclusive of copper mineralisation.
	Primary cobalt	OP	>0 NVS	
	Oxide copper	OP	0.5% CuAS	
	TMO copper	OP	0.8% Cu	
	Primary copper	OP	0.7% Cu	
Rosebery	Rosebery (Zn, Cu, Pb, Au, Ag)	UG	A\$188/t NSR	All areas of the mine are reported using the same NSR cut-off value.
Dugald River	Primary zinc (Zn, Pb, Ag)	UG	A\$190/t NSR	All areas of the mine are reported using the same NSR cut-off value.
	Primary copper	UG	1% Cu	All areas of the mine are reported at the same cut-off grade
High Lake	Cu, Zn, Pb, Ag, Au	OP	2.0% CuEq	CuEq = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01): based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
	Cu, Zn, Pb, Ag, Au	UG	4.0% CuEq	CuEq = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01): based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
Izok Lake	Cu, Zn, Pb, Ag, Au	OP	4.0% ZnEq	ZnEq = Zn + (Cu×3.31) + (Pb×1.09) + (Au×1.87) + (Ag×0.033); prices and metal recoveries as per High Lake.

Table 4 – Ore Reserves cut-off grades

Site	Mineralisation	Mining Method	Cut-Off Value	Comments
Las Bambas	Primary copper Ferrobamba	OP	US\$11.85/t NSR	Range based on rock type recovery.
	Primary copper Chalcobamba		US\$12.19/t NSR	
	Primary copper Sulfobamba		US\$13.21/t NSR	
Khoemacau	Primary copper	UG	US\$53/t NSR	Zone 5
		UG	US\$65/t NSR	Zone 5 N and Zeta NE
		UG	US\$55/t NSR	Mango
Kinsevere	Oxide	OP	0.9% CuAS	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script. Copper cut-off assumes zero cobalt. Cobalt cut-off assumes zero copper. For Sokoroshe cut-offs calculated on an incremental cost basis to Kinsevere
	TMO	OP	1.3% Cu	
	Primary	OP	1.1% Cu	
	Oxide TMO cobalt	OP	0.1% Co	
	Primary cobalt	OP	>0 NVS	
Sokoroshe 2	Oxide	OP	0.7% CuAS	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script. Copper cut-off assumes zero cobalt. Cobalt cut-off assumes zero copper. For Sokoroshe cut-offs calculated on an incremental cost basis to Kinsevere
	TMO	OP	1.0% Cu	
	Primary	OP	0.9% Cu	
Rosebery	(Zn, Cu, Pb, Au, Ag)	UG	A\$188/t NSR	
Dugald River	Primary zinc	UG	A\$170/t to A206/t NSR	

# Mineral Resources and Ore Reserves

## Continued

### Processing Recoveries

Average processing recoveries are shown in Table 5. More detailed processing recovery relationships are provided in the Technical Appendix.

Table 5 - Processing Recoveries

Site	Product	Recovery						Concentrate Moisture Assumptions
		Cu	Zn	Pb	Ag	Au	Mo	
Las Bambas	Copper Concentrate	86.6%	-	-	79%	71%		9.5%
	Molybdenum Concentrate						40%	5%
Khoemaçau	Copper Concentrate	87.9%			83.7%			10%
Rosebery	Zinc Concentrate		85.9%					8%
	Lead Concentrate		5.6%	75.1%	30.9%	12%		7%
	Copper Concentrate	63%			44.9%	39.2%		8%
	Doré <sup>1</sup> (gold and silver)				0.19%	27.2%		
Dugald River	Zinc Concentrate	-	90.1%		35.2%	-		9.96%
	Lead Concentrate	-		66%	38.9%	-		9.2%
Kinsevere and satellites	Copper Cathode (Oxide)	86%						
	Copper Cathode (Sulphide)	84%						
	Cobalt Precipitate (Oxide)						55%	
	Cobalt Precipitate (Sulphide)						74%	

<sup>1</sup> Silver in Rosebery doré is calculated as a constant ratio to gold in the doré.

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

### Abbreviations

Table 6 - List of Abbreviations

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

# Management Discussion and Analysis

## Results for the year ended 31 December 2025

For the purpose of the management discussion and analysis, the Group's results for the year ended 31 December 2025 are compared with results for the year ended 31 December 2024.

Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>6,218.0</b>	<b>4,479.2</b>	<b>39%</b>
Operating expenses	(2,737.7)	(2,299.2)	(19%)
Exploration expenses	(101.7)	(62.6)	(62%)
Administration expenses	(32.6)	(41.6)	22%
Net other income (expenses)	66.1	(27.1)	344%
<b>EBITDA</b>	<b>3,412.1</b>	<b>2,048.7</b>	<b>67%</b>
Depreciation, amortisation & impairment expenses	(1,413.0)	(1,058.7)	(33%)
<b>EBIT</b>	<b>1,999.1</b>	<b>990.0</b>	<b>102%</b>
Net finance costs	(272.1)	(368.6)	26%
<b>Profit before income tax</b>	<b>1,727.0</b>	<b>621.4</b>	<b>178%</b>
Income tax expense	(771.8)	(255.4)	(202%)
<b>Profit after income tax for the year</b>	<b>955.2</b>	<b>366.0</b>	<b>161%</b>
<b>Attributable to:</b>			
Equity holders of the Company	509.4	161.9	215%
Non-controlling interests <sup>1</sup>	445.8	204.1	118%
<b>Profit after income tax for the year</b>	<b>955.2</b>	<b>366.0</b>	<b>161%</b>

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

### Profit attributable to equity holders of the Company

MMG's profit of US\$955.2 million for the year ended 31 December 2025 includes profit attributable to equity holders of US\$509.4 million and profit attributable to non-controlling interests of US\$445.8 million. This compares to a profit attributable to equity holders of US\$161.9 million and profit attributable to non-controlling interests of US\$204.1 million for the year ended 31 December 2024.

# Management Discussion and Analysis

## Continued

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

<b>Year ended 31 December</b>	<b>2025 US\$ million</b>	<b>2024 US\$ million</b>	<b>Change % Fav/(Unfav)</b>
<b>Assets with non-controlling interests</b>			
Profit after tax – Las Bambas 62.5% interest	745.6	329.8	126%
(Loss)/profit after tax – Khoemacau 55.0% interest	(2.0)	2.1	(195%)
<b>Other assets – 100% interest</b>			
Loss after tax – Kinsevere	(216.4)	(79.7)	(172%)
Profit after tax – Australian operations	124.1	71.0	75%
<b>Corporate</b>			
Administrative expenses	(32.6)	(41.6)	22%
Net finance costs	(124.5)	(130.2)	4%
Other income	15.2	10.5	45%
<b>Profit for the year attributable to equity holders</b>	<b>509.4</b>	<b>161.9</b>	<b>215%</b>

Note: Prior year figures have been reclassified to conform to current year presentation. This has not impacted net profit.

# Management Discussion and Analysis

## Continued

### Overview of operating results

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

Year ended 31 December	Revenue			EBITDA		
	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
Las Bambas	4,447.0	2,977.6	49%	2,831.2	1,594.3	78%
Kinsevere	499.3	423.6	18%	100.7	67.8	49%
Khoemacau <sup>1</sup>	399.2	295.8	35%	167.0	125.9	33%
Dugald River	502.0	461.8	9%	176.1	169.4	4%
Rosebery	354.9	306.0	16%	168.1	123.2	36%
Other	15.6	14.4	8%	(31.0)	(31.9)	3%
<b>Total</b>	<b>6,218.0</b>	<b>4,479.2</b>	<b>39%</b>	<b>3,412.1</b>	<b>2,048.7</b>	<b>67%</b>

<sup>1</sup> Operating results of Khoemacau in 2024 are for the period starting from 23 March 2024 following MMG's acquisition.

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

**Revenue** increased by US\$1,738.8 million (39%) to US\$6,218.0 million compared to 2024, driven by higher sales volumes (US\$905.0 million) and higher commodity prices (US\$833.8 million).

Favourable sales volumes variances of US\$905.0 million were primarily due to higher sales volumes of copper concentrate (US\$835.9 million) at Las Bambas attributable to higher production volumes and at Khoemacau (US\$95.5 million) reflecting a full 12-months of ownership in 2025 (approximately 9 months in 2024) and higher copper cathode sales volumes at Kinsevere (US\$64.5 million) reflecting the ramp-up of KEP. This was partly offset by lower zinc and lead concentrate sales volumes at Rosebery (US\$43.2 million), lower molybdenum sales volumes (US\$28.3 million) at Las Bambas and lower cobalt sales volumes (US\$17.4 million) at Kinsevere.

Favourable commodity price variances of US\$833.8 million were primarily due to higher prices for copper (US\$712.8 million), silver (US\$152.9 million), gold (US\$116.1 million), zinc (US\$31.1 million), cobalt (US\$4.9 million) and molybdenum (US\$1.4 million), partly offset by net commodity hedging losses on copper of US\$171.6 million in 2025, compared to a hedge gain of US\$13.6 million in 2024. Price variances include mark-to-market adjustments on open sales contracts.

Revenue by commodity Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
Copper	4,754.4	3,308.4	44%
Zinc	511.7	481.1	6%
Lead	68.1	84.9	(20%)
Gold	365.6	209.2	75%
Silver	408.8	246.7	66%
Molybdenum	101.5	128.4	(21%)
Cobalt	7.9	20.5	(61%)
<b>Total</b>	<b>6,218.0</b>	<b>4,479.2</b>	<b>39%</b>

# Management Discussion and Analysis

## Continued

### Price

Average LME base metals prices for copper, zinc, gold, silver, molybdenum and cobalt were higher for the year ended 31 December 2025 compared to 2024. The average price for lead was lower.

Average LME cash price <sup>1</sup> Year ended 31 December	2025	2024	Change % Fav/(Unfav)
Copper (US\$/tonne)	9,939	9,144	9%
Zinc (US\$/tonne)	2,867	2,777	3%
Lead (US\$/tonne)	1,963	2,072	(5%)
Gold (US\$/ounce)	3,436	2,387	44%
Silver (US\$/ounce)	39.94	28.24	41%
Molybdenum (US\$/tonne)	48,748	46,943	4%
Cobalt (US\$/tonne)	35,432	25,005	42%

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

### Sales volumes

Payable metal in product sold year ended 31 December	2025	2024	Change % Fav/(Unfav)
Copper (tonnes)	484,467	378,686	28%
Zinc (tonnes)	183,815	184,937	(1%)
Lead (tonnes)	33,867	42,135	(20%)
Gold (ounces)	102,162	85,430	20%
Silver (ounces)	9,261,127	8,383,974	10%
Molybdenum (tonnes)	2,447	3,138	(22%)
Cobalt (tonnes)	482	1,617	(70%)

Payable metal in product sold year ended 31 December 2025	Copper tonnes	Zinc tonnes	Lead tonnes	Gold ounces	Silver ounces	Molybdenum tonnes	Cobalt tonnes
Las Bambas	390,580	-	-	74,683	4,750,970	2,447	-
Kinsevere	52,233	-	-	-	-	-	482
Khoemacau	40,562	-	-	-	1,218,101	-	-
Dugald River	-	145,093	17,371	-	1,251,775	-	-
Rosebery	1,092	38,722	16,496	27,479	2,040,281	-	-
<b>Total</b>	<b>484,467</b>	<b>183,815</b>	<b>33,867</b>	<b>102,162</b>	<b>9,261,127</b>	<b>2,447</b>	<b>482</b>

Payable metal in product sold year ended 31 December 2024	Copper tonnes	Zinc tonnes	Lead tonnes	Gold ounces	Silver ounces	Molybdenum tonnes	Cobalt tonnes
Las Bambas	302,872	-	-	56,171	3,535,035	3,138	-
Kinsevere	44,892	-	-	-	-	-	1,617
Khoemacau	29,666	-	-	-	907,222	-	-
Dugald River	-	136,853	21,743	-	1,662,728	-	-
Rosebery	1,256	48,084	20,392	29,259	2,278,989	-	-
<b>Total</b>	<b>378,686</b>	<b>184,937</b>	<b>42,135</b>	<b>85,430</b>	<b>8,383,974</b>	<b>3,138</b>	<b>1,617</b>

# Management Discussion and Analysis

## Continued

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

Total operating expenses increased by US\$438.5 million (19%) to US\$2,737.7 million. This was due to higher operating expenses at Las Bambas (US\$282.5 million) driven by higher production expenses (US\$297.5 million) attributable to increased material movement, lower capitalisation of deferred mining costs, higher profit share incentives and higher freight and royalty expenses (US\$58.0 million) with increased sales volumes and increased tax related provisions (US\$30.9 million). This was partly offset by costs capitalised as part of inventory (US\$116.6 million) due to the build-up of ore stocks and copper concentrate.

At Kinsevere, operating expenses were higher by US\$57.7 million, which included US\$52.0 million of ore stocks used, driven by lower mining volumes.

Operating expenses were higher at Khoemaçau (US\$65.2 million), reflecting a full year of operations under MMG ownership, compared to approximately nine months in 2024.

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

**Exploration expenses** increased by US\$39.1 million (62%) to US\$101.7 million, attributable to increased drilling activities at Las Bambas (US\$28.9 million) focusing on near surface skarn and porphyry copper mineralisation across key targets referred to as the "Ring of Fire" targets and resource extension drilling at the Izok Corridor project (US\$11.2 million).

**Administrative expenses** decreased by US\$9.0 million (22%) to US\$32.6 million in 2025 primarily due to a reduction in employee benefits expenses. Administrative expenses in 2025 included transaction and due diligence costs relating to the proposed Nickel Brazil acquisition (US\$16.5 million) and 2024 administrative expenses included expenditure on Khoemaçau acquisition and integration activities (US\$15.3 million).

**Net other income** increased by US\$93.2 million (344%) to US\$66.1 million, attributable to favourable foreign exchange rate impacts (US\$41.7 million) due to the revaluation of monetary assets and de-recognition of certain tax related provisions at Las Bambas (US\$45.7 million).

**Depreciation, amortisation and impairment expenses** increased by US\$354.3 million (33%) to US\$1,413.0 million, primarily attributable to impairment US\$290.0 million at Kinsevere (2024: US\$53.0 million) and higher depreciation and amortisation expenses at Las Bambas (US\$99.4 million) due to higher ore mined and copper production volumes.

**Net finance costs** decreased by US\$96.5 million (26%) to US\$272.1 million, primarily due to lower debt balances (US\$97.3 million).

**Income tax expense** increased by US\$516.4 million due to higher underlying profit before tax. Underlying income tax expense for 2025 of US\$771.8 million includes dividend withholding tax in Peru of US\$51.1 million (2024: Nil) and non-creditable interest withholding tax in Peru and Botswana of US\$21.4 million (2024: US\$15.7 million).

# Mines Analysis: Las Bambas

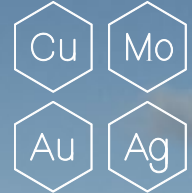
## Location



Peru

## Products

Copper concentrate  
Molybdenum concentrate



## Revenue (US\$ million)

\$4,447.0

## Ore milled (tonnes)

53,414,671


## Copper in copper concentrate produced (tonnes)

410,834

## Ownership



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



**Las Bambas achieved their second highest annual copper production - 410,834 tonnes of copper in copper concentrate - with records set for annual ore mined, ore milled and overall recovery rates.**

**EBITDA reached a record US\$2,831.2 million, driven by higher production supported by stable operations in two pits, favourable commodity prices, and ongoing operational improvements.**

# Mines Analysis: Las Bambas

## Continued

Year ended 31 December	2025	2024	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	81,304,493	63,819,945	27%
Ore milled (tonnes)	53,414,671	51,586,909	4%
Waste movement (tonnes)	111,450,153	122,617,927	(9%)
Copper in copper concentrate (tonnes)	410,834	322,912	27%
Gold in copper concentrate (ounces)	85,604	63,427	35%
Silver in copper concentrate (ounces)	5,256,050	3,938,602	33%
Molybdenum in copper concentrate (tonnes)	2,910	3,108	(6%)
<b>Payable metal in product sold</b>			
Copper (tonnes)	390,580	302,872	29%
Gold (ounces)	74,683	56,171	33%
Silver (ounces)	4,750,970	3,535,035	34%
Molybdenum (tonnes)	2,447	3,138	(22%)

Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>4,447.0</b>	<b>2,977.6</b>	<b>49%</b>
<b>Operating expenses</b>			
<b>Production expenses</b>			
Mining	(576.3)	(465.4)	(24%)
Processing	(314.6)	(299.5)	(5%)
Other	(660.7)	(489.2)	(35%)
<b>Total production expenses</b>	<b>(1,551.6)</b>	<b>(1,254.1)</b>	<b>(24%)</b>
Freight	(100.8)	(85.2)	(18%)
Royalties	(133.1)	(90.7)	(47%)
Other <sup>1</sup>	173.1	100.1	73%
<b>Total operating expenses</b>	<b>(1,612.4)</b>	<b>(1,329.9)</b>	<b>(21%)</b>
Other expenses	(3.4)	(53.4)	94%
<b>EBITDA</b>	<b>2,831.2</b>	<b>1,594.3</b>	<b>78%</b>
Depreciation and amortisation expenses	(861.6)	(762.2)	(13%)
<b>EBIT</b>	<b>1,969.6</b>	<b>832.1</b>	<b>137%</b>
<b>EBITDA margin</b>	<b>64%</b>	<b>54%</b>	

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

## Mines Analysis: Las Bambas

### Continued

Las Bambas achieved its second-highest annual copper production of 410,834 tonnes of copper in copper concentrate in 2025, marking a 27% increase from 2024. Records were set for annual ore mined (81,304,493 tonnes), ore milled (53,414,671 tonnes) and overall recovery rates (90.1%). This strong performance was driven by sustained improvements in operational efficiency, strategic equipment upgrades, an enhanced flotation reagent strategy, and higher average milled grades supported by year-round mining activities at both the Ferrobamba and Chalcobamba pits. These factors collectively contributed to the significant year-on-year growth in production.

Revenue of US\$4,447.0 million was US\$1,469.4 million (49%) higher compared to 2024 due to higher sales volumes of copper (US\$757.1 million), gold (US\$45.0 million) and silver (US\$33.8 million), along with increased prices for copper (US\$469.7 million), gold (US\$80.6 million), silver (US\$79.8 million) and molybdenum (US\$1.4 million), and lower copper treatment charges (US\$132.2 million). This was partly offset by losses on copper commodity hedges (US\$101.9 million) and lower molybdenum sales volumes (US\$28.3 million) due to lower production.

Total production expenses for 2025 were US\$1,551.6 million, representing an increase of US\$297.5 million (24%) compared to 2024. The increase was primarily attributable to increased profit share incentives (US\$117.1 million) reflecting higher profit, lower capitalised mining due to Chalcobamba pre-stripping activities in 2024 (US\$53.1 million) and a one-off union collective bargaining agreement payment (US\$44.7 million). Production expenses were also higher due to increased road and rail copper concentrate transportation costs (US\$42.6 million) with increased sales, higher material mined volumes (US\$17.9 million), greater execution of social programs (US\$13.3 million) and increased spending on security measures (US\$11.5 million). These increases were partly offset by lower unit prices for diesel and explosives (US\$4.4 million).

Freight and royalty expenses were higher by 18% and 47%, respectively, reflecting higher sales volumes and revenue.

Other operating expenses were favourable by US\$73.0 million, mainly driven by favourable stock movements (US\$116.6 million) due to a higher build-up of ore stockpiles (US\$81.9 million, net of write-downs) and copper concentrate stocks (US\$27.1 million), partly offset by an increase in tax related provisions (US\$30.9 million).

Other expenses decreased by US\$50.0 million to US\$3.4 million, primarily attributable to foreign exchange gains of US\$38.2 million, compared to foreign exchange losses of US\$7.0 million in 2024, and the de-recognition of certain tax related provisions (US\$45.7 million). This was partly offset by higher exploration costs (US\$28.9 million) from increased drilling activities targeting near surface skarn and porphyry copper mineralisation across key targets referred to as the "Ring of Fire".

Depreciation and amortisation expenses increased by US\$99.4 million (13%) compared to 2024, reflecting higher ore mined, ore milled and copper production volumes.

The C1 cost of US\$1.12/lb for 2025 was lower than the 2024 C1 cost of US\$1.51/lb, driven by higher copper production rates, lower treatment charges and higher by-product credits.

### 2026 Outlook

Las Bambas copper production target in 2026 is 400,000 tonnes of copper in copper concentrate, contingent upon stable operations. The lower end of the guidance has been set to 380,000 tonnes reflecting a cautious approach.

Las Bambas C1 costs in 2026 are expected to range between US\$1.20/lb and US\$1.40/lb. Sustained high gold and silver prices would contribute to C1 costs optimisation.

## Mines Analysis:

# Kinsevere

### Location

Democratic  
Republic of Congo



### Products

Copper cathode  
Cobalt hydroxide



### Revenue (US\$ million)

**\$499.3**

### Ore milled (tonnes)

**3,841,191**

### Copper in copper concentrate produced (tonnes)

**52,791**

### Ownership



● MMG Limited

100%



**Kinsevere produced 52,791 tonnes of copper cathode. EBITDA rose to US\$100.7 million, supported by the Kinsevere Expansion Project ramp-up and stronger copper prices.**

## Mines Analysis: Kinsevere

### Continued

Year ended 31 December	2025	2024	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	988,201	3,343,818	(70%)
Ore milled (tonnes)	3,841,191	2,609,130	47%
Waste movement (tonnes)	11,181,947	18,418,088	(39%)
Copper cathode (tonnes)	52,791	44,597	18%
Cobalt (tonnes)	-	2,926	n/a
<b>Payable metal in product sold</b>			
Copper (tonnes) <sup>1</sup>	52,233	44,892	16%
Cobalt (tonnes)	482	1,617	(70%)
Year ended 31 december	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>499.3</b>	<b>423.6</b>	<b>18%</b>
<b>Operating expenses</b>			
<b>Production expenses</b>			
Mining	(28.5)	(64.3)	56%
Processing	(192.3)	(164.9)	(17%)
Other	(110.1)	(98.6)	(12%)
<b>Total production expenses</b>	<b>(330.9)</b>	<b>(327.8)</b>	<b>(1%)</b>
Freight	(10.5)	(10.2)	(3%)
Royalties	(29.9)	(26.6)	(12%)
Other (ii)	(22.1)	28.9	(176%)
<b>Total operating expenses</b>	<b>(393.4)</b>	<b>(335.7)</b>	<b>(17%)</b>
Other expenses	(5.2)	(20.1)	74%
<b>EBITDA</b>	<b>100.7</b>	<b>67.8</b>	<b>49%</b>
Depreciation, amortisation and impairment expenses	(319.1)	(118.4)	(170%)
<b>EBIT</b>	<b>(218.4)</b>	<b>(50.6)</b>	<b>(332%)</b>
<b>EBITDA margin</b>	<b>20%</b>	<b>16%</b>	

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

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

## Mines Analysis: Kinsevere

### Continued

Kinsevere produced 52,791 tonnes of copper cathode in 2025, an 18% increase over 2024, driven by the ramp-up of KEP, although power-related and operational challenges constrained ramp-up progress. Mitigation measures have been implemented.

Kinsevere revenue increased by US\$75.7 million (18%) to US\$499.3 million in 2025 compared to 2024, driven by higher copper sales volumes (US\$64.5 million) attributable to higher production with the ramp – up of KEP and higher prices for copper (US\$59.8 million) and cobalt (US\$4.9 million). This was partly offset by losses on copper commodity hedges (US\$36.1 million) and lower cobalt sales volumes (US\$17.4 million).

Total production expenses increased by US\$3.1 million (1%) in 2025 compared to 2024. This increase was mainly driven by the full year operation of the sulphide plant (US\$33.1 million), the commencement of costs associated with the Roaster-Gas-Acid plant (US\$12.0 million) and higher consumption of third-party ore (US\$18.3 million). This was partly offset by lower mining volumes (US\$35.8 million) compared to 2024, which saw accelerated mining activities at the Sokoroshe II pit, as well as lower cobalt processing costs (US\$27.3 million) following the cobalt plant being placed into care and maintenance in December 2024.

Other operating expenses were US\$51.0 million higher in 2025 compared to 2024 due to unfavourable change in inventories (US\$52.0 million) driven by the drawdown of ore stocks following lower mining volumes in 2025.

Depreciation, amortisation and impairment expenses increased by US\$200.7 million (170%) in 2025 compared to 2024 due to the US\$290.0 million asset impairment at Kinsevere in 2025 compared to a US\$53.0 million impairment in 2024.

The C1 costs of US\$3.12/lb for 2025 were lower than the 2024 C1 costs of US\$3.26/lb due to increased copper production, partially offset by lower by-product credits.

### 2026 Outlook

Kinsevere copper production for 2026 is expected to range between 65,000 and 75,000 tonnes, with a focus on addressing operational challenges. A key priority for 2026 will be the implementation of a Battery Energy Storage System (BESS) to mitigate the impacts from the frequent power trips and stabilise operations.

C1 costs in 2026 are expected to be between US\$2.50/lb and US\$2.90/lb, representing an improvement from 2025 driven by efforts to enhance production despite the continued impact of power supply constraints and associated costs.

# Mines Analysis: Khoemacau

## Location



Botswana

## Products



Copper concentrate

Revenue (US\$ million)

**\$399.2**

Ore milled (tonnes)

**3,107,514**

Copper in copper concentrate produced (tonnes)

**42,120**

## Ownership



- MMG Limited 55%
- CNIC Corporation Limited 45%



**Khoemacau produced 42,120 tonnes of copper in copper concentrate.**

**EBITDA increased to US\$167.0 million, driven by higher production from an additional three months of ownership and stronger copper and silver prices.**

**The Khoemacau Expansion project is a key part of MMG's growth pipeline, with plans to increase annual copper production capacity to 130,000 tonnes by 2028 – and potential for 200,000 tonnes over time.**

# Mines Analysis: Khoemacau

## Continued

Year ended 31 December	2025	2024	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	3,161,217	2,457,492	29%
Ore milled (tonnes)	3,107,514	2,356,502	32%
Copper in copper concentrate (tonnes)	42,120	30,961	36%
Silver (ounces) <sup>1</sup>	1,381,205	1,062,542	30%
<b>Payable metal in product sold</b>			
Copper (tonnes)	40,562	29,666	37%
Silver (ounces)	1,218,101	907,222	34%

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

Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>399.2</b>	<b>295.8</b>	<b>35%</b>
<b>Operating expenses</b>			-
<b>Production expenses</b>			
Mining	(125.0)	(104.9)	(19%)
Processing	(33.3)	(24.5)	(36%)
Other	(50.5)	(32.1)	(57%)
<b>Total production expenses</b>	<b>(208.8)</b>	<b>(161.5)</b>	<b>(29%)</b>
Freight	(0.4)	(0.3)	(33%)
Royalties	(13.9)	(8.7)	(60%)
Other <sup>2</sup>	(8.0)	4.6	(274%)
<b>Total operating expenses</b>	<b>(231.1)</b>	<b>(165.9)</b>	<b>(39%)</b>
Other expenses	(1.1)	(4.0)	73%
<b>EBITDA</b>	<b>167.0</b>	<b>125.9</b>	<b>33%</b>
Depreciation and amortisation expenses	(65.6)	(32.5)	(102%)
<b>EBIT</b>	<b>101.4</b>	<b>93.4</b>	<b>9%</b>
<b>EBITDA margin</b>	<b>42%</b>	<b>43%</b>	

2 Operating results of Khoemacau in 2024 are for the period starting from 23 March 2024 following MMG's acquisition.

## Mines Analysis: Khoemacau

### Continued

Khoemacau produced 42,120 tonnes of copper in copper concentrate in 2025, a 36% increase from 2024, driven by full-year production despite a temporary impact on ore availability during the mining contractor transition in the third quarter.

Khoemacau revenue in 2025 increased by US\$103.4 million to US\$399.2 million (35%) driven by higher copper concentrate sales volumes (US\$95.5 million) reflecting a full 12 months of ownership, compared to approximately 9 months in 2024 following MMG's acquisition on 22 March 2024, as well as prices for copper (US\$48.0 million) and silver (US\$7.0 million). This was partly offset by losses on copper commodity hedges in 2025 (\$24.6 million), compared to a gain on commodity hedges in 2024 (US\$22.5 million).

Total production expenses for 2025 were US\$208.8 million, representing an increase of US\$47.3 million (29%) compared to 2024 due to an additional three months of ownership and higher energy tariffs effective from 1 July 2025.

Depreciation and amortisation expenses increased by US\$33.1 million (102%) compared to 2024, mainly due to an additional three months of ownership and depreciation related to the buyout of the Barmingo mine fleet as part of the mining contractor transition.

Khoemacau's C1 costs, on a post by-product and pre-silver stream basis, were US\$1.97/lb for 2025, compared to US\$2.54/lb in 2024, driven by higher copper production and higher by-product credits.

### 2026 Outlook

Khoemacau copper production for 2026 is expected to range between 48,000 and 53,000 tonnes, supported by higher ore grades as mining operations access Zone 5 North, along with enhanced development work to expand mining fronts, improve operational flexibility, and ensure access to higher-grade ore zones.

C1 costs for Khoemacau in 2026 are expected to range between US\$2.00/lb - US\$2.30/lb (post by-product and pre silver stream basis). Sustained high silver prices would contribute to C1 costs optimisation.

## Mines Analysis:

# Dugald River

Location



**Australia**

Products



Zinc concentrate  
Lead concentrate

Revenue (US\$ million)

**\$502.0**

Ore milled (tonnes)

**2,010,609**

Zinc in zinc concentrate  
produced (tonnes)

**183,463**

Ownership



● MMG Limited

100%



**Dugald River produced a record 183,463 tonnes of zinc in zinc concentrate.**

**EBITDA reached US\$176.1 million, supported by stronger zinc concentrate production and higher zinc and silver prices.**

# Mines Analysis: Dugald River

## Continued

Year ended 31 December	2025	2024	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	1,980,849	1,783,162	11%
Ore milled (tonnes)	2,010,609	1,755,369	15%
Zinc in zinc concentrate (tonnes)	183,463	163,588	12%
Lead in lead concentrate (tonnes)	21,666	20,781	4%
Silver (ounces)	1,568,609	1,627,600	(4%)
<b>Payable metal in product sold</b>			
Zinc (tonnes)	145,093	136,853	6%
Lead (tonnes)	17,371	21,743	(20%)
Silver (ounces)	1,251,775	1,662,728	(25%)
Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>502.0</b>	<b>461.8</b>	<b>9%</b>
<b>Operating expenses</b>			
<b>Production expenses</b>			
Mining	(133.2)	(112.0)	(19%)
Processing	(73.0)	(67.4)	(8%)
Other	(85.0)	(80.8)	(5%)
<b>Total production expenses</b>	<b>(291.2)</b>	<b>(260.2)</b>	<b>(12%)</b>
Freight	(17.1)	(18.8)	9%
Royalties	(22.9)	(20.2)	(13%)
Other <sup>1</sup>	13.0	6.1	113%
<b>Total operating expenses</b>	<b>(318.2)</b>	<b>(293.1)</b>	<b>(9%)</b>
Other income/(expenses)	(7.7)	0.7	(1,200%)
<b>EBITDA</b>	<b>176.1</b>	<b>169.4</b>	<b>4%</b>
Depreciation and amortisation expenses	(98.6)	(56.1)	(76%)
<b>EBIT</b>	<b>77.5</b>	<b>113.3</b>	<b>(32%)</b>
<b>EBITDA margin</b>	<b>35%</b>	<b>37%</b>	

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

## Mines Analysis: Dugald River

### Continued

In 2025, Dugald River achieved record zinc production of 183,463 tonnes, a 12% increase from 2024. Annual ore milled throughout exceeded 2 million tonnes for the first time in the mine's history, driven by operational efficiency, which stabilised performance after weather disruptions in early 2025.

Dugald River revenue increased by US\$40.2 million (9%) to US\$502.0 million in 2025, driven by higher zinc concentrate sales volumes (US\$22.6 million) and higher prices for silver (US\$22.3 million) and zinc (US\$19.3 million). This was partly offset by lower lead concentrate sales volumes (US\$24.6 million).

Total production expenses rose by US\$31.0 million (12%), primarily due to increased mining costs (US\$21.2 million) from higher development meters and ore mined volumes, as well as higher processing costs (US\$5.6 million) driven by increased ore milled volumes.

Other operating expenses included favourable changes in inventories (US\$7.5 million) due to a net build-up of lead concentrate stocks.

Depreciation and amortisation expenses were higher by US\$42.5 million, reflecting accelerated depreciation of mine development assets based on an updated useful life aligned with the optimised life-of-mine plan.

Dugald River's zinc C1 costs of US\$0.65/lb in 2025 was in line with 2024.

### 2026 Outlook

Dugald River zinc production for 2026 is expected to be in the range of 170,000 and 180,000 tonnes of zinc in zinc concentrate, reflecting mining progression at depth and potential weather-related challenges. C1 costs for 2026 are expected to range between US\$0.80/lb and US\$0.95/lb. Sustained high silver prices would contribute to C1 costs optimisation.

# Mines Analysis: Rosebery

## Location



Australia

## Revenue (US\$ million)

\$354.9

## Ownership



○ MMG Limited

100%

## Products

Zinc concentrate  
 Lead concentrate  
 Precious metals concentrate  
 Gold Doré



## Ore milled (tonnes)

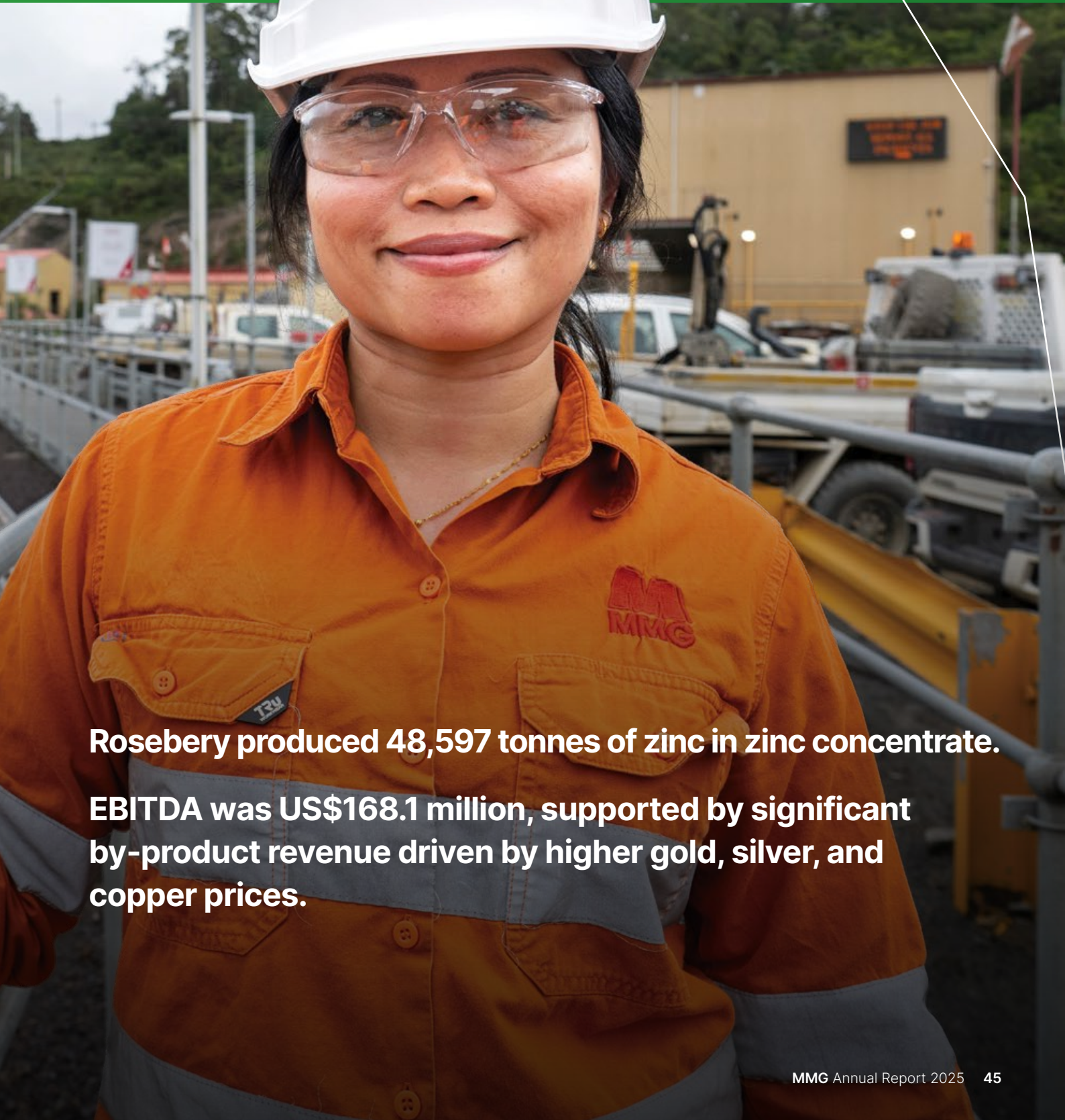
989,134

## Zinc in zinc concentrate produced (tonnes)

48,597

## Zinc equivalent (tonnes)

139,959



**Rosebery produced 48,597 tonnes of zinc in zinc concentrate.**

**EBITDA was US\$168.1 million, supported by significant by-product revenue driven by higher gold, silver, and copper prices.**

# Mines Analysis: Rosebery

## Continued

Year ended 31 December	2025	2024	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	1,003,843	1,033,718	(3%)
Ore milled (tonnes)	989,134	1,033,778	(4%)
Zinc in zinc concentrate (tonnes)	48,597	56,313	(14%)
Lead in lead concentrate (tonnes)	17,942	20,879	(14%)
Copper in precious metals concentrate (tonnes)	1,154	1,288	(10%)
Gold (ounces)	32,514	33,377	(3%)
Silver (ounces)	2,358,979	2,413,983	(2%)
<b>Payable metal in product sold</b>			
Copper (tonnes)	1,092	1,256	(13%)
Zinc (tonnes)	38,722	48,084	(19%)
Lead (tonnes)	16,496	20,392	(19%)
Gold (ounces)	27,479	29,259	(6%)
Silver (ounces)	2,040,281	2,278,989	(10%)

Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % fav/(Unfav)
<b>Revenue</b>	<b>354.9</b>	<b>306.0</b>	<b>16%</b>
<b>Operating expenses</b>			
<b>Production expenses</b>			
Mining	(95.4)	(82.5)	(16%)
Processing	(36.7)	(37.4)	2%
Other	(36.0)	(32.6)	(10%)
<b>Total production expenses</b>	<b>(168.1)</b>	<b>(152.5)</b>	<b>(10%)</b>
Freight	(6.2)	(8.5)	27%
Royalties	(18.1)	(9.5)	(91%)
Other <sup>1</sup>	9.9	(2.5)	496%
<b>Total operating expenses</b>	<b>(182.5)</b>	<b>(173.0)</b>	<b>(5%)</b>
Other expenses	(4.3)	(9.8)	56%
<b>EBITDA</b>	<b>168.1</b>	<b>123.2</b>	<b>36%</b>
Depreciation and amortisation expenses	(56.6)	(78.8)	28%
<b>EBIT</b>	<b>111.5</b>	<b>44.4</b>	<b>151%</b>
<b>EBITDA margin</b>	<b>47%</b>	<b>40%</b>	

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

## Mines Analysis: Rosebery

### Continued

Rosebery produced 48,597 tonnes of zinc in zinc concentrate in 2025, a decrease from the previous year. However, the mine's strategy focuses on leveraging by-product metal contributions to maximise asset values and financial outcomes, resulting in zinc equivalent production totalling 139,959 tonnes.

Rosebery revenue increased by US\$48.9 million (16%) to US\$354.9 million in 2025, driven by higher prices for silver (US\$43.7 million), gold (US\$35.4 million), zinc (US\$11.8 million) and copper (US\$1.8 million). This was partly offset by lower sales volumes for zinc (US\$23.1 million), precious metals (US\$11.3 million), lead (US\$7.5 million) and copper (US\$1.3 million).

Total production expenses increased by US\$15.6 million (10%) compared to 2024, primarily due to higher mining costs (US\$12.9 million) attributable to lower capitalised mine development and increased mining contractor costs driven by additional ground support requirements.

Royalties increased by US\$8.6 million (91%) reflecting higher revenue and profit.

Other operating expenses were mainly driven by favourable changes in inventory (US\$12.3 million) due to a net build-up of stocks for ore, zinc and lead concentrate.

Other expenses decreased by US\$5.5 million (56%) due to reduced exploration and study costs for the Rosebery life extension program in 2025.

Depreciation and amortisation expenses were lower than 2024 by US\$22.2 million (28%), reflecting the extension of the life-of-mine reserve base.

Rosebery zinc C1 costs were negative US\$0.94/lb for the 2025 full year, compared to negative US\$0.10/lb in 2024, reflecting higher precious metal by-product credits and lower treatment charges.

### 2026 Outlook

Rosebery zinc production for 2026 is expected to range between 45,000 and 55,000 tonnes of zinc in zinc concentrate. Including contributions from by-product metals and calculated using 2025 average realised prices, zinc equivalent production for 2026 is expected to range between 125,000 and 140,000 tonnes.

C1 costs for 2026 are expected to range between negative US\$0.60/lb and negative US\$0.10/lb. Sustained high gold and silver prices would contribute to C1 costs optimisation.

# Management Discussion and Analysis

## Continued

### Cash flow analysis

#### Net cash flow

Year ended 31 December	2025 US\$ million	2024 US\$ million	Change % Fav/(Unfav)
Net operating cash flows	2,689.5	1,611.9	67%
Net investing cash flows	(1,081.4)	(2,970.2)	64%
Net financing cash flows	(1,472.2)	1,104.0	(233%)
<b>Net cash inflows / (outflows)</b>	<b>135.9</b>	<b>(254.3)</b>	<b>153%</b>

**Net operating cash inflows** increased by US\$1,077.6 million (67%) to US\$2,689.5 million, primarily due to higher EBITDA (US\$1,372.7 million), partly offset by higher income tax payments in Peru (US\$324.8 million) and Australia (US\$39.9 million), reflecting higher profits, as well as Peruvian dividend withholding taxes of US\$51.1 million.

**Net investing cash outflows** decreased by US\$1,888.8 million (64%) to US\$1,081.4 million. This reflects the US\$2,042.8 million acquisition cost (net of cash acquired) for the 100% share capital of Khoemacau Copper Mine in Botswana (March 2024) and lower expenditure at Kinsevere (US\$75.6 million) in 2025 due to ramp-up of KEP. These were partly offset by higher capital expenditure at Khoemacau (US\$143.5 million) for the pastefill plant construction and Khoemacau expansion project, as well as higher capital expenditure at Las Bambas (US\$60.9 million).

**Net financing cash flows** in 2025 were unfavourable by US\$2,576.2 million (233%) compared to 2024. This decline was primarily due to higher net repayment of borrowings in 2025 (US\$1,234.3 million) compared to 2024 and net cash raised from the rights issue in 2024 (US\$1,152.4 million). Additionally, unfavourable impacts included dividends paid (US\$695.3 million) to non-controlling interests of the Las Bambas joint venture in 2025 and lower non-controlling interest equity contributions for Khoemacau (2025: US\$337.5 million, 2024: US\$482.9 million). These were partially offset by proceeds from the issuance of convertible bonds in 2025 (US\$494.0 million) and lower financing costs paid during the year (US\$147.7 million).

# Management Discussion and Analysis

## Continued

### Financial resources and liquidity

	31 December 2025 US\$ million	31 December 2024 US\$ million	Change US\$ million
Total assets	15,300.5	14,985.9	314.6
Total liabilities	(8,400.6)	(8,707.4)	306.8
<b>Total equity</b>	<b>6,899.9</b>	<b>6,278.5</b>	<b>621.4</b>

Total equity increased by US\$621.4 million to US\$6,899.9 million as at 31 December 2025.

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

MMG Group	31 December 2025 US\$ million	31 December 2024 US\$ million
Total borrowings (excluding prepaid finance charges) <sup>1</sup>	3,278.9	4,635.1
Convertible bonds (debt component)	401.1	-
Less: cash and cash equivalents	(328.6)	(192.7)
<b>Net debt</b>	<b>3,351.4</b>	<b>4,442.4</b>
Total equity	6,899.9	6,278.5
<b>Net debt + Total equity</b>	<b>10,251.3</b>	<b>10,720.9</b>
<b>Gearing ratio</b>	<b>0.33</b>	<b>0.41</b>

<sup>1</sup> Borrowings at an MMG Group level reflect 100% of the borrowings of the Las Bambas and Khoemacau Joint Venture Groups. Las Bambas Joint Venture Group borrowings as at 31 December 2025 were US\$1,302.0 million (31 December 2024: US\$1,040.0 million) and Las Bambas Joint Venture Group cash and cash equivalents as at 31 December 2025 were US\$215.2 million (31 December 2024: US\$60.7 million). Khoemacau Joint Venture Group borrowings as at 31 December 2025 were US\$504.7 million (31 December 2024: US\$1,028.9 million) and Khoemacau Joint Venture Group cash and cash equivalents as at 31 December 2025 were US\$53.9 million (31 December 2024: US\$19.5 million). For the purpose of calculating the gearing ratio, Las Bambas and Khoemacau Joint Venture Groups' borrowings have not been reduced to reflect the MMG Group's 62.5% and 55.0% equity interest, respectively. This is consistent with the basis of the preparation of MMG's financial statements.

### Available debt facilities

As at 31 December 2025, the Group had available in its undrawn debt facilities an amount of US\$4,047.8 million (31 December 2024: US\$2,950.0 million).

Some of the Group's available external debt facilities are subject to covenant compliance requirements. The Group was not in breach of covenant requirements in respect of the Group's borrowings at 31 December 2025. 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.

# Management Discussion and Analysis

## Continued

### Dividend

The Board did not recommend the payment of an interim or final dividend for the year ended 31 December 2025 to the ordinary Shareholders of the Company.

Under the Hong Kong Companies Ordinance, dividends may only be declared or paid out of a company's accumulated realised profits or distributable reserves, and only where such payment would not result in the Company's net assets falling below the aggregate of its share capital and undistributable reserves.

In addition to the statutory conditions above, the Board has considered the Company's financial position (including its capital commitments, debt obligations), anticipated cash flow requirements in the ordinary course of business and in support of future growth. The Company continues to adopt a disciplined approach to capital allocation, with due regard to financial flexibility and balance sheet strength.

On the basis of such consideration, the Board determined that it would not be appropriate to declare or pay a dividend for the year ended 31 December 2025. Accordingly, no dividend was declared or paid in respect of the year.

### Material acquisitions and disposals

#### Acquisition of Anglo American's Nickel Business in Brazil

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

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

Closing of the transaction is subject to the satisfaction or waiver of certain conditions precedent including merger control clearance in several jurisdictions, acceptance of a filing with the National Development and Reform Commission, PRC (NDRC), and acceptance of a filing with Ministry of Commerce, PRC (MOFCOM). Whereas all other conditions have been satisfied, in November 2025 the European Commission extended its review to a Phase II review. The parties continue to work with the European Commission to facilitate its review. The latest date by which the Conditions may be completed under the Share Purchase Agreement was 18 November 2025 (Long Stop Date). The parties agreed to extend the Long Stop Date to 30 June 2026.

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

Notes:

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

# Management Discussion and Analysis

## Continued

### Convertible Bonds

On 29 September 2025, the Company entered into a subscription agreement with Merrill Lynch (Asia Pacific) Limited and CLSA Limited (Collectively, the Managers), pursuant to which the Company has agreed to issue, and the Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, US\$500 million zero coupon convertible bonds due 2030 (Convertible Bonds). The issuance of the Convertible Bonds was completed on 8 October 2025. The net proceeds from the offering of the Convertible Bonds, after deduction of fees and commissions and other estimated expenses, were approximately US\$494 million. The maturity date of the Convertible Bonds is 8 October 2030.

Details of the Convertible Bonds are set out in the circular of the Company dated 9 October 2025. The Company intended to apply the proceeds for refinancing the Group's offshore indebtedness.

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

Items	Intended use of the net proceeds (US\$ in million)	Actual use of the net proceeds up to date of this report (US\$ in million)	Unutilised proceeds up to date of this report (US\$ in million)
Refinancing the Group's offshore indebtedness	494	494	0

As at the date of this report, the Company has completed the intended utilisation of the proceeds.

The repayment of the existing indebtedness which has higher rates of interest than the zero-coupon rate of the Convertible Bonds, thereby lowering the Company's ongoing interest expense. This will help improve the Company's ongoing cashflows and maintain a balanced gearing position.

### Development projects

**Khoemaçau Expansion Project** - the Company plans to expand the mine's capacity to 130,000 tonnes of copper in copper concentrate per annum, with associated silver output exceeding 4 million ounces by constructing a new 4.5Mtpa processing plant and extending mining operations to Zone 5 North, Mango and Zeta North-East deposits. This expansion will raise the mine's total milling capacity to over 8.0 Mtpa. First concentrate production from the expansion is expected in the first half of 2028. The life-of-mine average C1 cost is expected to improve to below US\$1.60 per pound, representing a significant reduction from the actual C1 costs of US\$1.97 per pound in 2025.

Looking ahead, Khoemaçau has identified a further expansion potential of up to 200,000 tonnes of copper in copper concentrate per annum, supported by ongoing exploration activities. A pre-feasibility study for the next expansion phase is scheduled to begin in 2026.

There were no other major development projects noted during the year ended 31 December 2025.

### Contracts and commitments

A total of 1,088 contracts were reviewed through market engagements or in-contract renegotiations, addressing approximately US\$2.49 billion in annual operational or capital values. Extensive contracting activities were undertaken across all operational sites to secure essential supplies and fulfill other critical requirements. These initiatives were vital in supporting the planned execution of projects, maintaining operational continuity, and proactively managing potential disruption risks.

# Management Discussion and Analysis

## Continued

### Las Bambas

New and revised agreements optimised production and development at Las Bambas, with Chalcobamba contracts prioritising local community involvement. These agreements covered a wide range of services, including studies and engineering via a consolidated head contractor, project construction, exploration drilling, mining services (blasting and drilling), fuel supply, equipment maintenance, catering and camp services, transportation, health and medical services, road maintenance, customs and freight forwarding, plant maintenance, grinding media, and consumables. Investments were made to increase on-site storage capacity for critical items, ensuring operational continuity and flexibility. Streamlined procedures and strategic contracting, finalised in late 2024, optimised workloads and achieved significant cost savings in 2025. Contract management improvements helped organise payment statements and delivered substantial cost mitigation and value returns to the budget. Additionally, increased China-sourced contracts were awarded through competitive bidding processes.

### Kinsevere

In 2025, Kinsevere mining team completed ore hauling contracts, and signed agreements for dewatering and drainage work. The tailings team executed agreements for the raise of Tailings Storage Facility 3 and the construction of Tailings Storage Facility 4. The exploration team finalised its drilling contract, while customs clearance agreements were renewed. Contracts for camp expansion were signed and implemented, along with agreements for heap leaching-related work. Additionally, more than twenty community projects were completed, including the construction of schools, hospitals, health posts, roads, bridges, and water wells.

### Khoemacau

Khoemacau advanced supply chain optimisation in 2025, focusing on safety, operational efficiency, and cost-effectiveness. Key contracts supporting the stability of its mining operations, covered a wide range of critical services and supplies, including mining services, concentrate export logistics, road infrastructure upgrades, fuel supply, drilling operations, and explosive materials procurement. The mine also prioritised local procurement strategies to support local economy and community development.

### Dugald River

In 2025, Dugald River entered new contracts and extensions to enhance operational efficiency and cost management. These included a new inbound logistics service provider, gas contracts and mobile equipment purchases. A key activity was the implementation of a new outbound concentrate logistics supply arrangement (signed in 2024), enabling rail delivery to the Port of Townsville with improved safety and cost management. The assessment of long-term energy solutions, including renewable sources like wind power, remained a priority.

### Rosebery

Rosebery signed new contracts and extensions in 2025 to improve operational efficiency and resource growth. These included agreements for rehabilitation and underground development, drilling consumables and services, and mobile/capital maintenance services.

# Management Discussion and Analysis

## Continued

### Group

New and revised agreements were finalised for IT, exploration and other key areas, including risk and audit, Asset Planning and Support (APS), and sustainability. Professional services consultancy agreements were also established, covering Safety, Security, Health, and Environment (SSHE), legal, Human Resources (HR), and corporate affairs.

### People

As at 31 December 2025, the Group employed 5,516 full-time equivalent staff (2024: 5,195) across its continuing operations, excluding contractors and casual employees. The increase in employee headcount compared with 2024 was primarily driven by the additional staffing required at Khoemaçau for the expansion project and higher production levels at Las Bambas. The majority of personnel are located in Australia, Peru, the DRC, Botswana, China and Laos.

Total employee benefits expenses for the Group's operations for the twelve months ended 31 December 2025, including directors' emoluments, amounted to US\$643.8 million (2024: US\$ 434.4 million). The increase was primarily driven by the MLB profit sharing expense of US\$101.6 million and a US\$73 million rise in salary and wages, mainly due to the 2025 collective bargaining agreement at Las Bambas.

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

### Exploration activities

#### Las Bambas

A total of 62,462 metres of exploration drilling was completed within the "Ring of Fire", targeting near-surface skarn and porphyry-hosted copper mineralisation located between the Chalcobamba pit and Sulfobamba ore deposits. Additionally, 550 metres were drilled at Ferrobamba East in January, continuing a campaign delayed from late 2024. In the last quarter, drilling at the Ferrobamba pit aimed to explore potential lateral expansion of the final pit.

#### Kinsevere

Kinsevere exploration program focused on resource testing and resource delineation drilling at the Kinsevere mine site and satellite projects (Nambulwa and Sokoroshe II). A total of 18,146 metres were drilled, at Kinsevere (Mashi Extension/Down-Pit), Nambulwa (Kimbwe Kafubu), and below the current Sokoroshe II pit. The 2025 Mineral Resource and Ore Reserves (MROR) process nearly doubled the Kimbwe-Kafubu copper resource since 2024. Additionally, bank-backed surety instruments were established to secure environmental rehabilitation obligations for specific mining licenses.

# Management Discussion and Analysis

## Continued

### Khoemacau

Regional exploration drilling focused on Kgwebe, Mawana Fold, and the Banana Zone for mineral resource growth:

Kgwebe Prospect drilling tested copper soil anomalies identified during the 2023 Terra-Leach geochemical sampling campaign, evaluating sub-surface copper mineralisation, continuity, and grade potential along the 6km soil anomaly strike. Initial results confirmed copper sulphide mineralisation present.

Mawana Fold drilling built on initial 2022 intersections, testing continuity of mineralisation along a 1.5km strike and down-plunge extensions around the fold closure.

Banana Zone drilling targeted at the northeast fold and south limb targeted extensions of mineralisation down-plunge at the fold closure and down-dip along the limbs.

### Dugald River

Underground growth exploration drilling focused on targets within the Extended Dugald River (EDR) Zn-Pb-Ag zone. An underground rig improved drilling efficiency, intersecting extensions down dip of the Dugald River Zn-Pb-Ag lode. Casing wedges maximised efficiency and provided in-fill geological data for the EDR. Surface exploration diamond drilling resumed in mid-April 2025, targeting Coolullah (formerly Claytons Creek), Godkin, Wallaroo and M2. Drilling focused on geophysical anomalies, interpreted structures, and alteration zones, enhancing understanding of the Dugald River mineral system.

### Rosebery

A total of 95,959 metres of drilling was completed at Rosebery, with 68,157 metres targeting growth areas, including extensions of the V-, K-, U-, and T-lenses. Additional drilling focused on historically mined lenses (CDAB, P, F, B, H and J-lenses) and the Dundas Group west of the Rosebery Fault. Surface exploration focused on Hercules and South Hercules mines, with additional drilling at Bastyan, Lake Rosebery (North), and Snake Gully (South). Exploration activities at Hercules, Lake Rosebery, and Snake Gully are planned to continue throughout 2026.

### Izok

Regional exploration was conducted on the Izok Corridor Project during the 2024 and 2025 summer field seasons, based at the Izok Lake camp and Ulu camp in Nunavut, Canada. The work focused on targets identified from historical geological and geophysical datasets, yielding encouraging results with confirmed outcropping mineralisation at multiple targets. Resource extension drilling at High Lake and High Lake East in 2025 intersected high-grade mineralisation, expanding the known resource volume. Efforts are ongoing to update the Mineral Resource Estimate for High Lake and establish a maiden Mineral Resource Estimate for High Lake East. Planning for the 2026 exploration program is underway to build on these positive results.

# Management Discussion and Analysis

## Continued

Project	Hole type (target)	Meterage (metres)	Number of holes	Average length (metres)
<b>Americas</b>				
Las Bambas	Diamond (Chalcobamba Northwest)	7,393	10	739
	Diamond (Charcas)	24,821	52	477
	Diamond (Jatun Charcas)	8,133	15	542
	Diamond (Jatun Charcas North)	15,278	35	437
	Diamond (Jatun Charcas West)	6,837	9	760
	Diamond (Ferrobamba East)	550	1	550
	Diamond (Ferrobamba Pit Extension)	4,296	10	430
<b>Africa</b>				
Kinsevere	Diamond (Mashi Extension)	4,163	11	378
	Diamond (Kinsevere SE Extension)	1,004	2	502
	Diamond (Kimbwe North)	1,002	4	251
	Diamond (Kimbwe South)	651	2	325
	Diamond (Mashi Down-Pit)	3,948	12	329
Khoemacau	Diamond (Kgwebe Phase 1)	2,189	10	219
	Diamond (Kgwebe Phase 2)	9,945	19	523
	Diamond (Mawana Fold)	1,601	5	320
	Diamond (Banana Zone)	4,025	11	366
<b>Australia</b>				
Dugald River	Diamond (Coolullah)	1,217	2	609
	Diamond (Godkin)	2,614	3	871
	Diamond (M2)	1,946	3	649
	Diamond (Wallaroo)	3,628	5	726
	Diamond (EDR Zn-Pb-Ag)	16,082	17	946
Rosebery	Diamond – surface exploration	44,845	172	261
	Diamond – underground exploration	23,312	132	177
<b>Canada</b>				
Izok	Diamond (High Lake AB Zone)	1102	6	184
	Diamond (High Lake East - Zinc Rim)	3444	10	344
	Diamond (Hood)	724	2	362
	Diamond (Dog Bone)	882	4	221
<b>Total</b>		<b>195,632</b>	<b>564</b>	<b>347</b>

# Management Discussion and Analysis

## Continued

### Events after the reporting date

Other than the matters disclosed in "Contingent Liabilities", 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.

### Financial and other risk management

#### Financial risk factors

The Group's activities expose it to a variety of financial risks, including commodity price risk, interest rate risk, foreign exchange risk, credit risk, 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 2025, the Group entered into various commodity trades to hedge the sales prices for copper, zinc and gold. Unsettled commodity trades as of 31 December 2025 included:

- Zero/low-cost collar hedges:
  - 68,350 tonnes of copper with put strike price ranging from US\$10,000/tonne to US\$12,000/tonne and call strike price ranging from US\$10,572/tonne to US\$13,450/tonne.
- Fixed price swap hedges:
  - 28,200 tonnes of copper with fixed price ranging from US\$9,000/tonne to US\$10,265/tonne;
  - 68,550 tonnes of zinc with fixed price ranging from US\$3,000/tonne to US\$3,070/tonne.

Above hedges settlement range from January to December 2026.

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

# Management Discussion and Analysis

## Continued

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

Term	Carrying amount of hedging instrument US\$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness		Settled portion of hedging instrument realised (losses)/gains US\$ million	Hedging (loss)/gain recognised in cash flow hedge reserve <sup>1</sup> US\$ million	Cost of hedging reserve US\$ million	
		Hedging instrument US\$ million	Hedged item US\$ million				
<i>Cash flow hedges:</i>							
<b>At 31 December 2025</b>							
Derivative financial liabilities	January 2026 to December 2026	(85.6)	(80.4)	80.4	(68.6)	(61.6)	(5.9)
<b>At 31 December 2024</b>							
Derivative financial assets/(liabilities)	March 2024 to May 2025	2.9	2.9	(2.9)	1.2	2.0	-

1. The hedging loss recognised in cash flow hedge reserve is the amount after tax.

The following table details the sensitivity of the Group's financial assets and liabilities 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:

Commodity	Commodity price movement	2025		2024		
		(Decrease)/increase in profit after tax US\$ million	Decrease in OCI after tax US\$ million	Commodity price movement	Increase in profit after tax US\$ million	Decrease in OCI after tax US\$ million
Copper	+10%	(21.1)	(12.8)	+10%	9.3	(5.5)
Zinc	+10%	6.2	(14.2)	+10%	-	-
<b>Total</b>		<b>(14.9)</b>	<b>(27.0)</b>		<b>9.3</b>	<b>(5.5)</b>

Commodity	Commodity price movement	Increase/(decrease) in profit after tax US\$ million		Commodity price movement	(Decrease) / increase in profit after tax US\$ million	
		Increase/ (decrease) in profit after tax US\$ million	Increase in OCI after tax US\$ million		(Decrease) / increase in profit after tax US\$ million	Increase in OCI after tax US\$ million
Copper	-10%	18.5	12.3	-10%	(8.8)	5.5
Zinc	-10%	(6.2)	14.2	-10%	0.1	-
<b>Total</b>		<b>12.3</b>	<b>26.5</b>		<b>(8.7)</b>	<b>5.5</b>

# Management Discussion and Analysis

## Continued

### (b) Interest rate risk

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

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

The Group is exposed to the risk-free rate of SOFR. The exposures arise on derivative and non-derivative financial assets and liabilities. The current exposures mainly arise on non-derivative financial assets and liabilities.

At 31 December 2025 and 2024, 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:

US\$ million	2025		2024	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
	Increase/ (decrease) in profit after tax	(Decrease)/ increase in profit after tax	Increase/ (decrease) in profit after tax	(Decrease)/ increase in profit after tax
<b>Financial assets</b>				
Cash and cash equivalents	1.4	(1.4)	0.8	(0.8)
<b>Financial liabilities</b>				
Borrowings - variable interest rate	(18.1)	18.1	(21.5)	21.5
<b>Total</b>	<b>(16.7)</b>	<b>16.7</b>	<b>(20.7)</b>	<b>20.7</b>

# Management Discussion and Analysis

## Continued

### (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.

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

US\$ million	US\$	PEN	A\$	BWP\$	Others	Total
<b>At 31 December 2025</b>						
<b>Financial assets</b>						
Cash and cash equivalents	301.7	17.6	0.3	2.7	6.3	<b>328.6</b>
Restricted bank deposits	1.2	-	-	-	-	<b>1.2</b>
Trade receivables	658.4	-	-	-	-	<b>658.4</b>
Other receivables	6.2	2.9	1.0	0.2	-	<b>10.3</b>
Other financial assets	0.7	-	-	-	-	<b>0.7</b>
<b>Financial liabilities</b>						
Trade and other payables	(454.6)	(69.8)	(35.7)	(2.9)	(3.4)	<b>(566.4)</b>
Derivative financial liabilities	(159.1)	-	-	-	-	<b>(159.1)</b>
Borrowings	(3,275.1)	-	-	-	-	<b>(3,275.1)</b>
Convertible bonds	(401.1)	-	-	-	-	<b>(401.1)</b>
Lease liabilities	(101.9)	(8.2)	(32.3)	-	-	<b>(142.4)</b>
	<b>(3,423.6)</b>	<b>(57.5)</b>	<b>(66.7)</b>	<b>-</b>	<b>2.9</b>	<b>(3,544.9)</b>

US\$ million	US\$	PEN	A\$	BWP\$	Others	Total
<b>At 31 December 2024</b>						
<b>Financial assets</b>						
Cash and cash equivalents	173.2	6.4	3.1	5.6	4.4	<b>192.7</b>
Trade receivables	443.7	-	-	-	-	<b>443.7</b>
Other receivables	30.0	-	0.4	3.4	0.1	<b>33.9</b>
Derivative financial assets	11.0	-	-	-	-	<b>11.0</b>
Other financial assets	1.0	-	-	-	-	<b>1.0</b>
<b>Financial liabilities</b>						
Trade and other payables	(363.7)	(59.5)	(30.0)	(4.0)	(2.2)	<b>(459.4)</b>
Derivative financial liabilities	(0.7)	-	-	-	-	<b>(0.7)</b>
Borrowings	(4,628.8)	-	-	-	-	<b>(4,628.8)</b>
Lease liabilities	(109.0)	(9.3)	(29.9)	-	-	<b>(148.2)</b>
	<b>(4,443.3)</b>	<b>(62.4)</b>	<b>(56.4)</b>	<b>5.0</b>	<b>2.3</b>	<b>(4,554.8)</b>

# Management Discussion and Analysis

## Continued

Based on the Group's net monetary assets and liabilities at 31 December 2025 and 2024, 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:

US\$ MILLION	2025		2024	
	Weakening of US\$ dollar	Strengthening of US\$ dollar	Weakening of US\$ dollar	Strengthening of US\$ dollar
	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 (2024: 10%)	(4.7)	4.7	(3.9)	3.9
10% movement in Peruvian sol (2024: 10%)	(3.9)	3.9	(4.2)	4.2
10% movement in Botswana pula (2024: 10%)	-	-	0.3	(0.3)
<b>Total</b>	<b>(8.6)</b>	<b>8.6</b>	<b>(7.8)</b>	<b>7.8</b>

### (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 carrying amount of the Group's trade receivables at FVTPL best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

Investments in cash, short-term bank deposits and similar assets are with approved counterparty banks. Counterparties are assessed prior to, during and after the conclusion of transactions to ensure exposure to credit risk is limited to acceptable levels. There has been no change in the estimation techniques or significant assumptions made during the year ended 31 December 2025 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 2025 and 2024, the Group assessed the ECL for these balances and considered no significant impact to the consolidated financial statements.

## Management Discussion and Analysis

### Continued

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

	2025	2024
CMN	47.6%	42.6%
CITIC Metal	19.0%	16.6%
Trafigura	14.9%	16.2%

The Group's largest debtor at 31 December 2025 was CMN with a balance of US\$ 343.0 million (2024: US\$228.9 million) and the five largest debtors accounted for 96.7% (2024: 81.5%) 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:

US\$ million	At 31 December	
	2025	2024
Asia	466.4	361.7
Europe	185.5	74.5
Others	6.5	7.5
	<b>658.4</b>	<b>443.7</b>

# Management Discussion and Analysis

## Continued

### (e) Liquidity risk

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

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

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

US\$ million	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Total carrying value
<b>At 31 December 2025</b>						
<b>Financial assets</b>						
Cash and cash equivalents	328.6	-	-	-	328.6	328.6
Restricted bank deposits	-	-	-	1.2	1.2	1.2
Trade receivables	658.4	-	-	-	658.4	658.4
Other receivables	10.3	-	-	-	10.3	10.3
Other financial assets	-	0.7	-	-	0.7	0.7
<b>Financial liabilities</b>						
Trade and other payables	(566.4)	-	-	-	(566.4)	(566.4)
Derivative financial liabilities	(159.1)	-	-	-	(159.1)	(159.1)
Borrowings (including interest)	(907.4)	(1,540.9)	(1,097.5)	(25.8)	(3,571.6)	(3,275.1)
Convertible bonds (including unwinding)	-	-	(500.0)	-	(500.0)	(401.1)
Lease liabilities (including unwinding)	(40.1)	(37.3)	(67.1)	(39.1)	(183.6)	(142.4)
	<b>(675.7)</b>	<b>(1,577.5)</b>	<b>(1,664.6)</b>	<b>(63.7)</b>	<b>(3,981.5)</b>	<b>(3,544.9)</b>
<b>At 31 December 2024</b>						
<b>Financial assets</b>						
Cash and cash equivalents	192.7	-	-	-	192.7	192.7
Trade receivables	443.7	-	-	-	443.7	443.7
Other receivables	33.9	-	-	-	33.9	33.9
Derivative financial assets	11.0	-	-	-	11.0	11.0
Other financial assets	-	1.0	-	-	1.0	1.0
<b>Financial liabilities</b>						
Trade and other payables	(459.4)	-	-	-	(459.4)	(459.4)
Derivative financial liabilities	(0.7)	-	-	-	(0.7)	(0.7)
Borrowings (including interest)	(1,132.9)	(1,312.8)	(2,630.7)	(271.6)	(5,348.0)	(4,628.8)
Lease liabilities (including unwinding)	(36.1)	(34.0)	(74.5)	(55.9)	(200.5)	(148.2)
	<b>(947.8)</b>	<b>(1,345.8)</b>	<b>(2,705.2)</b>	<b>(327.5)</b>	<b>(5,326.3)</b>	<b>(4,554.8)</b>

# Management Discussion and Analysis

## Continued

### Available debt facilities

As at 31 December 2025, the Group had available in its undrawn debt facilities an amount of US\$4,047.8 million (31 December 2024: US\$2,950.0 million). These include:

1. A US\$1,000.0 million RCF from Minmetals HK was undrawn and available. It will expire in December 2026;
2. A US\$861.3 million facility from Minmetals HK (formerly from Top Create) which was amended in June 2025 to be revolving facility. US\$524.0 million was undrawn and available as of 31 December 2025. It will expire in July 2028;
3. A US\$90.0 million that was undrawn and available under the US\$300 million Term Loan from Top Create. It will expire in December 2030;
4. A US\$300.0 million RCF from Industrial and Commercial Bank of China ("ICBC") was undrawn and available. It will expire in December 2026;
5. A US\$200.0 million RCF from China Construction Bank ("CCB") Asia was undrawn and available. It will expire in January 2027;
6. A US\$100.0 million RCF from CCB Asia was undrawn and available. It will expire in May 2027;
7. A US\$100.0 million RCF from Bank of China ("BOC") was undrawn and available. It will expire in April 2027;
8. A US\$100.0 million RCF from Development Bank of Singapore was undrawn and available. It is a perpetual facility;
9. A new US\$20.0 million Bank Overdraft Facility from Raw Bank was undrawn and available. This facility will expire in October 2026;
10. A new CNY600.0 million (US\$85.8 million) RCF from China Minsheng Bank was undrawn and available. It will expire in November 2028;
11. A new US\$150.0 million RCF from the bank of Natixis was undrawn and available. It is a perpetual facility;
12. A US\$100.0 million RCF from ICBC made up from two tranches of US\$50.0 million each was undrawn and available. This facility will expire in May and June 2026;
13. A US\$95.0 million term loan from Bank of Communication ("BOCOM") was undrawn and available. The loan will expire in August 2026;
14. US\$773.0 million that was undrawn and available under a US\$1,000.0 million syndicated RCF borrowed from BOC, ICBC, CCB and BOCOM which will expire in September 2029;
15. A US\$60.0 million RCF from Standard Chartered Bank was undrawn and available. This facility will expire in July 2026; and
16. A US\$350.0 million RCF from Album Enterprises Limited was undrawn and available. This facility will expire in August 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 2025. 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.

# Management Discussion and Analysis

## Continued

### Country and community risks

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

### 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 2025, these guarantees amounted to US\$328.2 million (2024: US\$330.7 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 DRC. 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.

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.

# Management Discussion and Analysis

## Continued

### 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 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 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 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. However, SUNAT filed judicial lawsuits challenging the Tax Court's decisions which has been responded by MLB.

In February 2026, the Peru Judiciary (Second Level) issued its decision in relation to the appeal filed on the withholding tax case for the financial year ended 31 December 2017. The Judiciary Court directed the matter to be considered by the Peru Tax Court in a new trial. MLB is currently considering its legal appeal options.

The Group has the continued point of view that the Company and its controlled entities do not qualify as related parties to Chinese banks under Peruvian tax law.

### Peru – Income Taxes (2016, 2017, 2018 and 2019)

During Income Tax audits, SUNAT challenged the deductibility of interest expenses arising from loans granted by Chinese banks on the grounds that such lenders were considered to be related parties to MLB. In addition, SUNAT denied the deductibility of interest expenses derived from the shareholder loan granted by MMG Swiss Finance, arguing that such financing did not comply with the causality principle.

In 2024, the Tax Court's rulings on Income Tax for the financial years ended 31 December 2016 and 31 December 2017 confirmed MLB's entitlement to deduct expenses related to loans from Chinese banks and MMG Swiss Finance. In reaching its decisions, the Tax Court held that the income tax regulations are intended only to counter situations of tax avoidance, which were not present in this case, and that the related-party provisions cannot be applied to State-owned enterprises, namely the Chinese lender banks, solely by reason of the Company's governmental relationship with the State. Accordingly, SUNAT's negative equity argument was also disregarded, as the parties (MLB and the Chinese lender banks) were not found to be related. With respect to the causality principle, the Tax Court further concluded that the shareholder loan granted by MMG Swiss Finance was deductible, as the ultimate purpose of the loan related to the acquisition of the Las Bambas mine. As a result of these rulings, the assessed tax liabilities of US\$178 million (2016) and US\$954 million (2017) were set aside. SUNAT subsequently filed lawsuits before the Judiciary challenging these favourable resolutions, and MLB submitted its responses to the appeals filed by SUNAT. A final decision by the Judiciary is expected in the following years.

With respect to the financial year ended 31 December 2018, in March 2025, MLB received a Tax Court Resolution that upheld MLB's position on the deductibility of finance expenses and entitled Las Bambas to:

- Tax losses claimed of US\$429 million; and
- Interest deductions on loans from Chinese lender banks of US\$378 million and a loan from a shareholder (MMG Swiss Finance AG) in the amount of US\$242 million.

# Management Discussion and Analysis

## Continued

This decision was subsequently appealed by SUNAT to the Peru Judiciary (1st Instance) and the Court found in favour of MLB in November 2025. The case was appealed again by SUNAT to the Peru Judiciary (2nd Instance) and in January 2026, the Court instructed the judge in the Peru Judiciary 1st Instance to re-consider SUNAT's arguments in a new decision. A new decision from the Peru Judiciary (1st Instance) is expected later 2026.

The reinstated tax losses for 2014 to 2018 amount to US\$2,575 million. This decision has removed a tax exposure of US\$912 million on similar grounds to the previously reported Tax Court decision in relation to the 2017 income tax assessment. The cumulative effect of the decisions of the Tax Court and Peru Judiciary to date, as announced by MMG, have removed the uncertainty of income tax, interest and penalties payments of US\$2,044 million as alleged by SUNAT. SUNAT has filed several appeals to the Judiciary which MLB has responded with the corresponding defences. MLB is waiting for the judicial final pronouncements. Appeals in the Peruvian tax administration and judicial systems can take many years to resolve.

In December 2025, MLB received assessment notices from SUNAT in connection with the income tax audit for the financial year ended 31 December 2019. SUNAT assessment and interpretation include:

- Denying the deductibility of interests' expenditure on Chinese lender banks of US\$371 million and MMG Swiss Finance of US\$273 million. SUNAT's interpretation with the deductibility of interests are largely the same with previous years despite the positive outcome in the Tax Court.
- Denying tax loss carried from the financial year ended 31 December 2018 based on its position in previous audit.

The Assessment issued by SUNAT for tax, interest and penalties for the tax periods above totalled US\$162 million. In January 2026, MLB appealed before second instance of SUNAT and may appeal to the Tax Court in due course.

Considering MLB's positive results at the Tax Court and advice from the tax and legal advisors, the Group did not recognise a liability in its consolidated financial statements for any assessed amount. However, SUNAT have appealed before Judiciary as mentioned above. If MLB's defence is unsuccessful in Judiciary, it could result in significant liabilities being recognised.

### Future prospects

MMG remains committed to long-term, disciplined growth, supported by ambitious production targets for metals essential to a low-carbon future. This strategy is underpinned by a focus on prudent cost and risk management, as well as exceptional operational planning. Clear targets and high-quality execution will continue to drive the Company's progress.

With a portfolio spanning South America, Africa, and Australia, MMG is well-positioned in regions experiencing significant growth. The Company focus remains on generating more value from its operations and maximising the growth potential of its assets, while also exploring opportunities to diversify within existing regions and commodities. MMG's ambition is made possible through the continued support of its major shareholder, China Minmetals Corporation.

MMG's strong governance standards remain a cornerstone of its success. The Company will continue to engage and leverage the strengths of its board, management, employees, partners, and stakeholders to ensure sustainable growth and long-term value creation.

### Capital expenditure plan in 2026

Total capital expenditure in 2026 is expected to be between US\$1,600 million and US\$1,700 million. This includes US\$800-850 million for Las Bambas (Capitalised Mining, Ferrobamba pit infrastructure, and tailings dam facility expansion); and US\$500-550 million for Khoemaçau (including US\$400 million for the expansion project). Should MMG successfully complete the acquisition of Nickel Brazil, additional capital expenditure will be required in 2026.

# Directors and Senior Management

## Directors' biographies

### Chairman

#### MR CAO LIANG

Mr Cao, aged 45, was appointed as the Chairman of the Board in December 2025 and previously served as the Chief Executive Officer (CEO) and an Executive Director from April 2024 to April 2025 before redesignation as a Non-executive Director in April 2025. He is a member of Audit and Risk Management Committee and Governance, Remuneration, Nomination and Sustainability Committee.

Mr Cao was appointed as the President (General Manager) and a director of China Minmetals Non-ferrous Metals Co., Ltd. (CMN) in February 2025, as well as a director of Vast Rock International Investment Co., Ltd., a non wholly-owned subsidiary of China Minmetals Corporation (CMC) in April 2025. He previously served as the Vice President of CMN and the Vice President/ Chief of Staff at Mineral Las Bambas.

Mr Cao holds a Bachelor's Degree in Resources Engineering and a Master's Degree in Mining Engineering from the University of Science and Technology Beijing in China. With nearly 20 years of experience in international mining investment and strategy, he specializes in international mining project management, mine operations and stakeholders engagement across China, Peru and Australia. Mr Cao has participated in mining acquisitions, divestments and mining project construction for CMN and MMG.

### Executive Directors

#### MR ZHAO JING IVO

Mr Zhao, aged 42, was appointed as the CEO and an Executive Director in April 2025. He served as the Executive General Manager – Americas from September 2024 to December 2025 following earlier appointment as the Interim Executive General Manager – Americas in June 2024 and has served as Executive Committee of the Company since September 2024. Mr Zhao also serves as a director of certain subsidiaries of the Group.

Mr Zhao previously held the position of the Vice President of Sustainability & Corporate Affairs of Minera Las Bambas S.A., a non wholly-owned subsidiary of the Company from 2022 to 2024. Prior to that, he was the deputy director of the International Cooperation Division of CMC from 2020 to 2021. With nearly 20 years of extensive and practical experience in international management, Mr Zhao is proficient in dealing with stakeholder relations in the mining industry.

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

#### MR QIAN SONG

Mr Qian, aged 54, is currently the Chief Financial Officer (CFO) of the Company and has held this position since July 2024. Mr Qian was appointed as an Executive Director of the Company in January 2026. He has served on the Executive Committee of the Company since February 2024. Mr Qian joined China Minmetals Corporation (CMC) in 1993 and brings to the role significant executive experience within CMC, most recently as the CFO of Minmetals Innovative Investment Co., Limited. Prior to this role, he was the Vice President of Capital Markets of CMC from 2019 to 2022. He was also employed by the Company from 2010 to 2012 in the role of Group Manager Board Support. Mr Qian is also a director of certain subsidiaries of the Company.

Mr Qian has over three decades of experience in global treasury systems, commercial and investment banking, financial markets, and cross-cultural integration in mining assets as well as multi-industrial assets, both in China and internationally.

Mr Qian holds a Bachelor's Degree in International Banking from the Central University of Finance and Economics (China) and a Master's Degree in International Economic and Business Law from the University of International

## Directors and Senior Management

### Continued

Business and Economics (China). He also earned a Doctorate in Financial Engineering & Risk Management from the China University of Mining and Technology, Beijing.

#### Non-executive Directors

##### MR ZHANG SHUQIANG

Mr Zhang, aged 59, was appointed as a Non-executive Director of the Company in February 2017. He is a member of the Company's Audit and Risk Management Committee.

Mr Zhang has been the Auditor – General of CMC since August 2023; the General Manager of Audit Department of CMC since April 2023. He was appointed as a director of China Minmetals Non-ferrous Metals Holdings Co., Ltd (CMNH) since January 2016 and was designated as a chairman of CMNH in February 2021 until CMNH was deregistered in September 2024. Mr Zhang was a Supervisor of China Minmetals Corporation Limited from April 2023 to December 2025 and the General Manager of the Finance Department of CMC from January 2016 to April 2023, a director of CMN from February 2016 to March 2023, and a director of Minmetals HK from August 2016 to July 2024. He was the chairman of Minmetals Finance Co., Ltd. from September 2018 to April 2023. Mr Zhang was appointed as a director of China Rare Earth Group Co., Ltd since December 2021.

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

##### MR YUE WENJUN

Mr Yue, aged 49, currently serves as General Manager of the Legal, Compliance and Risk Management Department at CMC. He was appointed as the Non-executive Director and a member of Governance, Remuneration, Nomination and Sustainability Committee of the Company in January 2026.

Mr Yue joined CMC in 2005. He previously held the positions of Chief of Staff at Minmetals Development Co., Ltd. from 2017 to 2019, General Manager of the Legal Department at Minmetals Development Co., Ltd. from 2019 to 2020 and Deputy General Manager of the Legal and Compliance Department at CMC from 2020 to 2024. With over two decades of extensive experience in legal affairs and risk management, Mr Yue has extensive expertise in corporate governance, risk mitigation, regulatory compliance, and strategic asset operations.

Mr Yue holds a Bachelor's Degree in Japanese Language from Beijing Language and Culture University and Master's Degrees in Law from both Tsinghua University, China and Temple University, U.S.A.

# Directors and Senior Management

## Continued

### Independent Non-executive Directors

#### DR PETER CASSIDY

Dr Cassidy, aged 80, was appointed as an Independent Non-executive Director of the Company in December 2010. He is the Chairman of the Company's Governance, Remuneration, Nomination and Sustainability Committee and a member of Audit and Risk Management Committee.

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

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

#### MR LEUNG CHEUK YAN (LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR)

Mr Leung, aged 74, was appointed as an Independent Non-executive Director of the Company in July 2012 and designated as the Lead Independent Non-executive Director in December 2025. He is a member of the Company's Audit and Risk Management Committee and Governance, Remuneration, Nomination and Sustainability Committee.

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

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

#### MR CHAN KA KEUNG, PETER

Mr Chan, aged 74, was appointed as an Independent Non-executive Director in December 2019, he is currently the Chairman of the Audit and Risk Management Committee and a member of the Governance, Remuneration, Nomination and Sustainability Committee of the Company.

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

From January 1994 to December 2008, Mr Chan served as Beijing-based managing partner of the Tax and Investment Advisory Service Department and then managing partner of the NPA Transaction Advisory Service Department of Ernst & Young. He also served as member of the executive committee of the Hong Kong Chamber of Commerce in China from 1996 to 2003 and the chairman of Hong Kong Chamber of Commerce in China in 2000 and 2003.

Mr Chan was an independent non-executive director of CRRC Corporation Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) from June 2014 to May 2018. He was also an independent non-executive director of Metallurgical Corporation of China Ltd. (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) and China Railway Signal & Communication Corporation Limited (a company listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange) from November 2014 to April 2020 and from August 2018 to February 2022 respectively.

## Directors and Senior Management

### Continued

#### MS CHEN YING

Ms Chen, aged 54, was appointed as an Independent Non-executive Director of the Company in July 2024. She is a member of the Company's Audit and Risk Management Committee and Governance, Remuneration, Nomination and Sustainability Committee.

Ms Chen is currently an independent non-executive director of Orient Overseas (International) Limited (a company listed on The Stock Exchange of Hong Kong Limited, stock code: 316) since August 2018 and COSCO Shipping Container Lines Co. Ltd. since November 2019. She also serves as an independent non-executive director of China CSSC Holdings Limited (Shanghai Stock Exchange, stock code: 600150) since June 2025. Ms Chen was an independent non-executive director of China Shipbuilding Industry Company Limited (Shanghai Stock Exchange, stock code: 601989) since August 2020 until it was delisted following an acquisition by China CSSC Holdings Limited in September 2025. She also serves as an independent non-executive director of Shanghai Rural Commercial Bank Co., Ltd., (Shanghai Stock Exchange, stock code: 601825) since November 2023.

Ms Chen joined Baoshan Iron and Steel Company Limited, (a company listed on the Shanghai Stock Exchange, stock code 600019) in 1993 and successively served as director of Accounting, director of Cost and Financial Controller and Deputy General Manager (CFO) and Company Secretary within the group from 1999 to 2016. She also served as the chairperson of Shanghai Meishan Iron & Steel Co., Ltd. from 2011 to 2012. From 2016 to 2018, Ms Chen served as Vice chairperson of Shanghai Chongyang Investment Co., Ltd.. She also served as an independent director of Pingdingshan Tianan Coal Mining Co. Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601666) until June 2024.

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

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

#### Biographies of Senior Management

#### MR TROY HEY, EXECUTIVE GENERAL MANAGER – CORPORATE RELATIONS

Mr Hey, aged 55, has served on the Executive Committee of the Company since August 2013 in his capacity as the Executive General Manager – Stakeholder Relations. His present role title is Executive General Manager – Corporate Relations. In this role, he is responsible for Stakeholder Relations, Corporate Affairs, Global Business Services and Legal and Company Secretarial. Mr Hey is also a director of several subsidiaries of the Group.

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

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

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

## Directors and Senior Management

### Continued

#### **MR NAN WANG, CHIEF OPERATING OFFICER**

Mr Wang, aged 52, has served on the Executive Committee of the Company since May 2022, initially as Executive General Manager – Australia and Africa. He was redesignated as Executive General Manager – Operations which has integrated group operational accountability with operational excellence in February 2024 and subsequently was redesignated Chief Operating Officer in December 2025. Mr Wang is also a director of several subsidiaries of the Group.

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

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

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

#### **MS GUAN XIANGJUN SANDRA, INTERIM EXECUTIVE GENERAL MANAGER – COMMERCIAL AND DEVELOPMENT**

Ms Guan, aged 54, has served on the Executive Committee since April 2024 as Interim Executive General Manager – Commercial and Development. She has held a number of senior roles within MMG since joining in September 2014, including General Manager, Corporate Governance, General Manager, China Relations, and General Manager, Stakeholder Relations.

Prior to joining MMG, Ms Guan held several senior roles within Minmetals Nonferrous Metals Co. Ltd., a member of China Minmetals Corporation, including General Manager, Capital Market and General Manager, Business Development. Ms Guan brings over 30 years of experience across the metals and mining sector, spanning trading, financial management, business development, commercial management, and stakeholder relations.

Ms Guan holds an MBA in Accounting and Finance with a Global Leadership Fellowship from The George Washington University, and a Bachelor of Arts in English Literature from Beijing Language Institute. Ms Guan is a director of several subsidiaries of the Company.

#### **MR XIA WEIQUN, PRESIDENT OF AFRICA OPERATIONS**

Mr Xia, aged 48, has served on the Executive Committee of the Company since December 2025 in his capacity as the President of African Operations. He is currently the director of operations of Khoemacau and was previously the General Manager of Kinsevere. He is also a director of several subsidiaries of the Group.

Prior to joining the Company, Mr Xia served as the General Manager of the Mining Technology Department of Minmetals Mining Holdings Limited. He also previously held senior positions such as President of Huoqiu Machinery Equipment Co., Ltd., and President of Anhui Kaifa Mining Co., Ltd., where he was responsible for overseeing the construction and operation of one of China's largest underground mines.

Mr Xia has over 20 years of experience in managing mining enterprises, with expertise in the mining equipment use and maintenance. His exposure covers production operation management and engineering construction in both mining and processing. Mr Xia also has extensive experience in dealing with mining technology research and development, as well as cross-regional management for community relation and government relations.

Mr Xia is a senior mechanical engineer and he holds a Bachelor's Degree in Mechanical Design and Automation from the Hebei University of Technology in China.

---

## Directors and Senior Management

### Continued

#### **MR CHEN XUESONG, PRESIDENT OF LAS BAMBAS**

Mr Chen, aged 43, has served on the Executive Committee of the Company as the President of Las Bambas since December 2025. He was previously the Interim President of Las Bambas since July 2025 and was the Vice President of Strategic Planning at Minera Las Bambas S.A., a non wholly-owned subsidiary of the Company from April 2025. Mr Chen joined China Minmetals Non-ferrous Metals Co., Ltd. (CMN) in 2008 and he held roles including safety director and General Manager of Mining Operations Center at CMN from 2022 to 2025, and Deputy General Manager of the Mining Operations Center from 2020 to 2022. He is also a director of several subsidiaries of the Group.

Mr Chen has nearly 20 years extensive on-site experience in the mining industry and he is proficient in dealing with mining industry challenges, particularly international mining operations, cross-cultural collaboration and interacting with broad stakeholders by leveraging his work experience in China and Peru.

Mr Chen holds a Bachelor's Degree in Mining and Geotechnical Engineering and a Master's Degree in Safety Management Engineering from Central South University in China.

# Directors' Report

The board of directors of the Company (Board) is pleased to present the Annual Report together with the audited Financial Statements of the Group for the year ended 31 December 2025.

## Principal activities

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

The full details of the principal activities of the Company's subsidiaries are set out in Note 16 to the consolidated financial statements.

An analysis of the Group's revenue for the year ended 31 December 2025 by reportable segments, together with their respective contributions to profit from operations (EBIT), is set out in Note 4 to the consolidated financial statements.

## Strategy and business review

MMG's vision is to create a leading international mining company for a low carbon future. We mine to create wealth for our people, host communities and shareholders with an ambition to grow and diversify our resource, production and value, by leveraging Chinese and international expertise.

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

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

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

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

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

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

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

## Directors' Report

### Continued

In addition to financial performance, the Group maintains a belief that a high standard of corporate social responsibility is essential for building good corporate and social relationships, motivating staff and creating sustainable returns. Further discussion on the Group's environmental policies and performance, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group is provided on pages 111 to 140 of this Annual Report.

#### Major customers and suppliers

During the year, sales to the largest customer and the five largest customers in aggregate accounted for approximately 46.0% and approximately 86.0% of the total sales of the Group respectively. Purchases from the five largest suppliers to the Group in aggregate accounted for approximately 16.6% of the total purchases of the Group during the year.

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

#### Results and appropriations

The results of the Group for the year ended 31 December 2025 are set out in the Consolidated Statement of Profit or Loss in the Financial Statements on page 146 of this Annual Report.

No interim dividend was declared for 2025 (2024: nil). The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil). Under the Hong Kong Companies Ordinance, dividends may only be declared or paid out of a company's accumulated realised profits or distributable reserves, and only where such payment would not result in the Company's net assets falling below the aggregate of its share capital and undistributable reserves. In addition to the statutory conditions above, the Board has considered the Company's financial position (including its capital commitments, debt obligations), anticipated cash flow requirements in the ordinary course of business and in support of future growth. The Company continues to adopt a disciplined approach to capital allocation, with due regard to financial flexibility and balance sheet strength.

#### Major corporate event

##### Convertible Bonds issue in 2025

On 29 September 2025 (after trading hours), the Company entered into a subscription agreement with Merrill Lynch (Asia Pacific) Limited and CLSA Limited (Managers), pursuant to which the Company has agreed to issue, and the Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, US\$500 million zero coupon convertible bonds due 2030 (Convertible Bonds). The issuance of the Convertible Bonds was completed on 8 October 2025. The maturity date of the Convertible Bonds is 8 October 2030.

The issue price of the Convertible Bonds is 100.00% of the aggregate principal amount of the Convertible Bonds and the denomination of each Convertible Bond is US\$200,000 each and integral multiples of US\$200,000 in excess thereof. The Convertible Bonds are convertible in the circumstances set out in the terms and conditions of the Convertible Bonds into Shares at an initial conversion price of HK\$8.40 per Share (subject to adjustments). The closing price of the Shares on the date on which the terms of the issue were fixed (i.e. 29 September 2025) was HK\$6.24.

Assuming full conversion of the Convertible Bonds at the initial conversion price of HK\$8.40 per Share, the Convertible Bonds will be convertible into approximately 463,113,095 Shares, representing approximately 3.81% of

## Directors' Report

### Continued

the total issued share capital of the Company as at 31 December 2025, and approximately 3.67% of the enlarged total issued share capital of the Company resulting from the full conversion of the Convertible Bonds.

The net proceeds from the offering of the Convertible Bonds, after deduction of fees and commissions and other estimated expenses, were approximately US\$494 million, representing a net issue price of approximately HK\$8.4 per conversion share based on the initial conversion price. The net proceeds were used to refinance the Group's offshore indebtedness, which carried higher rates of interest than the Convertible Bonds. The refinancing has lowered the Company's ongoing interest expense, improved the Company's ongoing cashflows and allowed the Company to maintain a balanced gearing position. The Convertible Bonds were offered to no less than six independent subscribers (who were independent individual, corporate and/or institutional professional investors). Further details on the use of proceeds of the Convertible Bonds are set out in the section headed "Management Discussion and Annual Analysis" on page 51 of this Annual Report.

The conversion shares to be issued by the Company upon conversion of the Convertible Bonds will be fully paid and will in all respects rank pari passu with existing Shares, which have no nominal value, and will be issued under the general mandate granted at the AGM on 22 May 2025. There had not been any redemption or conversion of the Convertible Bonds as at the date of this Annual Report.

The Convertible Bonds were listed on the Hong Kong Stock Exchange on 9 October 2025. For the principal terms and further details of the Convertible Bonds, please refer to the announcements of the Company dated 30 September 2025, 8 October 2025 and 9 October 2025.

### Reserves

Movements in reserves of the Group during the year are set out in Note 23 to the consolidated financial statements.

### Distributable reserves

Details of the distributable reserves of the Company as at 31 December 2025 are set out in Note 23 to the consolidated financial statements.

### Property, plant and equipment

Movements in property, plant and equipment during the year are set out in Note 12 to the consolidated financial statements.

### Borrowings

Particulars of borrowings of the Group, as at 31 December 2025, are set out in Note 24 to the condensed consolidated financial statements.

During 2025, the Company and its subsidiaries continued to maintain loan agreements that included conditions imposing specific performance obligations on a controlling Shareholder. A breach of such an obligation would cause a default in respect of loans that are significant to the operations of the issuer, the details of which are set out below.

### Loan agreements with covenants relating to specific performance of the controlling Shareholder

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

# Directors' Report

## Continued

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

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

On 15 December 2023, the ICBC Facility was renewed for a further 3 years until 15 December 2026. (Extended ICBC Facility). As at 31 December 2025, the Extended ICBC Facility remained undrawn.

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

### 2. Facility granted by Bank of China Limited, Sydney Branch to Minera Las Bambas S.A.

On 26 April 2023, Minera Las Bambas S.A. (MLB) entered into a US\$275.0 million three-year revolving loan facility for its general funding requirements with Bank of China Limited, Sydney Branch (BOC Sydney Branch), (2023 BOC Facility). The 2023 BOC Facility replaced the US\$175.0 million working capital facility that BOC Sydney Branch granted to MLB from August 2019 to August 2022. As at 31 December 2025, MLB had fully drawn US\$275.0 million under the revolving facility.

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

- (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or
- (b) CMC ceases to have the power, directly or indirectly, to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

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

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

On 18 June 2023, MLB entered into a US\$150.0 million revolving credit facility for working capital funding with ICBC Panama branch (June 2023 ICBC Facility). The June 2023 ICBC Facility is comprised of three tranches of US\$50.0 million available for a term of three years and to be drawn pursuant to the facility agreements with ICBC Panama branch. The June 2023 ICBC Facility replaced the US\$175.0 million working capital facility that ICBC Luxembourg granted to MLB from August 2019 to August 2022. The first tranche of US\$50.0 million was cancelled in January 2025 prior to its scheduled maturity. As at 31 December 2025, the June 2023 ICBC Facility remained undrawn.

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

## Directors' Report

### Continued

- (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or
- (b) CMC ceases to have the power, directly or indirectly, to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

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

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

On 2 January 2024, MMG Finance entered into a revolving credit facility agreement with China Construction Bank (Asia) Corporation Limited (CCB) (CCB Facility), pursuant to which CCB agreed to provide MMG Finance the amount of US\$200.0 million for a term of three years for the purpose of satisfying general corporate funding requirements. As at 31 December 2025, the CCB Facility remained undrawn.

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

- (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or
- (b) CMC ceases to have the power, directly or indirectly, to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

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

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

On 20 February 2024, MLB entered into a US\$100.0 million revolving credit facility for general corporate purposes with CCB (February 2024 CCB Facility) for a term of three years. As at 31 December 2025, MLB had fully drawn US\$100.0 million under the revolving facility.

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

CMC does not at any time directly or indirectly:

- (a) has the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or

## Directors' Report

### Continued

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

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

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

On 15 March 2024, MMG Africa Resources Company Limited (MMG Africa Resources) entered into a facility agreement with China Development Bank (CDB) pursuant to which CDB agreed to provide a US\$1,050.0 million term loan facility (CDB Facility) for a term of seven years. As at 31 December 2025, MMG Africa Resources had drawn US\$504.7 million from its US\$1,050.0 million revolving facility.

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

- (a) has the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
  - (i) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the MMG Africa Resources;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the MMG Africa Resources; or
  - (iii) give directions with respect to the operating and financial policies of MMG Africa Resources with which the directors or other equivalent officers of the MMG Africa Resources are obliged to comply; or
- (b) holds beneficially more than 51% of the issued share capital of MMG Africa Resources (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

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

- (a) without prejudice to any loans then outstanding:
  - (i) cancel the commitments (and reduce them to zero), whereupon they shall immediately be cancelled (and reduced to zero); or
  - (ii) cancel any part of any commitment (and reduce such commitment accordingly), whereupon the relevant part shall immediately be cancelled (and the relevant commitment shall be immediately reduced accordingly);
- (b) declare that all or part of the loans, together with accrued interest, and all other amounts accrued or outstanding under the finance documents be immediately due and payable, whereupon they shall become immediately due and payable;
- (c) declare that all or part of the loans be payable on demand, whereupon they shall immediately become payable on demand by the CDB; and/or
- (d) exercise any or all of its rights, remedies, powers or discretions under the finance documents.

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

On 22 March 2024, MLB entered into a facility agreement with CDB, The Export-Import Bank of China (EXIM Bank), CCB and Bank of Communications Co., Ltd. (BOCOM) (collectively, Lenders), pursuant to which the Lenders agreed

## Directors' Report

### Continued

to grant a revolving credit facility in the amount of US\$700.0 million for a term of three years (March Syndicated Facility). As at 31 December 2025, the MLB had fully drawn US\$700.0 million under the revolving facility.

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

- (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply; or
- (b) hold beneficially more than 50% of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

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

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

On 22 April 2024, MMG Finance, entered into a facility agreement with CCB agreed to provide a US\$100.0 million revolving credit facility (April 2024 CCB Facility) for a term of three years. As at 31 December 2025, April 2024 CCB Facility remained undrawn.

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

- (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or
- (b) CMC ceases to have the power, directly or indirectly, to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
  - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

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

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

On 6 September 2024, MLB, entered into a facility agreement with BOC Sydney Branch, Industrial and Commercial Bank of China (Asia) Limited, CCB, China Construction Bank, Agencia en Chile and BOCOM agreed to provide a US\$1,000.0 million revolving credit facility (2024 Syndicated Facility) for a term of five years. As at 31 December 2025, MLB had drawn US\$227.0 million from its US\$1,000.0 million revolving facility.

# Directors' Report

## Continued

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

- (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
  - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of MLB;
  - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of MLB; or
  - (iii) remove all, or the majority, of the directors or other equivalent officers of MLB; or
- (b) hold beneficially more than 50% of the issued share capital of MLB (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

### Five-year financial summary

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 238 to 239 of this Annual Report.

### Share capital

Details of the movements in the Company's share capital are set out in Note 22 to the consolidated financial statements.

### Donations

Donations made by the Group during the year for charitable and community purposes amounted to approximately US\$ 679,084.

### Directors

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

#### Chairman

Mr XU Jiqing

(Resigned as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025)

Mr CAO Liang

(Redesignated from Executive Director to Non-executive Director on 12 April 2025 and appointed as Chairman on 3 December 2025)

#### Executive Directors

Mr ZHAO Jing Ivo (CEO)

(Appointed as an Executive Director and CEO on 12 April 2025)

Mr QIAN Song (CFO)

(Appointed as an Executive Director of the Company on 27 January 2026)

#### Non-executive Directors

Mr ZHANG Shuqiang

Mr YUE Wenjun

(Appointed as a Non-executive Director of the Company on 27 January 2026)

# Directors' Report

## Continued

### Independent Non-executive Directors

Dr Peter CASSIDY

Mr LEUNG Cheuk Yan (Lead Independent Non-executive Director)  
(Designated as the Lead Independent Non-executive Director on 3 December 2025)

Mr CHAN Ka Keung, Peter

Ms CHEN Ying

On 27 January 2026, Mr QIAN Song and Mr YUE Wenjun were appointed respectively as an Executive Director and a Non-executive Director of the Company in accordance with article 77 of the Articles of Associations of the Company, they were appointed to fill casual vacancy and will be re-elected at the AGM to be held on 28 May 2026.

In accordance with article 98 of the Articles of Associations of the Company, Mr CAO Liang, who will retire by rotation at the forthcoming AGM and, being eligible, offers himself for re-election.

In accordance with article 98 of the Articles of Association of the Company and code provision B.2.3 in the Appendix C1 of the Listing Rules, Mr LEUNG Cheuk Yan, who will retire by rotation at the forthcoming AGM and, being eligible, offers himself for re-election.

In accordance with article 98 of the Articles of Association of the Company and code provision B.2.2 in the Appendix C1 of the Listing Rules, Mr CHAN Ka Keung Peter, who will retire by rotation at the forthcoming AGM and, being eligible, offers himself for re-election.

Mr QIAN Song and Mr YUE Wenjun, will also retire at the forthcoming AGM, being eligible, they offer themselves for re-election in accordance with Article 77 of the Articles of Associations of the Company.

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

### Directors' service contracts

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

### Directors' interests in transaction, arrangement or contract of significance

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

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

As at 31 December 2025, the interests and short positions of the Directors and the CEO of the Company or any of their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (SFO)), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (Model Code) were as follows:

# Directors' Report

## Continued

### Long position in the shares and the underlying shares of the company as at 31 December 2025

Name of Director	Nature of interest	Number of underlying shares held			Approximate percentage of total number of issued shares (%) <sup>3</sup>
		Number of shares held	Options	Performance awards	
ZHAO Jing Ivo <sup>1</sup>	Personal	240,984	-	-	0.002
XU Jiqing <sup>2</sup>	Personal	940,050	-	-	0.010

Notes:

- The interests of Mr ZHAO Jing Ivo in the 240,984 shares arose from the vested performance awards granted to him under 2022 Performance Awards which were subject to meeting performance conditions and vested on 2 June 2025. Details are set out under the section headed 'Performance Awards' on pages 83 to 84 of this Annual Report.
- Mr XU Jiqing resigned as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025. The 940,050 shares held by Mr Xu represent the balance of the vested performance awards granted under the 2015 Performance Awards in 2015.
- The calculation is based on the number of shares and/or underlying shares as a percentage of the total number of issued shares of the Company (that is, 12,140,530,416 shares) as at 31 December 2025.

Save as disclosed above, as at 31 December 2025, none of the Directors or the CEO of the Company or any of their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, which they are taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. In addition, none of the Directors or the CEO of the Company or any of their associates had been granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) during the year ended 31 December 2025.

### Directors' interests in competing businesses

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

- Mr XU Jiqing, a Non-executive Director and Chairman of the Company (resigned as Chairman and Non-executive Director of the Company with effect from the conclusion of the Board meeting held on 2 December 2025), served during his tenure as:
  - a director and the chairman of CMN; and
  - Deputy General Manager of CMC (appointed in February 2025).
- Mr ZHANG Shuqiang, a Non-executive Director of the Company, is:
  - the Auditor – General and General Manager of the Audit Department of CMC; and
  - Supervisor of CMCL.
- Mr CAO Liang, a Non-executive Director of the Company, is:
  - a director of CMN;
  - a director of Vast Rock International Investment Co., Ltd., a non wholly-owned subsidiary of CMC.

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

# Directors' Report

## Continued

### Permitted indemnity and Directors' and officers' liability insurance

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

### Share scheme

#### Performance awards

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

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

The Governance, Nomination, Remuneration and Sustainability Committee has reviewed the following plans for approval by the Board from 1 January 2025 to 31 December 2025:

- Approved vesting of 53.2% of Performance Awards under the 2022 Long Term Incentive (LTI) Plan; and
- Approved the structure of the 2025 LTI plan, which will also be a cash plan.

Pursuant to the Performance Awards granted under the Long Term Incentive Equity Plan, Performance Awards were granted to eligible participants under the 2022 Performance Awards. As at 31 December 2025, there were a total of 11,516,714 Performance Awards vested in June 2025 which represented approximately 0.09% of the total number of issued shares of the Company as at that date. The Long Term Incentive Equity Plan expired in 2023 and no shares may be issued under all schemes following vesting of the 2022 Performance Awards in June 2025. The newly issued Shares under the vesting of the 2022 Performance Awards rank pari passu with existing Shares.

#### 2022 Performance awards

On 21 April 2022, the Company granted Performance Awards to the eligible participants pursuant to the Long Term Incentive Equity Plan (2022 Performance Awards). As at 31 December 2025, no Performance Awards remain outstanding, as all Award Shares had vested in June 2025 without any monetary or consideration that the Company has received.

# Directors' Report

## Continued

During the year ended 31 December 2025, the movements of the 2022 Performance Awards were as follows:

Category and name of participant	Date of grant <sup>2</sup>	Number of performance awards					Balance as at 31 December 2025
		Balance as at 1 January 2025	Granted during the year	Vested during the year <sup>2</sup>	Cancelled during the year	Lapsed during the year <sup>3,4</sup>	
<b>Director</b>							
ZHAO Jing Ivo	21 April 2022	452,976 <sup>1</sup>	-	(240,984)	-	(211,992)	-
<b>Employees of the Group</b>	21 April 2022	22,735,457	-	(11,275,730)	-	(11,459,727)	-
<b>TOTAL</b>		<b>23,188,433</b>	<b>-</b>	<b>(11,516,714)</b>	<b>-</b>	<b>(11,671,719)</b>	<b>-</b>

Notes:

- 1 Mr ZHAO Jing Ivo was appointed as CEO and Executive Director of the Company on 12 April 2025. He was granted 426,290 Performance Awards on 21 April 2022. The number of shares were subsequently adjusted to 452,976 following the completion of the Rights Issue on 15 July 2024.
- 2 The vesting and performance period of the Performance Awards was three years from 1 January 2022 to 31 December 2024. Vesting was completed on 2 June 2025. The vesting of Performance Awards is conditional upon the achievement of certain performance conditions as set out in the respective letters of grant including, among others, achievement of resources growth, financial and market-related performance targets during the vesting period. Performance Awards vest on a percentage basis based on the threshold and target performance levels achieved. Portions of the vested Performance Awards will be subject to holding locks for various periods of up to two years after vesting. The Performance Awards are granted for nil cash consideration. The closing price of the Shares of the Company immediately before the date on which the Performance Awards were granted on 21 April 2022 was HK\$3.50 per share. The weighted average closing price of the Shares immediately before vesting on 2 June 2025 was HK\$2.91 per share.
- 3 Upon completion of vesting on 2 June 2025, a portion of the 11,516,714 Performance Awards vested, while 11,671,719 Performance Awards lapsed during the reporting period. As a result, 11,516,714 Shares were issued on the same day.
- 4 Performance awards lapsed due to non-achievement of performance conditions during the vesting period and cessation of employment during the period.

The estimated fair value of the Performance Awards granted on 21 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.

### Substantial Shareholders' interests and short positions in the shares and underlying shares of the Company

So far as is known to the Directors and the CEO of the Company, as at 31 December 2025, the following persons had interests or short positions in the shares or underlying shares of the Company that were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or that were recorded in the register required to be kept by the Company under Section 336 of the SFO:

# Directors' Report

## Continued

### Long position in the shares of the Company as at 31 December 2025

Name of substantial shareholder	Capacity	Number of shares held <sup>1</sup>	Approximate percentage of total number of issued shares (%) <sup>2</sup>
China Minmetals Corporation (CMC)	Interest of controlled corporations	8,186,032,923	67.43
China Minmetals Corporation Limited (CMCL)	Interest of controlled corporations	8,186,032,923	67.43
China Minmetals Non-ferrous Metals Co., Ltd. (CMN)	Interest of controlled corporations	8,186,032,923	67.43
Album Enterprises Limited (Album Enterprises)	Interest of controlled corporations	8,186,032,923	67.43
China Minmetals H.K. (Holdings) Limited (Minmetals HK)	Beneficial owner	8,186,032,923	67.43

#### Notes:

- Following completion of the Rights Issue, in which 2,338,866,549 new Shares were allotted to Minmetals HK on 15 July 2024, the number of Shares interests held by respective substantial Shareholders increased from 5,847,166,374 to 8,186,032,923, representing 67.49% of the issued voting Shares of the Company. Subsequently, vesting of 11,516,714 awarded Shares granted under 2022 Performance Awards on 2 June 2025, the shareholding of the respective substantial Shareholders decreased to 67.43%.
- Minmetals HK is owned as to approximately 39.04%, 38.95% and 22.01% by CMCL, Album Enterprises and Top Create respectively. Album Enterprises and Top Create are wholly-owned by CMN that, which in turn is wholly-owned by CMCL. CMCL is owned as to approximately 87.5% by CMC and approximately 0.8% by Minmetals (Beijing) Metal Products Co., Ltd. (formerly known as China National Metal Products Co. Ltd.), in turn, which is a wholly-owned subsidiary of CMC. Accordingly, each of CMC, CMCL, CMN and Album Enterprises is deemed to be interested in the 8,186,032,923 Shares of the Company held by Minmetals HK.
- The calculation is based on the number of shares that each person is interested in (whether directly/indirectly interested, or deemed to be interested) as a percentage of the total number of issued shares (that is, 12,140,530,416 shares) of the Company as at 31 December 2025.

Save as disclosed above, as at 31 December 2025, there was no other person who was recorded in the register of the Company, as having an interest or short positions in the shares or underlying shares of the Company who was required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was recorded in the register required to be kept by the Company under Section 336 of the SFO.

### Connected transactions

During the year ended 31 December 2025 the Group had the following material connected transactions, details of which are set out below:

- On 10 April 2025, the Company announced that MMG Dugald River Pty Ltd (MMG Dugald River) entered into a sales agreement with Minmetals North-Europe Aktiebolag (Minmetals North-Europe) in relation to the sale of zinc concentrate to Minmetals North Europe valued at approximately US\$13 million. During 2025, approximately US\$11.9 million was paid to Minmetals North-Europe pursuant to the terms of the agreement.

Minmetals North-Europe is a wholly-owned subsidiary of CMC, the ultimate controlling shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the Dugald River Zinc Concentrate Sale Agreement constitutes a connected transaction for the Company.

- On 9 June 2025 the Company announced that Khoemacau Copper Mining (Pty) Ltd (KCM) entered into a Supply Agreement with MCC TiangGong Group Corporation (MCC TiangGong Group) for the procurement of 1,200 cabin houses for the Khoemacau Mine Camp accommodation (Supply Agreement). The contract sum for the Supply Agreement was USD\$7.6 million. The total amount spent in 2025 in accordance with the Supply Agreement was USD\$4.9 million.

## Directors' Report

### Continued

As a majority interest in MCC TianGong Group is held by Metallurgical Corporation of China Ltd., and CMC holds a more than 30% interest in Metallurgical Corporation of China Ltd., MCC TianGong Group and Khoemacau Copper are associates for the purpose of the Listing Rules, and are connected persons. As a result, the Supply Agreement constitutes a connected transaction for the Company.

When the Supply Agreement was executed, some of the relevant percentage ratios in respect of the agreement were more than 0.1% but less than 5%, when aggregated with other connected transactions with connected persons providing goods or services to the Khoemacau Copper Mine in the previous 12-month period. Those agreements were for the completion of a Feasibility Study on the Processing Plant and Infrastructure for the Khoemacau Expansion Project (KCM Expansion Project) with China ENFI Engineering Corporation (USD\$2.67 million), and Test Work with Changsha Research Institute of Mining & Metallurgy (USD\$92,000).

China ENFI Engineering Corporation is a wholly-owned subsidiary of Metallurgical Corporation of China Ltd. MCC Group holds a 49.18% stake in Metallurgical Corporation of China Ltd. MCC Group is a wholly-owned subsidiary of CMC. Therefore, China ENFI Engineering Corporation and the Company are connected persons. As a result, the Supply Agreements constitutes a connected transaction for the Company.

Similarly, Changsha Research Institute of Mining & Metallurgy is a wholly-owned subsidiary of CMC. Therefore, Changsha Research Institute of Mining & Metallurgy and the Company are connected persons. As a result, the Supply Agreement constitutes a connected transaction for the Company.

### Continuing connected transactions

During the year ended 31 December 2025, the Group had the following material continuing connected transactions, details of which are set out below:

1. On 27 June 2014, MMG South America Company Limited (MMG SA) entered into an agreement with CMN in relation to the sale of copper concentrate to be purchased by MMG SA from the Las Bambas Project to the CMN Group (Las Bambas CMN Copper Sale Framework Agreement), subject to the approval of the Independent Shareholders. The Independent Shareholders approved the Las Bambas CMN Copper Sale Framework Agreement, and the proposed annual caps on sales, at an EGM held on 21 July 2014. For the year commencing 1 January 2025 the annual cap was 270,000. During the year ended 31 December 2025, approximately 240,000 tonnes of copper contained in copper concentrate was sold by MMG SA to CMN.

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

In accordance with the Las Bambas CMN Copper Sale Framework Agreement, the term of the Las Bambas CMN Copper Concentrate Offtake Agreement is for the term of the life of the Las Bambas mine. The annual caps with respect to the Las Bambas CMN Copper Sale Framework Agreement are set as a fixed quantity of copper contained in copper concentrate from the Las Bambas Project to be sold by MMG SA to members of the CMN Group in a year, which for the year commencing 1 January 2025 was set at 277,000 tonnes. During the year ended 31 December 2025, approximately 240,000 tonnes of copper contained in copper concentrate were sold by MMG SA to members of the CMN Group under the Las Bambas CMN Copper Concentrate Offtake Agreement.

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

## Directors' Report

### Continued

- On 11 January 2016, pursuant to the Shareholders' Agreement, MLB and CITIC Metal Peru Investment Limited (CITIC) entered into an agreement for the sale and purchase of CITIC's entitlement to copper concentrate from the Las Bambas mine (CITIC Copper Concentrate Offtake Agreement). The term of the CITIC Copper Concentrate Offtake Agreement is for the term of the life of the Las Bambas mine. The annual caps with respect to the CITIC Copper Sale Framework Agreement are set as a fixed quantity of copper contained in copper concentrate from the Las Bambas Project to be sold by MLB to CITIC in a year, which for the year commencing 1 January 2025 was set at 127,000 tonnes. During the year ended 31 December 2025, approximately 107,000 tonnes of copper contained in copper concentrate were sold by MLB to CITIC under the CITIC Copper Concentrate Offtake Agreement.

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

- On 21 December 2023, the Company announced that MMG Australia Limited (MMG Australia) entered into an agreement with Minmetals North-Europe in relation to the sale of precious metals concentrate for the period from 1 January 2024 to 31 December 2025 (Rosebery Concentrate Sales Agreement). As disclosed in the announcement, the pricing of the product includes payments for copper, gold and silver based on the relevant metals prices as quoted on the London Metal Exchange and by the London Bullion Market Association averaged over an agreed quotational period, less agreed treatment and refining charges and penalties negotiated on an arms' length basis. Please see notes 2.21 and 19 to our financial statements in respect of the pricing mechanism, comprising a provisional price at the time of the shipment to the customer pursuant to the agreement and a final sales price adjustment to be further invoiced upon completion of the agreed quotational period. The annual cap for sales for each year of this agreement was US\$100 million.

On 9 December 2025 the Company announced that as a result of higher-than-expected copper, gold and silver prices, the Company expected that the amount payable under the Rosebery Concentrate Sales Agreement for the year ending December 2025 would be higher than originally estimated. Accordingly the Directors (including the independent non-executive Directors but excluding the Interested Directors) approved the revised annual cap for the financial year ending 31 December 2025 of US\$125 million (Revised Annual Cap).

On 27 March 2026, the Company further announced that as at 31 December 2025, all deliveries in 2025 have been shipped, and the payment received by MMG Australia was below the Revised Annual Cap. As a result of higher-than-expected copper, gold and silver prices, the Company expected that the final adjustment to be made in accordance with the pricing mechanism to the amount payable under the agreement for the product delivered during the year ended 31 December 2025 will be higher than originally estimated. Such final adjustment will take into account of, among others, any further possible changes in metal prices averaged over the agreed quotational period after shipment of the product and would be confirmed in or around the second quarter of 2026. Accordingly, the Directors (including the independent non-executive Directors but excluding the Interested Directors) approved the further revised annual cap for the financial year ended 31 December 2025 of US\$150 million.

As at 31 December 2025, the invoiced amount under the agreement was US\$110 million. The final adjustment to the amount payable under the agreement for the product delivered during the year ended 31 December 2025 will be determined in accordance with the pricing mechanism of the agreement during the rest of the quotational period in or around the second quarter of 2026. The final transacted value as adjusted will be disclosed in the following year's Annual Report, unless otherwise disclosed earlier under applicable laws and regulations.

Minmetals North-Europe is a wholly-owned subsidiary of CMC, the ultimate controlling Shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing

## Directors' Report

### Continued

Rules. Accordingly, the agreements with MMG Australia constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

- On 24 March 2023, the Company announced that MLB had entered into a molybdenum concentrate sales framework agreement with CMN for sales of molybdenum concentrate during 2023, 2024 and 2025 to CMN and its associates with an annual cap of US\$110 million (Las Bambas Molybdenum Concentrate Sales Framework Agreements). During the year ended 31 December 2025, sales of approximately US\$34.3 million were transacted under the molybdenum concentrate sales framework agreement.

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

- On 9 May 2024, the Company announced that MMG Kinsevere SARL had entered into the sales framework agreement with CMN in relation to the sale of the crude cobalt hydroxide concentrate during 2024, 2025 and 2026 to CMN and its associates with an annual cap of US\$103 million (Cobalt Sales Framework Agreement). During the year ended 31 December 2025, sales of approximately US\$1.9 million was transacted under the Cobalt Sales Framework Agreement.

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

- On 29 October 2024, KCM had entered into the copper concentrate sales agreement with CMN in relation to the sale of copper concentrate during 2024 and 2025 to CMN and its associates with an annual cap of US\$20 million in 2024 and US\$130 million in 2025 (Khoemaçau Copper Concentrate sales Agreement). During the year ended 31 December 2025, sales of approximately US\$88.2 million was transacted under the Khoemaçau Copper Concentrate Sales Agreement.

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

- On 24 January 2025, the Company entered into a Shipping Framework Agreement with Minmetals Logistics Group Co. Ltd in relation to the provision of ocean transport by Minmetals Logistics Group Co., Ltd. for the shipment of products to the Company and its subsidiaries (Shipping Framework Agreement) with an annual cap of US\$16 million. During the year ended 31 December 2025, sales of approximately US\$11.58 million was transacted under the Shipping Framework Agreement.

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

- On 17 February 2025, MMG Dugald River entered into a Zinc Concentrate Sales Agreement with Minmetals North-Europe in relation to the sale of zinc concentrate to Minmetals North-Europe (Dugald River Zinc Concentrate Sales Agreement). The annual cap is US\$200 million per year and the term is from 17 February 2025 to 31 December 2027. The total amount spent in the year ending 31 December 2025 was US\$117 million.

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

## Directors' Report

### Continued

9. On 30 October 2025 KCM entered into a Logistics Services Agreement with Minmetals Logistics Group Co., Ltd. for the provision of shipping, logistics and transportation services for the carriage of copper concentrate from the Boseto processing facility at Khoemacau Mine (Logistics Services Agreement). The services are to commence on 1 January 2026, with an option for the parties to extend for a further 12 months and a further 3 months (if needed) to fulfil payment obligations. The maximum aggregate amount to be paid under the Logistic Services Agreement is US\$30 million. The total amount spent in the year ended on 31 December 2025 was USD\$0.
10. On 16 December 2025, MMG Australia entered into a 2025 Rosebery Concentrate Sales Agreement with Minmetals North – Europe for the sale of precious metal concentrates produced by Rosebery to Minmetals North – Europe. The annual cap is US\$150 million and the term is to commence on 1 January 2026 and 2027 until all obligations of the parties are fulfilled. The total amount spent in the year ending 31 December 2025 was US\$0.

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

11. On 31 December 2025, Minera Las Bambas (MLB) entered into a Framework Agreement with CMN for the sale of molybdenum concentrate produced by MLB to CMN during 2026, 2027 and 2028 (2025 Las Bambas Molybdenum Concentrate Sales Framework Agreement). The annual cap for the years ending 31 December 2026, 2027 and 2028 is US\$100 million.

CMN is the controlling Shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the 2025 Las Bambas Molybdenum Concentrate Sales Framework Agreements each constitute a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

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

On 10 June 2010, MMG Management Pty Ltd, a wholly-owned subsidiary of the Company, entered into a loan facility agreement with Album Enterprises (Grandfathered MMG Loan Facility) pursuant to which MMG Management Pty Ltd agreed to make loan facilities available to Album Enterprises on an uncommitted basis. During the year ended 31 December 2025, no amounts were advanced or outstanding under the Grandfathered MMG Loan Facility. Album Enterprises is a substantial Shareholder and is therefore a connected person of the Company under the Listing Rules. Accordingly, the Grandfathered MMG Loan Facility constitutes a Grandfathered Continuing Connected Transaction for the Company and the Company will comply with Listing Rule 14A.60 in respect of this transaction.

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

### Review of continuing connected transactions

The continuing connected transactions described above for the year ended 31 December 2025 have been reviewed by the Independent Non-executive Directors of the Company.

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

- (a) the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or better; and

## Directors' Report

### Continued

(c) in accordance with the respective terms of the Las Bambas CMN Copper Sale Framework Agreement, the Las Bambas CMN Copper Concentrate Offtake Agreement, the CITIC Copper Concentrate Offtake Agreement, the Dugald River Zinc Concentrate Sales Agreement, Rosebery Concentrate Sales Agreement, the Shipping Framework Agreement, the Las Bambas Molybdenum Concentrate Sales Framework Agreements, the Logistic Services Agreement, the 2025 Rosebery Concentrate Sales Agreement, the 2025 Las Bambas Molybdenum Concentrate Sales Framework Agreement, Cobalt Sales Framework Agreement and the Khoemacau Copper Concentrate Sales Agreement that are fair and reasonable, in the interests of the Shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and with reference to Practice Note 740 (Revised) 'Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules' issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued their unqualified letter containing its conclusion in respect of the continuing connected transactions for the year ended 31 December 2025 disclosed above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

In addition, the auditor of the Company has confirmed to the Board that nothing has come to their attention that causes them to believe that the above continuing connected transactions for the year ended 31 December 2025:

- (a) have not been approved by the Board;
- (b) were not, in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of goods or services by the Group;
- (c) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

the Las Bambas CMN Copper Sale Framework Agreement, the Las Bambas CMN Copper Concentrate Offtake Agreement, the Rosebery Concentrate Sales Agreement, the CITIC Copper Concentrate Offtake Agreement, the Dugald River Zinc Concentrate Sales Agreement, the Shipping Framework Agreement, the Las Bambas Molybdenum Concentrate Sales Framework Agreements, the Logistic Services Agreement, the 2025 Rosebery Concentrate Sales Agreement, the 2025 Las Bambas Molybdenum Concentrate Sales Framework Agreement, Cobalt Sales Framework Agreement and the Khoemacau Copper Concentrate Sales Agreement have exceeded the respective annual caps or revised annual cap as disclosed in the announcements of the Company.

### Controlling Shareholders' interests in contracts

On 22 July 2014, Top Create, a subsidiary of CMN, a controlling Shareholder, extended a loan facility for a principal sum of up to US\$2,262 million to MMG SA for a term of four years for the purpose of acquiring the Las Bambas Project. On 29 December 2017, 22 December 2020, 27 December 2022, 25 July 2023 and 28 June 2024 the loan facility was amended by the parties for the purpose of (among other things) extending the term of the loan, deferring payment dates and adjusting interest rates.

During 2025, the Board further approved the amendment of the term loan to a revolving facility in the amount of US\$861.3 million, including re-assigning the lender from Top Create to China Minmetals H.K. (Holdings) Limited, adding MMG Finance Limited, a wholly-owned subsidiary of the Company as a co-borrower on several liability basis, and setting a termination date of 25 July 2028. Such loan facility was exempt from the announcement and reporting requirements of the Listing Rules with respect to connected transactions on the basis that it was unsecured and on normal commercial terms.

# Directors' Report

## Continued

Particulars of other contracts of significance that exist between the Company (or one of its subsidiary companies) and a controlling Shareholder (or any of its subsidiaries) are set out under Connected Transactions on pages 85 to 90 of this Annual Report.

### Related party transactions

Details of the related party transactions undertaken in the normal course of business are set out in Note 31 to the consolidated financial statements.

The related party transactions set out in Note 31 to the consolidated financial statements also constitute connected transactions and continuing connected transactions of the Company under the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules except for those transactions that are exempt from the disclosure requirements in Chapter 14A of the Listing Rules.

### Management contracts

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

### Purchase, sale or redemption of the Company's listed securities

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### Emolument policy

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

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

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

### Retirement schemes

Details of the Group's retirement schemes are set out in Note 11 to the consolidated financial statements.

### Directors and senior management

Particulars of the Directors and senior management of the Company are set out on pages 67 to 71 of this Annual Report.

### Independent auditor

The consolidated financial statements have been audited by Deloitte Touche Tohmatsu which has been continuously engaged since 2016. Deloitte Touche Tohmatsu will retire at the forthcoming AGM due to their years of audit service exceeding the time limit prescribed by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. The Board has resolved to propose the appointment of Ernst & Young as the new auditor of the Company following the retirement of Deloitte Touche Tohmatsu, subject to Shareholders' approval at the forthcoming AGM.

# Directors' Report

## Continued

### Corporate Governance Report

Details of the Corporate Governance Report are set out on pages 93 to 110 of this Annual Report.

### Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the publication of this Annual Report, the Company has maintained sufficient public float in compliance with Rule 13.32B of the Listing Rules. As at the date of latest practicable date prior to printing of Annual Report, approximately 32.57% of the Company's issued Shares were held by the public which exceeding the minimum prescribed threshold of 25% under the Listing Rules.

### Events after the balance sheet date

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

By order of the Board



**CAO Liang**

Chairman

3 March 2026

# Corporate Governance Report

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

## Corporate governance

The Company has complied with all the code provisions set out in the Corporate Governance Code (CG Code) under Appendix C1 of the Listing Rules throughout the year ended 31 December 2025.

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

## Dividend policy

The CG code requires an issuer to have a policy on the payment of dividends (Dividend Policy). The Company adopted a Dividend Policy in the financial year 2025, and the payment of dividend was discussed by the Board during meetings where the interim and annual financial results were approved.

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

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

- (i) legal requirements: full compliance with all applicable laws and regulations, including but not limited to the Companies Ordinance, Chapter 622, Section 297, which restricts distributions to profits available for distribution or retained earnings;
- (ii) the Company's operating and financial performance;
- (iii) the Company's growth plans;
- (iv) the Company's liquidity position;
- (v) the Company's balance sheet strength;
- (vi) the diverse interests and expectations of the Company's Shareholders;
- (vii) the general economic conditions; and
- (viii) any other factors that the Board deems relevant.

The recommendation of the payment of any dividend is subject to the discretion of the Board, and any declaration of dividend will be subject to the approval of Shareholders at the AGM. In compliance with applicable laws and regulations, the Company may distribute dividends in cash, company shares, or a combination thereof. This Dividend Policy may be amended or repealed by resolution of the Board as deemed necessary from time to time.

## Directors' securities transactions

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

# Corporate Governance Report

## Continued

A specific enquiry was made of all the Directors and they all confirmed that they have complied with the requirements set out in the Model Code and the Securities Trading Model Code during the year ended 31 December 2025.

### Board

#### Composition

As at the date of this report, the Board currently comprises nine Directors of which two are Executive Directors, three are Non-executive Directors and four are Independent Non-executive Directors.

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

	Name of Director	Length of tenure up to 2026 AGM	Term of office
<b>Executive Directors</b>	Mr ZHAO Jing Ivo (CEO) (Appointed as an Executive Director and the CEO of the Company on 12 April 2025)	1 year 1 month	12 April 2025 to 2027 AGM (to be re-elected)
	Mr QIAN Song (CFO) (Appointed as an Executive Director of the Company on 27 January 2026)	4 months	27 January 2026 (appointed) to 2026 AGM
<b>Non-executive Directors</b>	Mr CAO Liang (Chairman) (Redesignated as Non-executive Director on 12 April 2025 and appointed as Chairman of the Company on 3 December 2025)	2 years 1 month	24 April 2024 to 2026 AGM (to be re-elected)
	Mr ZHANG Shuqiang	9 years 3 months	15 February 2026 to 2027 AGM (to be re-elected)
	Mr YUE Wenjun (Appointed as a Non-executive Director of the Company on 27 January 2026)	4 months	27 January 2026 (appointed) to 2026 AGM
<b>Independent Non-executive Directors</b>	Dr Peter William CASSIDY	15 years 4 months	31 December 2010 to 2027 AGM (to be re-elected)
	Mr LEUNG Cheuk Yan (Lead Independent Non-executive Director) (Designated as the Lead Independent Non-executive Director of the Company on 3 December 2025)	13 years 10 months	9 July 2024 to 2026 AGM (to be re-elected)
	Mr CHAN Ka Keung, Peter	6 years 5 months	4 December 2025 to 2026 AGM (to be re-elected)
	Ms CHEN Ying	1 year 9 months	29 July 2024 to 2028 AGM (to be re-elected)

As at 31 December 2025, Mr ZHAO Jing Ivo has obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has also provided a confirmation that he understood his obligations as a director of the Company on 12 April 2025.

Mr XU Jiqing has tendered his resignation as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025.

#### Role and function

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

All Directors are required to comply with Rule 3.08(d) of the Listing Rules to avoid actual and potential conflicts of interest and duty at all times. Directors are required to declare their interest in the matters to be considered at each Board meeting and Board committee meeting. If a Director or any of his/her associates has material interest in the

# Corporate Governance Report

## Continued

matter to be considered, the Director will not be allowed to vote at the meeting. The Director may also be required to withdraw from the meeting during discussion of the matter.

During the year ended 31 December 2025, other than resolutions passed in writing by all the Directors, the Company held eleven Board meetings. The AGM was held on 22 May 2025. Board meetings were attended by a majority of the Directors in person or through electronic means of communication.

The attendance of each Director at the Board meetings and the AGM during the year ended 31 December 2025 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a Board member.

Name of Director	Number of meeting attended	
	Board meetings	AGM
<b>Executive Director</b>		
ZHAO Jing Ivo <sup>1</sup>	7/(7)	1/(1)
<b>Non-Executive Directors</b>		
XU Jiqing <sup>2</sup>	11/(11)	1/(1)
CAO Liang (Chairman) <sup>3</sup>	11/(11)	1/(1)
ZHANG Shuqiang	11/(11)	1/(1)
<b>Independent Non-Executive Directors</b>		
Peter CASSIDY	11/(11)	1/(1)
LEUNG Cheuk Yan	11/(11)	1/(1)
CHAN Ka Keung, Peter	11/(11)	1/(1)
CHEN Ying	11/(11)	1/(1)

Notes:

- 1 Mr ZHAO Jing Ivo was appointed as the CEO and an Executive Director on 12 April 2025. During Mr Zhao's tenure in 2025, seven Board meetings were held.
- 2 Mr XU Jiqing tendered his resignation as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025. During Mr Xu's tenure in 2025, eleven Board meetings were held.
- 3 Mr CAO Liang resigned as CEO and was redesignated from Executive Director to Non-executive Director with effect from 11 April 2025 and was later appointed as Chairman with effect from 3 December 2025.

# Corporate Governance Report

## Continued

### Board and workforce diversity

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

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

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

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

MMG strives to provide an inclusive workplace and to nurture and support the employees to reach their fullest potential. The Company believes that this is a key driver for innovation and adaptability which will increase competitiveness and drive the Group forward. As at 31 December 2025, women represent 17.1% (2024: 15.9%) of our employee population (excluding senior management) and 18.3 % (2024: 18.9%) of our senior management across the Group.

Empowering women by increasing their representation in leadership and other roles remains a key focus for the Group. The Company has implemented measures to promote diversity in team composition, aiming for a balanced representation of women and men. As at the end of 2026, the Company aspires to achieve female employment levels of approximately 18% across operational areas (excluding senior management) and approximately 19.2% in senior management, subject to ongoing review in light of industry circumstances, talent availability, and applicable disclosure expectations.

### Board skills matrix

In accordance with the new Code Provision B.1.5 of the CG Code set out in Appendix C1 to the Listing Rules, effective from 1 July 2025 and requiring disclosure of a board skills matrix, the Company has prepared and maintains a board skills matrix.

The board skills matrix demonstrates the Board's balanced expertise across key areas supporting the Company's global mining strategy and long-term value creation. No material skill gaps have been identified, and the Governance, Remuneration, Nomination and Sustainability Committee reviews the matrix annually to ensure continued alignment with strategic and business needs.

# Corporate Governance Report

## Continued

The table below summarises the Directors' diverse skills, experience, and backgrounds, demonstrating the breadth of expertise they contribute to the Board and its Committees.

Name of Director	Skills and experience					
	Board / Board Committees/ Other Listed Company Roles/Senior Management	Professional Expertise (Accounting and Finance, Engineering, Legal and Regulatory)	Related Industry / Global Experience	Strategic Planning & Business Development	International / Cross-Border Experience	Health, Safety & Operational Risk, Governance & Sustainability Oversight (ESG)
<b>Executive Directors</b>						
ZHAO Jing Ivo (CEO)	●		●	●	●	●
QIAN Song (CFO) <sup>1</sup>	●	●	●	●	●	
<b>Non-Executive Directors</b>						
CAO Liang (Chairman)	●	●	●	●	●	●
XU Jiqing <sup>2</sup>	●	●	●	●	●	
ZHANG Shuqiang	●	●	●		●	
YUE Wenjun <sup>1</sup>	●	●		●	●	
<b>Independent Non-executive Directors</b>						
Peter CASSIDY	●	●	●	●	●	●
LEUNG Cheuk Yan (Lead INED)	●	●		●	●	●
CHAN Ka Keung, Peter	●	●		●	●	●
Chen Ying	●	●	●	●	●	●

Notes:

1 Mr QIAN Song was appointed as Executive Director, and Mr YUE Wenjun was appointed as Non-executive Director, both on 27 January 2026.

2 Mr XU Jiqing tendered his resignation as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025.

### Chairman of the Board and Chief Executive Officer

Mr XU Jiqing served as Chairman of the Board from August 2023 until his resignation in December 2025. Mr CAO Liang has served as Chairman of the Board since December 2025. Mr ZHAO Jing Ivo has been the Company's CEO since April 2025 following Mr CAO redesignated from an Executive Director to Non-executive Director and resigned as the CEO of the Company in April 2025. In accordance with good corporate governance principles, the roles of the Chairman of the Board and CEO are segregated to ensure their respective independence, accountability and responsibility.

The Chairman takes the lead in formulating the Group's overall strategies and policies, ensures the Board's effective performance of its functions, including compliance with good corporate governance practices, and encourages and facilitates active contribution of Directors in Board activities. Directors with different views are encouraged to voice their concerns. They are allowed sufficient time for discussion of issues so as to ensure that Board decisions fairly reflect Board consensus. A culture of openness and debate is promoted to facilitate the effective contribution of Non-executive Directors and Independent Non-executive Directors and to ensure constructive relations between Executive Directors, Non-executive Directors and Independent Non-executive Directors. Under code provision C.2.7 of the CG Code, the Chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. In addition to regular full Board meetings, the then Chairman met with the Independent Non-executive Directors without the presence of other Directors in March, May and June of 2025.

# Corporate Governance Report

## Continued

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

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

### Executive Directors and Executive Committee

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

- Mr ZHAO Jing Ivo (CEO and Executive Director, was appointed on 12 April 2025);
- Mr QIAN Song (CFO, was appointed as Executive Director on 27 January 2026);
- Mr Nan WANG (Chief Operating Officer, was redesignated on 2 December 2025);
- Mr Troy HEY (Executive General Manager – Corporate Relations);
- Ms GUAN Xiangjun Sandra (Interim Executive General Manager - Commercial and Development);
- Mr XIA Weiquan (President of Africa Operations, was appointed on 2 December 2025); and
- Mr CHEN Xuesong (President of Las Bambas, was appointed on 2 December 2025).

During 2025, the Company announced the following changes in the functions and positions of the Executive General Managers:

1. QIAN Song assumed responsibility for Enterprise Technology, transferred from Mr Troy HEY following the SAP foundation upgrade with effect from 2 December 2025;
2. Mr Nan WANG assumed the title of Chief Operating Officer on 2 December 2025, reflecting his global role in assets planning and development, while retaining direct responsibility for Dugald River, Rosebery and key support functions; and
3. Mr XIA Weiquan and Mr CHEN Xuesong were appointed to the Executive Committee on 2 December 2025.

### Non-executive Directors

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

### Independent Non-executive Directors

The Independent Non-executive Directors serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. Their participation provides adequate checks and balances to safeguard the interests of Shareholders. The Board has four Independent Non-executive Directors and two of them have accounting or related financial management expertise.

The Company values the continued services from Dr Peter William CASSIDY and Mr LEUNG Cheuk Yan by bringing different perspectives and insights in the boardroom. The Board, having considered their comprehensive knowledge, professional skills and experience as well as their thorough and deepened understanding of the Company and the Company's relevant industry, is of the view that Dr Cassidy's and Mr Leung's continued tenure will bring valuable contribution to the future sustainable development of the Company which is in the best interests

# Corporate Governance Report

## Continued

of the Company and of the Shareholders. In particular, the Board considers that Dr Cassidy and Mr Leung remain independent and committed in spite of the length of their services pursuant to Rule 3.13 of the Listing Rules.

The Board confirms that the Company has received from each of the Independent Non-executive Directors a confirmation of independence for the year ended 31 December 2025 pursuant to Rule 3.13 of the Listing Rules and considers such Directors to be independent.

### Lead Independent Non-executive Director designation

To enhance Board effectiveness and align with the Recommended Best Practices C.1.8 of the CG Code, Mr LEUNG Cheuk Yan was designated as the Lead Independent Non-executive Director (Lead INED) on 3 December 2025. The Lead INED (a) serves as an intermediary for the other Directors and Shareholders; and (b) be available to other Directors and Shareholders where normal communication channels with the Chairman or management of the Company are inadequate.

### Re-election of Directors

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

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

### Directors' training and continuous professional development

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

The Directors participated in various forms of training during 2025. This included in-house director training sessions that focused on specific topics relevant to the Board. Some of the directors participated in training onsite at our Rosebery operation. Directors also attended external industry related events, conferences, seminars and forums. Finally, reading materials on industry related topics also contributed toward continuous professional training.

All Directors have provided a record of training to the Company. A summary of training attended by the Directors for the year ended 31 December 2025 is set out below:

# Corporate Governance Report

## Continued

Name of Directors	Categories covered <sup>2</sup>	Type of training <sup>3</sup> & hours	Training provider(s)
<b>Executive Director</b>			
Zhao Jing Ivo (CEO)	c-f	Type I (23 hours)	ICCM, MMG Limited, PwC, United Nations Global Compact and Wood Mckenzie
	a-f	Type II (10 hours)	MMG Limited
	e-f	Type III (4 hours)	N/A
<b>Non-executive Directors</b>			
XU Jiqing <sup>1</sup>	c-f	Type I (11 hours)	Ministry of Commerce, the Ministry of Industry and Information Technology, MMG Limited, the HKSAR and the Hong Kong Trade Development Council and World Economic Forum
	a-f	Type II (15 hours)	China Nonferrous Metals Industry Association and the co-hosts, the Chilean Copper and Mining Research Center (CESCO) and CRU Group
	b-f	Type III (7 hours)	N/A
CAO Liang	c-f	Type I (39 hours)	Alibaba Group, ByteDance Ltd., CMN, Huawei Technologies Co., Ltd., the Ministry of Foreign Affairs of the People's Republic of China, MMG Limited, PwC, Wood Mckenzie, and Zijin Mining Group
	a-f	Type II (10 hours)	MMG Limited
	e-f	Type III (20 hours)	N/A
ZHANG Shuqiang	b-f	Type I (19 hours)	CMC, MMG Limited, PwC, and Wood Mckenzie
	a-f	Type II (10 hours)	MMG Limited
	a-f	Type III (5 hours)	N/A
<b>Independent Non-executive Directors</b>			
Peter CASSIDY	a-f	Type I (29 hours)	AusIMM, Australian Institute of Company Directors, MMG Limited, PwC, S&P Global Market Intelligence and Wood Mckenzie
	a-f	Type II (10 hours)	MMG Limited
	c-f	Type III (164 hours)	N/A
LEUNG Cheuk Yan	c-f	Type I (13 hours)	MMG Limited, PwC and Wood Mckenzie
	a-f	Type II (20 hours)	MMG Limited
	a-f	Type III (100 hours)	N/A
CHAN Ka Keung, Peter	c-f	Type I (13 hours)	MMG Limited, PwC and Wood Mckenzie
	a-f	Type II (10 hours)	MMG Limited
	a-b	Type III (156 hours)	N/A
CHEN Ying	c-f	Type I (13 hours)	MMG Limited, PwC, State-owned Assets Supervision and Administration Commission of the State Council & Wood Mckenzie
	a-f	Type II (10 hours)	MMG Limited
	a-f	Type III (5 hours)	N/A

### Notes:

- Mr XU Jiqing has tendered his resignation as Chairman and Non-executive Director with effect from the conclusion of the Board meeting held on 2 December 2025.
- Categories covered:
  - Board roles & effectiveness
  - Regulatory update
  - Corporate governance, ESG & sustainability
  - Risk management & internal controls
  - Industry development & business strategies
  - Mining technology update & operational risk
- Training in format:
  - attending seminars and/or conferences and/or forums and/or in-house trainings.
  - delivering speeches/presentations at seminars and/or conferences and/ or forums.
  - reading journals, documentaries, books, newspapers relating to director's duties and responsibilities.

# Corporate Governance Report

## Continued

### Board evaluation

The Board conducted a formal evaluation of its performance by the Governance, Remuneration, Nomination and Sustainability and Audit and Risk Management Committee's during the year. The evaluation was internally facilitated, covering aspects such as Board composition and diversity (including skills relevant to mining activities and ESG considerations), meeting effectiveness, strategic oversight, risk management, and the quality of independent input. The review confirmed that the mechanisms remain effective in facilitating constructive challenge, diverse perspectives, and independent scrutiny, particularly on critical mining-related issues such as resource estimation, operational safety, environmental compliance, and capital allocation for exploration and development projects. No material weaknesses were identified, and the Board will continue to monitor and refine these mechanisms annually to support robust governance aligned with the Company's business objectives. The next formal Board performance review is scheduled for the third quarter of 2026.

### Directors' and Officers' liabilities insurance

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

### The Board Committees

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

### Audit and Risk Management Committee

As at 31 December 2025, the Audit and Risk Management Committee comprises six members including four Independent Non-executive Directors, namely Mr CHAN Ka Keung, Peter as Chair, Dr Peter CASSIDY, Mr LEUNG Cheuk Yan and Ms CHEN Ying, and two Non-executive Directors, namely Mr ZHANG Shuqiang and Mr CAO Liang.

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

During the year ended 31 December 2025, the Audit and Risk Management Committee held five meetings. The Committee reviewed financial reporting matters, the Company's financial statements, annual and interim reports, the connected transactions and the continuing connected transactions entered into by the Group and the audit fees for the year ended 31 December 2025. It also reviewed the external audit scope and plans and audit findings, material risk profile and prioritised material risk analysis including internal audit plans and audit findings, treasury, tax matters, compliance against the Risk Management Framework, and the Insurance Program including the renewals of the annual insurance and the directors and officers liabilities insurance and the programs for Audit and Risk Management Committee activities for 2025 and 2026. The Committee discussed with senior management the independence of the external auditors and the effectiveness of the external and internal audit process and also the proposal in appointing new auditor in 2026.

# Corporate Governance Report

## Continued

The attendance of each member at the Audit and Risk Management Committee meetings for the year ended 31 December 2025 is set out below. Figures in brackets indicate the maximum number of meetings held in the period in which the individual was a member of the Committee.

	<b>Number of Meetings Attended</b>
<b>Non-executive Directors</b>	
XU Jiqing <sup>1</sup>	1/(1)
ZHANG Shuqiang	5/(5)
CAO Liang <sup>2</sup>	3/(4)
<b>Independent Non-executive Directors</b>	
Peter CASSIDY	5/(5)
LEUNG Cheuk Yan	5/(5)
CHAN Ka Keung, Peter (Chairman)	5/(5)
CHEN Ying	5/(5)

Notes:

- Mr XU Jiqing resigned as a member of Audit and Risk Management Committee on 12 April 2025. During his tenure in 2025, one meeting of the Committee was held.
- Mr CAO Liang was appointed as a member of Audit and Risk Management Committee on 12 April 2025. During his tenure in 2025, four meetings of the Committee were held.

## Governance, Remuneration, Nomination and Sustainability Committee

As at 31 December 2025, the Governance, Remuneration, Nomination and Sustainability Committee comprises five members including four Independent Non-executive Directors, namely Dr Peter CASSIDY as Chair, Mr LEUNG Cheuk Yan, Mr CHAN Ka Keung, Peter and Ms CHEN Ying, and a Non-executive Director, namely Mr CAO Liang.

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

During the year ended 31 December 2025, the Governance, Remuneration, Nomination and Sustainability Committee held five meetings. The Committee reviewed the Mineral Resources and Ore Reserves Statement, the Whistleblower Reports, the 2025 Disclosure Reports, the performance review and evaluation of the Board and the Board committees, the Directors and senior management training program and the Corporate Governance Report for inclusion in the annual report. It also reviewed the remuneration policy, the incentive and retention plans, annual remuneration and the programs for Governance, Remuneration, Nomination and Sustainability Committee activities for 2025 and 2026, as well as the assessment and recommendation of new director's appointment to the Board.

# Corporate Governance Report

## Continued

The attendance of each member at the Governance, Remuneration, Nomination and Sustainability Committee meetings for the year ended 31 December 2025 is set out below. Figures in brackets indicate the maximum number of meetings held during the period in which the individual was a member of the Governance, Remuneration, Nomination and Sustainability Committee.

Members	Number of meetings attended
<b>Non-executive Directors</b>	
XU Jiqing <sup>1</sup>	2/(2)
CAO Liang <sup>2</sup>	2/(3)
<b>Independent Non-executive Directors</b>	
Peter CASSIDY (Chairman)	5/(5)
LEUNG Cheuk Yan	5/(5)
CHAN Ka Keung, Peter	5/(5)
CHEN Ying	5/(5)

Note:

- 1 Mr XU Jiqing resigned as a member of the Governance, Remuneration, Nomination and Sustainability Committee on 12 April 2025. During his tenure in 2025, two meetings of the Committee were held.
- 2 Mr CAO Liang was appointed as a member of the Governance, Remuneration, Nomination and Sustainability Committee on 12 April 2025. During his tenure in 2025, three meetings of the Committee were held.

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

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

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

### Executive Committee

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

### Accountability and Audit

#### Financial reporting

The Directors acknowledge their responsibility for preparing all information and representations contained in the financial statements for the year ended 31 December 2025 as disclosed in this Annual Report. The Directors consider that the financial statements have been prepared in conformity with Hong Kong Financial Reporting Standards (HKFRS) issued by the Hong Kong Institute of Certified Public Accountants and the Companies Ordinance, and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgement of the Board and management with an appropriate consideration to materiality. The Directors, having made appropriate enquiries, were not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Please refer to Note 2.1 to the Consolidated Financial Statements for further details.

# Corporate Governance Report

## Continued

Accordingly, the Directors have prepared the financial statements on a going-concern basis. The statement of the Company's external auditor regarding its responsibilities for the Financial Statements is set out in the Independent Auditor's Report on pages 141 to 144 of this Annual Report.

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

### Risk management and Internal controls

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

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

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

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

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

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

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

### Auditor's remuneration

An analysis of the remuneration of the external auditor, Deloitte Touche Tohmatsu (which for these purposes includes any entity under common control, ownership or management with the external auditor or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), for the year ended 31 December 2025 is set out as follows:

<b>Services rendered</b>	<b>Fee Paid/Payable 2025 US\$'000</b>
Audit services	2,120.00
Other assurance services	435.38
Non-audit Services	98.38
	<b>2,653.76</b>

# Corporate Governance Report

## Continued

### Company secretary

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

The Company Secretary assists the Board by ensuring good information flow within the Board and that the Board policy and procedures including those on governance matters are followed. All Directors are entitled to have access to the advice and services of the Company Secretary. She reports to the Chairman of the Board and also the CEO. Ms Wong has attended various professional seminars during the year ended 31 December 2025, which exceed the requirements of the Listing Rules.

### Shareholders' rights

#### Procedures for Shareholders to convene a general meeting

Shareholders holding at least 5% of the total voting rights of all Shareholders having a right to vote at the Company's general meeting can deposit a written request to convene a general meeting at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, the registered office of the Company, for the attention of the Company Secretary, or send the written request to the Company by fax at +852 2840 0580.

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

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

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

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

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

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

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

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

The written request must state the resolution and be signed by all the Shareholders concerned. The written request must be deposited at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong

# Corporate Governance Report

## Continued

Kong, the registered office of the Company, for the attention of the Company Secretary, or sent to the Company by fax at +852 2840 0580 not later than six weeks before the AGM to which the request relates, or if later, the time at which notice is given of that meeting.

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

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

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

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

The written notice must:

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

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

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

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

### Procedures for directing Shareholders' enquiries to the Board

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

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

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

### Communication with Shareholders and investors

The Company recognises the importance of maintaining an ongoing dialogue with its Shareholders and endeavours to develop and maintain continuing relationships and effective communication with Shareholders and investors. In an effort to facilitate and enhance the relationships and communications, the Company has adopted a Shareholder Communication Policy. The effectiveness of engagement with Shareholders is assessed by the Governance,

# Corporate Governance Report

## Continued

Remuneration, Nomination and Sustainability Committee. The Committee has endorsed the Shareholder Communication Policy, noting that it remained effective and was appropriate for the Company as it articulated the various communication channels for Shareholders. Such Policy is available on the Company's website. The principles of the Shareholder Communication Policy are to ensure effective communication between the Company and its Shareholders is maintained, and ready, equal and timely access to clear and balanced information about the Company (including its financial performance, strategic plans, material developments, governance and risk profile) is available to the Shareholders to enable them to exercise their rights in an informed manner. In line with the Recommended Best Practice C.1.8 of the Corporate Governance Code, where the Chairman is not an independent non-executive director, the Company has appointed Mr LEUNG Cheuk Yan, one of the Independent Non-executive Directors of the Company as the Lead Independent Non-executive Director. This role serves as an intermediary for the other Directors and Shareholders, and is available to Directors and Shareholders where normal communication channels with the Chairman or management are considered inadequate.

### Shareholder engagement

The Company is committed to maintaining open, fair and continuous communication with its Shareholders. Under the oversight of the Board, the Executive Committee has established a structured investor communication mechanism to ensure that Shareholders' views and concerns are effectively conveyed and addressed. In line with the Company's Shareholders Communication Policy and Code Provision F.1.1 of the CG Code, the Board remains accessible to Shareholders through various formal and informal channels.

During 2025, the Executive Committee, led by the Chief Executive Officer and Executive Director, engaged in systematic dialogue with investors and analysts through diversified channels, including:

- **Regular Results Communications:** Quarterly production results briefings, annual and interim results announcements, providing updates on operational and financial performance and strategic development.
- **Site Visits and Exchanges:** Organised reverse roadshow to Las Bambas to enhance investors' understanding of the Company's core operations.
- **Non-transactional Communication Activities:** Conducted special roadshows, one-on-one meetings and ad hoc investor exchange sessions around results announcements.
- **Participation in Global Capital Markets:** Participated international investor forums and industry conferences to maintain active engagement with the global investment community.

During 2025, the Company conducted 164 investor communication activities, engaging with over 2,000 investors. Through these activities, the Board and Executive Committee communicated the Company's operational performance and strategy, while capturing key investor concerns relating to long term development, capital allocation, dividend policy and senior management incentives.

To ensure that Shareholder feedback is properly reviewed and followed up, the Company has put in place the following mechanisms:

- **Internal Reporting:** The Investor Relations Department regularly consolidates investor feedback and submits reports to the Board and senior management for review.
- **Decision-making Processes:** The Board and its committees, including the Audit and Risk Management Committee and the Governance, Remuneration, Nomination and Sustainability Committee, evaluate significant feedback and, where appropriate, direct management to formulate improvement measures.
- **Response and Disclosure:** Specific matters raised by Shareholders are addressed directly, while broader issues are communicated to all Shareholders through statutory and voluntary disclosure channels, including announcements, interim and annual reports and the investor relations website.

# Corporate Governance Report

## Continued

Feedback received in 2025 reaffirmed the appropriateness of the Company's established strategy. At the same time, constructive suggestions were incorporated into ongoing enhancements in governance and disclosure, including strengthened disclosure on dividend policy in the relevant sections of this report.

### Corporate communications

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

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

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

### Investor relations

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

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

### Corporate website

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

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

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

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

# Corporate Governance Report

## Continued

### Shareholder meetings

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

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

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

### Key Stakeholder relationships

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

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

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

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

MMG maintains relationships with a range of customers globally for the sale of its products. The sales and marketing of all products is managed by a Group Sales and Marketing function that negotiates all terms and conditions at arm's length arrangements. All prices are referenced to S&P Global Platts or LME or London Bullion Market Association or Fastmarkets MB market prices for the appropriate products sold. Further information is discussed in the Management Discussion and Analysis on pages 48 to 66 of this Annual Report.

Information on MMG's approach to environmental, social and governance issues will be reported in the 2025 MMG Sustainability Report available on the Company's website at ([www.mmg.com](http://www.mmg.com)) in the Second Quarter 2026.

### Environmental policies and performance

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

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

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

---

# Corporate Governance Report

## Continued

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

### Compliance with laws and regulations

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

### Constitutional documents

There was no change to the Company's Articles of Association during the year ended 31 December 2025.

# ESG Approach and Performance

MMG Limited (the Company, we, our) operates and develops copper, zinc, cobalt and other base metals projects across Australia, Botswana, the Democratic Republic of the Congo (DRC) and Peru. As at 31 December 2025, MMG has five mining operations: Las Bambas, Kinsevere, Dugald River, Rosebery, and Khoemacau, in addition to corporate offices located in Beijing, Hong Kong, Vientiane and Melbourne. In 2025, the Company recommenced exploration activities at the Izok Corridor project, and for the purposes of this report, health and safety data relating to this project has been included. All other Izok Corridor project data, including environment, social performance and supply chain information, will be disclosed from 1 January 2026. Fines or penalties are considered significant for reporting purposes if they exceed US\$1 million.

The Company is committed to responsible environmental and social performance and strong governance of its operations in order to:

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

## 1.1 ESG reporting and materiality

The Company conducts a materiality assessment aligned to the Global Reporting Initiative (GRI) to ensure that Environmental, Social and Governance (ESG) topics most important to its stakeholders are reported.

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

Further information on MMG's approach to sustainability, health and safety, security, social performance, environmental performance, key stakeholder relationships and compliance with laws and regulations is reported in the 2025 MMG Sustainability Report available on the Company's website at [www.mmg.com](http://www.mmg.com).

## 1.2 Corporate Governance

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

The Company has applied the principles of good corporate governance as set out in the Corporate Governance Code found in Appendix C1 of the Hong Kong Listing Rules. It has complied with all applicable code provisions set out in the Appendix C1 of the Hong Kong Listing Rules, except for the deviation from code provision B.2.2 as explained under the section headed 'Re-election of Directors' of the MMG Annual Report.

MMG has an Audit and Risk Management (ARM) Committee and a Governance, Remuneration, Nomination and Sustainability (GRNS) Committee, both of which operate under clear Terms of Reference. Additionally, MMG has several Management Committees, including the Executive Committee, the Disclosure Committee, the Investment Review Committee, the Mineral Resources and Ore Reserves Committee and the Code of Conduct and People Committee. A function of the Executive Committee is to review security, safety, health, environmental and social performance to enhance efficiency and effectiveness. The Board discusses specific security, safety, health,

# ESG Approach and Performance

## Continued

environment and community (SSHEC) matters on a quarterly basis, including the identification, review and governance of SSHEC-related material issues, significant incidents, remediation/mitigation strategies, governance of human rights-related issues and any specific areas of focus as identified by the Board.

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

### 1.3 Compliance

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

MMG's Executive Committee oversees its performance in accordance with the Company's policies, standards and regulatory requirements related to safety, health, environment and community.

### 1.4 Business ethics

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

All MMG employees, including senior management and directors, are informed of and required to comply with the Code of Conduct and the Anti-Corruption Standard and Framework as a condition of their employment. An online training module is made available to employees and directors and face to face training is conducted periodically. As part of MMG's Sustainability performance indicators, progress against targets relating to the percentage of employees required to complete anti-bribery and corruption training modules as well as grievance response and resolution times are regularly monitored by the Board. In 2026, ongoing monitoring will continue to be conducted by the GRNS Committee.

MMG recognises that some of the jurisdictions where it operates present unique human rights challenges. To address this, the Company pairs good governance with a commitment to transparent initiatives, such as the Extractive Industries Transparency Initiative (EITI) along with open and reciprocal discussions with host communities. The Company released an updated Human Rights Policy in 2025, which outlines MMG's strong commitment to human rights for its employees, stakeholders and communities.

## ESG Approach and Performance

### Continued

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

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

In 2025, there were no confirmed significant non-compliances with the Company's Code of Conduct identified and no legal cases regarding corrupt practices brought against the Company or its employees.

#### 1.5 Developing and supporting our workforce and protecting labour rights

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

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

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

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

The Company is committed to providing safe workplaces that are free of discrimination and harassment, fostering an environment of diversity and inclusion. Its global Diversity and Inclusion approach is led by the Executive Committee. Through the Code of Conduct and People Committee, the company provides guidance on diversity and inclusion policy and practices, collaborating with teams globally to develop initiatives and actions tailored to their specific needs. MMG's approach to inclusion and diversity supports attraction and retention, and delivers further business benefits through collaboration.

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

## ESG Approach and Performance

### Continued

MMG is committed to upholding the International Labour Organisation's (ILO) Declaration of Fundamental Principles and Rights at Work and their Core Labour Standards and comply with local labour laws, as a minimum, and with consideration of the eight core conventions of the ILO focusing on human rights that are directly applicable to business. This includes respecting its employees' rights to freedom of association and collective representation, and the Company strives to have positive and constructive negotiations with their elected representatives. The Company also upholds the ILO Principles regarding the elimination of all forms of forced and child labour.

In 2025, there were no confirmed non-compliance incidents or grievances in relation to labour practices that have had a significant impact on the Group.

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

Table 1: 2025 Total workforce by employment type and site

Site	Employee	Contractor	Employee %	Contractor %	Total Workforce
Dugald River	514	467	52.36	47.61	981
Khoemacau	713	3,210	18.17	81.83	3,923
Kinsevere	871	3,929	18.15	81.85	4,800
Las Bambas	2,760	10,050	21.55	78.45	12,810
Rosebery	406	243	62.47	37.48	649
Corporate	218	3	98.71	1.29	221
Australian Operations	19	-	100.00	-	19
African Operations	27	-	100.00	-	27
Izok	2	14	12.5	87.5	16
<b>MMG</b>	<b>5,530</b>	<b>17,916</b>	<b>23.59</b>	<b>76.41</b>	<b>23,446</b>

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

\*\* Headcount for employees is at 31 December 2025. For contractors, this is an average of the total workforce throughout the year.

\*\*\* Izok contractor work is seasonal (May–September) and relevant Izok personnel in 2025 were recorded as contractors for reporting consistency.

Table 2: 2025 Total workforce by gender and site

Site	Male (#)	Female (#)	Male %	Female %	Total Workforce
Dugald River	434	79	84.55	15.45	514
Khoemacau	578	135	81.07	18.93	713
Kinsevere	733	138	84.16	15.84	871
Las Bambas	2,368	392	85.80	14.20	2,760
Rosebery	349	57	85.95	14.05	406
Corporate	104	114	47.71	52.29	218
Australian Operations	9	10	47.37	52.63	19
African Operations	16	11	59.26	40.74	27
<b>MMG</b>	<b>4,591</b>	<b>936</b>	<b>83.06</b>	<b>16.94</b>	<b>5,528</b>

\* Please note this table refers to employees directly employed by MMG. This does not include contractors.

Izok data is not disclosed due to the small number of employees (n=2), to protect individual privacy and prevent potential identification.

## ESG Approach and Performance

### Continued

Table 3: 2025 Workforce turnover rate by age group and site

Site	Age (<30)	Age (31-50)	Age (>50)	Age (<30)%	Age (31-50)%	Age (>50)%
Dugald River	25	45	18	22.94	16.54	13.64
Khoemacau	3	5	3	2.48	1.01	3.16
Kinsevere	5	29	18	8.62	5.13	7.26
Las Bambas	93	110	23	37.50	5.63	4.13
Rosebery	20	22	22	25.97	10.43	18.80
Corporate	1	13	6	2.38	8.90	16.22
Australian Operations	1	3	2	-	27.27	25.00
African Operations	-	5	3	-	35.71	27.27
Izok	-	-	-	-	-	-
<b>Total</b>	<b>148</b>	<b>232</b>	<b>95</b>	<b>22.53</b>	<b>6.32</b>	<b>7.88</b>

\* Please note this table refers to total employees during 2025, including all voluntary resignations for permanent employees. This does not include contractors.

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

Table 4: 2025 Workforce turnover rate by gender and site

Site	Male	Female	Male (%)	Female (%)
Dugald River	73	13	16.82	16.46
Khoemacau	9	2	1.56	1.48
Kinsevere	43	7	5.87	5.07
Las Bambas	146	65	6.17	16.58
Rosebery	49	8	14.08	14.04
Corporate	12	7	10.91	6.09
Australian Operations	3	2	33.33	20.00
African Operations	3	4	18.75	36.36
Izok	-	-	-	-
<b>Total</b>	<b>338</b>	<b>108</b>	<b>7.35</b>	<b>11.53</b>

\* Please note this table refers to total employees during 2025, including all voluntary resignations for permanent employees. This does not include contractors.

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

Table 5: 2025 Workforce training by employee category

	Workforce	Trained Workforce (#)	Trained Workforce (%)	Total Trained Hours	Avg Trained Hours
Executives- level 5/6	6	2	33.33	3	0.5
Senior Management- level 4	15	12	80	24.25	1.62
Middle Management- level 3	106	85	80.19	536.63	5.06
Lower Management- level 2	314	243	77.39	2,019.13	6.43
Employees- level 1	4,985	3,548	71.17	72,672.53	14.58
<b>Total</b>	<b>5,426</b>	<b>3,890</b>	<b>71.69</b>	<b>75,255.55</b>	<b>13.87</b>

\* This table refers to training recorded on the Learning Management System such as Occupational Health and Safety training provided to employees, which may include field task observations, safe task management, fatal risk requirements, mental health, risk management, occupational exposures and controls.

\*\* The total number of people trained during 2025 includes some employees who may have left the company prior to the 31 December 2025 headcount date, and some contractors who are employed into roles that require training to be captured in the Learning Management System.

Izok data is not disclosed due to the small number of employees (n=2), to protect individual privacy and prevent potential identification.

# ESG Approach and Performance

## Continued

### 1.6 Social performance and stakeholder engagement

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

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

The social and economic benefits provided through MMG's operations and their supply chains support its employees, contractors, shareholders, communities, regions and host countries to develop and prosper. This contribution comes through payment of taxes, royalties, wages and employee entitlements; the purchase of goods and services; and through community compensation, support for local initiatives, benefit sharing and the Company's direct investment in addressing the United Nations Sustainable Development Goals (SDGs) 1–6, as listed below:







 <p>1 NO POVERTY</p>	<p>SDG1: No Poverty</p>	 <p>2 ZERO HUNGER</p>	<p>SDG2: Zero Hunger</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>SDG3: Good Health and Wellbeing</p>
 <p>4 QUALITY EDUCATION</p>	<p>SDG4: Quality Education</p>	 <p>5 GENDER EQUALITY</p>	<p>SDG5: Gender Equality</p>	 <p>6 CLEAN WATER AND SANITATION</p>	<p>SDG6: Clean Water and Sanitation</p>

Table 6: 2025 Total community investment spend by focus area (US\$)

Investment by SDG	Dugald River	Khoemaçau	Kinsevere	Las Bambas	Rosebery	Total
SDG1: No Poverty	6,694	14,961	189,556	34,973,909	6,761	<b>35,191,881</b>
SDG2: Zero Hunger	3,347	-	338,735	4,660,288	34,608	<b>5,036,978</b>
SDG3: Good Health and Wellbeing	97,599	62,430	169,057	5,962,890	59,967	<b>6,351,943</b>
SDG4: Quality Education	103,757	37,515	285,067	10,734,187	18,609	<b>11,179,135</b>
SDG5: Gender Equality	13,388	1,268	-	-	6,828	<b>21,484</b>
SDG6: Clean Water and Sanitation	-	39,778	28,124	2,234,950	-	<b>2,302,852</b>
<b>Total</b>	<b>224,785</b>	<b>155,952</b>	<b>1,010,539</b>	<b>58,566,224</b>	<b>126,773</b>	<b>60,084,272</b>

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

## ESG Approach and Performance Continued

More information about the Company's stakeholder engagement approach, as well as social performance and investment initiatives, can be found in the 2025 MMG Sustainability Report at [www.mmg.com](http://www.mmg.com).

In 2025, there were no confirmed non-compliance incidents or grievances in relation to human rights that have had a significant impact on the Group.

### 1.7 Supply chain

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

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

In 2025, the Company had 7,028 active suppliers, of which 2,951 were in South America, 2,064 in Australia, 1,096 in Africa, and 539 in Asia. The rest were distributed among other geographical regions. Our total spend in 2025 was over US\$3.3 billion, of which over 89% was spent in the countries where our operations are located.

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

As part of its supplier engagement process, the Company seeks formal agreement from suppliers to comply with the Supplier Code of Conduct and Anti-Corruption Standard and Framework as well as all relevant Company standards, policies and procedures, including the Supply, Fatal Risk Management, Human Rights, Social Performance and Significant Events and Safety, Security, Health and Environment (SSHE) Performance standards. In 2025 the Company regularly reviewed and reported on agreed contract performance measures, as well as identified and actioned improvement opportunities.

In 2025, there were no confirmed non-compliance incidents or grievances in relation to supply chain management that have had a significant impact on the Group.

### 1.8 Product stewardship

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

The Product Stewardship WQR guides activities to understand the characteristics of the Company's products and manage their potential impacts on human health and the environment during transportation, storage and handling. Shipments of copper, zinc and lead concentrates comply with international maritime legislation and the Company's products are classified in line with the International Maritime Organisation's (IMO) MARPOL Convention Annex V and the International Maritime Solid Bulk Cargoes Code. Most products are delivered by standard bulk container process without packaging materials. Khoemacau copper concentrate, Rosebery copper concentrate, Las Bambas molybdenum concentrate and Kinsevere cobalt hydroxide are packed in non-returnable bags and loaded for shipment in ISO general purpose shipping containers.

# ESG Approach and Performance

## Continued

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

Products sold by the Company are commodities for which intellectual property rights are not applicable. The quality and pricing of the products are governed by commercial terms, including payment conditions and claims, and are managed contractually between the parties. Therefore, no products sold or shipped are subject to recalls for safety or health reasons.

In 2025, the Company was not aware of any significant incidents of non-compliance with regulations and voluntary codes concerning the provision and use of the Company's products and services that have had a significant impact on the Group.

### 1.9 Health and safety

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

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

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

1. Leadership and culture, aligned to common MMG Safety Purpose – Significant and ongoing safety and health improvement for our people.
2. Elimination of fatalities and permanent disabling injuries consistent with the requirements of our Fatal Risk Standard.
3. Prevention of injuries and elimination of high potential injuries consistent with the requirements of our Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.
4. Reporting of significant events and implementation of learnings from incidents in line with the requirements of our Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.

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

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

## ESG Approach and Performance Continued

- empowering people to stop and think to identify and control hazards; and
- ensuring through the Company's assurance framework that material risks and standards are implemented.

As part of MMG's safety performance disclosure, fatalities are reported for the past three reporting years. During the reporting year (2025), there were no fatalities. There were also no fatalities reported in 2024. In 2023, tragically, two fatalities occurred at the Dugald River Mine; further details were disclosed at the time and can be found in the 2023 Annual Report.

At the end of 2025, the total recordable injury frequency rate (TRIF) for the Company was 2.06 per million hours worked. The Company is committed to doing more to achieve its target of zero fatalities and reduce recordable injuries. 108 people across the Company's operations in 2025 experienced injuries that required medical treatment, time away from work or resulted in them being unable to perform their normal duties for a period of time. More information on these statistics can be found in our 2025 Sustainability Report at [mmg.com](http://mmg.com).

Occupational exposure to endemic disease is minimised through heightened personal awareness, active management with local and regional responses, and the promotion of employee health and wellbeing. Occupational exposures to harmful agents are identified through qualitative and quantitative exposure assessments, with appropriate controls implemented and monitored to manage those exposures.

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

The Company develops and executes asset-specific Hygiene Monitoring Plans, conducts an annual review of asset-specific Similar Exposure Groups and has updated the asset-specific Health Risk Assessment (HRA).

The Company identifies and assesses health risks using Occupational Exposure Limits (OELs) or other internationally agreed standards where applicable, considering extended work shifts and combined exposures.

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

In 2025, MMG received no significant safety related fines or non-monetary sanctions.

### 1.10 Environment

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

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

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

Site compliance with the requirements of the Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard is internally audited as part of an annual integrated assurance process.

## ESG Approach and Performance

### Continued

The Company tracks and monitors hazardous and non-hazardous waste types and volumes, with opportunities for waste reduction and efficacy highlighted through reporting processes. Hazardous waste is managed as per state and national regulations with certified contractors transporting to appropriate waste facilities.

MMG also prioritises effective water and tailings management and continues to progress compliance with the Global Industry Standard on Tailings Management (GISTM) and the ICMM Water Reporting: Good Practice Guide (2nd Edition). Performance against these standards is monitored quarterly by the Executive Committee.

In 2025, the Company faced regulatory proceedings relating to alleged environmental non-compliances at Las Bambas, none of which involved findings of serious harm or significant environmental impact. The proceedings have not yet concluded, and the Company is currently in the process of challenging them. Las Bambas has not been sanctioned for any breach of its environmental and/or water resources obligations involving actual and/or serious harm to people's health and/or the environment, nor for any significant environmental impacts.

Information and data relating to the type and total air and GHG emissions, hazardous and non-hazardous waste produced, direct and indirect energy consumption and water consumption are listed in the 2025 Environmental Data section below and are managed in accordance with the Environmental Standard and core principles of ISO14001: Environmental management systems.

#### 1.11 Climate change

MMG acknowledges human-induced climate change and its impacts on the environment, the economy and communities. As the frequency and severity of extreme weather events increases globally, assessing climate-related risks and building resilience across MMG's operations has become increasingly critical.

MMG is committed to supporting the global transition to a lower-carbon economy by supplying the minerals and metals required for this transition, while continuing to manage and reduce greenhouse gas (GHG) emissions across its operations.

In 2025, MMG began a review of its Climate Strategy, which was completed in early 2026.

The intent of the updated strategy strengthens MMG's approach to climate governance, risk management and emissions reduction, and reflects improved emissions data, enhanced climate risk and scenario analysis, and clearer alignment with business planning processes.

Further information can be found in the 2025 MMG Sustainability Report available at [www.mmg.com](http://www.mmg.com).

Climate considerations, including carbon pricing and transition risks, are integrated into strategic and operational decision-making, including the evaluation and stress-testing of production scenarios.

MMG continues to improve the quality, transparency and governance of its climate-related data, reporting and disclosures, supporting informed decision-making and accountability across the business.

To support this, MMG has included its first HKFRS S2 climate-related disclosure at the end of this ESG Approach and Performance Report.

#### 1.12 2025 Environmental data

Energy consumption is listed in megawatt hours (MWh). This is a change from previous reporting years where data was provided in gigajoules (GJ), and is aligned with global reporting commitments. Emissions to air and waste is reported in tonnes, and water is reported in megalitres (ML). For consistency, ratios are calculated on a per tonne of ore milled or per kilo tonne (kt) of ore milled basis.

GHG emissions data has previously been reported in this section but can now be found on Page 139 in the HKFRS S2 disclosure.

## ESG Approach and Performance

### Continued

Table 7: Direct, indirect and total energy consumption (MWh)

Year	2025			2024		
	Energy Consumed - Direct	Energy Consumed - InDirect	Total Energy Consumption (direct +indirect)	Energy Consumed - Direct	Energy Consumed - InDirect	Total Energy Consumption (direct +indirect)
Dugald River	86,737.32	226,906.70	313,644.01	78,806.21	210,306.74	289,112.95
Khoemacau	186,051.24	194,392.42	380,443.66	112,741.47	187,993.27	300,734.74
Kinsevere	376,884.94	199,597.30	576,482.24	404,650.27	181,228.06	585,878.33
Las Bambas	2,030,117.05	1,276,447.89	3,306,564.94	2,019,321.69	1,293,314.10	3,312,635.79
Rosebery	73,416.54	155,113.11	228,529.65	69,699.94	156,269.28	225,969.22
<b>Total</b>	<b>2,753,207.09</b>	<b>2,052,457.42</b>	<b>4,805,664.51</b>	<b>2,685,219.56</b>	<b>2,029,111.45</b>	<b>4,714,331.01</b>

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

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

Table 8: Energy consumption Intensity (MWh/tonne milled)

Site	2025	2024
Dugald River	0.16	0.16
Khoemacau	0.12	0.13
Kinsevere	0.15	0.22
Rosebery	0.23	0.22
Las Bambas	0.06	0.06
<b>MMG Total</b>	<b>0.08</b>	<b>0.08</b>

## ESG Approach and Performance

### Continued

Table 9: Air emissions (tonnes)

Site	2025	2024
<b>Nitrogen Oxides (NOx)</b>		
Dugald River	246.42	131.00
Khoemacau	19.75	-
Kinsevere	4,269.00	4,481.50
Las Bambas	1,138.10	1,136.30
Rosebery	122.00	104.72
<b>MMG Total</b>	<b>5,795.27</b>	<b>5,853.52</b>
<b>Sulphur Oxides (SOx)</b>		
Dugald River	0.15	0.13
Khoemacau	0.82	-
Kinsevere	204.00	20.00
Las Bambas	158.00	158.00
Rosebery	0.08	0.08
<b>MMG Total</b>	<b>363.05</b>	<b>178.21</b>
<b>Particulate Matter (PM10)</b>		
Dugald River	485.91	403.00
Khoemacau	1,388.55	-
Kinsevere	4,561.00	4,155.50
Las Bambas	4,842.00	6,811.40
Rosebery	351.00	347.48
<b>MMG Total</b>	<b>11,628.46</b>	<b>11,717.38</b>
<b>Volatile Organic Compounds (VOCs)</b>		
Dugald River	26.00	17.10
Khoemacau	3.06	-
Kinsevere	193.00	207.00
Las Bambas	21.90	21.80
Rosebery	8.58	7.36
<b>MMG Total</b>	<b>252.54</b>	<b>253.26</b>

## ESG Approach and Performance

### Continued

Table 10: Total hazardous waste and non-hazardous waste (tonnes)

Site	Waste Category	2025	2024
Dugald River	<b>Total</b>	<b>6,974.20</b>	<b>2,713.21</b>
	Waste - Hazardous	497.30	353.46
	Waste - Non-Hazardous	6,476.90	2,359.75
Khoemacau	<b>Total</b>	<b>1,121.05</b>	<b>826.05</b>
	Waste - Hazardous	214.91	141.60
	Waste - Non-Hazardous	906.14	684.45
Kinsevere	<b>Total</b>	<b>1,055.75</b>	<b>1,081.03</b>
	Waste - Hazardous	276.40	392.38
	Waste - Non-Hazardous	779.35	688.65
Las Bambas	<b>Total</b>	<b>12,346.02</b>	<b>15,996.36</b>
	Waste - Hazardous	2,953.54	2,942.60
	Waste - Non-Hazardous	9,392.48	13,053.76
Rosebery	<b>Total</b>	<b>2,001.39</b>	<b>2,027.61</b>
	Waste - Hazardous	781.60	633.54
	Waste - Non-Hazardous	1,219.79	1,394.07
<b>MMG Total</b>		<b>23,498.41</b>	<b>22,644.27</b>

Table 11: Hazardous waste produced intensity (tonnes/kt milled)

Site	2025	2024
Dugald River	0.25	0.20
Khoemacau	0.13	
Kinsevere	0.07	0.15
Las Bambas	0.06	0.06
Rosebery	0.68	0.61
<b>MMG Total</b>	<b>0.08</b>	<b>0.08</b>

Table 12: Non-hazardous waste produced intensity (tonnes/kt milled)

Site	2025	2024
Dugald River	3.22	1.34
Khoemacau	0.29	
Kinsevere	0.20	0.26
Las Bambas	0.17	0.24
Rosebery	1.23	1.35
<b>MMG Total</b>	<b>0.29</b>	<b>0.30</b>

## ESG Approach and Performance

### Continued

Table 13: Total water consumption (ML)

Site	2025	2024
Dugald River	2,794.00	2,299.00
Khoemacau	4,136.06	
Kinsevere	5,974.91	3,867.65
Las Bambas	17,102.00	18,328.00
Rosebery	577.75	681.00
<b>MMG Total</b>	<b>30,584.72</b>	<b>25,175.65</b>

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

Table 14: Total water consumption intensity (ML/kt milled)

Site	2025	2024
Dugald River	1.39	1.31
Khoemacau	1.33	-
Kinsevere	1.56	1.48
Las Bambas	0.32	0.36
Rosebery	0.58	0.66
<b>MMG Total</b>	<b>0.48</b>	<b>0.44</b>

# HKFRS S2 compliance

For this 2025 reporting period, the Company is reporting under the Hong Kong Financial Reporting Standard S2 (HKFRS S2) Climate-related Disclosures.

For this initial reporting period in which we apply HKFRS S2, the Hong Kong Exchanges and Clearing Limited (HKEX) Environmental, Social and Governance (ESG) Reporting Code (Appendix C2 to the HKEX Listing Rules) requires MMG to report the Part D climate-related disclosure requirements (the "Climate Requirements") on a "comply or explain" basis, while Scope 1 and Scope 2 greenhouse gas (GHG) emissions disclosures are mandatory for all listed companies; the Part D Climate Requirements become mandatory for companies that are constituents of the Hang Seng Composite LargeCap Index (HSCLI) for financial years commencing on or after 1 January 2026.

This report includes the Company's climate statements for the 2025 reporting period and Directors' Declaration. The report aims to:

- provide a detailed account of MMG's climate statements;
- demonstrate MMG's compliance with the HKFRS S2 Climate-related Disclosures standard; and
- outline MMG's governance, strategies, risk management and other initiatives to address identified climate-related risks and opportunities.

## Transition relief

The HKFRS S2 standard provides transition reliefs for the first annual reporting period in which an entity applies the standard. MMG has applied the following transition reliefs:

- Not presenting comparative information.
- Disclosing only climate-related risks and opportunities in accordance with HKFRS S2, applying HKFRS S1 (Hong Kong Financial Reporting Standard S1 – General Requirements for Disclosure of Sustainability-related Financial Information). Requirements only for those disclosures.
- Providing qualitative narrative information on the financial effects of climate-related risks and opportunities
- Scope 3 GHG emissions disclosure.

## 2.1 MMG's structure, reporting boundary, governance and materiality

### 2.1.1 Directors' declaration

In the Directors' opinion:

The climate statements and notes that are set out on pages 126 to 140, are prepared in accordance with the Hong Kong Stock Exchange (HKEx) ESG Reporting Code (Appendix C2 to the Listing Rules) and the Hong Kong Financial Reporting Standard S2 (HKFRS S2) Climate-related Disclosures as issued by the Hong Kong Institute of Certified Public Accountants; and giving a true and fair view of the consolidated entity's position as at 31 December 2025 and of its performance for the financial year ended on that date.

This declaration is made in accordance with a resolution of the Directors.



**CAO Liang**

Chairman of the Board and Non-Executive Director

3 March 2026

# HKFRS S2 compliance

## Continued

### 2.1.2 Statement of compliance

These disclosures have been prepared in accordance with the requirements set out in HKFRS S2 *Climate-related Disclosures* as issued by the Hong Kong Institute of Certified Public Accountants

### 2.1.3 Connectivity with financial statements

The Climate Statements have been prepared by MMG Limited and its controlled entities (MMG, the Company, Group) and should be read in conjunction with the Group's financial statements for the year ended 31 December 2025. The Climate Statements apply to the same reporting Group and reflect an assessment of both MMG's own operations and its broader value chain (see Section 2.1.4 for an overview).

The Climate Statements cover a 12-month period for the year ended 31 December 2025 (FY25) which is aligned with the reporting period of the related financial statements. The presentation currency of the climate statements is United States Dollars (USD), which aligns to the presentation currency used in the Group's financial statements.

#### Definitions

In alignment with HKFRS S2 the Climate Statements use the following definitions:

#### *Distinction between use of climate-related risks and opportunities and CRROs*

When the report discusses climate-related risks and opportunities in a general sense it will use the full terminology. When the report discusses the three climate-related risks and opportunities that have been identified for assessment and planning, then the term CRROs shall be used.

#### *Climate time horizons and connection with MMG enterprise risk management framework*

MMG defines its time horizons based on when the CRROs could reasonably be expected to materialise. The following time horizons were identified by MMG, consistent with its enterprise risk management framework and associated processes and documentation:

- Short term (0–3 years): 2025–2028
- Medium term (3–10 years): 2028–2035
- Long term (10–25 years): 2035–2050

#### *Climate time horizons and connection with MMG business planning cycle:*

These horizons align with MMG's existing business planning cycles (per the Integrated Business Planning (IBP) Framework), including:

- Budgeting and Annual Plan: 1-3 years
- Asset Business Planning: 5 years
- Strategic Development Planning: 5+ years
- Corporate and Asset Strategy: 10+ years

#### *Climate scenarios selected and rationale*

The following two temperature pathways have been selected from the IPCC climate scenarios to assess MMG's climate resilience:

- 1.5 °C
- 4°C

## HKFRS S2 compliance

### Continued

The climate scenarios assume changes to global temperatures and utilised by the Group to assess strategy and response to identified climate-related risks and opportunities, and their potential financial and non-financial impacts.

The two pathways were selected on the following basis: (also see *section 2.2.2.6* for further details).

#### Number of scenarios

The Group has selected two climate scenarios to assess its climate resilience. This approach meets HKFRS S2 requirements to consider a diverse range of climate-related scenarios, including at least one scenario aligned with limiting global temperature rise to well below 2°C in accordance with the latest international climate agreement.

#### Types of scenarios

The scenarios selected comprise a low-emissions 1.5°C scenario and a high-emissions 4°C scenario. These scenarios represent materially different physical and transition risk profiles and are considered relevant to the Group's assessment of climate-related risks and opportunities. These scenarios represent materially different physical and transition risk profiles and are considered relevant to the Group's assessment of climate-related risks and opportunities.

#### Source of scenarios

The Group uses climate scenarios from multiple internationally recognised sources. Scenarios published by the IPCC are used primarily to assess physical climate risks, while scenarios published by the IEA are used primarily to assess transition risks. This approach is consistent with market practice and supports the relevance and robustness of the Group's climate scenario analysis.

#### 2.1.4 Overview of MMG's operations and value chain

See page 111 of the ESG Approach report for overview of MMG's operations.

MMG's value chain comprises activities associated with the development, operation and sale of its mineral products, including both activities within MMG's operational control and activities undertaken by third parties with whom MMG has direct or indirect business relationships.

# HKFRS S2 compliance

## Continued

**Table 15: MMG value chain**

Value chain stage	Activity area	Description
<b>Upstream (cradle-to-gate)</b>	Exploration, Scoping, PreFeasibility and Feasibility Study	Regulators, permitting bodies, financiers, technical consultants, JV partners, and local Indigenous communities engaged in resource mapping, baseline studies, permitting, feasibility and financial modelling for new projects.
	Upstream Supply Chain and Procurement	Global suppliers of mining equipment, energy providers, reagent suppliers, logistics companies, and facilities supporting procurement of equipment, reagents, fuel, power, logistics and facilities across the group.
	Capital and Insurance	Stakeholders and activities including banks, insurers, investors, stock exchange bodies and ESG lenders providing Corporate and Site financing, underwriting, and investor relations.
	Energy and Utilities	Power supply onsite consumption of energy from grid, diesel, and renewable power.
	Government and Regulatory Engagement	National and regional regulators, permitting and licensing agencies, government stakeholders, communities and first nations groups, and market authorities engaged in permitting, licensing and market access across Peru, Australia, DRC, Botswana, Brazil and China, and sales markets such as the EU.
<b>Own operations (gate-to-gate)</b>	Mining and Extraction	Site operations teams extracting ore at MMG operations.
	Processing and Concentration	Processing plant teams and maintenance crews carrying out crushing, milling, flotation, concentration and product storage at site.
	Tailings and Waste Management	Tailings engineers, geotechnical and dam safety teams, environmental and water management teams managing tailings and waste rock, recovering water and planning rehabilitation with GISTM compliance and monitoring.
	Stakeholder Management, Closure and Rehabilitation	Local teams engaging in stakeholder management with local communities and activities associated with mine closure and rehabilitation programs.
	Corporate Enabling Function	Corporate teams engaged in general management, legal and compliance, sustainability and risk management, stakeholder, corporate and community relations, asset planning support, finance and strategy, and IT and data management.
	People and Workforce Inputs	Employees, contractors, training providers, health and safety teams, service providers, and local communities involved in recruitment, training, safety and wellbeing, and operation of facilities across operations.
<b>Downstream (gate-to-grave)</b>	Customers and Offtakers	Smelters, traders and industrial customers for copper, zinc, nickel and byproducts purchasing product from MMG and arranging transport, with examples including copper and zinc customers in Asia and future nickel and cobalt markets including the EU.
	Offsite Processing, Concentration, Smelting and Refining	Downstream processors, concentrators, smelters and refiners conducting crushing, milling, flotation, concentration and product storage at or near site, aligned to downstream user process material.
	Product Transport and Trade	Trading desks, finance counterparties, logistics providers, rail operators, trucking firms, port authorities and shipping lines moving concentrates through trade, shipping and financial markets.
	End Use Applications	OEMs and manufacturers in renewable energy, EVs, electrification, global infrastructure, medical equipment and pharmaceuticals using MMG metals, with end use including EVs, renewable grids and electrification infrastructure globally within the transition economy.
	Recycling and Circularity	Downstream partners, recyclers, smelters and industry bodies recovering and recycling metals and pursuing secondary metals recovery partnerships.
	Transport and Logistics	Logistics and transport teams moving equipment and product and liaising with suppliers through road, rail and sea routes.

Refer to *section 2.1.6.5* for more information on the process followed to assess MMG's value chain.

# HKFRS S2 compliance

## Continued

### 2.1.5 ESG and climate governance structure

See page 111 to 112 of the ESG Approach section for MMG's Governance Structure.

#### Board climate skills, competencies and experience

The Board is kept informed of climate-related matters through regular updates and briefings provided by management.

During the financial year, Board members participated in awareness sessions designed to enhance understanding of climate-related risks and opportunities relevant to MMG's operations.

In overseeing climate-related risks, opportunities and strategies, the Board considers whether it has access to the appropriate skills and experience, and where gaps are identified, requests targeted training or briefings to support informed decision-making

The Board continues to consider its ongoing capability and development needs over time in relation to overseeing climate-related risks, opportunities and strategies.

#### Impact of climate on remuneration policies

The Board continues to consider how climate-related factors can be reflected in remuneration policies. This includes assessing potential approaches to incorporate climate-related performance metrics and aligning remuneration frameworks with the management of climate-related risks and opportunities.

### 2.1.6 Basis of preparation and reporting scope

#### 2.1.6.1 Reporting boundary

The entities, assets and operations included in MMG's climate statements are the same as those included in MMG's consolidated FY25 financial statements.

During the reporting period there were no changes to MMG's operating company structure.

MMG's value chain, detailed in *section 2.1.4*, has been considered when assessing MMG's climate-related risks and opportunities. In the current reporting period, all metrics reported (except for GHG emissions) relate to MMG's own operations.

Table 16: Reportable assets and scope of information included

The Group's reportable assets	Description
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 Northwest Queensland.
Rosebery	Rosebery is an underground polymetallic base metal mining operation located on Tasmania's west coast.

\* Asset information is referred to in Note X of the Group's financial statement.

\*\* 100% of the available climate-information related to the assets have been considered and included.

## HKFRS S2 compliance

### Continued

#### 2.1.6.2 Reporting boundary for GHG emissions

MMG measures its GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition (2004). Details on approach and methodology can be found in section 2.2.3 on Climate-related metrics and targets.

#### 2.1.6.3 Organisational boundary

This section defines which entities, assets and operations are included in MMG's GHG emissions inventory.

MMG has defined its organisational boundary for GHG emissions using the operational control approach. This approach best reflects where MMG has the authority to implement operating policies, and therefore where climate-related risks and opportunities are actively managed. Consistent with HKFRS S2 and the GHG Protocol, operational control provides decision-useful information to investors by aligning reported emissions with MMG's transition strategy, capital allocation and risk management practices. It also ensures that emissions reporting faithfully represents MMG's exposure to transition risk and its ability to influence emissions outcomes across operated assets.

The entities, assets, and operations within MMG's organisational boundary for reporting GHG emissions as per the GHG Protocol are the same as are listed above in *section 2.1.6.1*.

For acquisitions and disposals, the group follows the general approach for current-year GHG emissions and the comparative amounts as described under *section 2.1.6.2*.

#### 2.1.6.4 Operational boundary

Direct GHG emissions from sources that are owned or controlled by businesses and operations within MMG's organisational boundary are reported as scope 1 GHG emissions. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as scope 2 GHG emissions for MMG.

#### 2.1.6.5 Materiality assessment and approach

In its inaugural HKFRS S2 reporting year, MMG performed a materiality assessment to identify climate-related risks and opportunities that could reasonably be expected to affect the Company's prospects over the short, medium, and long term. This assessment considered both internal and external sources, including existing risk management processes, peer disclosures, and stakeholder engagement across MMG's operations and value chain.

Climate-related risks and opportunities identified as possibly material include those that could affect MMG's cash flows, access to finance, or cost of capital. Several of these risks and opportunities are currently undergoing financial quantification in FY26 to assess materiality. MMG will continue to refine its materiality approach and update its climate-related disclosures in future reporting periods.

#### 2.1.6.6 Outcome of the materiality process

The table below outlines the climate-related risks and opportunities that could reasonably be expected to affect MMG's cash flows, access to finance, or cost of capital over the short, medium or long-term, that are currently undergoing financial quantification to assess materiality. A more detailed disclosure on horizons is explored in *section 2.1.3*.

# HKFRS S2 compliance

## Continued

Table 17 MMG identified climate-related risks and opportunities for further investigation

### MMG's climate-related risks and opportunities

#### Physical Risks

Name	Description
Intensification of extreme weather conditions	Lost production and revenue from downtime as a result of operations needing to pause

#### Transition Risks

Name	Description
Increase in fossil fuel costs on production supply and logistics	Higher operating costs due to carbon tax or fuel price increases Increased costs from fuel and carbon surcharges on shipping/ trucking due to increased delivery prices

#### Opportunities

Name	Description
Increased demand for low-carbon products and transition metals	Increased market growth and revenue as global industries shift toward low-carbon solutions and electric vehicles (EVs), the demand for transition metals such as copper, nickel and zinc will rise, driving higher sales volumes and revenues for companies mining these materials.

#### 2.1.6.7 Interaction with material information in the Financial Statements

As noted in the materiality assessment, climate-related risks and opportunities identified as possibly material to MMG's prospects are currently undergoing financial quantification in FY26 to assess their actual materiality. Given the forward-looking nature of these climate-related disclosures, certain risks and opportunities may be deemed material for reporting purposes, even if they have not yet impacted MMG's financial statements. This is particularly relevant to those risks that could influence MMG's value chain and future financial performance over the short, medium, and long term.

Consequently, some of the identified climate-related risks were considered material in the context of climate reporting but were not assessed as having an immediate material impact on MMG's cash flows, access to finance, or cost of capital as of the reporting date. MMG will continue to update its assessments and refine its disclosures in future reporting periods, as new information becomes available and financial quantification processes are completed.

#### 2.1.6.8 Judgements and measurement uncertainties

In the process of preparing its climate statements, MMG's management has exercised judgement in several areas, including the process of identifying material climate-related risks and opportunities and identifying related material information to report.

Additionally, the preparation of MMG's climate statements require the use of estimates for certain amounts which cannot be measured directly. Estimates have been made where the information relates to activities in the value chain that: need to be estimated due to unavailability of data; is related to forward-looking information; or involves other data limitations.

The following table outlines the significant judgements made by management in preparing the climate statements, as well as the amounts that are subject to a high degree of measurement uncertainty.

# HKFRS S2 compliance

## Continued

Table 18 Summary of significant judgments

### Summary of significant judgements

Significant judgement	Description (details of judgement made)
<b>Materiality process</b>	<p>Management applied significant judgement to identify the CRROs that are potentially material to MMG, as well as to identify the material information related to those risks and opportunities. In determining what information could reasonably impact MMG's financial prospects and influence decisions of primary users, we considered the following:</p> <ul style="list-style-type: none"> <li>MMG's operating context and activities</li> <li>Climate-related physical and transition risks and opportunities</li> <li>Relevant regulatory, market, and technological developments</li> <li>Information available through existing internal processes.</li> </ul> <p>The process for identifying and prioritising the CRROs is detailed on pages 134.</p>
<b>Scenario Analysis</b>	<p>Management applied judgement in selecting climate scenarios and determining how scenario analysis was used to assess the resilience of MMG's strategy and operations. Scenario analysis was undertaken using a range of plausible climate pathways, including a 1.5°C transition scenario and a 4°C physical risk-aligned scenario. These scenarios were used to consider potential impacts on MMG's assets, operations and value chain, including exposure to physical climate risks, transition risks and related opportunities, and to inform risk management and strategic planning. The scope, assumptions and limitations of the scenario analysis are outlined on pages 136.</p>

## 2.2 Climate

### 2.2.1 Climate risk management

#### 2.2.1.1 Monitoring of climate-related risks and opportunities

The monitoring of climate-related risks and opportunities is embedded within MMG's enterprise risk management framework under the Risk Management Standard. Key climate-related factors are tracked through established processes, and the Board receives quarterly updates via the Governance, Remuneration, Sustainability and Nominations (GRNS) Committee.

These updates provide oversight of emerging and ongoing climate-related risks and opportunities, supporting the Board and management in integrating climate considerations into business and strategic decision-making. Monitoring activities are aligned with MMG's broader risk management processes to ensure consistency and enable timely reporting on issues that could affect operations and financial performance.

#### 2.2.1.2 The effects of climate-related risks and opportunities on our business model and value chain

The following table presents the climate-related risks and opportunities identified that could reasonably be expected to affect MMG's prospects. For each climate-related risk and opportunity, we have provided a description of the current and anticipated effects on our business model and value chain and identified where these risks and opportunities are concentrated. While the financial quantification of identified climate-related risks and opportunities is still in progress, the likelihood of occurrence for each risk and opportunity has been assessed for FY25 using the IPCC climate scenarios, specifically the 1.5°C and 4°C pathways.

## HKFRS S2 compliance

### Continued

Table 19 climate-related risks effects on MMG business model and value chain

#### Climate-related risks

##### Physical risks

Risk	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon risk is likely to occur	Description of current and anticipated effects on the business model and value chain if unmitigated
Intensification of extreme weather conditions	Increased precipitation and increased heat	Built assets across operational sites	Medium: Likely Long-term: Almost Certain	Lost production and revenue from downtime as a result of operations needing to pause

##### Transition risks

Risk	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon risk is likely to occur	Description of current and anticipated effects on the business model and value chain if unmitigated
Increase in fossil fuel costs on production supply and logistics	Logistics value chain reliant on fuel.	Upstream and downstream supply chain	Medium: Likely Long-term: Almost certain	Higher operating costs due to carbon tax or fuel price increases 1.03 – Increased costs from fuel and carbon surcharges on shipping/ trucking due to increased delivery prices

## HKFRS S2 compliance

### Continued

Table 20 climate-related opportunities effects on MMG business model and value chain

#### Climate-related opportunities

Opportunity	Description	Concentration in value chain (e.g. geographical areas, facilities and types of assets)	Time horizon opportunity is likely to occur	Description of current and anticipated effects on the business model and value chain
Increased demand for low-carbon products and transition metals	Global approach to meet the Paris Climate Targets	Downstream supply chain	Almost certain for Short/Med/Long term	Increased market growth and revenue as global industries shift toward low-carbon solutions and electric vehicles (EVs), the demand for transition metals such as copper, nickel and zinc will rise, driving higher sales volumes and revenues for companies mining these materials.

#### 2.2.1.3 The current and anticipated changes to MMG's business model to address the CRROs

MMG's approach to addressing its CRROs is integrated into its Sustainability Framework, between Risk Management Standard, Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard and Climate Strategy. These frameworks guide decisions across operations, processing, and logistics, ensuring climate considerations are embedded in the business model.

Currently, MMG's business model focuses on responsible extraction and supply of base and transition metals. Anticipated changes are expected to be incremental and will be driven by ongoing assessments of its CRROs, regulatory developments, and market conditions. Over time, MMG will continue to refine its strategy and resource allocation, including capital investment, to address evolving CRROs and ensure business sustainability.

#### 2.2.1.4 CRROs specific mitigation and adaptation strategies

The table below summarises our mitigation and adaptation activities to address our CRROs.

Table 21 Summary of mitigation and adaptation activities to address CRROs.

	Operational mitigation and adaptation responses	Strategic and value chain mitigation and adaptation responses
<b>CRRO #1</b> Intensification of extreme weather conditions	Integration of climate considerations into mine planning, infrastructure design, water management, and site-level risk management processes to enhance asset resilience and business continuity.	Incorporation of climate risk assessments into corporate risk management, capital allocation decisions, and long-term portfolio planning.
<b>CRRO #2</b> Increase in fossil fuel costs on production supply and logistics	Consideration of energy efficiency initiatives, optimisation of haulage and processing activities, and evaluation of on-site renewable energy solutions (e.g., wind and solar).	Assessment of long-term energy sourcing strategies, renewable power procurement arrangements, and supply chain cost management strategies.
<b>CRRO #3</b> Increased demand for low-carbon products and transition metals	Continued focus on the production of base and transition metals aligned with MMG's existing asset portfolio.	Ongoing assessment of market trends, customer demand and growth opportunities as part of strategic planning and business development processes.

\* Operational responses refer to actions implemented at the asset or site level to directly enhance resilience or reduce emissions. Strategic and value chain responses refer to corporate-level, market-facing or supply chain actions that influence MMG's exposure to climate-related risks and opportunities.

MMG's mitigation and adaptation activities are expected to evolve over time as its CRROs are further assessed and as internal processes, data availability, and external requirements continue to develop.

## HKFRS S2 compliance

### Continued

#### 2.2.1.5 Financial effects

##### *Process for estimating financial effects*

MMG is currently assessing the potential financial effects of its CRROS, as part of its Climate Strategy. This includes the evaluation of physical and transition risks, the development of climate scenarios, and considering their potential impacts on the business model and strategy. The methodology and ongoing work related to this process are detailed further in sections 2.1.6 and 2.2.3.

##### *Current financial effects on MMG's business model and strategy*

While MMG is still in the process of quantifying the material financial impacts of its CRROs, they are considered within the Company's broader risk management framework. These considerations are monitored by management and overseen by the Governance, Remuneration, Sustainability, and Nominations Committee, which ensures alignment with the company's broader business objectives.

##### *Anticipated financial effects on MMG's business model and strategy*

MMG is actively exploring the future financial effects of its CRROs across its short, medium, and long-term planning horizons. The evaluation of these effects will consider key elements such as investment and disposal plans, funding requirements, and operational strategies aimed at managing climate-related risks. These assessments are still under development, subject to further review, and will be governed by Board oversight and internal governance processes.

MMG anticipates further development of its approach to assessing climate-related financial effects in 2026, with enhanced disclosures expected in future reporting periods.

#### 2.2.1.6 Capacity to adjust or adapt strategy and business model

MMG has the capacity to adjust or adapt its business model, strategy and value chain in response to its identified CRROs over the short, medium and long term. MMG's capacity to adjust or adapt is supported by its existing planning, financial and governance processes. Asset-specific examples can be found in the MMG 2025 Sustainability Report at [mmg.com](http://mmg.com).

##### *Redeploying, repurposing, upgrading or decommissioning assets*

MMG's asset and operational planning processes enable the evaluation of potential adjustments over time, including modifications to operating practices, technology deployment, energy sourcing, resilience measures and closure planning. These processes provide the basis for considering whether existing assets can be redeployed, repurposed, upgraded or decommissioned in response to climate-related drivers.

##### *Financial resources and flexibility*

MMG has access to financial resources and corporate planning processes that enable consideration of its identified CRROs across multiple time horizons. MMG's capital and financial planning processes support the assessment of strategic options, and the timing and sequencing of potential adjustments over time.

##### *Investment in climate-related mitigation, adaptation and opportunities*

MMG's current and planned activities related to climate change are assessed through broader sustainability, strategic and operational planning processes. These activities include efficiency measures, energy-related initiatives, technology assessments and the consideration of resilience or adaptation measures. The nature and extent of any future investments will depend on external conditions and remain subject to MMG's governance and planning processes.

MMG's capacity to adjust or adapt is influenced by external factors including market dynamics, regulatory settings, technology development, local and international events, stakeholder expectations and relevant policy environments.

## HKFRS S2 compliance

### Continued

The timing and form of any future adjustments will be determined through MMG's existing planning and governance processes.

#### 2.2.2 Climate Strategy

##### 2.2.2.1 Targets and climate transition/decarbonisation plans

MMG recognises the importance of climate-related risks and opportunities in general and its identified CRROs, in the context of its business and the global transition to a lower-carbon economy, including MMG's role in supplying minerals and metals that support this transition. MMG considers climate-related matters as part of its broader governance, risk management and decision-making processes; applying asset-level decarbonisation plans through its Significant Events and Safety, Security, Health and Environment (SSHE) Performance Standard.

Further information on MMG's climate strategy, governance and related initiatives will be provided in MMG's Sustainability Report, which is available on [mmg.com](http://mmg.com).

##### 2.2.2.2 How we apply internal carbon pricing in decision-making

MMG is reviewing its approach to the potential use of internal carbon pricing (ICP) in decision-making. In the interim, ICP is used as a sensitivity analysis to support decision-making.

##### 2.2.2.3 Climate resilience and scenario analysis

MMG has conducted qualitative climate-related scenario analysis to assess the resilience of its business model and strategy to potential climate-related changes. This analysis considers both physical and transition risks identified across the business. Scenarios used align with internationally recognised frameworks, including the Paris Agreement and IPCC 1.5°C and 4°C pathways, to guide management and Board discussions on potential impacts.

While financial quantification and detailed scenario analysis are still in progress, MMG regularly reviews its approach as part of the broader risk management and governance processes. This ensures that any adjustments to the business model or strategy can be made in response to evolving climate science, business conditions, and regulatory developments.

MMG's strategies currently address the potential impacts of both 1.5°C and 4°C scenarios, and the Company is ready to adapt its mitigation and adaptation measures as needed.

##### 2.2.2.4 Qualitative climate scenario assumptions

The table below provides a general description of the assumptions and potential impacts under each selected IPCC climate scenario. These assumptions are based on globally recognised scenarios and represent the broad environmental, economic, and policy-related factors that could affect industries, including MMG. While they do not represent MMG's specific impacts, these assumptions provide useful context for understanding the potential identified CRROs MMG may face in different transition pathways.

# HKFRS S2 compliance

## Continued

Table 22 Climate scenarios assumptions and potential impacts

Component	1.5°C Scenario (Low Emissions / Coordinated Transition)	4°C Scenario (High Emissions / Fragmented Transition)
<b>Scenario description</b>	Paris-aligned transition with strong climate policy, accelerated electrification and increased demand for transition metals. Transition risks predominate.	Delayed and uneven transition resulting in higher physical climate risks and adaptation requirements. Physical risks predominate.
<b>Transition metals demand</b>	Structural demand growth for copper and zinc supporting electrification, grid reinforcement and EV adoption.	Demand growth continues with increased volatility; physical impacts may constrain supply and logistics.
<b>Climate-related policies and carbon pricing</b>	Broader adoption of carbon pricing, market-based instruments and supply chain decarbonisation standards; higher transparency requirements.	Fragmented and slower climate policy adoption; uneven regulatory settings across jurisdictions.
<b>Energy system and fuel inputs</b>	Faster penetration of renewables and fleet electrification; reduced reliance on fossil fuels; higher residual exposure to carbon pricing for diesel and electricity.	Continued reliance on fossil fuels; slower uptake of electrification; increased volatility in energy markets and operational inputs.
<b>Technology and decarbonisation levers</b>	Faster uptake of electrified equipment, alternative fuels, efficiency improvements and digital mine planning.	Technology deployment constrained; adaptation technologies (cooling, drainage, ventilation) become more material.
<b>Macroeconomic trends</b>	Increased low-carbon infrastructure investment with supportive macro environment for transition minerals.	Higher volatility and operational disruption due to physical climate impacts; cost of capital varies by jurisdiction and physical risk profile.
<b>Physical climate hazards</b>	Lower exposure to acute hazards relative to 4°C scenario; physical risks remain present but partially mitigated by coordinated transition.	Higher acute and chronic physical risks including heat, precipitation variability, wildfire and water resource constraints.
<b>Regional/operating context</b>	Increasing climate disclosure and supply chain transparency expectations across MMG's jurisdictions.	Greater operational disruption and adaptation needs across jurisdictions; regulatory responses vary.
<b>Value chain and logistics</b>	Greater focus on low-carbon logistics and shipping emissions disclosure.	Higher likelihood of logistics disruption due to weather and infrastructure stress.

### 2.2.2.5 Time horizons used for scenario analysis

The scenario analysis was performed across the following time horizons:

- Short term (0–3 years): 2025–2028
- Medium term (3–10 years): 2028–2035
- Long term (10–25 years): 2035–2050

These time horizons are detailed in *section 2.1.3 Connectivity with financial statements*.

The above horizons are considered appropriate for MMG's climate-related scenario analysis because they reflect the periods over which its identified CRROs could reasonably be expected to affect MMG's prospects and support comparability across climate strategy, risk management and financial effects assessments.

## HKFRS S2 compliance

### Continued

#### 2.2.2.6 Impacts of the CRROs on MMG's business model, strategy and value chain against its selected scenarios

Table 23 Description of scenario & implications strategy and business model

	Description of scenario & implications strategy and business model
<b>Scenario 1</b> <b>1.5°C Scenario</b> <b>(Low Emissions / Coordinated Transition)</b>	<p>Under the 1.5°C scenario, transition risks and opportunities are the primary drivers affecting MMG's strategy and business model. Accelerated policy, technology and market changes associated with decarbonisation may influence demand for transition metals, energy costs, carbon pricing exposure and expectations for supply chain decarbonisation.</p> <p>Under this scenario, MMG may benefit from increased demand for transition metals over the medium term. Physical climate risks remain relevant but are less significant compared to the 4°C scenario.</p>
<b>Scenario 2</b> <b>4°C Scenario</b> <b>(High Emissions / Fragmented Transition)</b>	<p>Under the 4°C scenario, physical climate-related risks become more significant over the medium to long term. Increased climate variability may disrupt operations, logistics, infrastructure and water availability across MMG's value chain.</p> <p>Transition-related risks and opportunities emerge later and less consistently under this scenario. Demand for transition metals continues but with greater uncertainty and volatility.</p>

#### 2.2.3 Climate-related metrics and targets

##### 2.2.3.1 Metrics and targets

MMG is assessing potential approaches to climate-related metrics including cross-industry metrics, that may be used to monitor the effects of its identified CRROs. This assessment is being undertaken as part of MMG's broader climate strategy and planning activities, including any use of carbon credits, in conjunction with its financial quantification and includes a review of potential metrics relating to its CRROs and climate-related performance over different time horizons.

## HKFRS S2 compliance

### Continued

#### 2.2.3.2 Greenhouse Gas (GHG) emissions data

Table 24: Total GHG emissions Scopes 1 and 2 - Market and Location based (tonnes CO<sub>2</sub>-e)

Emissions		Scope 1	Scope 2 (Market based)	Total Scopes 1 & 2 (Market based)	Scope 2 (Location based)	Total Scopes 1 & 2 (Location based)
Location	Year					
Dugald River	2024	19,084.95	91,483.43	<b>110,568.38</b>	151,462.67	<b>170,547.62</b>
	2025	21,002.45	61,137.38	<b>118,572.33</b>	156,357.55	<b>177,360.00</b>
Khoemacau	2024	28,490.61	254,599.29	<b>283,089.90</b>	254,599.29	<b>283,089.90</b>
	2025	44,123.52	263,323.97	<b>307,447.49</b>	263,323.97	<b>307,447.49</b>
Kinsevere	2024	102,971.47	2,392.21	<b>105,363.68</b>	2,392.21	<b>105,363.68</b>
	2025	95,622.99	6,387.11	<b>102,010.10</b>	6,387.11	<b>102,010.10</b>
Las Bambas	2024	508,418.18	220,934.80	<b>729,352.98</b>	220,934.80	<b>729,352.98</b>
	2025	510,532.49	270,989.89	<b>781,522.38</b>	270,989.89	<b>781,522.38</b>
Rosebery	2024	17,088.56	21,130.93	<b>38,219.49</b>	21,130.93	<b>38,219.49</b>
	2025	17,543.75	27,304.17	<b>44,847.92</b>	27,304.17	<b>44,847.92</b>
<b>2025 Total</b>		<b>688,825.20</b>	<b>629,142.52</b>	<b>1,354,400.02</b>	<b>724,362.69</b>	<b>1,413,187.89</b>

Table 25: Greenhouse gas (GHG) emissions intensity (tonnes CO<sub>2</sub>-e/kt milled)

Year	Location	Type	Market based		Location based	
			2025	2024	2025	2024
Dugald River		Scope 1	10.45	10.87	10.45	10.87
		Scope 2	30.41	52.12	77.77	86.29
		Scope 1+2	40.86	62.99	88.22	97.16
Khoemacau		Scope 1	14.20	12.09	14.20	12.09
		Scope 2	84.74	108.04	84.74	108.04
		Scope 1+2	98.94	120.13	98.94	120.13
Kinsevere		Scope 1	24.89	39.47	24.89	39.47
		Scope 2	1.66	0.92	1.66	0.92
		Scope 1+2	26.55	40.39	26.55	40.39
Las Bambas		Scope 1	9.56	9.86	9.56	9.86
		Scope 2	5.07	4.28	5.07	4.28
		Scope 1+2	14.63	14.14	14.63	14.14
Rosebery		Scope 1	17.74	16.53	17.74	16.53
		Scope 2	27.60	20.44	27.60	20.44
		Scope 1+2	45.34	36.97	45.34	36.97
Average across MMG sites		Scope 1	15.368	17.764	15.368	17.764
		Scope 2	29.896	37.159	39.368	43.994
		Scope 1+2	45.264	54.922	54.736	61.756

## HKFRS S2 compliance

### Continued

#### 2.2.3.3 Contractual instruments

Among the company's operations, Dugald River mine has a contractual arrangement for renewable electricity. It sources electricity under a hybrid power purchase agreement with Diamantina Power Station, comprising gas-fired generation and long-term renewable electricity supply from the Dugald River Solar Farm, which achieved commercial operations in April 2023. The PPA is a long-term arrangement, with the solar component providing electricity over a 15-year term. The arrangement includes contractual provisions governing the allocation and treatment of renewable energy certificates associated with the solar electricity supplied. Disclosed Market-based Scope 2 emissions relating to Dugald River Mine reflect the treatment of certificates under this arrangement.

#### 2.2.3.4 Approach to measuring GHG emissions

MMG utilised the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition), including:

- Chapter 3 – Setting Organisational Boundaries, applying the operational control approach;
- Chapter 4 – Setting Operational Boundaries, for the classification of Scope 1 and Scope 2 emission sources; and
- Chapter 5 – Tracking Emissions Over Time, for consistency and comparability of reported emissions.

Scope 2 emissions are disclosed using both the location-based and market-based methods, where eligible contractual instruments are available, in accordance with the GHG Protocol Scope 2 Guidance.

Further details including application of methodology, approach, inputs, emission factors and assumptions are listed in Table 26 - Emissions methodology.

For details on operational boundary setting see section 2.1.6 *Basis of Preparation & Reporting Scope*.

Table 26 Emissions methodology

Scope	Method	Activity data	Emission factors
Scope 1	GHG protocol Corporate Standard	Physical activity data (fuel consumption) and mass of waste generated	National Greenhouse and Energy Reporting (Measurement) Determination (NGER); DEFRA Greenhouse Gas Reporting, National Greenhouse gas Accounting factors (NGA).
Scope 2	GHG protocol Corporate Standard and GHG Protocol Scope 2 Guidance	Physical activity data (electricity consumption)	Site specific emissions factors (supplier specific, or local government published) or International Energy Agency.

# Independent Auditor's Report

# Deloitte.

# 德勤

## To the Members of MMG Limited

(incorporated in Hong Kong with limited liability)

### Opinion

We have audited the consolidated financial statements of MMG Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 146 to 237, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### Basis for Opinion

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

### Key Audit Matters

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

# Independent Auditor's Report

## Continued

### To the Members of MMG Limited – continued

(incorporated in Hong Kong with limited liability)

#### Key Audit Matters - continued

##### Key audit matters

##### Impairment of non-current assets for Kinsevere cash generating unit ("Kinsevere CGU")

We identified the impairment of non-current assets for the Kinsevere CGU as a key audit matter due to the significance of the impairment expense recognised in the Group's consolidated statement of profit or loss for the year ended 31 December 2025. In addition, the estimation of recoverable amount of the Kinsevere CGU involves complex and subjective estimates based on management's judgement of key variables and market conditions such as future commodity prices, future operating performance, the timing and approval of future capital and operating expenditure, and the discount rate.

As at 31 December 2025, the Kinsevere CGU has segment non-current assets, which mainly comprise of property, plant and equipment, details of which are set out in notes 4 and 12 to the consolidated financial statements.

The Kinsevere CGU displayed indicators of impairment as at 31 December 2025. As a result, management completed impairment testing for the Kinsevere CGU as at 31 December 2025. Following management's assessment, an impairment has been recognised resulting in the reduction of the carrying value of the Kinsevere CGU of US\$290.0 million pre-tax during the year ended 31 December 2025.

##### How our audit addressed the key audit matters

Our procedures in relation to the impairment assessment of non-current assets for the Kinsevere CGU included:

- Understanding key controls over the valuation of the Kinsevere CGU's non-financial assets, including those to determine asset impairments;
- Working with our internal valuation specialists to:
  - Evaluate the appropriateness of the model used by management to calculate the fair value less cost of disposal of the Kinsevere CGU;
  - Assess and challenge the reasonableness of the key assumptions such as future commodity prices, discount rate, including country specific risk rates used, and comparing them to external market data;
  - Review and assess the appropriateness of mining-based assumptions, including dilution and recovery rates, ore grades and ramp-up profiles included within the models; and
  - Assess management's sensitivity analysis on key variables.
- Analysing the future projected cash flows used in the model to determine whether they are reasonable and supportable given the current macroeconomic climate and the trade regulatory environment in Democratic Republic of the Congo as well as the expected future operating performance of the Kinsevere CGU;
- Evaluating the competence, capabilities and objectivity of management's experts who assisted in the valuation, including those who prepared the resource and reserve estimate; and
- Assessing the appropriateness of the related disclosures included in notes 4 and 12 in the consolidated financial statements.

# Independent Auditor's Report

## Continued

### To the Members of MMG Limited – continued

(incorporated in Hong Kong with limited liability)

#### Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

# Independent Auditor's Report

## Continued

### To the Members of MMG Limited – continued

(incorporated in Hong Kong with limited liability)

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements - continued

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lee Wing Cheong, Wilfred (practising certificate number: P06770).



#### Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

3 March 2026

# Contents

<b>Consolidated Statement of Profit or Loss</b>	<b>146</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>147</b>
<b>Consolidated Statement of Financial Position</b>	<b>148</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>150</b>
<b>Consolidated Statement of Cash Flows</b>	<b>152</b>
1. General Information	153
2. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information	153
3. Critical Accounting Estimates and Judgements	173
4. Segment Information	177
5. Other Income/(Expenses), Net	181
6. Expenses	182
7. Finance Income and Finance Costs	183
8. Income Tax Expense	184
9. Earnings Per Share	186
10. Dividends	186
11. Employee Benefit Expenses, Including Directors' Emoluments	187
12. Property, Plant and Equipment	188
13. Right-of-Use Assets	194
14. Intangible Assets	195
15. Investment in Subsidiaries	196
16. Principal Subsidiaries with Material Non-Controlling Interests	198
17. Inventories	200
18. Deferred Income Tax	200
19. Trade and Other Receivables	201
20. Derivative Financial Assets/(Liabilities)	202
21. Restricted Bank Deposits and Cash and Cash Equivalents	202
22. Share Capital	203
23. Reserves and Retained Profits	204
24. Borrowings	206
25. Convertible Bonds	207
26. Lease Liabilities	208
27. Provisions	209
28. Trade and Other Payables	210
29. Deferred Revenue	211
30. Notes to Consolidated Statement of Cash Flows	211
31. Significant Related Party Transactions	212
32. Financial and Other Risk Management	215
33. Directors' and Senior Management's Emoluments	227
34. Long-Term Incentive Plans	229
35. Commitments	232
36. Contingent Liabilities	233
37. Events After the End of The Reporting Period	235
38. Company Statement of Financial Position, Reserves and Accumulated Losses	236
<b>Five-Year Financial Summary</b>	<b>238</b>

# Consolidated Statement of Profit or Loss

	Notes	Year Ended 31 December	
		2025 US\$ million	2024 US\$ million
Revenue	4	6,218.0	4,479.2
Other income/(expenses), net	5	23.0	(19.1)
Expenses (excluding depreciation and amortisation)	6	(2,828.9)	(2,411.4)
<b>Earnings before interest, income tax, depreciation and amortisation – EBITDA</b>		<b>3,412.1</b>	<b>2,048.7</b>
Depreciation and amortisation expenses	6	(1,123.0)	(1,005.7)
Impairment expenses	12	(290.0)	(53.0)
<b>Earnings before interest and income tax – EBIT</b>		<b>1,999.1</b>	<b>990.0</b>
Finance income	7	17.4	22.2
Finance costs	7	(289.5)	(390.8)
<b>Profit before income tax</b>		<b>1,727.0</b>	<b>621.4</b>
Income tax expense	8	(771.8)	(255.4)
<b>Profit for the year</b>		<b>955.2</b>	<b>366.0</b>
<b>Profit for the year attributable to:</b>			
Equity holders of the Company		509.4	161.9
Non-controlling interests		445.8	204.1
		<b>955.2</b>	<b>366.0</b>
<b>Earnings per share attributable to equity holders of the Company</b>			
Basic earnings per share	9	US 4.20 cents	US 1.53 cents
Diluted earnings per share <sup>1</sup>	9	US 4.19 cents	US 1.52 cents

<sup>1</sup> The dilution factors include exercising of long-term incentive equity plans, conversion of outstanding convertible bonds, and Rights Issue. Refer to Note 9 for more details.

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

# Consolidated Statement of Comprehensive Income

	Year Ended 31 December	
	2025 US\$ million	2024 US\$ million
<b>Profit for the year</b>	<b>955.2</b>	<b>366.0</b>
<b>Other comprehensive (loss)/income</b>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Movement on hedging instruments designated as cash flow hedges	(88.5)	(56.1)
Income tax benefit relating to cash flow hedges	21.0	18.0
<i>Item that may not be reclassified subsequently to profit or loss</i>		
Remeasurement on the net defined benefit liability	3.5	0.2
<b>Other comprehensive loss for the year, net of income tax</b>	<b>(64.0)</b>	<b>(37.9)</b>
<b>Total comprehensive income for the year</b>	<b>891.2</b>	<b>328.1</b>
<b>Attributable to:</b>		
Equity holders of the Company	462.0	140.1
Non-controlling interests	429.2	188.0
	<b>891.2</b>	<b>328.1</b>

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

# Consolidated Statement of Financial Position

	Notes	At 31 December	
		2025 US\$ million	2024 US\$ million
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	11,364.1	11,722.6
Right-of-use assets	13	109.7	119.9
Intangible assets	14	1,043.5	1,044.2
Inventories	17	168.0	179.1
Deferred income tax assets	18	399.2	279.6
Other receivables	19	135.0	137.4
Restricted bank deposits	21	1.2	-
Other financial assets		0.7	1.0
<b>Total non-current assets</b>		<b>13,221.4</b>	<b>13,483.8</b>
<b>Current assets</b>			
Inventories	17	833.4	529.4
Trade and other receivables	19	899.1	751.6
Current income tax assets		18.0	17.4
Derivative financial assets	20	-	11.0
Cash and cash equivalents	21	328.6	192.7
<b>Total current assets</b>		<b>2,079.1</b>	<b>1,502.1</b>
<b>Total assets</b>		<b>15,300.5</b>	<b>14,985.9</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	22	4,384.2	4,379.8
Reserves and retained profits	23	(424.3)	(960.8)
		<b>3,959.9</b>	<b>3,419.0</b>
Non-controlling interests	16	2,940.0	2,859.5
<b>Total equity</b>		<b>6,899.9</b>	<b>6,278.5</b>

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

## Consolidated Statement of Financial Position Continued

	Notes	At 31 December	
		2025 US\$ million	2024 US\$ million
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	24	2,509.2	3,740.1
Convertible bonds	25	401.1	-
Lease liabilities	26	113.1	124.2
Provisions	27	656.5	665.0
Trade and other payables	28	332.6	309.6
Deferred income tax liabilities	18	1,640.0	1,576.3
Deferred revenue	29	324.9	323.0
<b>Total non-current liabilities</b>		<b>5,977.4</b>	<b>6,738.2</b>
<b>Current liabilities</b>			
Derivative financial liabilities	20	159.1	0.7
Borrowings	24	765.9	888.7
Lease liabilities	26	29.3	24.0
Provisions	27	210.3	126.7
Trade and other payables	28	845.9	679.3
Current income tax liabilities		392.3	225.7
Deferred revenue	29	20.4	24.1
<b>Total current liabilities</b>		<b>2,423.2</b>	<b>1,969.2</b>
<b>Total liabilities</b>		<b>8,400.6</b>	<b>8,707.4</b>
<b>Net current liabilities</b>		<b>(344.1)</b>	<b>(467.1)</b>
<b>Total equity and liabilities</b>		<b>15,300.5</b>	<b>14,985.9</b>

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



**ZHAO Jing**  
CEO and Executive Director



**CAO Liang**  
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 22)	(Note 23)	(Note 23)		(Note 16)	
<b>At 1 January 2025</b>	<b>4,379.8</b>	<b>(1,871.9)</b>	<b>911.1</b>	<b>3,419.0</b>	<b>2,859.5</b>	<b>6,278.5</b>
Profit for the year	-	-	509.4	<b>509.4</b>	445.8	<b>955.2</b>
Other comprehensive loss	-	(47.4)	-	<b>(47.4)</b>	(16.6)	<b>(64.0)</b>
<b>Total comprehensive (loss)/income for the year</b>	<b>-</b>	<b>(47.4)</b>	<b>509.4</b>	<b>462.0</b>	<b>429.2</b>	<b>891.2</b>
Provision of surplus reserve	-	28.2	(28.2)	-	-	-
<b>Internal transfer</b>	<b>-</b>	<b>28.2</b>	<b>(28.2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Issue of convertible bonds (equity component, net of transaction cost)	-	97.3	-	<b>97.3</b>	-	<b>97.3</b>
Tax effect on recognition of equity component of convertible bonds (Note 8 and Note 18)	-	(17.1)	-	<b>(17.1)</b>	-	<b>(17.1)</b>
Non-controlling interest arising on share subscription (Note 16)	-	-	-	-	346.6	<b>346.6</b>
Dividends paid to non-controlling interests (Note 16)	-	-	-	-	(695.3)	<b>(695.3)</b>
Employee long-term incentives	-	(1.3)	-	<b>(1.3)</b>	-	<b>(1.3)</b>
Employee performance awards vested and exercised	4.4	(4.4)	-	-	-	-
<b>Total transactions with owners</b>	<b>4.4</b>	<b>74.5</b>	<b>-</b>	<b>78.9</b>	<b>(348.7)</b>	<b>(269.8)</b>
<b>At 31 December 2025</b>	<b>4,384.2</b>	<b>(1,816.6)</b>	<b>1,392.3</b>	<b>3,959.9</b>	<b>2,940.0</b>	<b>6,899.9</b>

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

## Consolidated Statement of Changes in Equity Continued

US\$ million	Attributable to Equity Holders of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Total Reserves	Retained Profits	Total			
	(Note 22)	(Note 23)	(Note 23)		(Note 16)		
<b>At 1 January 2024</b>	<b>3,224.6</b>	<b>(1,855.1)</b>	<b>753.9</b>	<b>2,123.4</b>	<b>2,188.6</b>	<b>4,312.0</b>	
Profit for the year	-	-	161.9	<b>161.9</b>	204.1	<b>366.0</b>	
Other comprehensive loss	-	(21.8)	-	<b>(21.8)</b>	(16.1)	<b>(37.9)</b>	
<b>Total comprehensive (loss)/income for the year</b>	<b>-</b>	<b>(21.8)</b>	<b>161.9</b>	<b>140.1</b>	<b>188.0</b>	<b>328.1</b>	
Provision of surplus reserve	-	4.7	(4.7)	-	-	-	
<b>Internal transfer</b>	<b>-</b>	<b>4.7</b>	<b>(4.7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Issue of shares, net of transaction costs	1,152.4	-	-	<b>1,152.4</b>	-	<b>1,152.4</b>	
Non-controlling interest arising on share subscription (Note 16)	-	-	-	-	482.9	<b>482.9</b>	
Employee long-term incentives	-	3.1	-	<b>3.1</b>	-	<b>3.1</b>	
Employee performance awards vested and exercised	2.8	(2.8)	-	-	-	-	
<b>Total transactions with owners</b>	<b>1,155.2</b>	<b>0.3</b>	<b>-</b>	<b>1,155.5</b>	<b>482.9</b>	<b>1,638.4</b>	
<b>At 31 December 2024</b>	<b>4,379.8</b>	<b>(1,871.9)</b>	<b>911.1</b>	<b>3,419.0</b>	<b>2,859.5</b>	<b>6,278.5</b>	

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

# Consolidated Statement of Cash Flows

	Notes	Year Ended 31 December	
		2025 US\$ million	2024 US\$ million
<b>Cash flows from operating activities</b>			
Receipts from customers		6,597.6	4,707.8
Payments to suppliers and employees		(3,210.8)	(2,921.0)
Payments for exploration expenditure		(107.6)	(62.6)
Income tax paid		(549.3)	(111.7)
Net settlement of commodity hedges		(40.4)	(0.6)
<b>Net cash generated from operating activities</b>	<b>30</b>	<b>2,689.5</b>	<b>1,611.9</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	30	(1,079.6)	(905.2)
Purchase of intangible assets		(2.0)	(22.3)
Acquisition of subsidiaries, net of cash acquired		-	(2,042.8)
Proceeds from disposal of property, plant and equipment		0.2	0.1
<b>Net cash used in investing activities</b>		<b>(1,081.4)</b>	<b>(2,970.2)</b>
<b>Cash flows from financing activities</b>			
Proceeds from non-controlling interest subscription	16	337.5	482.9
Proceeds from issue of shares	22	-	1,162.9
Transaction costs from issue of shares	22	-	(10.5)
Proceeds from issue of convertible bonds	25	500.0	-
Transaction costs from issue of convertible bonds	25	(6.0)	-
Proceeds from external borrowings	24	1,860.0	3,677.1
Repayments of external borrowings	24	(2,113.3)	(3,625.1)
Proceeds from related party borrowings	24	983.0	1,641.1
Repayments of related party borrowings	24	(2,077.0)	(1,806.1)
Dividends paid to non-controlling interests	16	(695.3)	-
Repayment of lease liabilities	26	(34.7)	(38.7)
Interest and financing costs paid or refund, net - 3rd parties		(124.3)	(235.7)
Interest and financing costs paid - related parties		(115.2)	(151.5)
Withholding taxes paid in respect of financing arrangements		(4.2)	(15.3)
Interest received		17.3	22.9
<b>Net cash (used in)/generated from financing activities</b>		<b>(1,472.2)</b>	<b>1,104.0</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>135.9</b>	<b>(254.3)</b>
Cash and cash equivalents at 1 January		192.7	447.0
<b>Cash and cash equivalents at 31 December</b>	<b>21</b>	<b>328.6</b>	<b>192.7</b>

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 2025 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 2025 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 3 March 2026.

## 2. 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.

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS Accounting Standards") – a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") 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.

Certain comparative figures have been reclassified in the consolidated financial statements to conform with the current year's presentation. These reclassifications are considered insignificant to the Group and have not resulted in any impact to the profitability or net assets of prior year.

The preparation of consolidated financial statements in accordance with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its 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 3.

### 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 sensitivity analysis of forecast cash balances for key financial risks over the short and medium term to ensure adequate liquidity is maintained.

# Notes to Consolidated Financial Statements

## Continued

As at 31 December 2025, the Group had net current liabilities of US\$344.1 million (31 December 2024: US\$467.1 million) and cash and cash equivalents of US\$328.6 million (31 December 2024: US\$192.7 million). For the year ended 31 December 2025, the Group generated a net profit of US\$955.2 million (2024: US\$366.0 million) and operational net cash inflows of US\$2,689.5 million (2024: US\$1,611.9 million).

The Group has various debt facilities to assist with liquidity requirements. As at 31 December 2025, these include undrawn facilities of US\$4,047.8 million (2024: US\$2,950.0 million) for the Group (Note 32.1 (e)).

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 of the Company (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 a going concern basis.

### 2.2 Application of new and amendments to HKFRS Accounting Standards and agenda decisions of the IFRS interpretations committee (the "Committee")

#### 2.2.1 Amendments to an HKFRS Accounting Standard and agenda decisions of the Committee effective and adopted in 2025 with no significant impact to the Group

Amendments to HKAS 21

*Lack of Exchangeability*

The application of the above amendments to HKFRS Accounting Standard 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 decision of the Committee which is relevant to the Group:

#### Recognition of Intangible Assets from Climate-related Expenditure (IAS 38)

As described in the April 2024 *Agenda Decision Climate-related Commitments* (IAS 37), if an entity has a constructive or legal obligation, the entity considers the criteria in paragraph 14 of IAS 37 in determining whether it recognises a provision for the costs of fulfilling that obligation. The Committee also received a request about whether an entity's acquisitions of carbon credits and expenditure on research activities and development activities meet the requirements in IAS 38 to be recognised as intangible assets. The Committee concluded that there is no material diversity in the accounting for expenditure on research activities and development activities.

For the year ended 31 December 2025, the Group is continuously assessing the financial impact of Climate-related Commitments and Expenditures. There are no relevant provision nor intangible assets recognised as at 31 December 2025 and 2024. More information on MMG's Climate-related disclosures, aligned with HKFRS S2 "*Climate-related Disclosures*", can be found in the Environmental, Social, and Governance ("ESG") report on pages 125 - 140 of the "Annual Report - Additional Information".

# Notes to Consolidated Financial Statements

## Continued

### 2.2.2 New and amendments to HKFRS Accounting 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 HKFRS Accounting Standards that have been issued but are not effective or early adopted for financial year 2025.

Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>2</sup></i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>2</sup></i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>1</sup></i>
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards — Volume 11<sup>2</sup></i>
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency<sup>3</sup></i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>

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 2026.

3 Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standard mentioned below, the Directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

### 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. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *“Accounting Policies, Changes in Accounting Estimates and Errors”* (the title of which will be changed to *“Basis of Preparation of Financial Statements”* upon effective of HKFRS 18) and HKFRS 7 *“Financial Instruments: Disclosures”*. Minor amendments to HKAS 7 *“Statement of Cash Flows”* and HKAS 33 *“Earnings per Share”* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

### 2.3 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

# Notes to Consolidated Financial Statements

## Continued

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.

### (c) 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.

## 2.4 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.

## 2.5 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

# Notes to Consolidated Financial Statements

## Continued

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.

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.

### 2.6 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 is measured in accordance with the measurement requirements of HKAS 2 "Inventories". 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, units 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 units-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 the 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 to ore ratio). The amount of deferred waste asset is calculated for each separate component of the ore body

# Notes to Consolidated Financial Statements

## Continued

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.

## 2.7 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 2.8). 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.

Directly attributable costs include direct materials, employee costs, services and an appropriate portion of relevant overheads.

# Notes to Consolidated Financial Statements

## Continued

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.

### 2.8 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.

### 2.9 Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 "Leases" 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 unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### (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.

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;

# Notes to Consolidated Financial Statements

## Continued

- 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 incremental borrowing rate depends on the start date of the lease, the lease term, lease currency and takes into account inputs including a risk-free rate adjusted by country-specific risk margin and entity specific credit risk margin.

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.

# Notes to Consolidated Financial Statements

## Continued

### (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.

## 2.10 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 2.10 (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.

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

# Notes to Consolidated Financial Statements

## Continued

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 2025, the Group has held derivative financial instruments, all of which have been detailed in Note 32.1 (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.

### *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:

# Notes to Consolidated Financial Statements

## Continued

- 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 'finance income' or 'finance costs' line item for a financing hedge (e.g., an interest rate swap) or in 'other income/(expenses), net' (e.g., a commodity hedge). As to cash flow statements disclosure, cashflow resulting from financing hedge (e.g., an interest rate swap) is part of 'financing activities'; cashflow resulting from commodity hedge is part of 'operating 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.

### **2.11 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.

### **2.12 Inventories**

Inventories comprise stores and consumables, work in progress and finished goods. Inventories are stated at the lower of cost and net realisable value.

# Notes to Consolidated Financial Statements

## Continued

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, including costs to be incurred in selling.

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.

### 2.13 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 2.21 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.

### 2.14 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.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts, if any are outstanding at the reporting period end date, are presented as short-term borrowings in the consolidated statement of financial position.

### 2.15 Financial liabilities and equity instruments

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.

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

# Notes to Consolidated Financial Statements

## Continued

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 an unconditional 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.

### *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKFRS 9 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

### *(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) Convertible bonds*

A convertible bond is considered by the Group as a compound financial instrument that creates a financial liability for the Group while at the same time also grants an option to the holder of the bond to convert it into an equity instrument of the Group. These component parts of the convertible bonds are classified and measured separately in accordance with the substance of the contractual arrangements and the definitions of a financial liability and

# Notes to Consolidated Financial Statements

## Continued

an equity instrument. Given that the convertible bonds issued by the Group allow for the conversion option to be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments, such an option has been considered as an equity instrument by the Group.

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar financial instrument that does not have an associated equity component. The liability is subsequently measured based on amortised cost.

At the date of issue, the conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised in a reserve under equity, net of income tax effects. The amount is not subsequently remeasured. Such conversion option classified under equity will remain in equity until the conversion option is exercised, in which case, the balance representing the exercise of option will be transferred to share capital under equity. At any reporting date, and at maturity, so far as the conversion options remain unexercised, the balance in respect of unexercised options will continue to be recognised in the reserve account under equity. No gain or loss will be recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

The convertible instrument issued by the Group also includes a put option which can be exercised by holders of the bond to redeem the bond for cash prior to maturity. The Group considers the put option to be closely related to the host contract and thus the put option has not been separately recognised or measured. Upon exercise of the put option and depending on the fair value of the convertible bond at the time the put option is exercised, an impact to profit and loss and an adjustment to the equity component are possible as the liability is extinguished.

### (d) 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 6) as part of foreign exchange (gain)/loss, net.

### 2.16 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.

# Notes to Consolidated Financial Statements

## Continued

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 life of the mine on a unit-of-production basis.

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.

### 2.17 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.

# Notes to Consolidated Financial Statements

## Continued

### 2.18 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.

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.

# Notes to Consolidated Financial Statements

## Continued

### 2.19 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.

### 2.20 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

# Notes to Consolidated Financial Statements

## Continued

service costs related to post-employment benefits are recognised immediately in the consolidated statement of profit or loss while unwinding of the liability at discount rates used are recorded as financial cost.

### *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 or for cash payment by the Group. The fair value of the employee services received in exchange for the grant of 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 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 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 remeasured 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.

## **2.21 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 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

# Notes to Consolidated Financial Statements

## Continued

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, Khoemaçau Copper Mining Proprietary Limited ("KCM mine" or "KCM") 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, and which is reflective of the nature of financing and the risks involved.

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

# Notes to Consolidated Financial Statements

## Continued

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.

### 2.22 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.

## 3. 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.

### 3.1 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 2.16. 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.

#### (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

# Notes to Consolidated Financial Statements

## Continued

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 2.12). 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 Note 2.8 and Note 12. 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 impact of changes in global trade, persistent effects of climate-related matters, inflation, volatility in foreign exchange rates, increased interest rates, changes in commodity pricing, volatility in energy prices, elections in major economies and financial market turbulence .

### (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 2.6 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.

#### *Change in estimate during the year:*

Management reassessed and amended the useful life for various assets Minera Las Bambas S.A. ("MLB"), Dugald River and Rosebery. At MLB, the changes resulted from planned capital works which will necessitate the demolition or disassembly and relocation of certain assets. Additional depreciation of \$43 million was recognised during the year for such changes. At Dugald River and Rosebery, the changes were primarily the result of updated life of mine plans during the year and a routine review and reassessment of management's estimate of useful life for assets. This resulted in additional depreciation of \$40 million and \$17 million, respectively.

# Notes to Consolidated Financial Statements

## Continued

Management believes the amended useful lives better reflect the pattern of future economic benefits to be obtained from the impacted assets.

### (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 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 quantity and timing of 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.

### (h) Fair values of financial assets and financial liabilities

The fair values of financial instruments that are not traded in active markets are determined using valuation techniques. The Group uses its judgements to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the respective fair values of these financial assets and financial liabilities.

### (i) Defined benefit plan

The Group provides retirement benefits to eligible employees at Kinsevere. A provision for such retirement benefit is recognised and measured at the present value of the expected future payments. The Group remeasures the net defined benefit liability annually utilising actuarial valuations from third party valuation experts. The actuarial assumptions include discount rate, expected salary growth and life expectancy, etc. Changes in these assumptions could materially affect the estimated retirement benefit provision recognised.

## 3.2 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 36 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 MLB, 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, 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

# Notes to Consolidated Financial Statements

## Continued

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 or 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, which is a key source of estimation uncertainty. The uncertainty would depend on how the ongoing uncertain macroeconomic and geopolitical environment, which includes the impact of changes in global trade (e.g. new or increase tariffs and import duties), persistent effects of climate-related matters, inflation, volatility in foreign exchange rates, increased interest rates, changes in commodity pricing, volatility in energy prices and financial market turbulence. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

### (b) Fair value

For acquired assets or acquired businesses, 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.

# Notes to Consolidated Financial Statements

## Continued

### 4. 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 is a large, long life 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 payables and loans. The excluded assets and liabilities are presented as part of the reconciliation to total consolidated assets or liabilities.

# Notes to Consolidated Financial Statements

## Continued

The segment revenue and results for the year ended 31 December 2025 are as follows:

### For the Year Ended 31 December 2025

US\$ million	Las Bambas	Kinsevere	Khoemacau	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
<b>Revenue by metal:</b>							
-Copper <sup>1</sup>	3,871.6	491.4 <sup>4</sup>	365.1	-	10.7	15.6	4,754.4
-Zinc <sup>2</sup>	-	-	-	404.7	107.0	-	511.7
-Lead	-	-	-	37.0	31.1	-	68.1
-Gold <sup>3</sup>	261.9	-	-	-	103.7	-	365.6
-Silver	212.0	-	34.1 <sup>7</sup>	60.3	102.4	-	408.8
-Molybdenum	101.5	-	-	-	-	-	101.5
-Cobalt	-	7.9	-	-	-	-	7.9
<b>Revenue from contracts with customers</b>	<b>4,447.0</b>	<b>499.3</b>	<b>399.2</b>	<b>502.0</b>	<b>354.9</b>	<b>15.6</b>	<b>6,218.0</b>
<b>EBITDA</b>	<b>2,831.2</b>	<b>100.7</b>	<b>167.0</b>	<b>176.1</b>	<b>168.1</b>	<b>(31.0)</b>	<b>3,412.1</b>
Depreciation and amortisation expenses (Note 6)	(861.6)	(29.1)	(65.6)	(98.6)	(56.6)	(11.5)	(1,123.0)
<b>EBIT (underlying)</b>	<b>1,969.6</b>	<b>71.6</b>	<b>101.4</b>	<b>77.5</b>	<b>111.5</b>	<b>(42.5)</b>	<b>2,289.1</b>
Finance income (Note 7)							17.4
Finance costs (Note 7)							(289.5)
Income tax expense (underlying)							(858.8)
<b>Profit for the year (underlying)</b>							<b>1,158.2</b>
Impairment of Kinsevere assets (Note 12)	-	(290.0)	-	-	-	-	(290.0)
Tax impact associated with impairment	-	87.0	-	-	-	-	87.0
<b>Profit for the year</b>							<b>955.2</b>
<b>Other segment information:</b>							
Additions to non-current assets (excluding deferred income tax assets, inventories and financial instruments)	532.4	97.7	258.9	111.1	45.3	0.2	<b>1,045.6</b>

# Notes to Consolidated Financial Statements

## Continued

The segment assets and liabilities at 31 December 2025 are as follows:

	At 31 December 2025						
US\$ million	Las Bambas	Kinsevere	Khoemacau	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
<b>Segment assets</b>	<b>9,105.4</b>	<b>996.8</b>	<b>3,337.4</b>	<b>746.5</b>	<b>258.5</b>	<b>438.7<sup>5</sup></b>	<b>14,883.3</b>
Current/deferred income tax assets							417.2
<b>Consolidated assets</b>							<b>15,300.5</b>
<b>Segment liabilities</b>	<b>2,739.8</b>	<b>395.1</b>	<b>976.4</b>	<b>126.2</b>	<b>162.6</b>	<b>1,968.2<sup>6</sup></b>	<b>6,368.3</b>
Current/deferred income tax liabilities							2,032.3
<b>Consolidated liabilities</b>							<b>8,400.6</b>
<b>Segment non-current assets</b>	<b>7,994.9</b>	<b>779.0</b>	<b>3,204.7</b>	<b>657.5</b>	<b>178.4</b>	<b>406.9</b>	<b>13,221.4</b>

# Notes to Consolidated Financial Statements

## Continued

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	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
<b>Revenue by metal:</b>							
-Copper <sup>1</sup>	2,614.5	403.1 <sup>4</sup>	266.3	-	10.1	14.4	3,308.4
-Zinc <sup>2</sup>	-	-	-	362.6	118.5	-	481.1
-Lead	-	-	-	45.9	39.0	-	84.9
-Gold <sup>3</sup>	136.4	-	-	-	72.8	-	209.2
-Silver	98.3	-	29.5 <sup>7</sup>	53.3	65.6	-	246.7
-Molybdenum	128.4	-	-	-	-	-	128.4
-Cobalt	-	20.5	-	-	-	-	20.5
<b>Revenue from contracts with customers</b>	<b>2,977.6</b>	<b>423.6</b>	<b>295.8</b>	<b>461.8</b>	<b>306.0</b>	<b>14.4</b>	<b>4,479.2</b>
<b>EBITDA</b>	<b>1,594.3</b>	<b>67.8</b>	<b>125.9</b>	<b>169.4</b>	<b>123.2</b>	<b>(31.9)</b>	<b>2,048.7</b>
Depreciation and amortisation expenses (Note 6)	(762.2)	(65.4)	(32.5)	(56.1)	(78.8)	(10.7)	(1,005.7)
<b>EBIT</b>	<b>832.1</b>	<b>2.4</b>	<b>93.4</b>	<b>113.3</b>	<b>44.4</b>	<b>(42.6)</b>	<b>1,043.0</b>
Finance income (Note 7)							22.2
Finance costs (Note 7)							(390.8)
Income tax expense (underlying)							(271.3)
<b>Profit for the year (underlying)</b>							<b>403.1</b>
Impairment of Kinsevere assets (Note 12)	-	(53.0)	-	-	-	-	(53.0)
Tax impact associated with impairment	-	15.9	-	-	-	-	15.9
<b>Profit for the year</b>							<b>366.0</b>
<b>Other segment information:</b>							
Additions to non-current assets (excluding deferred income tax assets, inventories and financial instruments)	487.1	262.2	115.0	76.6	13.6	0.8	955.3

# Notes to Consolidated Financial Statements

## Continued

The segment assets and liabilities at 31 December 2024 are as follows:

At 31 December 2024							
US\$ million	Las Bambas	Kinsevere	Khoemacau	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
<b>Segment assets</b>	<b>9,100.3</b>	<b>1,110.8</b>	<b>3,077.7</b>	<b>706.4</b>	<b>219.5</b>	<b>474.2<sup>5</sup></b>	<b>14,688.9</b>
Current/deferred income tax assets							297.0
<b>Consolidated assets</b>							<b>14,985.9</b>
<b>Segment liabilities</b>	<b>2,164.9</b>	<b>388.3</b>	<b>1,432.7</b>	<b>108.1</b>	<b>161.9</b>	<b>2,649.5<sup>6</sup></b>	<b>6,905.4</b>
Current/deferred income tax liabilities							1,802.0
<b>Consolidated liabilities</b>							<b>8,707.4</b>
<b>Segment non-current assets</b>	<b>8,335.7</b>	<b>951.6</b>	<b>3,016.0</b>	<b>646.4</b>	<b>190.7</b>	<b>343.4</b>	<b>13,483.8</b>

- Commodity derivative net losses with a total amount of US\$171.4 million (2024: net gains of US\$13.6 million) were included in "Revenue" of copper;
- Commodity derivative net gains with a total amount of US\$1.1 million (2024: net losses of US\$3.3 million) were included in "Revenue" of zinc;
- Commodity derivative net losses with a total amount of US\$0.1 million (2024: nil) were included in "Revenue" of gold;
- Commodity hedge trades with net losses of US\$27.7 million (2024: net gains of US\$8.4 million) under "Kinsevere" were executed by another subsidiary of the Company, MMG Finance Limited ("MMF") located in Hong Kong;
- Included in segment assets of US\$438.7 million (2024: US\$474.2 million) under the other unallocated items is cash of US\$60.3 million (2024: US\$104.5 million) mainly held in the Group treasury entities and US\$345.6 million trade receivables (2024: US\$275.3 million) for MMG South America Company Limited ("MMG SA") in relation to copper concentrate sales;
- Included in segment liabilities of US\$1,968.2 million (2024: US\$2,649.5 million) under the other unallocated items are borrowings of US\$1,471.3 million (2024: US\$2,564.5 million) and convertible bonds (debt components) of US\$401.1 million (2024: nil) which are managed at the Group level; and
- Deferred revenue recognised of US\$20.8 million (2024: US\$24.3 million) was included in "Revenue" of silver (Note 29) from Khoemacau Streaming Agreement.

## 5. Other Income/(Expenses), Net

	2025 US\$ million	2024 US\$ million
Losses on disposal of property, plant and equipment	(1.8)	(15.1)
Sundry income/(expenses)	24.8	(4.0)
<b>Total other income/(expenses), net</b>	<b>23.0</b>	<b>(19.1)</b>

# Notes to Consolidated Financial Statements

## Continued

### 6. Expenses

Profit before income tax includes the following expenses:

	2025 US\$ million	2024 US\$ million
Changes in inventories of finished goods and work in progress	(350.4)	(225.9)
Write-down of inventories to net realisable value	81.0	35.3
Employee benefit expenses <sup>1</sup>	589.1	372.4
Contracting and consulting expenses <sup>2</sup>	828.8	704.5
Energy costs	371.2	347.4
Stores and consumables costs	605.2	571.8
Depreciation and amortisation expenses <sup>3</sup>	1,104.4	982.7
Other production expenses <sup>2</sup>	156.2	162.1
<b>Cost of goods sold</b>	<b>3,385.5</b>	<b>2,950.3</b>
Other operating expenses	104.4	53.5
Royalty expenses	217.8	155.6
Selling expenses <sup>2</sup>	134.4	122.5
<b>Total operating expenses including depreciation and amortisation<sup>4</sup></b>	<b>3,842.1</b>	<b>3,281.9</b>
Exploration expenses <sup>1,2,3</sup>	101.7	62.6
Administrative expenses <sup>1,2</sup>	32.6	41.6
Auditors' remuneration	2.2	2.2
Foreign exchange (gain)/loss, net	(41.7)	8.1
Loss on FVTPL	0.3	1.7
Other expenses <sup>1,2,3</sup>	14.7	19.0
<b>Total expenses</b>	<b>3,951.9</b>	<b>3,417.1</b>

1 In aggregate US\$54.7 million (2024: US\$62.0 million) employee benefit expenses by nature are included in the administrative expenses, exploration expenses, and other expenses categories. Total employee benefit expenses were US\$643.8 million (2024: US\$434.4 million) (Note 11).

2 The expenses under these categories include certain amounts in respect of 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 and short-term 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\$180.1 million (2024: US\$100.9 million) in respect of variable lease payment contracts and US\$2.6 million (2024: US\$3.0 million) and US\$0.5 million (2024: US\$0.7 million) for short-term and low-value lease contracts, respectively.

3 In aggregate US\$18.6 million (2024: US\$23.0 million) depreciation and amortisation expenses are included in exploration expenses and the other expenses category. Total depreciation and amortisation expenses were US\$1,123.0 million (2024: US\$1,005.7 million).

4 Operating expenses include mining and processing costs, royalties, selling expenses (including transportation) and other costs incurred by operations.

# Notes to Consolidated Financial Statements

## Continued

### 7. Finance Income and Finance Costs

	2025 US\$ million	2024 US\$ million
<b>Finance income</b>		
Interest income	17.4	22.2
	<b>17.4</b>	<b>22.2</b>
<b>Finance costs</b>		
Interest expense - 3rd parties	(125.2)	(223.7)
Interest expense - related parties (Note 31(a))	(104.7)	(140.7)
Less: amounts capitalised in the cost of qualifying assets (Note 31(a))	8.8	7.3
Interest expense recognised in "profit or loss" - related parties (Note 31(a))	(95.9)	(133.4)
Withholding taxes in respect of financing arrangements	(3.5)	(9.5)
Unwinding of discount on provisions and receivables	(31.8)	(22.0)
Unwinding of discount on lease liabilities	(12.3)	(12.8)
Unwinding of discount on deferred revenue (Note 29)	(19.0)	(21.6)
Unwinding of discount on convertible bonds (debt component) (Note 25)	(4.4)	-
Other finance refund/(cost), net - 3rd parties	8.9	(21.0)
Other finance cost - related parties (Note 31(a))	(6.3)	(5.8)
	<b>(289.5)</b>	<b>(449.8)</b>
Gain reclassified from equity to profit or loss on interest rate swaps ("IRS") designated as cash flow hedges	-	59.0
<b>Finance costs – total</b>	<b>(289.5)</b>	<b>(390.8)</b>

# Notes to Consolidated Financial Statements

## Continued

### 8. 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: Peru (32.0%), DRC (30.0%), Australia (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.

	2025 US\$ million	2024 US\$ million
<b>Current income tax expense</b>		
– Hong Kong income tax	(0.8)	(1.4)
– Overseas income tax	(823.0)	(242.2)
<b>Deferred income tax benefit/(expense)</b>		
– Hong Kong income tax	5.2	-
– Overseas income tax	46.8	(11.8)
<b>Income tax expense</b>	<b>(771.8)</b>	<b>(255.4)</b>

In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) released the Pillar Two Model Rules, also known as the Global Anti-Base Erosion Proposal (“GloBE”), aimed at reforming international corporate taxation which set out global minimum tax rules designed to ensure that large multinational businesses with group annual revenue of EUR750 million or more pay a minimum effective rate of tax of 15% on profits in all their operating countries. As part of the OECD Pillar Two guidance package, the OECD also published the Transitional Country-by-Country Reporting (“CbCR”) Safe Harbours guidance which allow a multinational enterprise to be relieved from undertaking detailed GloBE calculations in respect of a low-risk countries, if certain criteria are met.

The Group is within the scope of the OECD Pillar Two Model Rules. With the implementation of Pillar Two legislation in Hong Kong, all jurisdictions in which the Group operates are now subject to Pillar Two. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to HKAS 12 “Income Taxes” issued in July 2023.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has conducted an assessment for the year ended 31 December 2025. Based on the assessment, the Group’s operations in most tax jurisdictions meet the Transitional CbCR Safe Harbour criteria and therefore the top-up tax is deemed to be zero. For those jurisdictions where CbCR Safe Harbour was not met, a detailed GloBE calculation was performed, which also resulted in no top-up tax liability for the Group.

## Notes to Consolidated Financial Statements

### Continued

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:

	2025 US\$ million	2024 US\$ million
Profit before income tax	1,727.0	621.4
Calculated at domestic tax rates applicable to profits or losses in the respective countries	(566.9)	(206.0)
Net non-deductible amounts	(106.9)	(19.5)
Under provision in prior years	(15.3)	(3.5)
Non-creditable withholding tax	(82.8)	(23.2)
Others	0.1	(3.2)
<b>Income tax expense</b>	<b>(771.8)</b>	<b>(255.4)</b>

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					
	2025 US\$ million			2024 US\$ million		
	Before tax amount	Tax benefits	Net of tax amount	Before tax amount	Tax (expenses)/ benefits	Net of tax amount
<i>Items that will be reclassified subsequently to profit or loss:</i>						
Fair value (loss)/gain on commodity hedging	(88.5)	21.0	(67.5)	2.9	(0.9)	2.0
Movement on IRS closure	-	-	-	(59.0)	18.9	(40.1)
	<b>(88.5)</b>	<b>21.0</b>	<b>(67.5)</b>	<b>(56.1)</b>	<b>18.0</b>	<b>(38.1)</b>

In addition to the amount charged to profit or loss and OCI, the following amounts relating to tax have been recognised directly in equity:

	At 31 December	
	2025 US\$ million	2024 US\$ million
Initial recognition on issue of convertible bonds (charged to equity)	(17.1)	-
	<b>(17.1)</b>	<b>-</b>

# Notes to Consolidated Financial Statements

## Continued

### 9. 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 year ended 31 December 2025, the computation of diluted earnings per share assumes the conversion of the full amount of the Company's outstanding convertible bonds. 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 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 is considered given the rights were effective on 11 June 2024.

	2025 US\$ million	2024 US\$ million
Earnings attributable to equity holders of the Company in the calculation of basic earnings per share	509.4	161.9
Adjustment for unwinding of discount on convertible bonds, net of income tax	3.6	-
Earnings attributable to equity holders of the Company in the calculation of diluted earnings per share	513.0	161.9

	Number of Shares '000	
	2025	2024
Weighted average number of ordinary shares used in the calculation of the basic earnings per share	12,135,716	10,561,557
Shares deemed to be issued in respect of long-term incentive equity plans	9,581	22,813
Dilution for Rights Issue	-	83,311
Dilution for convertible bonds	107,554	-
Weighted average number of ordinary shares used in the calculation of the diluted earnings per share	<b>12,252,851</b>	<b>10,667,681</b>
<b>Basic earnings per share</b>	<b>US 4.20 cents</b>	<b>US 1.53 cents</b>
<b>Diluted earnings per share</b>	<b>US 4.19 cents</b>	<b>US 1.52 cents</b>

### 10. Dividends

The Board did not recommend the payment of an interim or final dividend for the year ended 31 December 2025 and 2024 for the Shareholders of the Company.

# Notes to Consolidated Financial Statements

## Continued

### 11. Employee Benefit Expenses, Including Directors' Emoluments

	2025 US\$ million	2024 US\$ million
Salaries and other benefits	621.6	418.2
Retirement scheme contributions (a)	22.2	16.2
<b>Total employee benefit expenses (Note 6)</b>	<b>643.8</b>	<b>434.4</b>

#### (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 12% with effect from 1 July 2025. 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 a defined benefit plan 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.

# Notes to Consolidated Financial Statements

## Continued

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.

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.

## 12. Property, Plant and Equipment

US\$ million	Land and buildings	Plant and machinery	Mine property and development	Exploration and evaluation	Construction in progress	Total
<b>At 1 January 2025</b>						
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)
<b>Net book amount at 1 January 2025</b>	<b>519.8</b>	<b>2,488.5</b>	<b>7,469.2</b>	<b>156.7</b>	<b>1,088.4</b>	<b>11,722.6</b>
<b>Year ended 31 December 2025</b>						
At the beginning of the year	519.8	2,488.5	7,469.2	156.7	1,088.4	11,722.6
Additions (Note 30(b))	24.3	87.3	199.9	2.0	713.4	1,026.9
Depreciation and amortisation	(100.4)	(319.6)	(673.4)	-	-	(1,093.4)
Impairment loss	-	(5.4)	(41.9)	-	(242.7)	(290.0)
Disposals, net	-	(2.0)	-	-	-	(2.0)
Transfers, net	12.1	101.3	163.3	-	(276.7)	-
<b>At the end of the year</b>	<b>455.8</b>	<b>2,350.1</b>	<b>7,117.1</b>	<b>158.7</b>	<b>1,282.4</b>	<b>11,364.1</b>
<b>At 31 December 2025</b>						
Cost	1,048.1	5,621.8	13,263.2	265.4	1,557.2	21,755.7
Accumulated depreciation, amortisation and impairment	(592.3)	(3,271.7)	(6,146.1)	(106.7)	(274.8)	(10,391.6)
<b>Net book amount at 31 December 2025</b>	<b>455.8</b>	<b>2,350.1</b>	<b>7,117.1</b>	<b>158.7</b>	<b>1,282.4</b>	<b>11,364.1</b>

# Notes to Consolidated Financial Statements

## Continued

US\$ million	Land and buildings	Plant and machinery	Mine property and development	Exploration and evaluation	Construction in progress	Total
<b>At 1 January 2024</b>						
Cost	940.5	5,251.3	10,713.9	106.4	718.9	<b>17,731.0</b>
Accumulated depreciation, amortisation and impairment	(440.6)	(2,712.2)	(5,054.7)	(106.4)	-	<b>(8,313.9)</b>
<b>Net book amount at 1 January 2024</b>	<b>499.9</b>	<b>2,539.1</b>	<b>5,659.2</b>	<b>-</b>	<b>718.9</b>	<b>9,417.1</b>
<b>Year ended 31 December 2024</b>						
At the beginning of the year	499.9	2,539.1	5,659.2	-	718.9	<b>9,417.1</b>
Acquisition of subsidiaries	49.8	196.3	1,991.9	156.7	30.8	<b>2,425.5</b>
Additions (Note 30(b))	18.8	31.2	322.7	-	555.2	<b>927.9</b>
Depreciation and amortisation	(66.0)	(293.9)	(619.8)	-	-	<b>(979.7)</b>
Impairment loss recognised in profit or loss	-	-	(20.9)	-	(32.1)	<b>(53.0)</b>
Disposals, net	(2.1)	(3.6)	(2.7)	-	(6.8)	<b>(15.2)</b>
Transfers, net	19.4	19.4	138.8	-	(177.6)	<b>-</b>
<b>At the end of the year</b>	<b>519.8</b>	<b>2,488.5</b>	<b>7,469.2</b>	<b>156.7</b>	<b>1,088.4</b>	<b>11,722.6</b>
<b>At 31 December 2024</b>						
Cost	1,025.1	5,468.2	13,164.9	263.0	1,120.5	<b>21,041.7</b>
Accumulated depreciation, amortisation and impairment	(505.3)	(2,979.7)	(5,695.7)	(106.3)	(32.1)	<b>(9,319.1)</b>
<b>Net book amount at 31 December 2024</b>	<b>519.8</b>	<b>2,488.5</b>	<b>7,469.2</b>	<b>156.7</b>	<b>1,088.4</b>	<b>11,722.6</b>

### 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 and Khoemaçau, the CGU is subject to impairment testing due to goodwill being attributed to the CGU which requires an annual impairment assessment. At 31 December 2025, the carrying amount of goodwill at Las Bambas and Khoemaçau are US\$528.5 million and US\$509.5 million respectively (31 December 2024: US\$528.5 million and US\$509.5 million respectively).

In respect of Kinsevere, indicators of impairment were noted due to cobalt sales limitations which have kept the cobalt plant on care and maintenance, power-related production challenges, ramp-up and operational challenges, and fiscal regime uncertainties including additional duties and taxes, as well as VAT recoverability.

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.

# Notes to Consolidated Financial Statements

## Continued

### (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;
- Ore grade;
- Metal recovery;
- 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\$4.26 per pound (2024: US\$4.14 per pound) and the long-term price assumed for zinc is US\$1.32 per pound (2024: US\$1.30 per pound).

The long-term AUD:USD exchange rate is 0.71 (2024: 0.73).

The real post-tax discount rates used in the Fair Value estimates of the CGU's listed below remain unchanged at 10.50% for Kinsevere, 6.50% for Dugald River and Rosebery, 7.75% for Las Bambas, and 8.00% for Khoemacau.

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.

# Notes to Consolidated Financial Statements

## Continued

### (iii) Valuation methodology

#### Las Bambas

The Las Bambas Fair Value is determined through CGU discounted cash flows at 31 December 2025. The fair Value includes not only the current operation, but also 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.

Management notes that political instability at a national level and community engagement at regional level remain key risks which can result in delays to permits and exploration activity.

The impairment assessment of the Las Bambas CGU at 31 December 2025 did not result in the recognition of any impairment.

#### Khoemacau

The Khoemacau Fair Value includes not only the current operation but also the approved expansion to 130,000 tonne annual capacity, and further resource extensions and on-lease exploration targets included in the initial valuation to acquire the mine in 2023. An impairment assessment of the Khoemacau CGU as at 31 December 2025 was performed and did not result in the recognition of impairment.

#### Kinsevere

A suspension on DRC cobalt exports was announced in early 2025, after which a quota system for DRC cobalt exports was implemented from late 2025. As the quotas are allocated with reference to historical production, Kinsevere was allocated an initial quota of approximately 300-400t annualised compared with production capacity of approximately 5,000t per annum. As a result, the cobalt plant remains under care and maintenance despite cobalt prices recovering from an average of \$11.94 per pound in 2024 to approximately \$24.00 per pound by 31 December 2025. In addition, country-wide power availability issues have impacted operational performance and ramp-up of the Kinsevere Expansion Project ("KEP"), with limited throughput rates of the roaster, gas cleaning and acid (RGA) plant, frequent power outages and constraints to the electrowinning (EW) circuit. There are also continuing fiscal uncertainties, including VAT recoverability and additional duties and taxes.

Due to the factors above, the future value expected from the Kinsevere CGU has reduced and, as a result, an impairment write-down of US\$290.0 million pre-tax (US\$203.0 million on a post-tax basis) was recognised in relation to the Kinsevere CGU at 31 December 2025. This has resulted in a reduction to the carrying value to US\$683.2 million. The carrying value also includes the impairment losses recognised in 2015, 2019 and 2024 with a total amount of US\$466.9 million (before tax).

The recoverable value assessment at 31 December 2025 considers the latest life of mine plan under which the cobalt plant is expected to remain in care and maintenance amid the highly uncertain cobalt market outlook, and the KEP project is assumed to be successfully ramped up.

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 price, discount rate, recovery, ore loss, KEP ramp-up, and dilution. These factors may result in further future impairments, or reversal thereof.

#### Dugald River

The impairment assessment of the Dugald River CGU at 31 December 2025 did not result in recognition of 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

# Notes to Consolidated Financial Statements

## Continued

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

No indicators of impairment were noted for Rosebery. Rosebery also has not had any past impairment losses requiring assessment for reversal. Managements' assessment of an estimated recoverable amount did not indicate any impairment risk.

#### (iv) Sensitivity analysis

Commodity prices, the level of production activity as well as the success of converting 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, 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 Las Bambas, Khoemacau, Kinsevere and Dugald River. The sensitivities assume that the specific assumption moves in isolation, whilst all other assumptions are held constant. However, in reality, a change in one of the aforementioned assumptions may accompany a change in another assumption which may have an offsetting impact. Management action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

### Las Bambas

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

- A movement of 1% to the discount rate would impact recoverable amount by approximately US\$900 million;
- A change of 5% in copper price over the remaining mine life would impact the recoverable amount by approximately US\$1,100 million; and
- A change of 5% in operating costs over the remaining mine life would impact the recoverable amount by approximately US\$500 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.

# Notes to Consolidated Financial Statements

## Continued

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.

### Khoemacau

The key assumptions to which the calculation of fair value for Khoemacau is most sensitive are copper price, operating costs, 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\$400 million;
- A change of 5% in operating costs over the remaining mine life would impact the recoverable amount by approximately US\$200 million; and
- A movement of 1% to the discount rate would impact the recoverable amount by approximately US\$400 million.

### Kinsevere

The key assumptions to which the calculation of Fair Value for Kinsevere is most sensitive are copper price, operating costs, and capital costs. 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. Although the recoverable amount attributes no value to the cobalt plant due to current sales limitations, the recoverable amount could be impacted if a sustainable higher export quota can be obtained.

- 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 operating costs over the remaining mine life would impact the recoverable amount by approximately US\$70 million; and
- A change of 5% in capital costs over the remaining mine life would impact the recoverable amount by approximately US\$20 million.

### Dugald River

The key assumptions to which the calculation of Fair Value for Dugald River is most sensitive are zinc price, AUD:USD exchange rates, and operating costs. 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 reversal of previously recognised impairment.

- A change of 5% in zinc price over the remaining mine life would impact the recoverable amount by approximately US\$200 million.
- A change of 5% in AUD:USD exchange rates over the remaining mine life would impact the recoverable amount by approximately US\$150 million; and
- A change of 5% in operating costs over the remaining mine life would impact the recoverable amount by approximately US\$130 million.

# Notes to Consolidated Financial Statements

## Continued

### 13. Right-of-use Assets

US\$ million	Land and building	Plant and machinery	Mine property and development	Total
<b>At 1 January 2025</b>				
Cost	8.4	188.6	0.4	197.4
Accumulated depreciation	(2.1)	(75.4)	-	(77.5)
<b>Net book amount at 1 January 2025</b>	<b>6.3</b>	<b>113.2</b>	<b>0.4</b>	<b>119.9</b>
<b>Year ended 31 December 2025</b>				
At the beginning of the year	6.3	113.2	0.4	119.9
Additions, net	2.8	13.8	-	16.6
Depreciation	(1.8)	(24.9)	(0.1)	(26.8)
<b>At the end of the year</b>	<b>7.3</b>	<b>102.1</b>	<b>0.3</b>	<b>109.7</b>
<b>At 31 December 2025</b>				
Cost	11.2	197.3	0.4	208.9
Accumulated depreciation	(3.9)	(95.2)	(0.1)	(99.2)
<b>Net book amount at 31 December 2025</b>	<b>7.3</b>	<b>102.1</b>	<b>0.3</b>	<b>109.7</b>
<b>At 1 January 2024</b>				
Cost	16.9	168.0	-	184.9
Accumulated depreciation	(11.8)	(55.0)	-	(66.8)
<b>Net book amount at 1 January 2024</b>	<b>5.1</b>	<b>113.0</b>	<b>-</b>	<b>118.1</b>
<b>Year ended 31 December 2024</b>				
At the beginning of the year	5.1	113.0	-	118.1
Acquisition of subsidiaries	0.5	-	-	0.5
Additions, net	2.3	23.1	0.4	25.8
Depreciation	(1.6)	(22.9)	-	(24.5)
<b>At the end of the year</b>	<b>6.3</b>	<b>113.2</b>	<b>0.4</b>	<b>119.9</b>
<b>At 31 December 2024</b>				
Cost	8.4	188.6	0.4	197.4
Accumulated depreciation	(2.1)	(75.4)	-	(77.5)
<b>Net book amount at 31 December 2024</b>	<b>6.3</b>	<b>113.2</b>	<b>0.4</b>	<b>119.9</b>

# Notes to Consolidated Financial Statements

## Continued

### 14. Intangible Assets

US\$ MILLION	Goodwill	Software development	Total
<b>At 1 January 2025</b>			
Cost	1,249.4	219.3	1,468.7
Accumulated amortisation and impairment	(211.4)	(213.1)	(424.5)
<b>Net book amount at 1 January 2025</b>	<b>1,038.0</b>	<b>6.2</b>	<b>1,044.2</b>
<b>Year ended 31 December 2025</b>			
At the beginning of the year	1,038.0	6.2	1,044.2
Additions, net	-	2.1	2.1
Amortisation	-	(2.8)	(2.8)
<b>At the end of the year</b>	<b>1,038.0</b>	<b>5.5</b>	<b>1,043.5</b>
<b>At 31 December 2025</b>			
Cost	1,249.4	221.4	1,470.8
Accumulated amortisation and impairment	(211.4)	(215.9)	(427.3)
<b>Net book amount at 31 December 2025</b>	<b>1,038.0</b>	<b>5.5</b>	<b>1,043.5</b>
<b>At 1 January 2024</b>			
Cost	739.9	217.1	957.0
Accumulated amortisation and impairment	(211.4)	(211.6)	(423.0)
<b>Net book amount at 1 January 2024</b>	<b>528.5</b>	<b>5.5</b>	<b>534.0</b>
<b>Year ended 31 December 2024</b>			
At the beginning of the year	528.5	5.5	534.0
Acquisition of subsidiaries	509.5	0.6	510.1
Additions, net	-	1.6	1.6
Amortisation	-	(1.5)	(1.5)
<b>At the end of the year</b>	<b>1,038.0</b>	<b>6.2</b>	<b>1,044.2</b>
<b>At 31 December 2024</b>			
Cost	1,249.4	219.3	1,468.7
Accumulated amortisation and impairment	(211.4)	(213.1)	(424.5)
<b>Net book amount at 31 December 2024</b>	<b>1,038.0</b>	<b>6.2</b>	<b>1,044.2</b>

# Notes to Consolidated Financial Statements

## Continued

### 15. Investment in Subsidiaries

At 31 December 2025 and 2024, the following is a list of the principal subsidiaries of the Company which, in the opinion of the Directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

Name of companies	Place of incorporation/ operation	Principal activities	Particulars of issued or paid-up capital	Proportion of issued capital held by the Company			
				2025		2024	
				Directly	Indirectly	Directly	Indirectly
MMG Australia Limited	Australia	Mineral exploration and production, management and employment services	490,000,000 Ordinary Shares at A\$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 Management Pty Ltd	Australia	Treasury and management services	1 Ordinary Share at A\$1 a share	-	100%	-	100%
MMG Beijing Co., Ltd. <sup>2</sup>	Beijing	Corporate management services	Registered capital of CNY <sup>1</sup> 10,000,000	100%	-	100%	-
Topstart Limited	British Virgin Islands	Investment holding	1,386,611,594 Ordinary Shares at US\$1 a share	100%	-	100%	-
MMG Kinsevere SARL	DRC	Mineral exploration and production	10,000 Ordinary Shares at CDF <sup>1</sup> 10,000 a share	-	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			
				2025		2024	
				Directly	Indirectly	Directly	Indirectly
MMG Finance Limited	Hong Kong	Administration and treasury services	1 ordinary share at HK\$1 a share and 290,000,000 ordinary shares at US\$290,000,000	100%	-	100%	-
MMG South America Company Limited	Hong Kong	Investment holding and sales of copper concentrate	1,880,000 Ordinary Shares providing a share capital of HK\$1,880,000	100%	-	100%	-
MMG South America Management Company Limited	Hong Kong	Holding investments in Peru	1,200 Ordinary Shares providing a share capital of HK\$28,046,249,501	-	62.5%	-	62.5%
MMG Netherlands B.V.	Netherlands	Investment holding	5,000 Ordinary Shares at EUR'1 a share	-	62.5%	-	62.5%
Minera Las Bambas S.A.	Peru	Mineral exploration and production	12,485,775,772 Common Shares at PEN'1 a share	-	62.5%	-	62.5%
Album Investment Pte Ltd	Singapore	Investment holding	488,211,901 Ordinary Shares at S\$'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 a share	-	62.5%	-	62.5%

# 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			
				2025		2024	
				Directly	Indirectly	Directly	Indirectly
MMG Africa Resources Company Limited <sup>3</sup>	Hong Kong	Investment holding	14,323,597,700 Ordinary Shares at HK\$1 a share	55%	-	-	55%
Khoemaçau Copper Mining Proprietary Limited	Botswana	Mineral exploration and mining	1,749,287,384 Ordinary Shares providing a share capital of BWP\$12,682,102,074	-	55%	-	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%	-	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 MMG Beijing Co., Ltd. is a company with limited liability.

3 During the year ended 31 December 2025, MMG Africa Holdings Company Limited ("MMGAH", a subsidiary of the Company) sold all the shares that it held in MMG Africa Resources Company Limited to the Company at its carrying value.

## 16. Principal Subsidiaries with Material Non-Controlling Interests

The Group had total non-controlling interests of US\$2,940.0 million at 31 December 2025 (2024: US\$2,859.5 million). The non-controlling interests comprise the following:

US\$ million	At 31 December	
	2025	2024
MMG South America Management Company Limited ("Las Bambas JV Co.") and its subsidiaries <sup>1</sup>	2,117.3	2,372.0
MMG Africa Resources Company Limited ("Khoemaçau JV Co.") and its subsidiaries <sup>2</sup>	822.7	487.5
<b>Total</b>	<b>2,940.0</b>	<b>2,859.5</b>

1 For the year ended 31 December 2025, Las Bambas JV Co. paid a dividend of US\$695.3 million to its non-controlling shareholders (2024: Nil).

2 For the year ended 31 December 2025, Khoemaçau JV Co. issued 5,953,331,000 shares to the shareholders MMGAH and Comor Holdings ("Comor") in accordance with the proportionate shareholding of 55% and 45% respectively.

Among which 2,678,998,950 shares were issued to Comor at a consideration of US\$346.6 million including a cash receipt of US\$337.5 million. The remaining US\$9.1 million was from the conversion of the outstanding borrowings (from Comor) to ordinary shares.

On 6 June 2024, Comor subscribed shares in Khoemaçau JV Co. at the subscription price of \$482.9 million. After the subscription, Comor directly holds 45% equity interest which was considered a material non-controlling interest.

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 HKFRS Accounting Standards.

# Notes to Consolidated Financial Statements

## Continued

### Summarised Consolidated Statements of Financial Position

US\$ million	Las Bambas JV Co.		Khoemacau JV Co.	
	At 31 December			
	2025	2024	2025	2024
<b>Assets</b>	<b>9,611.4</b>	<b>9,556.9</b>	<b>3,497.3</b>	<b>3,196.1</b>
Current	1,550.5	1,160.9	132.7	61.8
Including: Cash and cash equivalents	215.2	60.7	53.9	19.5
Non-current	8,060.9	8,396.0	3,364.6	3,134.3
<b>Liabilities</b>	<b>(3,965.2)</b>	<b>(3,231.5)</b>	<b>(1,670.3)</b>	<b>(2,114.3)</b>
Current	(1,311.8)	(586.1)	(179.6)	(98.3)
Non-current	(2,653.4)	(2,645.4)	(1,490.7)	(2,016.0)
<b>Net assets</b>	<b>5,646.2</b>	<b>6,325.4</b>	<b>1,827.0</b>	<b>1,081.8</b>

### Summarised Consolidated Statements of Profit or Loss and Comprehensive Income

US\$ million	Las Bambas JV Co.		Khoemacau JV Co.	
	Year Ended 31 December			
	2025	2024	2025	2024
Revenue	4,447.0	2,977.6	399.2	295.8
Net financial cost	(55.9)	(108.9)	(60.7)	(79.7)
Income tax expense	(720.7)	(195.6)	(44.0)	(5.4)
<b>Profit/(loss) for the year</b>	<b>1,193.0</b>	<b>527.6</b>	<b>(3.7)</b>	<b>8.4</b>
Other comprehensive (loss)/income for the year, net of tax	(18.2)	(38.5)	(21.6)	0.4
<b>Total comprehensive income/(loss)</b>	<b>1,174.8</b>	<b>489.1</b>	<b>(25.3)</b>	<b>8.8</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company	734.2	305.7	(13.9)	4.2
Non-controlling interests	440.6	183.4	(11.4)	4.6
	<b>1,174.8</b>	<b>489.1</b>	<b>(25.3)</b>	<b>8.8</b>

### Summarised Consolidated Statement of Cash Flows

US\$ million	Las Bambas JV Co.		Khoemacau JV Co.	
	Year Ended 31 December			
	2025	2024	2025	2024
Net increase/(decrease) in cash and cash equivalents	154.5	(338.5)	34.4	19.5
Cash and cash equivalents at 1 January	60.7	399.2	19.5	-
<b>Cash and cash equivalents at 31 December</b>	<b>215.2</b>	<b>60.7</b>	<b>53.9</b>	<b>19.5</b>

# Notes to Consolidated Financial Statements

## Continued

### 17. Inventories

	2025 US\$ million	2024 US\$ million
<b>Non-current<sup>1</sup></b>		
Work in progress	168.0	179.1
<b>Current</b>		
Stores and consumables	198.9	177.9
Work in progress	401.1	214.2
Finished goods	233.4	137.3
	<b>833.4</b>	<b>529.4</b>
<b>Total</b>	<b>1,001.4</b>	<b>708.5</b>

1 Inventories of US\$168.0 million (2024: US\$179.1 million) are expected to be recovered after more than 12 months.

### 18. 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
<b>At 1 January 2024</b>	<b>(1,113.3)</b>	<b>318.8</b>	<b>4.1</b>	<b>-</b>	<b>(12.3)</b>	<b>(802.7)</b>
Acquisition of subsidiaries	(763.4)	2.5	100.0	117.0	43.7	(500.2)
Credited/(charged) to profit or loss (Note 8)	36.6	(39.1)	15.0	(0.6)	(23.7)	(11.8)
Credited to other comprehensive loss (Note 8)	-	-	-	-	18.0	18.0
<b>At 31 December 2024</b>	<b>(1,840.1)</b>	<b>282.2</b>	<b>119.1</b>	<b>116.4</b>	<b>25.7</b>	<b>(1,296.7)</b>
Credited/(charged) to profit or loss (Note 8)	(11.1)	(46.5)	42.1	(5.9)	73.4	52.0
Credited to other comprehensive loss (Note 8)	-	-	-	-	21.0	21.0
Charged to equity (Note 8)	-	-	-	-	(17.1)	(17.1)
<b>At 31 December 2025</b>	<b>(1,851.2)</b>	<b>235.7</b>	<b>161.2</b>	<b>110.5</b>	<b>103.0</b>	<b>(1,240.8)</b>

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:

	2025 US\$ million	2024 US\$ million
Deferred income tax assets	399.2	279.6
Deferred income tax liabilities	(1,640.0)	(1,576.3)
	<b>(1,240.8)</b>	<b>(1,296.7)</b>

# 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 2025 and 2024, the Group had unrecognised tax losses and deductible temporary differences as follows:

	2025 US\$ million	2024 US\$ million
Tax losses (tax effected)	22.3	23.9
Deductible temporary differences (tax effected)	43.8	44.6
<b>At 31 December</b>	<b>66.1</b>	<b>68.5</b>

Unrecognised tax losses of US\$15.0 million (2024: US\$16.1 million) were with expiry years ranging from 2026 to 2044 (2024: from 2025 to 2043). Other losses will be carried forward indefinitely.

### 19. Trade and Other Receivables

	2025 US\$ million	2024 US\$ million
<b>Non-current other receivables</b>		
Prepayment	5.0	1.6
Other receivables – government taxes, net of provisions <sup>1</sup>	11.9	10.3
Sundry receivables, net of provisions <sup>2</sup>	118.1	125.5
	<b>135.0</b>	<b>137.4</b>
<b>Current trade and other receivables</b>		
Trade receivables, net of provision <sup>3</sup> (Note 32.1(c) (d) and (e), 32.3 and 32.4)	658.4	443.7
Prepayments	80.9	71.3
Other receivables – government taxes <sup>1</sup>	134.2	109.1
Sundry receivables, net of provision <sup>2</sup>	25.6	127.5
	<b>899.1</b>	<b>751.6</b>

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 the Peruvian tax authority ("SUNAT").

3 At 31 December 2025 and 2024, 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. As at 31 December 2025, trade receivables of US\$658.4 million (31 December 2024: US\$443.7 million) were within 6 months from the date of invoice; All trade receivables were measured at fair value at the balance sheet date as these are subject to change in accordance with movements in the commodity price; The carrying amounts of the Group's trade receivables are all denominated in US\$. At 31 December 2025, the Group's trade receivables, other receivables and prepayments included an amount of US\$ 352.2 million (2024: US\$242.2 million) which were due from related companies of the Group (Note 31(d)). As at 1 January 2024, trade receivables amounted to US\$354.8 million.

# Notes to Consolidated Financial Statements

## Continued

### 20. Derivative Financial Assets/(Liabilities)

	2025 US\$ million	2024 US\$ million
<b>Assets</b>		
<b>Current</b>		
Commodity derivative - copper <sup>1</sup>	-	8.0
Commodity derivative - zinc	-	0.1
Cash flow hedge - copper (Note 32.1(a)) <sup>1</sup>	-	2.9
	<b>-</b>	<b>11.0</b>
<b>Liabilities</b>		
<b>Current</b>		
Commodity derivative - copper <sup>1</sup>	(73.4)	-
Commodity derivative - zinc	(0.1) <sup>1</sup>	(0.7)
Cash flow hedge - copper (Note 32.1(a)) <sup>1</sup>	(80.3)	-
Cash flow hedge - zinc (Note 32.1(a))	(5.3)	-
	<b>(159.1)</b>	<b>(0.7)</b>

<sup>1</sup> The Group's commodity derivative and cash flow hedge financial liabilities with an amount of US\$57.3 million (31 December 2024: derivative financial assets of US\$10.6 million) were from a related party of the Group (Note 31(d)).

### 21. Restricted Bank Deposits and Cash and Cash Equivalents

	2025 US\$ million	2024 US\$ million
<b>Non-current</b>		
Restricted bank deposits <sup>1</sup>	1.2	-
	<b>1.2</b>	<b>-</b>
<b>Current</b>		
Cash at bank and in hand	211.7	115.5
Short-term bank deposits and others <sup>1,2</sup>	116.9	77.2
	<b>328.6</b>	<b>192.7</b>
<b>Total (Note 32.1 (c) and (e), 32.3 and 32.5)</b>	<b>329.8</b>	<b>192.7</b>

<sup>1</sup> Includes demand deposits of US\$1.2 million (2024: US\$1.2 million) that are required to be maintained as warranty to secure payment to a vendor. During the year ended 31 December 2025, they were reclassified to "non-current deposits".

<sup>2</sup> The effective interest rate on short-term bank deposits as at 31 December 2025 range from 3.0% to 4.3% (31 December 2024: 3.90% to 4.05%). These deposits have an average 10 days (2024: 8 days) to maturity.

The carrying amounts of the cash and cash equivalents are denominated in various currencies. Refer to Note 32.1 (c) for details.

# Notes to Consolidated Financial Statements

## Continued

### 22. Share Capital

	Number of Ordinary Shares		Share Capital	
	2025 '000	2024 '000	2025 US\$ million	2024 US\$ million
<b>Issued and fully paid:</b>				
At 1 January	12,129,014	8,656,047	4,379.8	3,224.6
Employee performance awards vested and exercised <sup>1</sup>	11,517	7,534	4.4	2.8
Issue of shares <sup>2</sup>	-	3,465,433	-	1,152.4
<b>At 31 December</b>	<b>12,140,531</b>	<b>12,129,014</b>	<b>4,384.2</b>	<b>4,379.8</b>

- During the year ended 31 December 2025, a total of 11,516,714 new shares were issued as a result of 2022 Performance Awards vesting on 2 June 2025. The closing price of the shares of the Company immediately before the date on which the performance awards was exercised was HK\$2.91. Refer to Note 34 for more details of 2022 Performance Awards. (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).
- 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.

## Notes to Consolidated Financial Statements

### Continued

#### 23. Reserves And Retained Profits

US\$ million	Special capital reserve	Exchange translation reserve	Merger reserve <sup>1</sup>	Surplus reserve <sup>2</sup>	Share-based payment reserve	Cash flow hedge reserve <sup>3</sup>	Convertible bonds reserve <sup>4</sup>	Other reserve	Total reserves	Retained profits	Total
<b>At 1 January 2025</b>	9.4	2.7	(1,946.9)	55.3	5.7	3.2	-	(1.3)	(1,871.9)	911.1	(960.8)
Profit for the year	-	-	-	-	-	-	-	-	-	509.4	509.4
Other comprehensive (loss)/ income for the year	-	-	-	-	-	(50.9)	-	3.5	(47.4)	-	(47.4)
<b>Total comprehensive (loss)/ income for the year</b>	-	-	-	-	-	(50.9)	-	3.5	(47.4)	509.4	462.0
Provision of surplus reserve	-	-	-	28.2	-	-	-	-	28.2	(28.2)	-
<b>Internal transfer</b>	-	-	-	28.2	-	-	-	-	28.2	(28.2)	-
Issue of convertible bonds (equity component, net of transaction cost)	-	-	-	-	-	-	97.3	-	97.3	-	97.3
Tax effect on recognition of equity component of convertible bonds	-	-	-	-	-	-	(17.1)	-	(17.1)	-	(17.1)
Employee long-term incentives	-	-	-	-	(1.3)	-	-	-	(1.3)	-	(1.3)
Employee performance awards vested and exercised	-	-	-	-	(4.4)	-	-	-	(4.4)	-	(4.4)
<b>Total transactions with owners</b>	-	-	-	-	(5.7)	-	80.2	-	74.5	-	74.5
<b>At 31 December 2025</b>	9.4	2.7	(1,946.9)	83.5	-	(47.7)	80.2	2.2	(1,816.6)	1,392.3	(424.3)

# Notes to Consolidated Financial Statements

## Continued

	Special capital reserve	Exchange translation reserve	Merger reserve <sup>1</sup>	Surplus reserve <sup>2</sup>	Share- based payment reserve	Cash flow hedge reserve <sup>3</sup>	Convertible bonds reserve <sup>4</sup>	Other reserve	Total reserves	Retained profits	Total
<b>US\$ million</b>											
<b>At 1 January 2024</b>	<b>9.4</b>	<b>2.7</b>	<b>(1,946.9)</b>	<b>50.6</b>	<b>5.4</b>	<b>25.2</b>	-	<b>(1.5)</b>	<b>(1,855.1)</b>	<b>753.9</b>	<b>(1,101.2)</b>
Profit for the year	-	-	-	-	-	-	-	-	-	161.9	161.9
Other comprehensive (loss)/ income for the year	-	-	-	-	-	(22.0)	-	0.2	(21.8)	-	(21.8)
<b>Total comprehensive (loss)/ income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22.0)</b>	<b>-</b>	<b>0.2</b>	<b>(21.8)</b>	<b>161.9</b>	<b>140.1</b>
Provision of surplus reserve	-	-	-	4.7	-	-	-	-	4.7	(4.7)	-
<b>Internal transfer</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.7</b>	<b>(4.7)</b>	<b>-</b>
Employee long-term incentives	-	-	-	-	3.1	-	-	-	3.1	-	3.1
Employee performance awards vested and exercised	-	-	-	-	(2.8)	-	-	-	(2.8)	-	(2.8)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>0.3</b>
<b>At 31 December 2024</b>	<b>9.4</b>	<b>2.7</b>	<b>(1,946.9)</b>	<b>55.3</b>	<b>5.7</b>	<b>3.2</b>	<b>-</b>	<b>(1.3)</b>	<b>(1,871.9)</b>	<b>911.1</b>	<b>(960.8)</b>

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. In China, pursuant to the relevant laws in the PRC, an entity established in the PRC is required to transfer 10% of its profit after tax to the statutory surplus reserve. Contribution to the statutory surplus reserve is discretionary when the reserve balance reaches 50% of the registered capital of the entity.

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 "revenue" and "financial income and finance cost" from commodity hedge settlement and IPS amortisation respectively.

4 On 8 October 2025, the Group issued a 5-Year US\$500.0 million zero coupon unsecured convertible bonds (the "Bonds") due on 8 October 2030 to third party investors (the "bondholders"). The net proceeds of US\$494.0 million from the Bonds were used to repay borrowings (Note 25). The reserve included equity component of the Bonds, net of the transaction costs of US\$1.2 million. It is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole, and net of income tax effects of US\$171 million (Note 8 and Note 18).

### Distributable reserves

At 31 December 2025 and 2024, the Company did not have any distributable reserves available for distribution to shareholders.

# Notes to Consolidated Financial Statements

## Continued

### 24. Borrowings

	2025 US\$ million	2024 US\$ million
<b>Non-current</b>		
Borrowings from related parties (Note 31(d))	1,019.8	1,705.0
Bank borrowings, net	1,489.4	2,035.1
	<b>2,509.2</b>	<b>3,740.1</b>
<b>Current</b>		
Borrowings from related parties (Note 31(d))	452.5	861.3
Bank borrowings, net <sup>1</sup>	313.4	27.4
	<b>765.9</b>	<b>888.7</b>
Analysed as:		
– Unsecured	3,278.9	4,635.1
	<b>3,278.9</b>	<b>4,635.1</b>
Prepayments – finance charges	(3.8)	(6.3)
	<b>3,275.1</b>	<b>4,628.8</b>
Borrowings (excluding: prepayments) are repayable as follows:		
– Within one year <sup>1</sup>	768.2	891.2
– More than one year but not exceeding two years	1,459.1	1,125.0
– More than two years but not exceeding five years	1,026.1	2,360.0
– More than five years	25.5	258.9
	<b>3,278.9</b>	<b>4,635.1</b>
Prepayments – finance charges	(3.8)	(6.3)
<b>Total (Notes 32.1(c), (e) 32.3 and 32.5)</b>	<b>3,275.1</b>	<b>4,628.8</b>

<sup>1</sup> The Group has, forecasts to have or expects to be able to arrange (if needed), sufficient funds to repay borrowings as they fall due.

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

	2025 US\$ million	2024 US\$ million
US dollars		
– At floating rates	2,668.9	3,154.9
– At fixed rates	610.0	1,480.2
	<b>3,278.9</b>	<b>4,635.1</b>

The weighted average effective interest rate of borrowings during the year ended 31 December 2025 was 5.1% (2024: 5.5%) per annum.

# Notes to Consolidated Financial Statements

## Continued

### Reconciliation of borrowings arising from financing activities

US\$ million	Notes	1 January 2025	Financing Cashflow <sup>1</sup>	Non-Cash Changes		31 December 2025
				Effective Interest	Other Changes <sup>2</sup>	
Loans from related parties	31(d)	2,566.3	(1,094.0)	-	-	1,472.3
Bank borrowings		2,062.5	(253.3)	-	(6.4)	1,802.8
Accrued interest <sup>3</sup>	28, 31(d)	48.9	(218.9)	209.2	-	39.2
		<b>4,677.7</b>	<b>(1,566.2)</b>	<b>209.2</b>	<b>(6.4)</b>	<b>3,314.3</b>

US\$ million	Notes	1 January 2024	Financing Cashflow <sup>1</sup>	NON-CASH CHANGES		31 December 2024
				Effective Interest	Other Changes <sup>2</sup>	
Loans from related parties	31(d)	2,731.3	(165.0)	-	-	2,566.3
Bank borrowings		1,975.8	52.0	-	34.7	2,062.5
Accrued interest <sup>3</sup>	28, 31(d)	50.9	(348.0)	346.0	-	48.9
		<b>4,758.0</b>	<b>(461.0)</b>	<b>346.0</b>	<b>34.7</b>	<b>4,677.7</b>

1 Net borrowings financing cashflow is made up of repayments of and proceeds from borrowings in the consolidated statement of cash flows.

2 Other changes mainly include the amortisation of capitalised prepayments on borrowings and conversion of an outstanding borrowing to ordinary shares.

3 Accrued interest includes both interest on external bank borrowings and related party borrowings.

## 25. Convertible Bonds

On 8 October 2025, the Group completed the issuance of 5-Year US\$500.0 million zero coupon unsecured Bonds due on 8 October 2030 to bondholders. The net proceeds of US\$494.0 million from the Bonds were used to repay borrowings.

The bondholders have the right to convert their Bonds into ordinary shares of the Company before maturity at a conversion price of HK\$8.40 per share. There is also an option provided to the bondholders that after 3 years, on 8 October 2028, the bondholders can redeem all or a portion of the principal amount. The outstanding principal amount of the Bonds is repayable by the Company on the maturity date if not previously redeemed, converted or purchased and cancelled.

The debt and equity components of the convertible bonds are presented as follows:

	2025 US\$ million
The face value of convertible bonds issued on the issuance date	500.0
Less: transaction costs	(6.0)
Net proceeds	494.0
Less: equity component of convertible bonds, before tax (Note 23)	(97.3)
<b>Debt component on initial recognition</b>	<b>396.7</b>
Unwinding of discount (Note 7) <sup>1</sup>	4.4
<b>Balance as at 31 December</b>	<b>401.1</b>

1 The effective interest rate for the liability component is 4.72%.

# Notes to Consolidated Financial Statements

## Continued

### 26. Lease Liabilities

	2025 US\$ million	2024 US\$ million
<b>Non-current</b>		
Lease liabilities	113.1	124.2
<b>Current</b>		
Lease liabilities	29.3	24.0
<b>Total (Notes 32.1(c) and (e), 32.3)</b>	<b>142.4</b>	<b>148.2</b>
Lease liabilities were repayable as follows:		
- Within one year	29.3	24.0
- More than one year but not exceeding two years	28.1	22.4
- More than two years but not exceeding five years	50.4	54.0
- More than five years	34.6	47.8
	<b>142.4</b>	<b>148.2</b>

The incremental borrowing rates applied to lease liabilities at 31 December 2025 was from 3.3% to 10.69% (2024: from 3.3% to 10.69%).

Refer to Note 32.1(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:

	2025 US\$ million	2024 US\$ million
- Within one year	-	-
- More than one year but not exceeding two years	0.1	1.0
- More than two years but not exceeding five years	12.5	4.4
- More than five years	37.5	37.8
<b>Total</b>	<b>50.1</b>	<b>43.2</b>

As presented under financing cashflows in the consolidated statement of cashflows, cash outflows for lease payments of US\$34.7 million (2024: US\$38.7 million) include repayment of US\$22.4 million principal (2024: US\$25.9 million) and US\$12.3 million interest (2024: US\$12.8 million).

In respect of lease contracts not recognised as right-of-use assets in line with HKFRS 16 requirements (refer to Note 6), payments of US\$183.2 million (2024: US\$104.6 million) have been presented under operating cash flows.

# Notes to Consolidated Financial Statements

## Continued

### 27. Provisions

	2025 US\$ million	2024 US\$ million
<b>Non-current</b>		
Employee benefits	45.7	29.3
Mine rehabilitation, restoration and dismantling (a)	468.7	505.7
Other provisions <sup>1</sup>	142.1	130.0
<b>Total non-current provisions</b>	<b>656.5</b>	<b>665.0</b>
<b>Current</b>		
Employee benefits	159.2	79.3
Mine rehabilitation, restoration and dismantling (a)	7.1	3.0
Other provisions <sup>1</sup>	44.0	44.4
<b>Total current provisions</b>	<b>210.3</b>	<b>126.7</b>
<b>Aggregate</b>		
Employee benefits	204.9	108.6
Mine rehabilitation, restoration and dismantling (a)	475.8	508.7
Other provisions <sup>1</sup>	186.1	174.4
<b>Total provisions</b>	<b>866.8</b>	<b>791.7</b>

1 Other provisions primarily include amounts for certain tax related matters.

#### (a) Mine rehabilitation, restoration and dismantling

	2025 US\$ million	2024 US\$ million
At 1 January	508.7	447.6
Acquisition of subsidiaries	-	18.0
(Reversal)/recognition of provisions <sup>1</sup>	(74.5)	38.8
Payments made	(1.2)	(0.7)
Unwinding of discount on provisions	28.8	22.9
Exchange rate differences	14.0	(17.9)
<b>At 31 December</b>	<b>475.8</b>	<b>508.7</b>

1 Reversals and additions relate to estimates of costs required for rehabilitation of current disturbed areas and are impacted by changes in assumptions for work required as well as the cost of the work.

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

### 28. Trade and Other Payables

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

	2025 US\$ million	2024 US\$ million
<b>Non-Current</b>		
<b>Other payables and accruals</b>	<b>332.6</b>	<b>309.6</b>
<b>Current</b>		
Trade payables		
- Less than 6 months	456.7	384.3
- More than 6 months	11.5	2.9
Related party interest payable (Note 31(d))	468.2	387.2
Other payables and accruals	32.0	41.9
<b>Total current trade and other payables</b>	<b>845.9</b>	<b>679.3</b>
<b>Aggregate</b>		
Trade payables <sup>1</sup>	468.2	387.2
Related party interest payable (Note 31(d))	32.0	41.9
Other payables and accruals <sup>2</sup>	678.3	559.8
<b>Total trade and other payables (Notes 32.1(c),(e) and 32.3)</b>	<b>1,178.5</b>	<b>988.9</b>

1 At 31 December 2025, the Group's trade and other payables included an amount of US\$25.8 million (2024: US\$1.1 million) (Note 31(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 2025, the Group's other payables and accruals included withholding tax payables, accrued expenses and others.

# Notes to Consolidated Financial Statements

## Continued

### 29. Deferred Revenue

	2025 US\$ million	2024 US\$ million
<b>Balance at 1 January/acquisition date</b>	<b>347.1</b>	<b>349.8</b>
Deferred revenue recognised during the year (Note 4)	(20.8)	(24.3)
Unwinding of discount (Note 7)	19.0	21.6
<b>31 December</b>	<b>345.3</b>	<b>347.1</b>
Current	20.4	24.1
Non-current	324.9	323.0
	<b>345.3</b>	<b>347.1</b>

### 30. Notes to Consolidated Statement of Cash Flows

(a) Reconciliation of profit for the year to net cash generated from operating activities is as follows:

	2025 US\$ million	2024 US\$ million
<b>Profit for the year</b>	<b>955.2</b>	<b>366.0</b>
<b>Adjustments for:</b>		
Finance income (Note 7)	(17.4)	(22.2)
Finance costs (Note 7)	289.5	390.8
Depreciation and amortisation expenses (Note 6)	1,123.0	1,005.7
Impairment expenses (Note 12)	290.0	53.0
Losses on disposal of property, plant and equipment (Note 5)	1.8	15.1
Loss on FVTPL (Note 6)	0.3	1.7
Share-based employee incentive (credit)/expense	(1.3)	3.1
Unrealised loss/(gain) on commodity derivative <sup>1</sup>	73.5	(7.4)
<b>Changes in working capital:</b>		
Inventories	(293.0)	(191.7)
Trade and other receivables	(94.8)	(166.9)
Trade and other payables	112.5	(45.8)
Provisions	121.6	31.6
Deferred revenue (Note 29)	(20.8)	(24.3)
Tax assets and tax liabilities	149.4	203.2
<b>Net cash generated from operating activities</b>	<b>2,689.5</b>	<b>1,611.9</b>

<sup>1</sup> The unrealised loss/(gain) on commodity derivative is recognised in revenue for those not designated as cash flow hedge.

# Notes to Consolidated Financial Statements

## Continued

(b) In the Consolidated Statement of Cash Flows, purchase of property, plant and equipment comprises:

	2025 US\$ million	2024 US\$ million
Total additions (Note 12)	1,026.9	927.9
<i>Adjustments for non-cash reduction/(addition):</i>		
Reversal/(recognition) of provisions for mine rehabilitation, restoration and dismantling <sup>1</sup>	60.5	(20.9)
Other non-cash additions	(7.8)	(1.8)
<b>Purchase of property, plant and equipment</b>	<b>1,079.6</b>	<b>905.2</b>

<sup>1</sup> 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 27(a) for details.

### 31. 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 2025, 67.4% (31 December 2024: 67.5%) of the Company's shares were held by CMN and 32.6% (31 December 2024: 32.5%) 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)

	2025 US\$ million	2024 US\$ million
<b>Sales</b>		
Sales of non-ferrous metals	2,956.9	1,908.7
<b>Other income, net</b>		
Other income	0.3	-
<b>Commodity derivatives transaction</b>		
(Loss)/gain on commodity derivatives	(137.8)	5.2
Other loss	(3.5)	(3.3)
<b>Purchases</b>		
Purchases of consumables and services	(19.5)	(22.2)
<b>Finance costs – net</b>		
Interest expense (Note 7)	(104.7)	(140.7)
Less: amounts capitalised in the cost of qualifying assets (Note 7)	8.8	7.3
Interest expense recognised in "profit or loss" (Note 7)	(95.9)	(133.4)
Other finance cost (Note 7) <sup>1</sup>	(6.3)	(5.8)

<sup>1</sup> For the years ended 31 December 2025 and 2024, other finance cost – related parties are guarantee fees, paying for credit guarantees CMC and CMN provided for obtaining certain Revolving Credit Facilities ("RCF") from external banks.

# Notes to Consolidated Financial Statements

## Continued

### Guarantee

For the year ended 31 December 2025, CMN provided credit guarantees supporting MMF in respect of US\$500.0 million RCFs from banks (2024: US\$500.0 million); CMC provided credit guarantees to Las Bambas in respect of US\$1,700.0 million RCFs from banks according to the proportionate shareholding of 62.5% equity interest (2024: US\$1,700.0 million); and CMC also provided credit guarantees to Khoemacau JV Co. in respect of US\$504.7 million outstanding on a term loan with China Development Bank according to the proportionate shareholding of 55% equity interest (2024: US\$1,020.0 million).

### (b) Transactions and balances with other state-owned enterprises

During the year ended 31 December 2025, the Group's significant transactions with other state-owned enterprises (excluding CMC and its subsidiaries) were sales of non-ferrous metals, purchases of consumables, equipment 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.

### (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:

	2025 US\$ million	2024 US\$ million
Salaries and other short-term employee benefits	4.2	5.1
Short-term incentives and discretionary bonus	2.5	2.5
Long-term incentives	2.9	1.8
Post-employment benefits	0.1	0.2
Termination benefits	-	1.7
	<b>9.7</b>	<b>11.3</b>

During the years ended 31 December 2025 and 2024, 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.

# Notes to Consolidated Financial Statements

## Continued

### (d) Year-end balances

	2025 US\$ million	2024 US\$ million
<b>Amounts payable to related parties</b>		
Loans from Minmetals HK (Note 24) <sup>2</sup>	1,262.3	-
Loans from Top Create (Note 24)	210.0 <sup>1</sup>	2,566.3 <sup>1,2,3</sup>
Interest payable to related parties (Note 28)	32.0	41.9
Trade and other payable to CMN (Note 28)	25.8	1.1
	<b>1,530.1</b>	<b>2,609.3</b>
<b>Amounts receivable from related parties (Note 19)</b>		
Trade receivables from CMN	343.0	228.9
Other receivables from CMN	0.1	7.0
Prepayments to CMN	1.4	2.9
Prepayments to CMC	7.7	3.4
	<b>352.2</b>	<b>242.2</b>
<b>Derivative financial assets-transacted with related parties</b>	<b>-</b>	<b>10.6</b>
<b>Derivative financial liabilities-transacted with related parties</b>	<b>(57.3)</b>	<b>-</b>

- 1 The loan amount from Top Create included US\$210.0 million (31 December 2024: US\$210.0 million) drawn down by the Group in the year of 2024 pursuant to a Kinsevere Expansion Project ("KEP") project facility agreement dated 7 December 2023 between MMF and Top Create. The facility is fully drawn down at 31 December 2025 and will expire in December 2030. The interest rate under the facility is fixed at 4.15%;
- 2 Except for the above that is outstanding from Top Create, the facility agreement dated on 22 July 2014 between MMG SA and Top Create, and the facility agreement dated on 7 December 2023 between MMG Finance Limited and Top Create were amended in June 2025 for the following:
- In relation to Tranche III of the MMG SA loan with Top Create:
- Deferred for 3 years from July 2025 to July 2028;
  - Any amounts repaid or prepaid can be redrawn;
  - Interest rate changed from a fixed rate of 4.5% to Term Secured Overnight Financing Rate ("SOFR") plus a margin per annum; and
  - MMF acceded the facility agreement as a co-borrower on a several liability basis.
- In relation to all tranches of the MMG SA loan with Top Create and the MMF loan with Top Create:
- Top Create was reassigned to Minmetals HK as the new Lender under the respective facility agreements. All rights and obligations of the lender were transferred to Minmetals HK with no changes to the Group's obligations by the reassignment.
- At 31 December 2025, the total outstanding balance under the MMG SA loan was US\$1,262.3 million (31 December 2024: US\$1,786.3 million) consisting of three tranches maturing in July 2026, July 2027 and July 2028 respectively. Tranche II incurs a 4.10% fixed rate per annum, Tranches I and III incur SOFR plus a margin payable annually.
- 3 The loan amount from Top Create 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\$1,000 million 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 per annum. The loan balance as at 31 December 2025 was nil (31 December 2024: US\$570.0 million). In June 2025, an amendment was made which reassigned Top Create to Minmetals HK as the new lender. Top Create transferred all rights and obligation under this facility agreement to Minmetals HK. The terms of the facility agreement remained in full force and effect, and the Group's obligations were not affected by the reassignment.

# Notes to Consolidated Financial Statements

## Continued

### 32. Financial and Other Risk Management

#### 32.1 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 2025, the Group entered into various commodity trades to hedge the sales prices for copper, zinc and gold. Unsettled commodity trades as of 31 December 2025 included:

- Zero/low-cost collar hedges:
  - 68,350 tonnes of copper with put strike price ranging from US\$10,000/tonne to US\$12,000/tonne and call strike price ranging from US\$10,572/tonne to US\$13,450/tonne.
- Fixed price swap hedges:
  - 28,200 tonnes of copper with fixed price ranging from US\$9,000/tonne to US\$10,265/tonne;
  - 68,550 tonnes of zinc with fixed price ranging from US\$3,000/tonne to US\$3,070/tonne.

Above hedges settlement range from January to December 2026.

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

# Notes to Consolidated Financial Statements

## Continued

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

Term	Carrying amount of hedging instrument US\$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness			Settled portion of hedging instrument realised (losses)/gains US\$ million	Hedging (loss)/gain recognised in cash flow hedge reserve <sup>1</sup> US\$ million	Cost of hedging reserve US\$ million
		Hedging instrument US\$ million	Hedged item US\$ million				
<b>Cash flow hedges:</b>							
<b>At 31 December 2025</b>							
Derivative financial liabilities	<b>January 2026 to December 2026</b>	(85.6)	(80.4)	80.4	(68.6)	(61.6)	(5.9)
<b>At 31 December 2024</b>							
Derivative financial assets/(liabilities)	<b>March 2024 to May 2025</b>	2.9	2.9	(2.9)	1.2	2.0	-

<sup>1</sup> The hedging loss recognised in cash flow hedge reserve is the amount after tax.

The following table details the sensitivity of the Group's financial assets and liabilities 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:

Commodity	2025			2024		
	Commodity price movement	(Decrease)/increase in profit after tax US\$ million	Increase in OCI after tax US\$ million	Commodity price movement	Increase in profit after tax US\$ million	Increase in OCI after tax US\$ million
Copper	+10%	(21.1)	(12.8)	+10%	9.3	(5.5)
Zinc	+10%	6.2	(14.2)	+10%	-	-
<b>Total</b>		<b>(14.9)</b>	<b>(27.0)</b>		<b>9.3</b>	<b>(5.5)</b>

Commodity	Increase/(decrease) in profit after tax			(Decrease) / increase in profit after tax		
	Commodity price movement	US\$ million	Increase in OCI after tax US\$ million	Commodity price movement	US\$ million	Increase in OCI after tax US\$ million
Copper	-10%	18.5	12.3	-10%	(8.8)	5.5
Zinc	-10%	(6.2)	14.2	-10%	0.1	-
<b>Total</b>		<b>12.3</b>	<b>26.5</b>		<b>(8.7)</b>	<b>5.5</b>

# Notes to Consolidated Financial Statements

## Continued

### (b) Interest rate risk

The Group is exposed to interest rate risk primarily through interest bearing borrowings and investment of surplus cash holdings. Deposits and borrowings at variable rates expose the Group to cash flow interest rate risk. Deposits and borrowings at fixed rates expose the Group to fair value interest rate risk. Details of the Group's cash and cash equivalents have been disclosed in Note 21 while the details of the Group's borrowings are set out in Note 24.

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 2025 and 2024, 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:

US\$ million	2025		2024	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
	Increase/ (decrease) in profit after tax	(Decrease)/ increase in profit after tax	Increase/ (decrease) in profit after tax	(Decrease)/ increase in profit after tax
<b>Financial assets</b>				
Cash and cash equivalents	1.4	(1.4)	0.8	(0.8)
<b>Financial liabilities</b>				
Borrowings				
- variable interest rate	(18.1)	18.1	(21.5)	21.5
<b>Total</b>	<b>(16.7)</b>	<b>16.7</b>	<b>(20.7)</b>	<b>20.7</b>

# Notes to Consolidated Financial Statements

## Continued

### (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.

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
<b>At 31 December 2025</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	301.7	17.6	0.3	2.7	6.3	<b>328.6</b>
Restricted bank deposits	21	1.2	-	-	-	-	<b>1.2</b>
Trade receivables	19	658.4	-	-	-	-	<b>658.4</b>
Other receivables		6.2	2.9	1.0	0.2	-	<b>10.3</b>
Other financial assets		0.7	-	-	-	-	<b>0.7</b>
<b>Financial liabilities</b>							
Trade and other payables		(454.6)	(69.8)	(35.7)	(2.9)	(3.4)	<b>(566.4)</b>
Derivative financial liabilities	20	(159.1)	-	-	-	-	<b>(159.1)</b>
Borrowings	24	(3,275.1)	-	-	-	-	<b>(3,275.1)</b>
Convertible bonds	25	(401.1)	-	-	-	-	<b>(401.1)</b>
Lease liabilities	26	(101.9)	(8.2)	(32.3)	-	-	<b>(142.4)</b>
		<b>(3,423.6)</b>	<b>(57.5)</b>	<b>(66.7)</b>	<b>-</b>	<b>2.9</b>	<b>(3,544.9)</b>

US\$ million	Notes	US\$	PEN	A\$	BWP\$	Others	Total
<b>At 31 December 2024</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	173.2	6.4	3.1	5.6	4.4	<b>192.7</b>
Trade receivables	19	443.7	-	-	-	-	<b>443.7</b>
Other receivables		30.0	-	0.4	3.4	0.1	<b>33.9</b>
Derivative financial assets	20	11.0	-	-	-	-	<b>11.0</b>
Other financial assets		1.0	-	-	-	-	<b>1.0</b>
<b>Financial liabilities</b>							
Trade and other payables		(363.7)	(59.5)	(30.0)	(4.0)	(2.2)	<b>(459.4)</b>
Derivative financial liabilities	20	(0.7)	-	-	-	-	<b>(0.7)</b>
Borrowings	24	(4,628.8)	-	-	-	-	<b>(4,628.8)</b>
Lease liabilities	26	(109.0)	(9.3)	(29.9)	-	-	<b>(148.2)</b>
		<b>(4,443.3)</b>	<b>(62.4)</b>	<b>(56.4)</b>	<b>5.0</b>	<b>2.3</b>	<b>(4,554.8)</b>

## Notes to Consolidated Financial Statements

### Continued

Based on the Group's net monetary assets and liabilities at 31 December 2025 and 2024, 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:

US\$ million	2025		2024	
	Weakening of US\$ dollar	Strengthening of US\$ dollar	Weakening of US\$ dollar	Strengthening of US\$ dollar
	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 (2024: 10%)	(4.7)	4.7	(3.9)	3.9
10% movement in Peruvian sol (2024: 10%)	(3.9)	3.9	(4.2)	4.2
10% movement in Botswana pula (2024: 10%)	-	-	0.3	(0.3)
<b>Total</b>	<b>(8.6)</b>	<b>8.6</b>	<b>(7.8)</b>	<b>7.8</b>

#### (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 19. The carrying amount of the Group's trade receivables at FVTPL as disclosed in Note 19 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 2025 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 2025 and 2024, the Group assessed the ECL for these balances and considered no significant impact to the consolidated financial statements.

# Notes to Consolidated Financial Statements

## Continued

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

	2025	2024
CMN	47.6%	42.6%
CITIC Metal	19.0%	16.6%
Trafigura	14.9%	16.2%

The Group's largest debtor at 31 December 2025 was CMN with a balance of US\$343.0 million (2024: US\$228.9 million) and the five largest debtors accounted for 96.7% (2024: 81.5%) 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:

US\$ million	At 31 December	
	2025	2024
Asia	466.4	361.7
Europe	185.5	74.5
Others	6.5	7.5
	<b>658.4</b>	<b>443.7</b>

# Notes to Consolidated Financial Statements

## Continued

### (e) Liquidity risk

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

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

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

US\$ million	Notes	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Total carrying value
<b>At 31 December 2025</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	328.6	-	-	-	<b>328.6</b>	<b>328.6</b>
Restricted bank deposits	21	-	-	-	1.2	<b>1.2</b>	<b>1.2</b>
Trade receivables	19	658.4	-	-	-	<b>658.4</b>	<b>658.4</b>
Other receivables		10.3	-	-	-	<b>10.3</b>	<b>10.3</b>
Other financial assets		-	0.7	-	-	<b>0.7</b>	<b>0.7</b>
<b>Financial liabilities</b>							
Trade and other payables		(566.4)	-	-	-	<b>(566.4)</b>	<b>(566.4)</b>
Derivative financial liabilities	20	(159.1)	-	-	-	<b>(159.1)</b>	<b>(159.1)</b>
Borrowings (including interest)	24	(907.4)	(1,540.9)	(1,097.5)	(25.8)	<b>(3,571.6)</b>	<b>(3,275.1)</b>
Convertible bonds (including unwinding)	25	-	-	(500.0)	-	<b>(500.0)</b>	<b>(401.1)</b>
Lease liabilities (including unwinding)	26	(40.1)	(37.3)	(67.1)	(39.1)	<b>(183.6)</b>	<b>(142.4)</b>
		<b>(675.7)</b>	<b>(1,577.5)</b>	<b>(1,664.6)</b>	<b>(63.7)</b>	<b>(3,981.5)</b>	<b>(3,544.9)</b>
<b>At 31 December 2024</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	192.7	-	-	-	<b>192.7</b>	<b>192.7</b>
Trade receivables	19	443.7	-	-	-	<b>443.7</b>	<b>443.7</b>
Other receivables		33.9	-	-	-	<b>33.9</b>	<b>33.9</b>
Derivative financial assets	20	11.0	-	-	-	<b>11.0</b>	<b>11.0</b>
Other financial assets		-	1.0	-	-	<b>1.0</b>	<b>1.0</b>
<b>Financial liabilities</b>							
Trade and other payables		(459.4)	-	-	-	<b>(459.4)</b>	<b>(459.4)</b>
Derivative financial liabilities	20	(0.7)	-	-	-	<b>(0.7)</b>	<b>(0.7)</b>
Borrowings (including interest)	24	(1,132.9)	(1,312.8)	(2,630.7)	(271.6)	<b>(5,348.0)</b>	<b>(4,628.8)</b>
Lease liabilities (including unwinding)	26	(36.1)	(34.0)	(74.5)	(55.9)	<b>(200.5)</b>	<b>(148.2)</b>
		<b>(947.8)</b>	<b>(1,345.8)</b>	<b>(2,705.2)</b>	<b>(327.5)</b>	<b>(5,326.3)</b>	<b>(4,554.8)</b>

# Notes to Consolidated Financial Statements

## Continued

### Available debt facilities

As at 31 December 2025, the Group had available in its undrawn debt facilities an amount of US\$4,047.8 million (31 December 2024: US\$2,950.0 million). These include:

1. A US\$1,000.0 million RCF from Minmetals HK was undrawn and available. It will expire in December 2026;
2. A US\$861.3 million facility from Minmetals HK (formerly from Top Create) which was amended in June 2025 to be revolving facility. US\$524.0 million was undrawn and available as of 31 December 2025. It will expire in July 2028;
3. A US\$90.0 million that was undrawn and available under the US\$300.0 million Term Loan from Top Create. It will expire in December 2030;
4. A US\$300.0 million RCF from Industrial and Commercial Bank of China ("ICBC") was undrawn and available. It will expire in December 2026;
5. A US\$200.0 million RCF from China Construction Bank ("CCB") Asia was undrawn and available. It will expire in January 2027;
6. A US\$100.0 million RCF from CCB Asia was undrawn and available. It will expire in May 2027;
7. A US\$100.0 million RCF from Bank of China ("BOC") was undrawn and available. It will expire in April 2027;
8. A US\$100.0 million RCF from Development Bank of Singapore was undrawn and available. It is a perpetual facility;
9. A new US\$20.0 million Bank Overdraft Facility from Raw Bank was undrawn and available. This facility will expire in October 2026;
10. A new CNY600.0 million (US\$85.8 million) RCF from China Minsheng Bank was undrawn and available. It will expire in November 2028;
11. A new US\$150.0 million RCF from the bank of Natixis was undrawn and available. It is a perpetual facility;
12. A US\$100.0 million RCF from ICBC made up from two tranches of US\$50.0 million each was undrawn and available. This facility will expire in May and June 2026;
13. A US\$95.0 million term loan from Bank of Communication ("BOCOM") was undrawn and available. The loan will expire in August 2026;
14. US\$773.0 million that was undrawn and available under a US\$1,000.0 million syndicated RCF borrowed from BOC, ICBC, CCB and BOCOM which will expire in September 2029;
15. A US\$60.0 million RCF from Standard Chartered Bank was undrawn and available. This facility will expire in July 2026; and
16. A US\$350.0 million RCF from Album Enterprises Limited was undrawn and available. This facility will expire in August 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 2025. 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.

# Notes to Consolidated Financial Statements

## Continued

### 32.2 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.

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.

### 32.3 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 at the current interest rate that is available to the consolidated entity 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.

# Notes to Consolidated Financial Statements

## Continued

The carrying amounts and fair values of financial assets and liabilities by category and class at 31 December 2025 and 2024 are:

US\$ million	Notes	Amortised cost (assets)	Financial assets/ (liabilities) at FVTPL	Financial liabilities at fair value designated under cash flow hedge	Amortised cost (liabilities)	Total carrying value	Total fair value
<b>At 31 December 2025</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	328.6	-	-	-	<b>328.6</b>	<b>328.6</b>
Restricted bank deposits	21	1.2	-	-	-	<b>1.2</b>	<b>1.2</b>
Trade receivables	19	-	658.4	-	-	<b>658.4</b>	<b>658.4</b>
Other receivables		10.3	-	-	-	<b>10.3</b>	<b>10.3</b>
Other financial assets		-	0.7	-	-	<b>0.7</b>	<b>0.7</b>
<b>Financial liabilities</b>							
Trade and other payables		-	-	-	(566.4)	<b>(566.4)</b>	<b>(566.4)</b>
Derivative financial liabilities	20	-	(73.5)	(85.6)	-	<b>(159.1)</b>	<b>(159.1)</b>
Borrowings	24	-	-	-	(3,275.1)	<b>(3,275.1)</b>	<b>(3,289.1)</b>
Convertible bonds	25	-	-	-	(401.1)	<b>(401.1)</b>	<b>(401.1)</b>
Lease liabilities	26	-	-	-	(142.4)	<b>(142.4)</b>	<b>(142.4)</b>
		<b>340.1</b>	<b>585.6</b>	<b>(85.6)</b>	<b>(4,385.0)</b>	<b>(3,544.9)</b>	<b>(3,558.9)</b>

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
<b>At 31 December 2024</b>							
<b>Financial assets</b>							
Cash and cash equivalents	21	192.7	-	-	-	<b>192.7</b>	<b>192.7</b>
Trade receivables	19	-	443.7	-	-	<b>443.7</b>	<b>443.7</b>
Other receivables		33.9	-	-	-	<b>33.9</b>	<b>33.9</b>
Derivative financial assets	20	-	8.1	2.9	-	<b>11.0</b>	<b>11.0</b>
Other financial assets		-	1.0	-	-	<b>1.0</b>	<b>1.0</b>
<b>Financial liabilities</b>							
Trade and other payables		-	-	-	(459.4)	<b>(459.4)</b>	<b>(459.4)</b>
Derivative financial liabilities	20	-	(0.7)	-	-	<b>(0.7)</b>	<b>(0.7)</b>
Borrowings	24	-	-	-	(4,628.8)	<b>(4,628.8)</b>	<b>(4,674.8)</b>
Lease liabilities	26	-	-	-	(148.2)	<b>(148.2)</b>	<b>(148.2)</b>
		<b>226.6</b>	<b>452.1</b>	<b>2.9</b>	<b>(5,236.4)</b>	<b>(4,554.8)</b>	<b>(4,600.8)</b>

# Notes to Consolidated Financial Statements

## Continued

### 32.4 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 that the Group can access at the measurement date (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
- the lowest level inputs which are significant to the fair value measurement 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 2025 and 31 December 2024.

US\$ million	Level 1	Level 2	Total
<b>At 31 December 2025</b>			
Trade receivables (Note 19)	-	658.4	658.4
Derivative financial liabilities <sup>2</sup> (Note 20)	-	(159.1)	(159.1)
Other financial assets <sup>1</sup>	0.7	-	0.7
	<b>0.7</b>	<b>499.3</b>	<b>500.0</b>
<b>At 31 December 2024</b>			
Trade receivables (Note 19)	-	443.7	443.7
Derivative financial assets <sup>2</sup> (Note 20)	-	11.0	11.0
Derivative financial liabilities <sup>2</sup> (Note 20)	-	(0.7)	(0.7)
Other financial assets <sup>1</sup>	1.0	-	1.0
	<b>1.0</b>	<b>454.0</b>	<b>455.0</b>

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.

# Notes to Consolidated Financial Statements

## Continued

### 32.5 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, convertible bonds less cash and cash equivalents) divided by the aggregate of net debt and total equity.

<b>The Group</b>	<b>2025</b> <b>US\$ million</b>	<b>2024</b> <b>US\$ million</b>
Total borrowings (excluding prepaid finance charges) <sup>1</sup> (Note 24)	3,278.9	4,635.1
Convertible bonds (debt component) (Note 25)	401.1	-
Less: cash and cash equivalents (Note 21)	(328.6)	(192.7)
<b>Net debt</b>	<b>3,351.4</b>	<b>4,442.4</b>
Total equity	6,899.9	6,278.5
<b>Net debt+Total equity</b>	<b>10,251.3</b>	<b>10,720.9</b>
<b>Gearing ratio</b>	<b>0.33</b>	<b>0.41</b>

1 Borrowings at an MMG Group level reflect 100% of borrowings, including borrowings of the Las Bambas JV Co. and Khoemaçau JV Co. Joint venture companies. 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 debts payable to related parties. They have however been included as borrowings.

# Notes to Consolidated Financial Statements

## Continued

### 33. Directors' and Senior Management's Emoluments

#### (a) Directors' emoluments

The remuneration of every Director for the year ended 31 December 2025 is set out below:

Name of Directors	For The Year Ended 31 December 2025					
	Fees US\$'000	Salaries US\$'000	Other benefits <sup>1</sup> US\$'000	Short-term incentive plans <sup>2</sup> US\$'000	Long-term incentive plans <sup>3</sup> US\$'000	Total US\$'000
Mr ZHAO Jing <sup>4</sup>	-	1,023	101	936	792	2,852
Mr CAO Liang (Chairman) <sup>5</sup>	-	363	32	-	-	395
Mr XU Jiqing <sup>6</sup>	-	-	-	-	-	-
Mr LEUNG Cheuk Yan	137	-	-	-	-	137
Dr Peter William CASSIDY	145	-	1	-	-	146
Mr ZHANG Shuqiang	-	-	-	-	-	-
Mr Peter Ka Keung CHAN	154	-	1	-	-	155
Ms CHEN Ying	137	-	-	-	-	137
	<b>573</b>	<b>1,386</b>	<b>135</b>	<b>936</b>	<b>792</b>	<b>3,822</b>

The remuneration of every Director for the year ended 31 December 2024 is set out below:

Name of Directors	For The Year Ended 31 December 2024					
	Fees US\$'000	Salaries US\$'000	Other benefits <sup>1</sup> US\$'000	Short-term incentive plans <sup>2</sup> US\$'000	Long-term incentive plans <sup>3</sup> US\$'000	Total US\$'000
Mr CAO Liang <sup>5</sup>	-	645	14	552	306	1,517
Mr LI Liangang <sup>7</sup>	-	320	6	-	-	326
Mr XU Jiqing (Chairman) <sup>6</sup>	-	-	-	-	-	-
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	59	-	-	-	-	59
	<b>497</b>	<b>965</b>	<b>22</b>	<b>552</b>	<b>306</b>	<b>2,342</b>

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 STI was re-assessed at the reporting date.

3 Long-term incentive ("LTI") plans are performance-linked 3-year remuneration plans, and most recently consist of the 2023, 2024 and 2025 Performance Incentive Cash Award plans (Note 34).

4 Mr ZHAO Jing was appointed as the CEO and an Executive Director of the Company on 12 April 2025.

5 Mr CAO Liang was appointed as the CEO and an Executive Director of the Company on 24 April 2024; resigned as the CEO and an Executive Director of the Company on 11 April 2025; and appointed as the Chairman of the Board and Non-Executive Director of the Company on 3 December 2025.

6 Mr XU Jiqing resigned as the Chairman and Non-executive Director with effect from the conclusion of the board meeting held on 2 December 2025.

7 Mr LI Liangang resigned as the interim CEO and an Executive Director of the Company on 24 April 2024.

8 Mr QIAN Song was appointed as an Executive Director of the Company on 27 January 2026.

9 Mr Yue Wenjun was appointed as a Non-Executive Director of the Company on 27 January 2026.

# Notes to Consolidated Financial Statements

## Continued

### (b) Five highest-paid individuals

The five individuals whose emoluments were the highest in the Group for the year include one Directors (2024: one) whose emoluments are reflected in the analysis presented above and four (2024: 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:

	2025 US\$'000	2024 US\$'000
Salaries and other short-term employee benefits	3,140	3,185
Short-term incentives and discretionary bonus	2,435	1,966
Long-term incentives	2,829	1,478
Post-employment benefits	96	100
Termination benefits	-	1,690
	<b>8,500</b>	<b>8,419</b>

During the years ended 31 December 2025 and 2024, 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	
	2025	2024
HK\$1 - HK\$500,000 (US\$1 - US\$63,800)	1 <sup>1</sup>	-
HK\$500,001 - HK\$1,000,000 (US\$63,801 - US\$127,600)	1 <sup>1</sup>	-
HK\$5,500,001 - HK\$6,000,000 (US\$701,791 - US\$765,590)	1	-
HK\$6,000,001 - HK\$6,500,000 (US\$765,591 - US\$829,390)	-	1
HK\$6,500,001 - HK\$7,000,000 (US\$829,391 - US\$893,190)	-	1
HK\$7,500,001 - HK\$8,000,000 (US\$956,991 - US\$1,020,790)	-	1
HK\$9,500,001 - HK\$10,000,000 (US\$1,212,181 - US\$1,275,980)	1	1
HK\$11,500,001 - HK\$12,000,000 (US\$1,467,381 - US\$1,531,180)	-	1
HK\$12,500,001 - HK\$13,000,000 (US\$1,594,981 - US\$1,658,780)	-	1
HK\$14,000,001 - HK\$14,500,000 (US\$1,786,381 - US\$1,850,170)	1	-
HK\$14,500,001 - HK\$15,000,000 (US\$1,850,171 - US\$1,913,970)	1	-
HK\$22,000,001 - HK\$22,500,000 (US\$2,807,161 - US\$2,870,960)	1	-
	<b>7</b>	<b>6</b>

1 Included the amounts related to qualifying services provided by the employees during the period when they served as senior management of the Group.

# Notes to Consolidated Financial Statements

## Continued

### 34. Long-Term Incentive Plans

#### Performance Awards (Shares)

Pursuant to the performance awards granted under the Long-Term Incentive Equity Plan ("LTIEP"), performance awards were granted to eligible participants under 2022 Performance Awards. At 31 December 2025, there were no performance awards (2024: 23,188,433) outstanding.

#### 2022 Performance Awards

On 21 April 2022, the Company granted performance awards to the eligible participants pursuant to the Long-Term Incentive Equity Plan (2022 Performance Awards). There were no performance awards outstanding at 31 December 2025.

During the year ended 31 December 2025, the movements of the 2022 Performance Awards were as follows:

Category and name of participants	Date of grant <sup>1,2</sup>	Number of Performance Awards					Balance at 31 December 2025
		Balances at 1 January 2025	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	
<b>Director</b>							
ZHAO Jing <sup>4</sup>	21 April 2022	452,976	-	(240,984)	-	(211,992)	-
<b>Employees of the Group</b>	21 April 2022	22,735,457	-	(11,275,730)	-	(11,459,727)	-
<b>Total</b>		<b>23,188,433</b>	<b>-</b>	<b>(11,516,714)</b>	<b>-</b>	<b>(11,671,719)</b>	<b>-</b>

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

Category and name of participants	Date of grant <sup>1,2</sup>	Number of Performance Awards					Balance at 31 December 2024
		Balances at 1 January 2024	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	
<b>Director</b>							
LI Liangang <sup>5</sup>	21 April 2022	1,249,244	-	-	-	(1,249,244)	-
<b>Employees of the Group</b>	21 April 2022	24,885,611	1,416,095 <sup>6</sup>	-	-	(3,113,273)	23,188,433
<b>Total</b>		<b>26,134,855</b>	<b>1,416,095</b>	<b>-</b>	<b>-</b>	<b>(4,362,517)</b>	<b>23,188,433</b>

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 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 53.2% of the 2022 Performance Awards granted to participants vesting on 2 June 2025.

3 Performance awards lapsed due to cessation of employment and non-achievement of certain performance conditions during the vesting period.

4 Mr ZHAO Jing was appointed as the CEO and an Executive Director of the Company on 12 April 2025.

5 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.

6 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 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.

# Notes to Consolidated Financial Statements

## Continued

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 2025, the Group reversed a share award expense of approximately US\$1.3 million (2024: US\$2.6 million) in relation to the 2022 Performance Awards.

### Performance Incentive Cash Award (Cash)

#### 2023 Performance Incentive Cash Award

Pursuant to the Board approval, a share-based performance incentive cash award was granted on 19 June 2023 to eligible participants under the 2023 Performance Incentive Cash Award ("2023 PICA"). The award requires the Company to pay the intrinsic value of the 2023 PICA to the employees at the date of exercise.

During the year ended 31 December 2025, the movement and outstanding of 2023 PICA was as follows:

Category and name of participant	Date of grant <sup>1,2</sup>	Number of Performance Incentive Cash Award					Balance at 31 December 2025
		Balances at 1 January 2025	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	
<b>Director</b>							
ZHAO Jing <sup>4</sup>	19 June 2023	668,379	-	-	-	-	668,379
Employees of the Group	19 June 2023	38,343,966	-	-	-	(2,656,149)	35,687,817
<b>Total</b>		<b>39,012,345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,656,149)</b>	<b>36,356,196</b>

During the year ended 31 December 2024, the movement and outstanding of 2023 PICA was as follows:

Category and name of participant	Date of grant <sup>1,2</sup>	Number of Performance Incentive Cash Award					Balance at 31 December 2024
		Balances at 1 January 2024	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	
<b>Director</b>							
LI Liangang <sup>5</sup>	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
<b>Total</b>		<b>45,164,016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,151,671)</b>	<b>39,012,345</b>

1 The closing price of the shares of the Company immediately before the date on which the 2023 PICA were granted on 19 June 2023 was HK\$2.60 per share.

2 The vesting and performance period of the 2023 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 2023 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. 2023 PICA vests on a percentage basis based on the threshold and target performance levels achieved. 2023 PICA is granted for nil cash consideration.

3 2023 PICA lapsed due to cessation of employment.

4 Mr ZHAO Jing was appointed as the CEO and an Executive Director of the Company on 12 April 2025.

5 Mr Li Liangang resigned as the Interim CEO and Executive Director of the Company on 24 April 2024. His interests in the 2023 PICA lapsed on the same day.

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.

# Notes to Consolidated Financial Statements

## Continued

At 31 December 2025, the Group has recorded liabilities of approximately US\$9.7 million (2024: US\$4.7 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 2.66%; the expected volatility used in calculating the value of 2023 PICA was 54.1% and the expected dividend was assumed to be nil.

During the year ended 31 December 2025, the Group recognised a cash-award expense of approximately US\$5.0 million (2024: US\$1.8 million) in relation to the 2023 PICA.

### 2024 Performance Incentive Cash Award

Pursuant to the Board approval, a share-based performance incentive cash award was granted on 1 September 2024 to eligible participants under the 2024 Performance Incentive Cash Award ("2024 PICA"). The award requires the Company to pay the intrinsic value of the 2024 PICA to the employees at the date of exercise.

During the year ended 31 December 2025, the movement and outstanding of 2024 PICA was as follows:

		Number of Performance Incentive Cash Award					
Category and name of participant	Date of grant <sup>1,2</sup>	Balances at 1 January 2025	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	Balance at 31 December 2025
<b>Directors</b>							
ZHAO Jing <sup>4</sup>	1 September 2024	1,133,808	-	-	-	-	1,133,808
CAO Liang <sup>5</sup>	1 September 2024	4,997,229	-	-	-	(4,997,229)	-
QIAN Song <sup>6</sup>	1 September 2024	1,262,484	-	-	-	-	1,262,484
Employees of the Group	1 September 2024	35,855,454	-	-	-	(1,975,500)	33,879,954
<b>Total</b>		<b>43,248,975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,972,729)</b>	<b>36,276,246</b>

During the year ended 31 December 2024, the movement and outstanding of 2024 PICA was as follows:

		Number of Performance Incentive Cash Award					
Category and name of participant	Date of grant <sup>1,2</sup>	Balances at 1 January 2024	Granted during the year	Vested and exercised during the year	Cancelled during the year	Lapsed during the year <sup>3</sup>	Balance at 31 December 2024
<b>Director</b>							
CAO Liang <sup>5</sup>	1 September 2024	-	4,997,229	-	-	-	4,997,229
Employees of the Group	1 September 2024	-	38,251,746	-	-	-	38,251,746
<b>Total</b>		<b>-</b>	<b>43,248,975</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,248,975</b>

1 The closing price of the shares of the Company immediately before the date on which the 2024 PICA were granted on 1 September 2024 was HK\$2.24 per share.

2 The vesting and performance period of the 2024 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 2024 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. 2024 PICA vests on a percentage basis based on the threshold and target performance levels achieved. 2024 PICA is granted for nil cash consideration.

3 2024 PICA lapsed due to cessation of employment.

4 Mr ZHAO Jing was appointed as the CEO and an Executive Director of the Company on 12 April 2025.

5 Mr CAO Liang was appointed as the CEO and an Executive Director of the Company on 24 April 2024; resigned as CEO and an Executive Director of the Company on 11 April 2025; and appointed as the Chairman of the board and Non-Executive Director of the Company on 3 December 2025. His shares lapsed when he resigned as the Executive Director of the Company.

6 Mr QIAN Song was appointed as an Executive Director of the Company on 27 January 2026.

# Notes to Consolidated Financial Statements

## Continued

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 2025, the Group has recorded liabilities of approximately US\$8.9 million (2024: US\$2.6 million) related to 2024 PICA. The value of 2024 PICA was subject to a number of assumptions and limitations of the 2024 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 2.66%; the expected volatility used in calculating the value of 2024 PICA was 54.1% and the expected dividend was assumed to be nil.

During the year ended 31 December 2025, the Group recognised a cash-award expense of approximately US\$6.3 million (2024: US\$2.6 million) in relation to the 2024 PICA.

### 35. 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:

	2025 US\$ million	2024 US\$ million
<b>Property, plant and equipment</b>		
Within one year	489.7	261.3
Over one year but not more than five years	-	129.0
	<b>489.7</b>	<b>390.3</b>
<b>Intangible assets</b>		
Within one year	0.7	0.8
	<b>0.7</b>	<b>0.8</b>
<b>Aggregate</b>		
<b>Property, plant and equipment and intangible assets</b>		
Contracted but not provided for	<b>490.4</b>	<b>391.1</b>

# Notes to Consolidated Financial Statements

## Continued

### 36. 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 2025, these guarantees amounted to US\$328.2 million (2024: US\$330.7 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 DRC. 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.

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 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 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 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. However, SUNAT filed judicial lawsuits challenging the Tax Court's decisions which has been responded by MLB.

In February 2026, the Peru Judiciary (Second Level) issued its decision in relation to the appeal filed on the withholding tax case for the financial year ended 31 December 2017. The Judiciary Court directed the matter to be considered by the Peru Tax Court in a new trial. MLB is currently considering its legal appeal options.

# Notes to Consolidated Financial Statements

## Continued

The Group has the continued point of view that the Company and its controlled entities do not qualify as related parties to Chinese banks under Peruvian tax law.

### Peru – Income Taxes (2016, 2017, 2018 and 2019)

During Income Tax audits, SUNAT challenged the deductibility of interest expenses arising from loans granted by Chinese banks on the grounds that such lenders were considered to be related parties to MLB. In addition, SUNAT denied the deductibility of interest expenses derived from the shareholder loan granted by MMG Swiss Finance, arguing that such financing did not comply with the causality principle.

In 2024, the Tax Court's rulings on Income Tax for the financial years ended 31 December 2016 and 31 December 2017 confirmed MLB's entitlement to deduct expenses related to loans from Chinese banks and MMG Swiss Finance. In reaching its decisions, the Tax Court held that the income tax regulations are intended only to counter situations of tax avoidance, which were not present in this case, and that the related-party provisions cannot be applied to State-owned enterprises, namely the Chinese lender banks, solely by reason of the Company's governmental relationship with the State. Accordingly, SUNAT's negative equity argument was also disregarded, as the parties (MLB and the Chinese lender banks) were not found to be related. With respect to the causality principle, the Tax Court further concluded that the shareholder loan granted by MMG Swiss Finance was deductible, as the ultimate purpose of the loan related to the acquisition of the Las Bambas mine. As a result of these rulings, the assessed tax liabilities of US\$178 million (2016) and US\$954 million (2017) were set aside. SUNAT subsequently filed lawsuits before the Judiciary challenging these favourable resolutions, and MLB submitted its responses to the appeals filed by SUNAT. A final decision by the Judiciary is expected in the following years.

With respect to the financial year ended 31 December 2018, in March 2025, MLB received a Tax Court Resolution that upheld MLB's position on the deductibility of finance expenses and entitled Las Bambas to:

- Tax losses claimed of US\$429 million; and
- Interest deductions on loans from Chinese lender banks of US\$378 million and a loan from a shareholder (MMG Swiss Finance AG) in the amount of US\$242 million.

This decision was subsequently appealed by SUNAT to the Peru Judiciary (1st Instance) and the Court found in favour of MLB in November 2025. The case was appealed again by SUNAT to the Peru Judiciary (2nd Instance) and in January 2026, the Court instructed the judge in the Peru Judiciary 1st Instance to re-consider SUNAT's arguments in a new decision. A new decision from the Peru Judiciary (1st Instance) is expected later 2026.

The reinstated tax losses for 2014 to 2018 amount to US\$2,575 million. This decision has removed a tax exposure of US\$912 million on similar grounds to the previously reported Tax Court decision in relation to the 2017 income tax assessment. The cumulative effect of the decisions of the Tax Court and Peru Judiciary to date, as announced by MMG, have removed the uncertainty of income tax, interest and penalties payments of US\$2,044 million as alleged by SUNAT. SUNAT has filed several appeals to the Judiciary which MLB has responded with the corresponding defences. MLB is waiting for the judicial final pronouncements. Appeals in the Peruvian tax administration and judicial systems can take many years to resolve.

In December 2025, MLB received assessment notices from SUNAT in connection with the income tax audit for the financial year ended 31 December 2019. SUNAT assessment and interpretation include:

- Denying the deductibility of interests' expenditure on Chinese lender banks of US\$371 million and MMG Swiss Finance of US\$273 million. SUNAT's interpretation with the deductibility of interests are largely the same with previous years despite the positive outcome in the Tax Court.
- Denying tax loss carried from the financial year ended 31 December 2018 based on its position in previous audit.

---

## Notes to Consolidated Financial Statements

### Continued

The Assessment issued by SUNAT for tax, interest and penalties for the tax periods above totalled US\$162 million. In January 2026, MLB appealed before second instance of SUNAT and may appeal to the Tax Court in due course.

Considering MLB's positive results at the Tax Court and advice from the tax and legal advisors, the Group did not recognise a liability in its consolidated financial statements for any assessed amount. However, SUNAT have appealed before Judiciary as mentioned above. If MLB's defence is unsuccessful in Judiciary, it could result in significant liabilities being recognised.

#### **37. Events After the End of the Reporting Period**

Other than the matters disclosed in Note 36, 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.

# Notes to Consolidated Financial Statements

## Continued

### 38. Company Statement of Financial Position, Reserves and Accumulated Losses

#### (a) Company Statement of Financial Position

	Note	At 31 December	
		2025 US\$ million	2024 US\$ million
<b>Assets</b>			
<b>Non-current assets</b>			
Loans to subsidiaries		751.3	1,074.1
Interests in subsidiaries		3,612.8	2,618.9
		<b>4,364.1</b>	<b>3,693.0</b>
<b>Current assets</b>			
Other receivables		7.8	3.7
Cash and cash equivalents		0.1	0.4
		<b>7.9</b>	<b>4.1</b>
<b>Total assets</b>		<b>4,372.0</b>	<b>3,697.1</b>
<b>Equity</b>			
Share capital		4,384.2	4,379.8
Reserves and accumulated losses	(b)	(431.5)	(789.6)
<b>Total equity</b>		<b>3,952.7</b>	<b>3,590.2</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Convertible bonds		401.1	-
Provisions		0.1	-
Deferred income tax liabilities		16.3	-
		<b>417.5</b>	<b>-</b>
<b>Current liabilities</b>			
Provisions		0.1	-
Other payables		1.7	0.6
Borrowings from a subsidiary		-	106.3
		<b>1.8</b>	<b>106.9</b>
<b>Total liabilities</b>		<b>419.3</b>	<b>106.9</b>
<b>Net current assets/(liabilities)</b>		<b>6.1</b>	<b>(102.8)</b>
<b>Total equity and liabilities</b>		<b>4,372.0</b>	<b>3,697.1</b>



**ZHAO Jing Ivo**  
CEO and Executive Director



**CAO Liang**  
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	Convertible bonds reserve	Accumulated losses	Total
<b>At 1 January 2025</b>	<b>9.4</b>	<b>5.7</b>	-	<b>(804.7)</b>	<b>(789.6)</b>
Gain for the year	-	-	-	283.6	<b>283.6</b>
Issue of convertible bonds (equity component, net of tax)	-	-	80.2	-	<b>80.2</b>
Employee long-term incentives	-	(1.3)	-	-	<b>(1.3)</b>
Employee performance awards vested and exercised	-	(4.4)	-	-	<b>(4.4)</b>
<b>At 31 December 2025</b>	<b>9.4</b>	-	<b>80.2</b>	<b>(521.1)</b>	<b>(431.5)</b>
<b>At 1 January 2024</b>	<b>9.4</b>	<b>5.4</b>	-	<b>(728.5)</b>	<b>(713.7)</b>
Loss for the year	-	-	-	(76.2)	<b>(76.2)</b>
Employee long-term incentives	-	3.1	-	-	<b>3.1</b>
Employee performance awards vested and exercised	-	(2.8)	-	-	<b>(2.8)</b>
<b>At 31 December 2024</b>	<b>9.4</b>	<b>5.7</b>	-	<b>(804.7)</b>	<b>(789.6)</b>

## Five-Year Financial Summary

US\$ million	2025	2024	2023	2022	2021
<b>Results – the Group</b>					
Revenue	6,218.0	4,479.2	4,346.5	3,254.2	4,255.0
<b>EBITDA</b>	<b>3,412.1</b>	<b>2,048.7</b>	<b>1,461.9</b>	<b>1,535.4</b>	<b>2,725.4</b>
<b>EBIT</b>	<b>1,999.1</b>	<b>990.0</b>	<b>531.7</b>	<b>745.3</b>	<b>1,827.4</b>
Finance income	17.4	22.2	24.3	15.0	5.4
Finance costs	(289.5)	(390.8)	(366.4)	(299.8)	(329.0)
<b>Profit before income tax</b>	<b>1,727.0</b>	<b>621.4</b>	<b>189.6</b>	<b>460.5</b>	<b>1,503.8</b>
Income tax expense	(771.8)	(255.4)	(67.5)	(217.0)	(583.3)
<b>Profit for the year</b>	<b>955.2</b>	<b>366.0</b>	<b>122.1</b>	<b>243.5</b>	<b>920.5</b>
Attributable to:					
Equity holders of the Company	509.4	161.9	9.0	172.4	667.1
Non-controlling interests	445.8	204.1	113.1	71.1	253.4
	<b>955.2</b>	<b>366.0</b>	<b>122.1</b>	<b>243.5</b>	<b>920.5</b>

A summary of the Group results that relate to current operations involving the exploration, and development of mining projects, is presented below.

US\$ million	2025	2024	2023	2022	2021
<b>Results – current operations</b>					
EBIT	1,999.1	990.0	531.7	745.3	1,827.4
Significant non-recurring items	290.0	53.0	-	-	-
<b>Underlying EBIT<sup>1</sup></b>	<b>2,289.1</b>	<b>1,043.0</b>	<b>531.7</b>	<b>745.3</b>	<b>1,827.4</b>

<sup>1</sup> Underlying EBIT represents EBIT adjusted for significant non-recurring items (before tax). During the year ended 31 December 2025, the underlying loss attributable to equity holders of the Company excludes non-recurring item relating to the impairment before-tax of US\$290.0 million (2024: US\$53.0 million).

## Five-Year Financial Summary

### Continued

US\$ million	2025	2024	2023	2022	2021
<b>Assets and liabilities – the Group</b>					
Property, plant and equipment	11,364.1	11,722.6	9,417.1	9,509.4	9,763.1
Right-of-use assets	109.7	119.9	118.1	111.2	104.6
Intangible assets	1,043.5	1,044.2	534.0	534.2	537.3
Inventories	1,001.4	708.5	504.5	994.8	682.9
Trade and other receivables	1,034.1	889.0	644.8	510.0	399.4
Cash and cash equivalents	328.6	192.7	447.0	372.2	1,255.3
Restricted bank deposits	1.2	-	-	-	-
Other financial assets	0.7	1.0	2.7	1.5	1.8
Derivative financial assets	-	11.0	3.1	126.0	32.7
Current income tax assets	18.0	17.4	79.5	60.5	62.3
Deferred income tax assets	399.2	279.6	150.0	315.7	184.7
<b>Total assets</b>	<b>15,300.5</b>	<b>14,985.9</b>	<b>11,900.8</b>	<b>12,535.5</b>	<b>13,024.1</b>
Capital and reserves attributable to equity holders of the Company	3,959.9	3,419.0	2,123.4	2,139.0	1,930.5
Non-controlling interests	2,940.0	2,859.5	2,188.6	2,089.5	1,997.5
<b>Total equity</b>	<b>6,899.9</b>	<b>6,278.5</b>	<b>4,312.0</b>	<b>4,228.5</b>	<b>3,928.0</b>
Borrowings	3,275.1	4,628.8	4,707.1	5,412.6	6,298.1
Convertible bonds	401.1	-	-	-	-
Lease liabilities	142.4	148.2	147.6	138.7	131.1
Trade and other payables	1,178.5	988.9	902.9	753.0	615.8
Derivative financial liabilities	159.1	0.7	-	0.3	4.9
Current income tax liabilities	392.3	225.7	104.2	114.2	277.6
Provisions	866.8	791.7	774.3	680.2	749.8
Deferred income tax liabilities	1,640.0	1,576.3	952.7	1,208.0	1,018.8
Deferred revenue	345.3	347.1	-	-	-
<b>Total liabilities</b>	<b>8,400.6</b>	<b>8,707.4</b>	<b>7,588.8</b>	<b>8,307.0</b>	<b>9,096.1</b>
<b>Total equity and liabilities</b>	<b>15,300.5</b>	<b>14,985.9</b>	<b>11,900.8</b>	<b>12,535.5</b>	<b>13,024.1</b>

## Glossary

<b>A\$</b>	Australian dollar, the lawful currency of Australia
<b>AGM</b>	Annual general meeting of the Company
<b>Album Enterprises</b>	Album Enterprises Limited, a wholly-owned subsidiary of CMN
<b>associate(s)</b>	has the meaning ascribed to it under the Listing Rules
<b>Articles of Association</b>	The articles of association of the Company
<b>Australia</b>	The Commonwealth of Australia
<b>Award Shares</b>	the Shares to be awarded pursuant to vesting of the Performance Awards under the Company's long term incentive equity plan
<b>bank of Natixis</b>	Natixis, Hong Kong Branch
<b>Board</b>	the board of directors of the Company
<b>Board Charter</b>	the board charter of the Company
<b>BOC</b>	Bank of China Limited
<b>BOC Sydney</b>	Bank of China Limited, Sydney Branch
<b>BOCOM</b>	Bank of Communications Limited
<b>Convertible Bonds</b>	The US\$500 million zero coupon convertible bonds due 2030, issued by the Company on 9 October 2025 with an initial conversion price at HK\$8.4 per share. The Convertible Bonds were listed on the Hong Kong Stock Exchange on 9 October 2025. For the principal terms and further details of the Convertible Bonds, please refer to the announcements of the Company dated 30 September 2025, 8 October 2025 and 9 October 2025
<b>CCB</b>	China Construction Bank (Asia) Corporation Limited
<b>CDB</b>	China Development Bank
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CG Code</b>	Corporate Governance Code under Appendix C1 of the Listing Rules
<b>China</b>	has the same meaning as PRC
<b>CMC</b>	China Minmetals Corporation, a state-owned enterprise incorporated under the laws of the PRC
<b>CMC Group</b>	CMC and its subsidiaries
<b>CMCL</b>	China Minmetals Corporation Limited, a subsidiary of CMC
<b>CMN</b>	China Minmetals Non-ferrous Metals Co., Ltd, a subsidiary of CMC
<b>CNIC</b>	CNIC Corporation Limited, a company incorporated in Hong Kong
<b>Comor Holdings</b>	Comor Holdings Corporation Limited, a wholly-owned subsidiary of CNIC Corporation Limited
<b>Companies Ordinance</b>	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
<b>Company</b>	MMG Limited, a company incorporated in Hong Kong, the securities of which are listed and traded on the Main Board of the Stock Exchange
<b>CRROs</b>	climate-related risks and opportunities that have been identified for assessment and planning
<b>Director(s)</b>	the director(s) of the Company
<b>DRC</b>	Democratic Republic of Congo

## Glossary

### Continued

<b>EBIT</b>	earnings before interest (net finance costs) and income tax
<b>EBITDA</b>	earnings before interest (net finance costs), income tax, depreciation, amortisation and impairment expense
<b>EBITDA margin</b>	EBITDA divided by revenue
<b>ECL</b>	expected credit loss
<b>Executive Committee</b>	the executive committee of the Group, which consists of all Executive Directors of the Company, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Executive General Manager – Corporate Relations, President of Africa Operations, President of Las Bambas and Interim Executive General Manager – Commercial and Development
<b>EXIM Bank</b>	The Export-Import Bank of China
<b>FVTPL</b>	fair value through profit or loss
<b>Group</b>	the Company and its subsidiaries
<b>HK\$</b>	Hong Kong dollar, the lawful currency of Hong Kong
<b>HKFRS</b>	Hong Kong Financial Reporting Standards, which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standard (HKAS) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA)
<b>Hong Kong</b>	the Hong Kong Special Administrative Region of the People's Republic of China
<b>Hong Kong Stock Exchange</b>	(please refer to the definition of 'Stock Exchange')
<b>ICBC Luxembourg</b>	Industrial and Commercial Bank of China Limited, Luxembourg Branch
<b>ICBC Panama</b>	Industrial and Commercial Bank of China Limited, Panama Branch
<b>ICMM</b>	International Council on Mining and Metals
<b>JORC Code</b>	Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'
<b>Khoemacau Copper or KCM</b>	Khoemacau Copper Mining Proprietary Limited, a company incorporated in Botswana, a wholly-owned subsidiary of the Company, which operates the Khoemacau mine
<b>KEP</b>	Kinsevere Expansion Project
<b>Khoemacau Joint Venture Group</b>	MMG Africa Resources Company Limited and its subsidiaries
<b>Las Bambas Joint Venture Group</b>	MMG South America Management Company Limited (also referred to as MMG SAM), and its subsidiaries
<b>Listing Rules</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>LME</b>	London Metal Exchange
<b>Mineral Resources</b>	as defined under the JORC Code, a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction
<b>Minmetals HK</b>	China Minmetals H.K. (Holdings) Limited, a wholly-owned subsidiary of CMC
<b>Minmetals North-Europe</b>	Minmetals North-Europe Aktiebolag, a company incorporated in Sweden, and an indirect wholly-owned subsidiary of CMC
<b>MLB</b>	Minera Las Bambas S.A., a non wholly-owned subsidiary of MMG and the owner of the Las Bambas mine

## Glossary

### Continued

<b>MMG or MMG Limited</b>	has the same meaning as the Company
<b>MMG Australia</b>	MMG Australia Limited, a wholly-owned subsidiary of the Company
<b>MMG Finance</b>	MMG Finance Limited, a wholly-owned subsidiary of the Company
<b>MMG SA</b>	MMG South America Company Limited, a wholly-owned subsidiary of the Company
<b>MMG SAM</b>	MMG South America Management Company Limited, a non wholly-owned subsidiary of the Company
<b>Model Code</b>	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
<b>Mtpa</b>	million tonnes per annum
<b>Ore Reserves</b>	as defined under the JORC Code, the economically mineable part of a Measured and/or Indicated Mineral Resource
<b>Performance Awards</b>	the performance awards granted to be satisfied by Award Shares upon vesting
<b>PRC</b>	the People's Republic of China excluding, for the purpose of this document only, Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan, unless the context requires otherwise
<b>Raw Bank</b>	Rawbank S.A.
<b>RCF</b>	revolving credit facility
<b>SFO</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>Share(s)</b>	fully paid ordinary share(s) of the Company
<b>Shareholder(s)</b>	the shareholder(s) of the Company
<b>SOFR</b>	secured overnight financing rate
<b>Stock Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>SUNAT</b>	National Superintendence of Tax Administration of Peru
<b>Top Create</b>	Top Create Resources Limited, a wholly-owned subsidiary of CMN
<b>TRIF</b>	total recordable injury frequency per million hours worked
<b>US\$</b>	United States dollar, the lawful currency of the United States of America
<b>VAT</b>	value added tax

# Corporate Information

## Board of Directors

### Chairman

CAO Liang  
(Non-executive Director)

### Executive Directors

ZHAO Jing Ivo  
(Chief Executive Officer)  
QIAN Song  
(Chief Financial Officer)

### Non-executive Directors

ZHANG Shuqiang  
YUE Wenjun

### Independent Non-executive Directors

Peter CASSIDY  
LEUNG Cheuk Yan  
(Lead Independent Non-executive Director)  
CHAN Ka Keung, Peter  
CHEN Ying

## Audit and Risk Management Committee

### Chairman

CHAN Ka Keung, Peter

### Members

ZHANG Shuqiang  
CAO Liang  
Peter CASSIDY  
LEUNG Cheuk Yan  
CHEN Ying

## Governance, Remuneration, Nomination and Sustainability Committee

### Chairman

Peter CASSIDY

### Members

CAO Liang  
YUE Wenjun  
LEUNG Cheuk Yan  
CHAN Ka Keung, Peter  
CHEN Ying

## Disclosure Committee

### Members

ZHAO Jing Ivo  
QIAN Song  
Troy HEY  
Nicholas MYERS  
WONG Lok Wun, Anfield

### General Counsel

Nicholas MYERS

### Company Secretary

WONG Lok Wun, Anfield

### Legal Adviser

Linklaters, Hong Kong

### Auditor

Deloitte Touche Tohmatsu  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

### Share Registrar

Computershare Hong Kong Investor Services Limited  
17th Floor Hopewell Centre  
183 Queen's Road East Wanchai  
Hong Kong

### Principal Bankers

China Development Bank  
Industrial and Commercial Bank of China Limited  
Bank of China Limited  
The Export-Import Bank of China  
Bank of America Merrill Lynch Limited  
Australia and New Zealand Banking Group Limited  
Banco Bilbao Vizcaya Argentaria, S.A.

### Investor and Media Enquiries

Sherry SHEN  
Head of Investor Relations  
**T** +86 10 6849 5460  
**E** investorrelations@mmg.com  
Andrea ATELL  
General Manager  
Corporate Affairs & Sustainability  
**T** +61 439 689 991  
**E** corporateaffairs@mmg.com

## Registered Office

Unit 1208, 12/F  
China Minmetals Tower  
79 Chatham Road South  
Tsimshatsui  
Kowloon  
Hong Kong

## Corporate Offices and Principal Place of Business

### Hong Kong

Unit 1208, 12/F  
China Minmetals Tower  
79 Chatham Road South  
Tsimshatsui  
Kowloon  
Hong Kong  
**T** +852 2216 9688  
**F** +852 2840 0580

### Australia

Level 24  
28 Freshwater Place  
Southbank  
Victoria 3006  
Australia  
**T** +61 3 9288 0888  
**F** +61 3 9288 0800  
**E** info@mmg.com

### Website

www.mmg.com

### Share Listing

The Stock Exchange  
of Hong Kong Limited  
Stock Code: 1208

## Additional Shareholder Information

The Chinese version of the Annual Report is prepared based on the English version. If there is any inconsistency between the English and Chinese versions of this Annual Report, the English text shall prevail to the extent of the inconsistency.

