

Minsur S.A. and Subsidiaries

Interim consolidated statements of financial position

As of June 30, 2019 (unaudited) and December 31, 2018 (Audited)

| | Note | As of June 30, 2019 US\$(000) | As of December 31, 2018 US\$(000) |
|--|-------|--|--|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 3 | 186,215 | 251,917 |
| Other financial assets | 3,6,7 | 397,896 | 433,407 |
| Trade and other receivables, net | 4 | 125,174 | 109,021 |
| Related parties | 21 | 722 | 1,633 |
| Inventory, net | 5 | 118,062 | 116,176 |
| Income tax prepayments | | 3,493 | 20,729 |
| Other non-financial assets | | 7,383 | 7,213 |
| Non-financial assets available-for-sale | | 52 | 2,710 |
| | | <u>838,997</u> | <u>942,806</u> |
| Non-current assets | | | |
| Other financial assets | 6 | 5,556 | 4,900 |
| Trade and other receivables, net | 4 | 115,883 | 96,830 |
| Investments in associates | 7 | 286,094 | 292,446 |
| Property, plant and equipment, net | 8 | 1,159,257 | 800,500 |
| Intangible assets, net | 9 | 510,600 | 480,442 |
| Deferred income tax asset, net | | 144,771 | 127,155 |
| Other assets | | 55,894 | 62,716 |
| | | <u>2,278,055</u> | <u>1,864,989</u> |
| Total asset | | <u>3,117,052</u> | <u>2,807,795</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 11 | 246,163 | 224,505 |
| Related parties | 21 | 13,621 | 11,683 |
| Financial obligations | 12 | 53,868 | 48,351 |
| Provision for employees benefits | 11 | 27,053 | 23,631 |
| Provisions | 13 | 26,518 | 26,476 |
| | | <u>367,223</u> | <u>334,646</u> |
| Non-current liabilities | | | |
| Trade and other payables | 11 | 34,540 | 36,504 |
| Financial obligations | 12 | 898,977 | 648,615 |
| Provisions | 13 | 147,671 | 144,262 |
| Deferred income tax liability, net | | 105,148 | 105,445 |
| | | <u>1,186,336</u> | <u>934,826</u> |
| Total liabilities | | <u>1,553,559</u> | <u>1,269,472</u> |
| Equity | | | |
| Capital stock | 15 | 601,269 | 601,269 |
| Investment shares | 15 | 300,634 | 300,634 |
| Other reserves | 15 | 206,346 | 206,346 |
| Other equity items | 15 | (218,621) | (217,209) |
| Retained earnings | 15 | 406,843 | 412,821 |
| Equity attributable to equity holders of the parent | | <u>1,296,471</u> | <u>1,303,861</u> |
| Non-controlling interests | | 267,022 | 234,462 |
| Total equity | | <u>1,563,493</u> | <u>1,538,323</u> |
| Total liabilities and equity | | <u>3,117,052</u> | <u>2,807,795</u> |

Minsur S.A. and Subsidiaries

Interim consolidated income statements

As of June 30, 2019 and 2018 (unaudited)

| | Note | For the second quarter from April 1 to June 30 | | For the six months period ended June 30 | |
|--|------|---|-----------------|--|-----------------|
| | | 2019 | 2018 | 2019 | 2018 |
| | | US\$(000) | US\$(000) | US\$(000) | US\$(000) |
| Net sales | 17 | 189,808 | 181,281 | 365,817 | 349,891 |
| Cost of sales | 18 | (120,960) | (100,834) | (222,520) | (202,396) |
| Gross margin | | 68,848 | 80,447 | 143,297 | 147,495 |
| Operating expenses | | | | | |
| Administrative expenses | | (12,640) | (17,009) | (25,064) | (28,520) |
| Selling expenses | | (2,571) | (2,691) | (3,879) | (3,755) |
| Other operating income | | 11,418 | 6,678 | 20,731 | 10,632 |
| Other operating expenses | | (23,371) | (18,976) | (41,697) | (32,595) |
| Total operating expenses | | (27,164) | (31,998) | (49,909) | (54,238) |
| Operating income | | 41,684 | 48,449 | 93,388 | 93,257 |
| Other income (expenses) | | | | | |
| Finance income | 19 | 4,142 | 2,374 | 15,857 | 4,878 |
| Finance costs | 19 | (10,175) | (12,815) | (24,960) | (22,902) |
| Exchange difference, net | | (7,291) | (19,203) | 4,319 | (20,288) |
| Gain (loss) from investments in associates, net | | 245 | 3,356 | 780 | 9,428 |
| Gain (loss) from financial assets at fair value through profit or loss | | - | 192 | - | 101 |
| Total other income (expenses) | | (13,079) | (26,096) | (4,004) | (28,783) |
| Profit before income tax | | 28,605 | 22,353 | 89,384 | 64,474 |
| Income tax expense | | (15,040) | (36,317) | (29,664) | (51,530) |
| Profit or loss for the period | | 13,565 | (13,964) | 59,720 | 12,944 |
| Attributable to : | | | | | |
| Owners of the parent | | 14,022 | (12,566) | 60,022 | 14,343 |
| Non-controlling interests | | (457) | (1,398) | (302) | (1,399) |
| Profit or loss for the period | | 13,565 | (13,964) | 59,720 | 12,944 |
| Earnings per share stated in U.S. dollar (basic and diluted) attributable to: | | | | | |
| Common shares | 21 | 0.487 | (0.436) | 2.082 | 0.498 |
| Investment shares | 21 | 0.005 | (0.004) | 0.021 | 0.005 |

Minsur S.A. and Subsidiaries

Interim consolidated statements of comprehensive income

As of June 30, 2019 and 2018 (unaudited)

| | For the second quarter from April 1 to June 30 | | For the six months period ended June 30 | |
|---|---|-------------------|--|-------------------|
| | 2019 US\$(000) | 2018 US\$(000) | 2019 US\$(000) | 2018 US\$(000) |
| Profit (loss) for the period | 13,565 | (13,964) | 59,720 | 12,944 |
| Other comprehensive income | | | | |
| Net Change in Cash Flow Hedges | 17,928 | (9,364) | (2,289) | (8,482) |
| Gains (Losses) on Investments in Equity Instruments at fair value | 1,130 | (115) | 4,320 | (2,128) |
| Exchange difference on traslation of foreing operations | (22,392) | (27,812) | (6,362) | (4,410) |
| Net comprehensive income | (3,334) | (37,291) | (4,331) | (15,020) |
| Total comprehensive income | 10,231 | (51,255) | 55,389 | (2,076) |
| Attributable to: | | | | |
| Equity holders of the parents | 12,244 | (49,856) | 58,613 | (677) |
| Non-controlling interests | (2,013) | (1,399) | (3,224) | (1,399) |
| | 10,231 | (51,255) | 55,389 | (2,076) |

Minsur S.A. And Subsidiaries

Interim consolidated statements of changes in equity

As of June 30, 2019 and 2018 (unaudited)

| | <u>Capital Stock</u> | <u>Investment Shares</u> | <u>Others Reserves</u> | <u>Other equity items</u> | <u>Cumulative translation reserve</u> | <u>Unrealized Gain (loss)</u> | <u>Retained earnings</u> | <u>Total attributable to equity holders of the parent</u> | <u>Non - controlling interests</u> | <u>Total equity</u> |
|---|----------------------|--------------------------|------------------------|---------------------------|---------------------------------------|-------------------------------|--------------------------|---|------------------------------------|---------------------|
| | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) | US\$(000) |
| Balance as of January 1, 2018 | 601,269 | 300,634 | 174,357 | 5,563 | 166,977 | 4,626 | 300,344 | 1,210,564 | 170 | 1,210,734 |
| Profit of the period | - | - | - | - | - | - | 14,343 | 14,343 | - | 14,343 |
| Other comprehensive income | - | - | - | (8,330) | 4,410 | 2,280 | - | (15,020) | (1,399) | (16,419) |
| Total other comprehensive income | - | - | - | (8,330) | (4,410) | (2,280) | 14,343 | (677) | (1,399) | (2,076) |
| Other adjustments | - | - | 39,832 | - | - | - | 103 | 39,935 | 181,286 | 221,221 |
| Balance as of June 30, 2018 | 601,269 | 300,634 | 214,189 | (2,767) | (171,387) | (6,906) | 314,790 | 1,249,822 | 180,057 | 1,429,879 |
| Balance as of January 1, 2019 | 601,269 | 300,634 | 206,346 | (2,764) | (198,322) | (16,123) | 412,821 | 1,303,861 | 234,462 | 1,538,323 |
| Profit or loss of the period | - | - | - | - | - | - | 60,022 | 60,022 | (302) | 59,720 |
| Other comprehensive income | - | - | - | 630 | 6,362 | 4,320 | - | (1,412) | (2,919) | (4,331) |
| Total other comprehensive income | - | - | - | 630 | (6,362) | 4,320 | 60,022 | 58,610 | (3,221) | 55,389 |
| Increase by other Contributions from Owners | - | - | - | - | - | - | - | - | 35,480 | 35,480 |
| Other adjustments | - | - | - | - | - | - | - | - | 301 | 301 |
| Dividends declared | - | - | - | - | - | - | (66,000) | (66,000) | - | (66,000) |
| Balance as of June 30, 2019 | 601,269 | 300,634 | 206,346 | (2,134) | (204,684) | (11,803) | 406,843 | 1,296,471 | 267,022 | 1,563,493 |

Minsur S.A. and Subsidiaries

Interim consolidated statements of cash flows

As of June 30, 2019 and 2018 (unaudited)

| | Note | As of June 30, | As of June 30, |
|--|------|------------------|-----------------|
| | | 2019 | 2018 |
| | | US\$(000) | US\$(000) |
| Operating activities | | | |
| Collection from customers | | 375,511 | 362,114 |
| Interest received | | 14,613 | 1,957 |
| Payments to suppliers | | (212,852) | (200,768) |
| Payroll and social benefit payments | | (67,663) | (78,526) |
| Tax payments and other taxes | | (26,797) | (47,734) |
| Interest paid | | (13,638) | (17,864) |
| Other (payments) receipts related to the activity, net | | (32,015) | (18,912) |
| Net cash flows (used in) provided by operating activities | | 37,159 | 267 |
| Investing activities | | | |
| Sale of Financial Instruments of Patrimony or Debt of Other Entities | | 581,117 | 476,684 |
| Proceeds from sale of property, plant and equipment | | 60 | 250 |
| Purchase of Financial Instruments of Patrimony or Debt of Other Entities | | (538,093) | (450,826) |
| Purchase of property, plant and equipment | | (345,813) | (75,434) |
| Purchase of intangibles | | (27,253) | (12,029) |
| Net cash flows used in investing activities | | (329,982) | (61,355) |
| Financing activities | | | |
| Proceeds from borrowings | | 275,584 | 49,733 |
| Repayment of borrowings and leases | | (19,602) | (34,181) |
| Dividends paid | | (66,000) | - |
| Capital ontributions from minority interest | | 35,480 | - |
| Others | | (1,739) | - |
| Net cash flows provided by financing activities | | 223,723 | 15,552 |
| Net (decrease) increase in cash and cash equivalents | | (69,100) | (45,536) |
| Net exchange difference | | 3,398 | (535) |
| Cash and cash equivalents as of January 1 | | 251,917 | 240,481 |
| Cash and cash equivalents as of June 30 | | 186,215 | 194,410 |