

Minsur S.A. and Subsidiaries

Interim consolidated statements of financial position

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

	Note	As of September 30, 2019 US\$(000)	As of December 31, 2018 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	3	79,319	251,917
Other financial assets	3,6,7	428,550	433,407
Trade and other receivables, net	4	129,129	109,021
Related parties	21	877	1,633
Inventory, net	5	123,263	116,176
Income tax prepayments		3,221	20,729
Other non-financial assets		7,338	7,213
Non-financial assets available-for-sale		54	2,710
		<u>771,751</u>	<u>942,806</u>
Non-current assets			
Other financial assets	6	5,010	4,900
Trade and other receivables, net	4	140,090	96,830
Investments in associates	7	281,232	292,446
Property, plant and equipment, net	8	1,372,309	800,500
Intangible assets, net	9	531,848	480,442
Deferred income tax asset, net		135,952	127,155
Other assets		47,625	62,716
		<u>2,514,066</u>	<u>1,864,989</u>
Total asset		<u>3,285,817</u>	<u>2,807,795</u>
Liabilities			
Current liabilities			
Trade and other payables	11	274,609	238,027
Related parties	21	12,964	11,683
Financial obligations	12	47,296	34,829
Provision for employees benefits	11	28,342	23,631
Provisions	13	29,444	26,476
Income tax		4,495	-
		<u>397,150</u>	<u>334,646</u>
Non-current liabilities			
Trade and other payables	11	50,409	55,484
Financial obligations	12	1,003,127	629,635
Provisions	13	145,580	144,262
Deferred income tax liability, net		101,301	105,445
		<u>1,300,417</u>	<u>934,826</u>
Total liabilities		<u>1,697,567</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	(227,834)	(217,209)
Retained earnings	15	399,338	412,821
Equity attributable to equity holders of the parent		<u>1,279,753</u>	<u>1,303,861</u>
Non-controlling interests		308,497	234,462
Total equity		<u>1,588,250</u>	<u>1,538,323</u>
Total liabilities and equity		<u>3,285,817</u>	<u>2,807,795</u>

Minsur S.A. and Subsidiaries

Interim consolidated income statements

As of September 30, 2019 and 2018 (unaudited)

	Note	For the third quarter from July 1 to September 30		For the nine months period ended September 30	
		2019	2018	2019	2018
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	17	164,891	164,666	530,708	514,557
Cost of sales	18	(110,082)	(97,380)	(332,602)	(299,776)
Gross margin		54,809	67,286	198,106	214,781
Operating expenses					
Administrative expenses		(13,336)	(12,476)	(38,400)	(40,996)
Selling expenses		(2,048)	(1,813)	(5,927)	(5,568)
Other operating income		8,608	11,025	29,339	21,657
Other operating expenses		(19,370)	(17,948)	(61,067)	(50,543)
Total operating expenses		(26,146)	(21,212)	(76,055)	(75,450)
Operating income		28,663	46,074	122,051	139,331
Other income (expenses)					
Finance income	19	2,697	46,607	18,554	51,485
Finance costs	19	(10,301)	(13,968)	(35,261)	(36,870)
Exchange difference, net		(13,484)	(3,403)	(9,165)	(23,691)
Gain (loss) from investments in associates, net		(247)	671	533	10,099
Gain (loss) from financial assets at fair value through profit or loss		858	1,057	858	1,158
Total other income (expenses)		(20,477)	30,964	(24,481)	2,181
Profit before income tax		8,186	77,038	97,570	141,512
Income tax expense		(18,806)	4,164	(48,470)	(47,366)
Profit or loss for the period		(10,620)	81,202	49,100	94,146
Attributable to :					
Owners of the parent		(7,505)	83,308	52,517	97,651
Non-controlling interests		(3,115)	(2,106)	(3,417)	(3,505)
Profit or loss for the period		(10,620)	81,202	49,100	94,146
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	20	(0.260)	2.889	1.822	3.387
Investment shares	20	(0.003)	0.029	0.018	0.034

Minsur S.A. and Subsidiaries

Interim consolidated statements of comprehensive income

As of September 30, 2019 and 2018 (unaudited)

	For the third quarter from July 1 to September 30		For the nine months period ended September 30	
	2019 US\$(000)	2018 US\$(000)	2019 US\$(000)	2018 US\$(000)
Profit (loss) for the period	(10,620)	81,202	49,100	94,146
Other comprehensive income				
Net Change in Cash Flow Hedges	206	4,268	(2,083)	(4,062)
Gains (Losses) on Investments in Equity Instruments at fair value	(1,319)	(3,820)	3,001	(5,948)
Exchange difference on traslation of foreing operations	(8,575)	(18,860)	(14,937)	(23,270)
Participation in other comprehensive income of associates and joint ventures accounted for using the equity method	(150)	(919)	(150)	(1,071)
Net comprehensive income	(9,838)	(19,331)	(14,169)	(34,351)
Total comprehensive income	(20,458)	61,871	34,931	59,795
Attributable to:				
Equity holders of the parents	(16,718)	63,977	41,892	63,300
Non-controlling interests	(3,740)	(2,106)	(6,961)	(3,505)
Total Comprehensive income for the period	(20,458)	61,871	34,931	59,795

Minsur S.A. And Subsidiaries

Interim consolidated statements of changes in equity

As of September 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	-	-	-	-	-	-	97,651	97,651	(3,505)	94,146
Other comprehensive income	-	-	-	(4,062)	(23,270)	(7,019)	-	(34,351)	-	(34,351)
Total other comprehensive income	-	-	-	(4,062)	(23,270)	(7,019)	97,651	63,300	(3,505)	59,795
Capital Contributions	-	-	-	-	-	-	-	-	29,000	29,000
Other adjustments	-	-	39,660	-	-	-	(821)	38,839	181,346	220,185
Balance as of September 30, 2018	601,269	300,634	214,017	1,501	(190,247)	(11,645)	397,174	1,312,703	207,011	1,519,714
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	-	-	-	-	-	-	52,517	52,517	(3,417)	49,100
Other comprehensive income	-	-	-	1,462	(14,937)	2,850	-	(10,625)	(3,544)	(14,169)
Total other comprehensive income	-	-	-	1,462	(14,937)	2,850	52,517	41,892	(6,961)	34,931
Increase by other Contributions from Owners	-	-	-	-	-	-	-	-	80,560	80,560
Other adjustments	-	-	-	-	-	-	-	-	436	436
Dividends declared	-	-	-	-	-	-	(66,000)	(66,000)	-	(66,000)
Balance as of September 30, 2019	601,269	300,634	206,346	(1,302)	(213,259)	(13,273)	399,338	1,279,753	308,497	1,588,250

Minsur S.A. and Subsidiaries

Interim consolidated statements of cash flows

As of September 30, 2019 and 2018 (unaudited)

	Note	As of September 30, 2019 US\$(000)	As of September 30, 2018 US\$(000)
Operating activities			
Collection from customers		549,652	530,344
Interest received		15,557	6,162
Payments to suppliers		(297,119)	(246,149)
Payroll and social benefit payments		(101,681)	(108,739)
Tax payments and other taxes		(33,692)	(56,670)
Interest paid		(26,965)	(33,804)
Other (payments) receipts related to the activity, net		(71,363)	(34,796)
Net cash flows (used in) provided by operating activities		34,389	56,348
Investing activities			
Sale of Financial Instruments of Patrimony or Debt of Other Entities		580,208	477,809
Proceeds from sale of property, plant and equipment		91	563
Dividends received		926	-
Purchase of Financial Instruments of Patrimony or Debt of Other Entities		(563,760)	(487,505)
Purchase of property, plant and equipment		(568,401)	(153,588)
Purchase of intangibles		(50,296)	(15,018)
Others		-	307
Net cash flows used in investing activities		(601,232)	(177,432)
Financing activities			
Liabilities for Financial Leasing		(12,744)	(40,390)
Proceeds from borrowings		419,651	43,320
Acquisition of Other Equity		-	29,000
Repayment of borrowings and leases		(25,472)	(49,532)
Dividends paid		(66,000)	-
Capital ontributions from minority interest		80,560	-
Others		(2,402)	-
Net cash flows provided by financing activities		393,593	(17,602)
Net (decrease) increase in cash and cash equivalents		(173,250)	(138,686)
Net exchange difference		652	272
Cash and cash equivalents as of January 1		251,917	240,481
Cash and cash equivalents as of September 30	3	79,319	102,067