

Minsur S.A. and Subsidiaries

Interim consolidated statements of financial position

As of June 30, 2020 (unaudited) and December 31, 2019 (audited)

	Nota	Al 30 de junio de 2020 US\$(000)	Al 31 de Diciembre de 2019 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	3	301,126	133,185
Other financial assets	4	82,170	324,247
Trade and other receivables, net	5	107,757	165,551
Related parties	5, 22	2,957	3,334
Inventory, net	6	92,050	117,638
Income tax prepayments	15	20,558	3,420
Other assets	10	6,407	5,775
		<u>613,025</u>	<u>753,150</u>
Non-current assets			
Other financial assets	4	3,406	5,621
Trade and other receivables, net	5	77,991	80,611
Investments in associates	7	238,745	263,181
Inventory, net	6	29,015	13,384
Property, plant and equipment, net	8	1,644,170	1,568,219
Transfer to non-controller	9	613,584	573,420
Deferred income tax asset, net		129,556	147,140
Other assets	10	39,867	54,694
		<u>2,776,334</u>	<u>2,706,270</u>
Total asset		<u>3,389,359</u>	<u>3,459,420</u>
Liabilities			
Current liabilities			
Trade and other payables	11	129,523	252,488
Related parties	11, 22	6,668	11,265
Financial obligations	13, 26	125,513	56,242
Lease Liabilities	11	11,789	16,583
Provision for employees benefits	12	16,150	31,051
Provisions	14	23,411	35,137
Income tax	15	-	4,564
		<u>313,054</u>	<u>407,330</u>
Non-current liabilities			
Trade and other payables	11	30,959	33,261
Financial obligations	13, 26	1,214,177	1,058,002
Lease Liabilities	11	19,104	23,080
Provisions	14	164,359	197,692
Deferred income tax liability, net		96,589	102,367
		<u>1,525,188</u>	<u>1,414,402</u>
Total liabilities		<u>1,838,242</u>	<u>1,821,732</u>
Equity			
Capital stock	16	601,269	601,269
Investment shares		300,634	300,634
Other reserves		203,256	206,346
Other equity items		(319,800)	(235,572)
Retained earnings		369,800	411,272
Equity attributable to equity holders of the parent		<u>1,155,159</u>	<u>1,283,949</u>
Non-controlling interests		395,958	353,739
Total equity		<u>1,551,117</u>	<u>1,637,688</u>
Total liabilities and equity		<u>3,389,359</u>	<u>3,459,420</u>

Minsur S.A. and Subsidiaries

Interim consolidated income statements

As of June 30, 2020 (unaudited) and June 30, 2019 (unaudited)

	Note	For the six months period ended June 30	
		2020 US\$(000)	2019 US\$(000)
Net sales	18	266,146	365,817
Cost of sales	19	(184,170)	(222,520)
Gross margin		<u>81,976</u>	<u>143,297</u>
Operating expenses			
Administrative expenses		(20,631)	(25,064)
Selling expenses		(3,138)	(3,879)
Other operating income		19,666	20,731
Other operating expenses		(23,177)	(41,697)
Total operating expenses		<u>(27,280)</u>	<u>(49,909)</u>
Operating income		<u>54,696</u>	<u>93,388</u>
Other income (expenses)			
Finance income	20	7,247	15,857
Finance costs	20	(31,471)	(24,960)
Exchange difference, net		(44,043)	4,319
Gain (loss) from investments in associates, net		1,191	780
Total other income (expenses)		<u>(67,076)</u>	<u>(4,004)</u>
Profit before income tax		(12,380)	89,384
Income tax expense		(37,310)	(29,664)
Profit or loss for the period		<u>(49,690)</u>	<u>59,720</u>
Attributable to :			
Owners of the parent		(41,472)	60,022
Non-controlling interests		(8,218)	(302)
Profit or loss for the period		<u>(49,690)</u>	<u>59,720</u>
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:			
Common shares	21	(1.439)	2.082
Investment shares	21	(0.014)	0.021

Minsur S.A. and Subsidiaries

Interim consolidated statements of comprehensive income

As of June 30, 2020 (unaudited) and June 30, 2019 (unaudited)

	For the six months period ended June 30	
	2020	2019
	US\$(000)	US\$(000)
Profit for the period	(49,690)	59,720
Other comprehensive income		
Profits (Losses) of Investments in Equity Instruments at Fair Value, net of Taxes	(2,522)	4,318
Net Change in Cash Flow Hedges	(52,028)	(2,287)
Exchange difference on traslation of foreing operations	(31,917)	(6,362)
Participation in other comprehensive income of associates and joint ventures accounted for using the equity method	60	-
Net comprehensive income	(86,407)	(4,331)
Total comprehensive income	(136,097)	55,389
Attributable to:		
Equity holders of the parents	(125,700)	58,610
Non-controlling interests	(10,397)	(3,221)
	(136,097)	55,389
Transfer to non-controller		

Minsur S.A. and Subsidiaries

Interim consolidated statements of cash flows

As of June 30, 2020 (unaudited) and June 30, 2019 (unaudited)

	As of June 30, 2020	As of June 30, 2019
	US\$(000)	US\$(000)
Operating activities		
Collection from customers	272,842	375,511
Interest received	6,929	14,613
Payments to suppliers	(234,201)	(212,852)
Payroll and social benefit payments	(81,627)	(67,663)
Tax payments and other taxes	(9,762)	(26,797)
Interest paid	(15,443)	(13,638)
Other (payments) receipts related to the activity, net	22,209	(32,015)
Net cash flows (used in) provided by operating activities	(39,053)	37,159
Investing activities		
Sale of Financial Instruments of Patrimony or Debt of Other Entities	440,224	580,208
Sale of Participations in associate	8,355	-
Proceeds from sale of property, plant and equipment	35	60
Opening of financial assets with changes in other comprehensive income	-	(538,093)
Dividends received	132	909
Purchase of Financial Instruments of Patrimony or Debt of Other Entities	(206,613)	-
Purchase of property, plant and equipment	(210,579)	(345,813)
Purchase of intangibles	(58,860)	(27,253)
Net cash flows used in investing activities	(27,306)	(329,982)
Financing activities		
Non-controlling interest contributions	49,240	35,480
Liabilities for Financial Leasing	(8,965)	(8,767)
Proceeds from borrowings	186,303	275,584
Repayment of borrowings and leases	(22,804)	(10,835)
Dividends paid	-	(66,000)
Others	(720)	(1,739)
Net cash flows provided by financing activities	203,054	223,723
Net (decrease) increase in cash and cash equivalents	136,695	(69,100)
Net exchange difference	31,246	3,398
Cash and cash equivalents as of January 1	133,185	251,917
Cash and cash equivalents as of June, 30	301,126	186,215

Minsur S.A. And Subsidiaries

Interim consolidated statements of changes in equity

As of June 30, 2020 (unaudited) and June 30, 2019 (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, 2019	601,269	300,634	206,346	- 2,764	- 198,322	- 16,123	412,821	1,303,861	234,462	1,538,323
Profit of the period	-	-	-	-	-	-	60,022	60,022	(302)	59,720
Other comprehensive income	-	-	-	630	(6,362)	4,318	-	(1,414)	(2,616)	(4,030)
Total other comprehensive income	-	-	-	630	(6,362)	4,318	60,022	58,608	(2,918)	55,690
Dividends declared	-	-	-	-	-	-	(66,000)	(66,000)	-	(66,000)
Capital Contributions	-	-	-	-	-	-	-	-	35,480	35,480
Balance as of June 30, 2019	601,269	300,634	206,346	(2,134)	(204,684)	(11,805)	406,843	1,296,469	267,024	1,563,493
Balance as of January 1, 2020	601,269	300,634	206,346	(359)	(221,007)	(14,206)	411,272	1,283,949	353,739	1,637,688
Profit or loss of the period	-	-	-	-	-	-	(41,472)	(41,472)	(8,218)	(49,690)
Other comprehensive income	-	-	-	(49,849)	(31,917)	(2,462)	-	(84,228)	(2,179)	(86,407)
Total other comprehensive income	-	-	-	(49,849)	(31,917)	(2,462)	(41,472)	(125,700)	(10,397)	(136,097)
Capital Contributions	-	-	-	-	-	-	-	-	49,240	49,240
Transfer to non-controller	-	-	(3,090)	-	-	-	-	(3,090)	3,090	-
Other adjustments	-	-	-	-	-	-	-	-	286	286
Balance as of June 30, 2020	601,269	300,634	203,256	(50,208)	(252,924)	(16,668)	369,800	1,155,159	395,958	1,551,117