Contents

Condensed Consolidated Interim Statement of Profit or Loss

	Notes	Six months ended 30 June 2024 (Unaudited) US$ million	Six months ended 30 June 2023 (Unaudited) US$ million
Revenue	3	1,918.2	1,896.2
Other income		2.4	2.6
Expenses (excluding depreciation and amortisation)	4	(1,141.6)	(1,263.0)
Earnings before interest, income tax, depreciation and amortisation expenses – EBITDA		**779.0**	**635.8**
Depreciation and amortisation expenses	4	(467.9)	(445.9)
Earnings before interest and income tax - EBIT		**311.1**	**189.9**
Finance income	5	13.6	4.3
Finance costs	5	(181.6)	(184.6)
Profit before income tax		**143.1**	**9.6**
Income tax expense	6	(63.6)	(34.5)
Profit/(loss) for the period		**79.5**	**(24.9)**
Profit/(loss) for the period attributable to:			
Equity holders of the Company		21.1	(58.8)
Non-controlling interests	11	58.4	33.9
		79.5	**(24.9)**
Earnings/(loss) per share attributable to the equity holders of the Company			
Basic earnings/(loss) per share	7	US 0.23 cents	US (0.64) cents
Diluted earnings/(loss) per share	7	US 0.23 cents	US (0.64) cents

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Comprehensive Income

	Note	Six months ended 30 June 2024 (Unaudited) US$ million	Six months ended 30 June 2023 (Unaudited) US$ million
Profit/(loss) for the period		**79.5**	**(24.9)**
Other comprehensive (loss)/income			
Items that may be reclassified to profit or loss			
Movement on hedging instruments designated as cash flow hedges		(44.9)	(4.6)
Income tax credit relating to cash flow hedges		15.1	1.4
Item that will not be reclassified to profit or loss			
Remeasurement on the net defined benefit liability		2.4	(0.9)
Other comprehensive loss for the period, net of income tax		**(27.4)**	**(4.1)**
Total comprehensive income/(loss) for the period		**52.1**	**(29.0)**
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		5.4	(61.7)
Non-controlling interests	11	46.7	32.7
		52.1	**(29.0)**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

	Notes	As at 30 June 2024 (Unaudited) US$ million	As at 31 December 2023 (Audited) US$ million
ASSETS			
Non-current assets			
Property, plant and equipment	9	11,805.8	9,417.1
Right-of-use assets		108.9	118.1
Intangible assets	10	1,045.0	534.0
Inventories		198.0	115.0
Deferred income tax assets		271.6	150.0
Other receivables		149.8	168.8
Other financial assets		1.3	2.7
Total non-current assets		**13,580.4**	**10,505.7**
Current assets			
Inventories		374.6	389.5
Trade and other receivables	13	691.9	476.0
Current income tax assets		5.6	79.5
Derivative financial assets	12	16.8	3.1
Cash and cash equivalents		621.0	447.0
Total current assets		**1,709.9**	**1,395.1**
Total assets		**15,290.3**	**11,900.8**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	14	3,227.8	3,224.6
Reserves and retained profits	15	(1,095.8)	(1,101.2)
		2,132.0	**2,123.4**
Non-controlling interests		2,718.2	2,188.6
Total equity		**4,850.2**	**4,312.0**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position
Continued

	Notes	As at 30 June 2024 (Unaudited) US$ million	As at 31 December 2023 (Audited) US$ million
LIABILITIES			
Non-current liabilities			
Borrowings	16	5,319.0	3,375.8
Lease liabilities		115.5	125.6
Provisions		640.2	647.0
Trade and other payables	17	298.0	286.5
Deferred income tax liabilities		1,571.0	952.7
Deferred revenue	18	326.9	-
Total non-current liabilities		**8,270.6**	**5,387.6**
Current liabilities			
Borrowings	16	1,277.4	1,331.3
Lease liabilities		22.8	22.0
Provisions		94.9	127.3
Derivative financial liabilities	12	34.2	-
Trade and other payables	17	678.1	616.4
Current income tax liabilities		36.4	104.2
Deferred revenue	18	25.7	-
Total current liabilities		**2,169.5**	**2,201.2**
Total liabilities		**10,440.1**	**7,588.8**
Net current liabilities		**(459.6)**	**(806.1)**
Total equity and liabilities		**15,290.3**	**11,900.8**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

US$ million	For six months ended 30 June 2024 (Unaudited) — Attributable to Equity Holders of the Company: Share Capital	Total Reserves	Retained Profits	Total	Non-Controlling Interests	Total Equity
	(Note 14)	(Note 15)	(Note 15)		(Note 11)	
At 1 January 2024	**3,224.6**	**(1,855.1)**	**753.9**	**2,123.4**	**2,188.6**	**4,312.0**
Profit for the period	-	-	21.1	**21.1**	58.4	**79.5**
Other comprehensive loss for the period	-	(15.7)	-	**(15.7)**	(11.7)	**(27.4)**
Total comprehensive (loss)/income for the period	**-**	**(15.7)**	**21.1**	**5.4**	**46.7**	**52.1**
Provision of surplus reserve	-	4.7	(4.7)	**-**	-	**-**
Internal transfer	**-**	**4.7**	**(4.7)**	**-**	**-**	**-**
Non-controlling interest arising on share subscription	-	-	-	**-**	482.9	**482.9**
Employee long-term incentives	-	3.2	-	**3.2**	-	**3.2**
Employee performance awards exercised and vested	3.2	(3.2)	-	**-**	-	**-**
Total transactions with owners	**3.2**	**-**	**-**	**3.2**	**482.9**	**486.1**
At 30 June 2024	**3,227.8**	**(1,866.1)**	**770.3**	**2,132.0**	**2,718.2**	**4,850.2**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

US$ million	For six months ended 30 June 2023 (Unaudited) — Attributable to Equity Holders of the Company: Share Capital	Total Reserves	Retained Profits	Total	Non-Controlling Interests	Total Equity
	(Note 14)	(Note 15)	(Note 15)		(Note 11)	
At 1 January 2023	**3,220.5**	**(1,826.7)**	**745.2**	**2,139.0**	**2,089.5**	**4,228.5**
(Loss)/profit for the period	-	-	(58.8)	**(58.8)**	33.9	**(24.9)**
Other comprehensive loss for the period	-	(2.9)	-	**(2.9)**	(1.2)	**(4.1)**
Total comprehensive (loss)/ income for the period	**-**	**(2.9)**	**(58.8)**	**(61.7)**	**32.7**	**(29.0)**
Transactions with owners						
Employee long-term incentives	-	(1.1)	-	**(1.1)**	-	**(1.1)**
Employee share options and performance awards exercised and vested	4.1	(2.9)	-	**1.2**	-	**1.2**
Employee share options lapsed	-	(0.1)	0.1	**-**	-	**-**
Total transactions with owners	**4.1**	**(4.1)**	**0.1**	**0.1**	**-**	**0.1**
At 30 June 2023	**3,224.6**	**(1,833.7)**	**686.5**	**2,077.4**	**2,122.2**	**4,199.6**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

	Note	Six months ended 30 June 2024 (Unaudited) US$ million	Six months ended 30 June 2023 (Unaudited) US$ million
Cash flows from operating activities			
Receipts from customers		2,040.8	1,719.3
Payments to suppliers and employees		(1,430.2)	(1,217.6)
Payments for exploration expenditure		(27.2)	(22.5)
Income tax paid		(54.8)	(35.6)
Net settlement of commodity hedges		(13.3)	(18.0)
Net cash generated from operating activities		**515.3**	**425.6**
Cash flows from investing activities			
Purchase of property, plant and equipment		(420.8)	(302.1)
Purchase of intangible assets		(1.4)	-
Acquisition of subsidiaries, net of cash acquired	19	(2,042.8)	-
Proceeds from disposal of property, plant and equipment		0.1	-
Net cash used in investing activities		**(2,464.9)**	**(302.1)**
Cash flows from financing activities			
Proceeds from non-controlling interest subscription for a subsidiary's share		482.9	-
Advance received from Rights Issue		0.1	-
Proceeds from external borrowings		2,132.1	800.0
Repayments of external borrowings		(563.4)	(434.9)
Proceeds from related party borrowings		991.1	-
Repayments of related party borrowings		(670.0)	(200.0)
Net settlement of interest rate swap		-	36.3
Proceeds from shares issued upon exercise of employee share options		-	1.2
Repayment of lease liabilities		(18.0)	(19.2)
Interest and financing costs paid on external borrowings		(129.2)	(139.6)
Interest and financing costs paid on related party borrowings		(109.4)	(12.5)
Withholding taxes paid in respect of financing arrangements		(6.5)	(5.9)
Interest received		13.9	2.6
Net cash generated from financing activities		**2,123.6**	**28.0**
Net increase in cash and cash equivalents		**174.0**	**151.5**
Cash and cash equivalents at 1 January		447.0	372.2
Cash and cash equivalents at 30 June		**621.0**	**523.7**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

1. General Information and Independent Review

MMG Limited (the "Company") is a limited liability company and was incorporated in Hong Kong on 29 July 1988. The address of its registered office is Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong. The principal place of business of the Company is disclosed in the Corporate Information section to the Group's 2024 Interim 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 and lead deposits around the world.

The condensed consolidated interim financial statements for six months ended 30 June 2024 are presented in United States Dollars ("US$" or "USD") unless otherwise stated and were approved for issue by the Board of Directors of the Company (the "Board") on 13 August 2024.

The financial information relating to the year ended 31 December 2023 that is included in these condensed consolidated interim financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.
- The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

The condensed consolidated interim financial statements for six months ended 30 June 2024 are unaudited and have been reviewed by the audit committee and the external auditor of the Company.

2. Basis of Preparation

These condensed consolidated interim financial statements for six months ended 30 June 2024 have been prepared in accordance with applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the HKEx and Hong Kong Accounting Standard ("HKAS") 34 Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023, which were prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA.

2.1 Going concern

The condensed consolidated interim financial statements have been prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. Management of the Group continues to closely monitor the liquidity position of the Group, which includes the sensitised analysis of forecast cash balances for key financial risks (including commodity and foreign exchange risks) over the short and medium term to ensure adequate liquidity is maintained.

Notes to Condensed Consolidated Interim Financial Statements
Continued

As at 30 June 2024, the Group had net current liabilities of US$459.6 million (31 December 2023: US$806.1 million) and cash and cash equivalents of US$621.0 million (31 December 2023: US$447.0 million). For six months ended 30 June 2024, the Group generated a net profit of US$79.5 million (2023: net loss of US$24.9 million) and operational net cash inflows of US$515.3 million (2023: US$425.6 million).

The Group has various debt facilities to assist with liquidity requirements. As at the date that the financial statements are authorised to issue, these include undrawn facilities of US$1,510.0 million (2023: US$3,350.0 million) for the Group (excluding Las Bambas Joint Venture Group), US$1,275.0 million for Las Bambas (2023: US$975.0 million). The Group also completed a rights issue on 15 July 2024 raising US$1,152.2 million net of approximately US$10.7 million for transaction costs.

In the event that forecast cash flow is not achieved or if existing or new debt facilities are insufficient or not obtained in a timely manner, the Group has the ongoing support of its major shareholder, China Minmetals Non-ferrous Metals Company Limited ("CMN") and its subsidiaries. Support to the Group may be in the form of providing additional debt facilities, deferral of debt service and repayment obligations in relation to existing shareholder loans from CMN, early payments for shipments of commodity or through further equity contributions.

Based on above, and a review of the forecast financial position and results of the Group for the twelve months from approval of these condensed consolidated interim financial statements, the directors are of the view that the Group will be able to meet its debts as and when they fall due and accordingly the condensed consolidated interim financial statements have been prepared on the going concern basis.

2.2 Significant events and transactions

On 22 March 2024, the Group completed the acquisition of the Cuprous Capital Ltd ("CCL") and its subsidiaries (together the "CCL Group" or "Khoemacau", including the Khoemacau Mine) at a consideration of US$1,734.7 million. Khoemacau Mine is a large, long life copper and silver mine located in north-west of Botswana, in the emerging Kalahari Copperbelt. Refer to Note 19 for more details.

On 6 June 2024, the Group and CNIC Corporation Limited ('CNIC') concluded a Subscription and Shareholders' Agreement ("SSA") under which Comor Holdings Corporation Limited ('Comor Holdings', a wholly owned subsidiary of CNIC) subscribed shares in MMG Africa Resources Company Limited (a wholly owned subsidiary of MMG Limited.) at the subscription price of $482.9 million. The subscription price was satisfied as at 30 June 2024. After the subscription, Comor Holdings directly holds 45% equity interest which was considered a material non-controlling interest. Refer to Note 11 for more details.

2.3 Accounting policies

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial assets and financial liabilities at fair value through profit or loss and through other comprehensive income ('OCI'), which are measured at fair value.

Except as set out below for the adoption of amendments of existing standards and application of certain accounting policies which become relevant to the Group in the current interim period, the accounting policies applied are consistent with those of the consolidated financial statements for the year ended 31 December 2023.

2.3.1 Amendments to existing standards effective and adopted in 2024

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's condensed consolidated interim financial statements:

Notes to Condensed Consolidated Interim Financial Statements
Continued

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of above amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and on the disclosures set out in these condensed consolidated financial statements.

In addition, the Group applied the following agenda decision of the IFRS Interpretations Committee (the "Committee") which is relevant to the Group:

Climate-related Commitments (IAS 37 Provisions, Contingent Liabilities and Contingent Assets)

In April 2024, the Committee published the agenda decision which analysed how IAS 37 Provisions, Contingent Liabilities and Contingent Assets applies to climate-related commitments to a fact pattern where an entity publicly states a net-zero transition commitment. The Committee concluded that, (i) whether an entity's statement of its commitment to reduce and offset its greenhouse gas emissions creates a constructive obligation will depend on the facts of the commitment and the circumstances surrounding it. If the statement creates a constructive obligation, it is not sufficient to give an entity a present constructive obligation because the event to which that statement applied has not yet occurred; (ii) as the entity emits greenhouse gases that it has committed to offset it will have a present obligation to retire the carbon credits required to offset those greenhouse gases, and a provision is recognised for the amount of obligation that it has not yet settled when a reliable estimate can be made; and iii) if a provision is made, the corresponding amount is recognised as an expense, rather than as an asset, unless it gives rise to, or forms part of the cost of, an item that qualifies for recognition as an asset in accordance with an IFRS Accounting Standard.

The Committee's agenda decision in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and on the disclosures set out in these condensed consolidated financial statements. The Group had made a public statement for its commitment to gradually reduce its annual greenhouse gas emissions and offset its greenhouse gas emissions. It will gradually modify its mining and processing methods to achieve the reduction of the greenhouse gas. As a result of the application of the agenda decision, no provision should be recognised in prior periods and current interim period end as the Group has yet to emit greenhouse gases which the Group has committed to offset.

2.3.2 Accounting policy related to the acquisition of CCL

(a) Consolidation

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. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, which is the date on which control is obtained.

The excess of purchase consideration over the fair value of the identifiable net assets acquired are recorded as goodwill.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete.

Notes to Condensed Consolidated Interim Financial Statements
Continued

Those provisional amounts are adjusted retrospectively and additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(b) Deferred revenue

In July 2019, Khoemacau Copper Mining Proprietary Limited, a subsidiary of CCL ("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 upon acquisition of CCL 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 period as a proportion of the total expected silver ounces to be delivered over the life of mine, and giving regard to the estimated value of such silver ounces to be delivered over the life of mine. Periodically, where a change to the life of mine plan results in a significant adjustment to silver ounces expected to be delivered over the life of mine, management will re-assess the deferred revenue which should have been recognised in the profit and loss cumulatively up to the date of such change, and an adjustment to the finance cost is recognised in the period when such change in life of mine is determined.

2.4 Critical estimates and judgements

The preparation of condensed consolidated interim financial statements requires management of the Group to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Significant judgement regarding impairment of non-financial assets have been disclosed in Note 9. Estimation of fair value of Khoemacau at the acquisition date has been disclosed in Note 19.

Other than the above, the significant judgements made by management of the Group in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

Notes to Condensed Consolidated Interim Financial Statements
Continued

MMG Group management has reviewed critical estimates and judgements applied in respect of balances and transactions related to CCL Group and noted that these are consistent with the estimates and judgements applied by the Group to the Group's consolidated financial statements prior to acquisition.

Significant judgement and estimate related to CCL Group's silver streaming arrangement has been noted below:

Deferred revenue

Management has assessed the terms and conditions of the Streaming Agreement together with the requirement of relevant applicable accounting standards and has determined that the upfront payment received under the Agreement is to be recognised as a deferred revenue liability in the consolidated statement of financial position. The fair value of deferred revenue liability at acquisition date of CCL Group was subject to management judgement relating to expected silver ounces to be delivered, expected silver pricing and the discount rate to apply. Subsequently, the amount of deferred revenue to be recognised as revenue in the profit and loss each period, remains subject to management judgement and estimate around expected silver ounces to be delivered during the life of mine. This may increase or decrease due to modifications to such life of mine plan and result in variance to the revenue recognised.

3. 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 the chief operating decision-maker ("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 Democratic Republic of the Congo ("DRC").
Khoemacau	The Khoemacau mine, acquired during 2024, is a large, long life, and underground Copper and silver mining operation located in north-west of Botswana, in the emerging Kalahari Copperbelt.
Dugald River	The Dugald River mine is an underground zinc mining operation located near Cloncurry in North West Queensland.
Rosebery	Rosebery is an underground polymetallic base metal mining operation located on Tasmania's west coast.
Other	Includes corporate entities in the Group.

A segment result represents the EBIT by each segment. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance. Other information provided, except as disclosed in the following paragraph, to the CODM is measured in a manner consistent with that in these condensed consolidated interim financial statements.

Segment assets exclude current income tax assets, deferred income tax assets and net inter-segment receivables. Segment liabilities exclude current income tax liabilities, deferred income tax liabilities and net inter-segment loans. The excluded assets and liabilities are presented as part of the reconciliation to total consolidated assets or liabilities.

Notes to Condensed Consolidated Interim Financial Statements
Continued

The segment revenue and result for six months ended 30 June 2024 are as follows:

US$ million	Las Bambas	Kinsevere	Khoemacau	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Revenue by metals							
- *Copper*[1]	1,092.2	187.0[3]	83.3	-	5.6	4.9	**1,373.0**
- *Zinc*[2]	-	-	-	169.7	54.5	-	**224.2**
- *Lead*	-	-	-	27.6	22.4	-	**50.0**
- *Gold*	54.9	-	-	-	34.1	-	**89.0**
- *Silver*	40.4	-	6.9[6]	28.8	36.1	-	**112.2**
- *Molybdenum*	68.5	-	-	-	-	-	**68.5**
- *Cobalt*	-	1.3	-	-	-	-	**1.3**
Revenue from contracts with customers	**1,256.0**	**188.3**	**90.2**	**226.1**	**152.7**	**4.9**	**1,918.2**
EBITDA	**590.3**	**41.4**	**33.5**	**80.2**	**68.3**	**(34.7)**[7]	**779.0**
Depreciation and amortisation expenses	(353.9)	(35.2)	(10.4)	(26.4)	(38.1)	(3.9)	**(467.9)**
EBIT	**236.4**	**6.2**	**23.1**	**53.8**	**30.2**	**(38.6)**	**311.1**
Finance income							13.6
Finance costs							(181.6)
Income tax expense							(63.6)
Profit for the period							**79.5**

The segment assets and liabilities as at 30 June 2024 are as follows:

US$ million	Las Bambas	Kinsevere	Khoemacau	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Segment assets	9,535.7	1,020.3	3,069.0	686.3	276.0	425.8[4]	15,013.1
Current/deferred income tax assets							277.2
Consolidated assets							**15,290.3**
Segment liabilities	2,874.6	340.0	1,468.7	359.6	197.4	3,592.4[5]	8,832.7
Current/deferred income tax liabilities							1,607.4
Consolidated liabilities							**10,440.1**
Segment non-current assets	**8,531.7**	**872.2**	**2,955.5**	**618.1**	**239.2**	**363.7**	**13,580.4**

Notes to Condensed Consolidated Interim Financial Statements
Continued

The segment revenue and result for six months ended 30 June 2023 were as follows:

US$ million	Las Bambas	Kinsevere	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Revenue by metals						
- Copper[1]	1,248.0	178.4[3]	-	4.1	1.5	**1,432.0**
- Zinc[2]	-	-	106.7	38.3	-	**145.0**
- Lead	-	-	13.7	11.5	-	**25.2**
- Gold	79.3	-	-	25.0	-	**104.3**
- Silver	50.9	-	12.3	24.3	-	**87.5**
- Molybdenum	102.2	-	-	-	-	**102.2**
Revenue from contracts with customers	**1,480.4**	**178.4**	**132.7**	**103.2**	**1.5**	**1,896.2**
EBITDA	**643.0**	**(13.8)**	**(26.4)**	**35.6**	**(2.6)**	**635.8**
Depreciation and amortisation expenses	(390.8)	(8.3)	(23.6)	(26.7)	3.5	**(445.9)**
EBIT	**252.2**	**(22.1)**	**(50.0)**	**8.9**	**0.9**	**189.9**
Finance income						4.3
Finance costs						(184.6)
Income tax expense						(34.5)
Loss for the period						**(24.9)**

The segment assets and liabilities as at 31 December 2023 are as follows:

US$ million	Las Bambas	Kinsevere	Dugald River	Rosebery	Other unallocated items/ eliminations	Group
Segment assets	9,449.3	852.8	687.0	295.8	386.4[4]	11,671.3
Current/deferred income tax assets						229.5
Consolidated assets						**11,900.8**
Segment liabilities	3,093.2	317.4	367.6	197.8	2,555.9[5]	6,531.9
Current/deferred income tax liabilities						1,056.9
Consolidated liabilities						**7,588.8**
Segment non-current assets	**8,635.8**	**725.9**	**620.9**	**255.6**	**267.5**	**10,505.7**

1. Commodity derivative net losses with a total amount of US$23.2 million (2023: US$28.3 million) were included in "Revenue" of Copper;
2. Commodity derivative net losses with a total amount of US$0.8 million (2023: US$3.0 million) were included in "Revenue" of Zinc;
3. Commodity hedge trades with net losses of US$0.1 million (2023: US$0.1 million) under "Kinsevere" were executed by another subsidiary of the Company, MMG Finance Limited located in Hong Kong;
4. Included in segment assets of US$425.8 million (31 December 2023: US$386.4 million) under the other unallocated items is cash of US$42.7 million (31 December 2023: US$39.1 million) mainly held at Group's treasury entities and trade receivables of US$236.6 million (31 December 2023: US$213.2 million) for MMG South America Company Limited ("MMG SA") in relation to copper concentrate sales;

Notes to Condensed Consolidated Interim Financial Statements
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5. Included in segment liabilities of US$3,592.4 million (31 December 2023: US$2,555.9 million) under the other unallocated items are borrowings of US$3,505.2 million (31 December 2023: US$2,459.9 million) which are managed at Group level;
6. Deferred revenue recognised of US$4.9 million was included in "Revenue" of Silver (Note 18) from Khoemacau Streaming Agreement; and
7. Included in EBITDA of negative amount of US$34.7 million (2023: negative amount of US$2.6 million) under the other unallocated items are transactions costs of US$18.2 million (2023: US$1.0 million) and integration costs of US$2.0 million (2023: nil) for the purpose of the Khoemacau acquisition.

4. Expenses

Profit before income tax includes the following specific expenses:

	Six months ended 30 June	
	2024 (unaudited) US$ million	2023 (unaudited) US$ million
Changes in inventories of finished goods and work in progress	(39.3)	144.8
(Reversal)/write-down of inventories to net realisable value	(19.8)	18.8
Employee benefit expenses[1]	152.7	150.1
Contracting and consulting expenses[3]	309.0	274.0
Energy costs	166.7	178.6
Stores and consumables costs	297.5	238.0
Depreciation and amortisation expenses[2]	458.5	437.3
Other production expenses[3]	55.1	102.7
Cost of goods sold	**1,380.4**	**1,544.3**
Other operating expenses[1]	16.6	24.1
Royalties	70.4	64.5
Selling expenses[3]	54.3	61.5
Operating expenses including depreciation and amortisation[4]	**1,521.7**	**1,694.4**
Exploration expenses[1,2,3]	27.2	25.0
Administrative expenses[1,3]	16.2	3.3
Khoemacau acquisition transaction and integration expenses[5]	20.2	-
Foreign exchange loss/(gains)– net	14.6	(19.7)
Loss/(gain) on financial assets at fair value through profit or loss	1.4	(0.5)
Other expenses[1,2,3]	8.2	6.4
Total expenses	**1,609.5**	**1,708.9**

1. In aggregate, US$37.7 million (2023: US$22.0 million) of employee benefit expenses were included in administrative expenses, exploration expenses, other operating expenses and other expenses categories. Total employee benefit expenses were US$190.4 million (2023: US$172.1 million).
2. In aggregate, US$9.4 million (2023: US$8.6 million) of depreciation and amortisation expenses were included in exploration expenses and other expenses categories. Total depreciation and amortisation expenses were US$467.9 million (2023: US$445.9 million).
3. The expense under these categories include expenditure in respect of contracts assessed as leases but which did not qualify for recognition as right of use assets included US$42.7 million (2023: US$50.5 million) in respect of variable lease payments, US$0.8 million (2023: US$0.4 million) for short-term leases and US$0.6 million (2023: US$2.9 million) for low-value leases.
4. Operating expenses include mining and processing costs, royalties, selling expenses (including transportation) and other costs incurred by operations.
5. Include KCM acquisition transaction expenses of US$18.2 million (2023: US$1.0 million) and integration expenses of US$2.0 million (2023: nil).

Notes to Condensed Consolidated Interim Financial Statements
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5. Finance Income and Finance Costs

	Six months ended 30 June	
	2024 (unaudited) US$ million	2023 (unaudited) US$ million
Finance income		
Interest income on cash and cash equivalents	13.6	4.3
Finance income – total	**13.6**	**4.3**
Finance costs		
Interest expense on bank borrowings	(129.5)	(105.4)
Interest expense on related party borrowings (Note 20(a))	(70.0)	(51.9)
Withholding taxes in respect of financing arrangements	(5.6)	(7.9)
Unwinding of discount on provisions	(9.7)	(11.3)
Unwinding of interest on lease liabilities	(6.0)	(6.4)
Unwinding of discount on deferred revenue (Note 18)	(7.7)	-
Other external finance refund/(costs) - net	23.4	(2.6)
Other related party finance costs (Note 20(a))	(3.0)	(0.8)
	(208.1)	**(186.3)**
Gain reclassified from equity to profit or loss on		
Interest Rate Swaps('IRS') designated as cash flow hedges	26.5	1.7
Finance costs – total	**(181.6)**	**(184.6)**

Notes to Condensed Consolidated Interim Financial Statements
Continued

6. Income Tax Expense

Hong Kong profits tax is provided at a rate of 16.5% where there are net assessable profits derived for the period. The income tax rates applicable for the main jurisdictions in which the Group operates are: Australia (30.0%), Peru (32.0%), DRC (30.0%) and Botswana (22% to 55%, depending on the percentage of taxable income to gross income). Tax rates for some jurisdictions are covered by historical legal agreements with governments. Taxation on profits arising from other jurisdictions has been calculated on the estimated assessable profits for the period at the rates prevailing in the relevant jurisdictions.

The Group recognises deferred income tax assets if it is probable that future taxable amounts will be available to utilise the deductible temporary differences and unused tax losses in the foreseeable future. Management will continue to assess the recognition of deferred income tax assets in future reporting periods.

	Six months ended 30 June	
	2024 (unaudited) US$ million	2023 (unaudited) US$ million
Current income tax expense		
– HK income tax	-	0.8
– Overseas income tax	55.0	44.1
	55.0	**44.9**
Deferred income tax (credit)/expense		
– HK income tax	(0.4)	(0.8)
– Overseas income tax	9.0	(9.6)
	8.6	**(10.4)**
Income tax expense	**63.6**	**34.5**

The Group is within the scope of the OECD Pillar Two model rules. The Group has applied the temporary exemption as provided in the amendments to IAS 12 issued in May 2023. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Of the jurisdictions in which the Group operates, Pillar Two legislation was enacted in the Netherlands, Switzerland (only in relation to the Domestic Minimum Top-up Tax ("DMTT")) and Canada, with the Income Inclusion Rule ("IIR") (where applicable) and DMTT to come into effect from 1 January 2024. Entities incorporated in Peru are also subject to the legislation as the Peruvian Entities are held by the parent entity in the Netherlands.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion ("GloBE") effective tax rate ("ETR") per jurisdiction and the 15% minimum rate.

The Group has conducted the assessment of the Transitional Country-by-Country Report ("CbCR") Safe Harbour for the Netherlands, Switzerland, Canada and Peru using financial data as of the reporting date (For six months ended 30 June 2024). Based on the assessment, these jurisdictions have passed at least one of three tests under the Transitional CbCR Safe Harbour tests: (a) a de minimis test; (b) a simplified ETR test; and (c) a routine profits test.

On 21 December 2023, the Government of Hong Kong launched a three-month consultation on "Implementation of Global Minimum Tax and Hong Kong Minimum Top-up Tax". The legislative bill is expected to be submitted in the second half of 2024. It is the Hong Kong Government's plan for the legislation to take effect for a fiscal year beginning on or after 1 January 2025.

The Group will continue to monitor global developments of Pillar Two rules and reassess the potential impacts.

Notes to Condensed Consolidated Interim Financial Statements
Continued

7. Earnings/(Loss) Per Share

Basic earnings/loss per share is calculated by dividing the profit/loss attributable to equity holders of the Company by the weighted average number of ordinary shares on issue during the reporting period.

Diluted earnings/loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the Company's share options and performance awards on issue, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined at the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options and performance awards. The number of shares calculated as below is compared with the number of shares that would have been issued assuming the exercise of the share options and performance awards. For six months ended 30 June 2024, the dilutive factor of the Rights Issue (Note 24) is considered given the rights were effective on 11 June 2024. No conversion of dilutive potential ordinary shares was assumed as it would result in a decrease in the loss per share for the period ended 30 June 2023.

	Six months ended 30 June	
	2024 (Unaudited) US$ million	2023 (Unaudited and restated) US$ million
Profit/(loss) attributable to equity holders of the Company in the calculation of basic and diluted earnings/(loss) per share	21.1	(58.8)

	Number of shares '000	Number of shares '000 (restated)
Weighted average number of ordinary shares used in the calculation of the basic earnings/(loss) per share	9,198,779	9,183,612
Shares deemed to be issued in respect of long-term incentive equity plans	28,841	-
Dilution for Rights Issue	51,530	-
Weighted average number of ordinary shares used in the calculation of the diluted earnings/(loss) per share	**9,279,150**	**9,183,612**
Basic earnings/(loss) per share[1]	**US 0.23 cents**	**US (0.64) cents**
Diluted earnings/(loss) per share	**US 0.23 cents**	**US (0.64) cents**

1. The weighted average number of ordinary shares used in the calculation of the basic earnings/(loss) per share was adjusted/restated for six months ended 30 June 2024 and 2023, reflecting the effect of bonus element of Rights Issue impact on issued shares (Note 24).

8. Dividends

The Directors did not recommend the payment of any dividends during the six months ended 30 June 2024 (2023: nil).

Notes to Condensed Consolidated Interim Financial Statements
Continued

9. Property, Plant And Equipment

Six months ended 30 June 2024	US$ million
Net book amount at 1 January 2024 (audited)	**9,417.1**
Acquisition of subsidiaries (Note 19)	2,425.5
Additions	419.3
Depreciation and amortisation	(455.6)
Disposals[1]	(0.5)
Net book amount at 30 June 2024 (unaudited)	**11,805.8**

1. For 6 months ended 30 June 2024, there was a net loss of US$0.4 million (2023: US$0.4 million) from disposals of property, plant and equipment.

Impairment review of non-current assets and goodwill

In accordance with the Group's accounting policies and processes, the Group performs its annual impairment assessment at 31 December. Additionally, the Cash Generating Units ("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, an impairment assessment is performed.

Management of the Group has reviewed indicators for impairment across all of the Group's CGUs as at 30 June 2024. Management of the Group has concluded that no indicators for impairment or impairment reversal were identified during the reporting period in respect of any of the Group's CGUs.

10. Intangible Assets

Six months ended 30 June 2024	US$ million
Net book amount at 1 January 2024 (audited)	**534.0**
Goodwill generated from acquisition of subsidiaries (Note 19)	509.5
Additions	1.5
Acquisition of subsidiaries (Note 19)	0.6
Depreciation and amortisation	(0.6)
Net book amount at 30 June 2024 (unaudited)	**1,045.0**

11. Principal Subsidiaries With Material Non-Controlling Interests

As described on Note 2.2, upon acquisition, CCL Group became a wholly owned subsidiary of MMG Africa Resources Company Limited, an entity owned 100% by MMG Africa Holdings Company Limited.

On 6 June 2024, Comor Holdings subscribed shares in MMG Africa Resources Company Limited with a 45% equity interest which was considered to be a material non-controlling interest.

Management of the Group, having assessed the terms of the SSA, considers that MMG Africa Resources Company Limited continue to be considered a subsidiary and be included in the Group's consolidated financial statements. Comor Holdings' 45% interest is considered a material non-controlling interest and has been measured by reference to the proportionate share of recognised amounts of net assets of MMG Africa Resources Company Limited. and its subsidiaries (hereinafter referred to as the "Khoemacau Joint Venture Company").

As at 30 June 2024, the Group had total non-controlling interests of US$2,718.2 million (31 December 2023: US$2,188.6 million). The non-controlling interests comprise the following:

Notes to Condensed Consolidated Interim Financial Statements
Continued

	30 June 2024 (Unaudited) US$ million	31 December 2023 (Audited) US$ million
MMG South America Management Company Limited. and its subsidiaries ("Las Bambas Joint Venture Company")	2,234.7	2,188.6
Khoemacau Joint Venture Company	483.5	-
Total	**2,718.2**	**2,188.6**

The summarised financial information of the subsidiaries with material non-controlling interests is shown on a 100% basis. It represents the amounts shown in subsidiaries' consolidated financial statements prepared in accordance with HKFRSs.

Summarised Consolidated Statements of Financial Position

	Las Bambas Joint Venture Company		Khoemacau Joint Venture Company	
US$ million	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023[1]
Assets	**9,749.1**	**9,930.7**	**3,183.0**	**-**
Current	1,150.1	1,227.8	113.6	-
Including: Cash and cash equivalents	484.3	399.2	71.8	-
Non-current	8,599.0	8,702.9	3,069.4	-
Liabilities	**(3,789.9)**	**(4,094.4)**	**(2,109.8)**	**-**
Current	(787.7)	(970.1)	(140.0)	-
Non-current	(3,002.2)	(3,124.3)	(1,969.8)	-
Net assets	**5,959.2**	**5,836.3**	**1,073.2**	**-**

Summarised Consolidated Statements of Comprehensive Income

	Las Bambas Joint Venture Company		Khoemacau Joint Venture Company	
	Six Months Ended 30 June US$ million			
	2024 (Unaudited)	2023 (Audited)	2024 (Unaudited)	2023[1]
Revenue	1,256.0	1,480.4	90.2	-
Net financial cost	(43.2)	(115.7)	(28.6)	-
Income tax expense	(32.8)	(46.3)	(4.0)	-
Profit for the period	**160.4**	**89.7**	**(9.5)**	**-**
Other comprehensive (loss)/income for the period, net of tax	(37.5)	(3.2)	9.5	-
Total comprehensive income	**122.9**	**86.5**	**-[2]**	**-**
Total comprehensive income attributable to:				
Equity holders of the Company	76.8	53.8	(0.6)	-
Non-controlling interests	46.1	32.7	0.6	-
	122.9	**86.5**	**-[2]**	**-**

1. There is no comparative information for the Khoemacau Joint Venture Company, as the acquired Khoemacau assets and profit/(loss) are consolidated from 22 March 2024 when the acquisition completed.
2. The amount is less than US$1 million.

Notes to Condensed Consolidated Interim Financial Statements
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12. Derivative Financial Assets/(Liabilities)

	30 June 2024 US$ million	31 December 2023 US$ million
Assets		
Current		
Commodity derivative-Copper	16.3	3.1
Commodity derivative-Zinc	0.5	-
	16.8	**3.1**
Liabilities		
Current		
Commodity derivative-Copper	(28.0)	-
Commodity derivative-Zinc	(6.2)	-
	(34.2)	**-**

13. Trade and Other Receivables

At 30 June 2024, trade receivables of the Group included in "Trade and other receivables" mainly related to the mining operations with the balance of US$462.7 million (31 December 2023: US$354.8 million). 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 end of the quotational period, any remaining balance is then payable within 30 days from such final invoice being issued. All the trade receivables at 30 June 2024 and 31 December 2023 were aged within six months from the date of invoice and were measured at fair value at the balance sheet date as these are subject to change in accordance with movements in the commodity price.

The Group's trade receivables, other receivables and prepayments with an amount of US$241.3 million (31 December 2023: US$160.9 million) were from a related company of the Group (Note 20(c)). The carrying amounts of the Group's trade receivables are all denominated in US$.

14. Share Capital

	Number of Ordinary Shares '000	Share Capital US$ million
Issued and fully paid:		
At 1 January 2023	8,639,767	3,220.5
Employee share options exercised	3,159	1.9
Employee performance awards vested	13,121	2.2
At 31 December 2023 (audited)	**8,656,047**	**3,224.6**
Employee performance awards vested[1]	7,534	3.2
At 30 June 2024 (unaudited)	**8,663,581**	**3,227.8**

1. For six months ended 30 June 2024, a total of 7,534,028 new shares were issued as a result of 2021 Performance Awards 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.

Notes to Condensed Consolidated Interim Financial Statements
Continued

15. Reserves and Retained Profits

US$ million	Special capital reserve	Exchange translation reserve	Merger reserve[1]	Surplus reserve[2]	Share-based payment reserve	Cash flow hedge reserve[3]	Other reserve	Total reserves	Retained profits	Total
At 1 January 2024 (audited)	**9.4**	**2.7**	**(1,946.9)**	**50.6**	**5.4**	**25.2**	**(1.5)**	**(1,855.1)**	**753.9**	**(1,101.2)**
Profit for the period	-	-	-	-	-	-	-	**-**	21.1	**21.1**
Other comprehensive (loss)/ income for the period	-	-	-	-	-	(18.1)	2.4	**(15.7)**	-	**(15.7)**
Total comprehensive (loss)/ income for the period	**-**	**-**	**-**	**-**	**-**	**(18.1)**	**2.4**	**(15.7)**	**21.1**	**5.4**
Provision of surplus reserve	-	-	-	4.7	-	-	-	**4.7**	(4.7)	**-**
Internal transfer	**-**	**-**	**-**	**4.7**	**-**	**-**	**-**	**4.7**	**(4.7)**	**-**
Employee long-term incentives	-	-	-	-	3.2	-	-	**3.2**	-	**3.2**
Employee performance awards exercised and vested	-	-	-	-	(3.2)	-	-	**(3.2)**	-	**(3.2)**
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 30 June 2024 (unaudited)	**9.4**	**2.7**	**(1,946.9)**	**55.3**	**5.4**	**7.1**	**0.9**	**(1,866.1)**	**770.3**	**(1,095.8)**

US$ million	Special capital reserve	Exchange translation reserve	Merger reserve[1]	Surplus reserve[2]	Share-based payment reserve	Cash flow hedge reserve[3]	Other reserve	Total reserves	Retained profits	Total
At 1 January 2023 (audited)	**9.4**	**2.7**	**(1,946.9)**	**50.2**	**9.9**	**48.5**	**(0.5)**	**(1,826.7)**	**745.2**	**(1,081.5)**
Loss for the period	-	-	-	-	-	-	-	**-**	(58.8)	**(58.8)**
Other comprehensive loss for the period	-	-	-	-	-	(2.0)	(0.9)	**(2.9)**	-	**(2.9)**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**-**	**(2.0)**	**(0.9)**	**(2.9)**	**(58.8)**	**(61.7)**
Employee long-term incentives	-	-	-	-	(1.1)	-	-	**(1.1)**	-	**(1.1)**
Employee share options and performance awards exercised	-	-	-	-	(2.9)	-	-	**(2.9)**	-	**(2.9)**
Employee share options lapsed	-	-	-	-	(0.1)	-	-	**(0.1)**	0.1	**-**
Total transactions with owners	**-**	**-**	**-**	**-**	**(4.1)**	**-**	**-**	**(4.1)**	**0.1**	**(4.0)**
At 30 June 2023 (unaudited)	**9.4**	**2.7**	**(1,946.9)**	**50.2**	**5.8**	**46.5**	**(1.4)**	**(1,833.7)**	**686.5**	**(1,147.2)**

1. Merger reserve represents the excess of investment cost in entities that have been accounted for under merger accounting for common control combinations in accordance with AG5 (Accounting Guideline 5 issued by the HKICPA) against their share capital;
2. In Peru, according to the General Law of Companies, 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, the Economic Law requires the company to transfer 10% of the net income to surplus reserve until reaching an amount to half of its capital; and

Notes to Condensed Consolidated Interim Financial Statements
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3. The cashflow hedge reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge including commodity hedge and Interest Rate Swap ("IRS") that are attributed to equity holders of the Company, retained in OCI and being transferred to "financial income and cost" from amortisation. For six months ended 30 June 2024, there were realised losses after tax of US$9.4 million (2023: gains of US$2.6 million) which were transferred to "revenue" from settlement of commodity hedge (Note 23.1(a)). There were realised gains after tax of US$18.0 million (2023: US$1.2 million) which were transferred to "financial income and cost" from amortisation of IRS.

16. Borrowings

	30 June 2024 (Unaudited) US$ million	31 December 2023 (Audited) US$ million
Non-current		
Borrowings from related parties (Note 20(c))	2,877.4	1,831.3
Borrowings from banks, net	2,441.6	1,544.5
	5,319.0	**3,375.8**
Current		
Borrowings from related parties (Note 20(c))	175.0	900.0
Borrowings from banks, net	1,102.4	431.3
	1,277.4	**1,331.3**
Analysed as:		
- Secured	1,798.4	2,016.8
- Unsecured	4,839.5	2,731.3
	6,637.9	**4,748.1**
Prepayments – finance charges	(41.5)	(41.0)
	6,596.4	**4,707.1**
Borrowings (excluding prepayments) are repayable as follows:		
- Within one year	1,283.9	1,336.8
- More than one year but not exceeding two years	1,440.5	1,078.0
- More than two years but not exceeding five years	2,317.9	1,620.4
- More than five years	1,595.6	712.9
	6,637.9	**4,748.1**
Prepayments – finance charges	(41.5)	(41.0)
Total (Note 23(d))	**6,596.4**	**4,707.1**

The effective interest rate of borrowings for six months ended 30 June 2024 was 5.2% (2023: 5.2%) per annum.

17. Trade and Other Payables

At 30 June 2024, the balance of the trade payables included in "Trade and other payables" was US$316.3 million (31 December 2023: US$322.5 million) aged less than six months. The ageing analysis of the trade payables is based on the creditors' invoice date.

Notes to Condensed Consolidated Interim Financial Statements
Continued

18. Deferred Revenue

	30 June 2024 (Unaudited) US$ million
Balance as at acquisition date (Note 19)	**349.8**
Deferred revenue recognised during the period (Note 3)	(4.9)
Interest charge (Note 5)	7.7
30 June 2024	**352.6**
Current	25.7
Non-current	326.9
	352.6

In July 2019, Khoemacau entered into a Streaming Agreement with Royal Gold AG. Refer to Note 2.3 (b) for further details.

19. Business Combination

Summary of acquisition

On 20 November 2023, the Group entered into a Share Purchase Agreement ("SPA") with Cupric Canyon Capital L.P., The Ferreira Family Trust, Resource Capital Fund VII L.P., and the Missouri Local Government Employees' Retirement System ("Sellers"), to purchase the entire issued share capital of CCL from the Sellers. The acquisition was completed on 22 March 2024.

The acquisition is structured via an investment holding company established by the Group for the purpose of the acquisition, MMG Africa Holdings Company Limited. At the date of the acquisition, the Group satisfied the total consideration of US$1,734.7 million. The transaction has been accounted for as an acquisition of a business using the acquisition method. In addition to the payment of consideration, under the terms of the SPA, the Group was also required to advance a loan to CCL to enable CCL to repay certain borrowings, derivatives and seller transaction costs at the completion of the transaction. The Group has performed a provisional assessment of the estimated fair value of the net identifiable assets and liabilities as at 22 March 2024. The provisional assessment of fair values 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 modelling 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, estimate and assumption could lead to significant changes in the fair values assigned to the assets and liabilities at acquisition.

The following table summarises the consideration paid, and the amounts of the assets acquired and liabilities assumed that were recognised at the acquisition date as per the provisional assessment.

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	As at 22 March 2024 fair value US$ million
Consideration	
Total consideration[3]	1,734.7
	1,734.7
Identifiable Assets Recognised and Liabilities Assumed	
Assets	
Non-current assets	
Property, plant and equipment	2,425.5
Intangible assets	0.6
Right-of-use assets	0.5
Deferred income tax assets	9.3
	2,435.9
Current assets	
Inventories	12.1
Trade and other receivables[1]	17.6
Cash and cash equivalents	46.5
	76.2
Total assets	**2,512.1**
Liabilities	
Non-current liabilities	
Deferred revenue	327.4
Provisions	18.0
Deferred income tax liabilities	509.5
Borrowings	354.6
	1,209.5
Current liabilities	
Trade and other payables	54.2
Lease liabilities	0.5
Deferred revenue	22.4
Current tax liability	0.3
	77.4
Total liabilities	**1,286.9**
Net identifiable assets acquired	**1,225.2**
Add: Goodwill[2]	509.5
Consideration paid	**1,734.7**

1. There is no material difference between the gross contractual amount receivable and their fair value.
2. The goodwill arising from purchase price allocation included the effect of deferred tax liability for the difference between the fair value of newly consolidated assets and liabilities and their carrying amounts. Refer to Note 10.
3. Acquisition-related costs amounting to US$21.2 million have been excluded from the consideration transferred and have been recognised directly as an expense in the period within the "other expenses" line item (Note 4) in the condensed consolidated statement of profit or loss or other comprehensive income.

Notes to Condensed Consolidated Interim Financial Statements
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Net cash outflows arising on acquisition of CCL

	US$ million
Consideration paid in cash	1,734.7
Repayment of CCL's borrowings, derivatives and sellers' transaction costs	354.6
	2,089.3
Less: cash and cash equivalents acquired	(46.5)
	2,042.8

For the interim financial period, there was revenue of US$90.2 million and net profits of US$10.6 million generated by acquired entities and consolidated in the Group financial statements. Had the acquisition been completed on 1 January 2024, revenue and net profit for the six months ended 30 June 2024 of the Group would have been US$1,985.7 million and US$33.8 million respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results. In determining the 'pro-forma' revenue and profit of the Group had CCL been acquired at the beginning of the interim period, the directors of the Company calculated depreciation and amortisation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

Upon acquisition, CCL Group became a wholly owned subsidiary of MMG Africa Resources Company Limited, an entity owned 100% by MMG Africa Holdings Company Limited (a wholly owned subsidiary of the Company). The Company is of the opinion that it has the ability to govern the financial and operating policies of CCL Group. On 6 June 2024, the Group transferred 45% interest of MMG Africa Resources Company Limited to Comor Holdings without losing control. Refer to Note 11 for more details.

20. Significant Related Party Transactions

At 30 June 2024, 67.5% (31 December 2023: 67.6%) of the Company's shares were held by CMN through its subsidiary, China Minmetals H.K. (Holdings) Limited ("Minmetals HK"). The remainder 32.5% (31 December 2023: 32.4%) of the Company's shares 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 China, 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 condensed consolidated interim 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 six months ended 30 June 2024.

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(a) Transactions with CMC and its group companies (other than those within the Group)

	Six months ended 30 June	
	2024 (Unaudited) US$ million	2023 (Unaudited) US$ million
Sales		
Sales of non-ferrous metals	777.2	974.6
Other income		
Other income	0.1	-
Commodity derivatives transaction		
Loss on commodity derivatives	(23.2)	(28.2)
Other loss	(2.3)	(0.8)
Purchases		
Purchases of consumables and services	(14.6)	(8.2)
Finance costs		
Interest expense (Note 5)	(70.0)	(51.9)
Other finance cost (Note 5)	(3.0)	(0.8)

(b) Transactions and balances with other state-owned enterprises

During the six months ended 30 June 2024, the Group's significant transactions with other state-owned enterprises (excluding CMC and its subsidiaries) are sales of non-ferrous metals and purchases of consumables and the related receivables and payables balances. These transactions were based on terms as set out in the underlying agreements, on statutory rates, market prices, actual cost incurred, or as mutually agreed.

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(c) Significant related party balances

	30 June 2024 (Unaudited) US$ million	31 December 2023 (Audited) US$ million
Amounts payable to related parties		
Borrowings from Top Create (Note 16)[1,2,3]	2,782.4	2,461.3
Borrowings from Album Trading Company (Note 16)[4]	270.0	270.0
Interest payable to related parties	17.5	45.5
Trade and other payables to CMN	2.8	4.2
	3,072.7	**2,781.0**
Amounts receivable from related parties		
Trade receivables from CMN	235.5	159.1
Other receivables from CMN	-	1.8
Prepayments to CMN	2.1	-
Prepayments to CMC	3.7	-
	241.3	**160.9**
Derivative financial assets-transacted with related parties	**14.1**	**3.1**
Derivative financial liabilities-transacted with related parties	**28.0**	**-**

1. The borrowing amount from Top Create included the amounts from a facility agreement dated 22 July 2014 between MMG SA and Top Create. In accordance with that agreement, the loan facility of up to US$2,262.0 million was made available to MMG SA, for a period of eleven years commencing on the date of the first drawdown of the loan. For six months ended 30 June 2024, the Group repaid US$200.0 million and deferred US$525.0 million repayment from July 2024 to July 2027. The total balance as at 30 June 2024 was US$1,961.3 million consisting of three tranches maturing in July 2025, July 2026 and July 2027 respectively. The facility incurs interest at a separate all-in fixed rate for each of the repayment tranches of between 2.20% and 4.50% per annum, which is payable annually. Commencing on or after 25 July 2024, interest of the deferred US$525.0 million will be SOFR plus a 1.2% margin. The Group made a repayment of $175.0 million on 18 July 2024 utilising the proceeds from the Rights Issue.
2. The loan amount from Top Create also included US$611.1 million drawn by the Company in the first half of 2024 pursuant to a facility agreement dated 20 November 2023 between MMG Africa Holdings Company Limited and Top Create. In accordance with that agreement, a loan facility of up to US$2.0 billion was made available to MMG Africa Holdings Company Limited, for a period of seven years commencing on the date of the first drawdown of the loan. The interest rate is SOFR plus a 2.93% margin. The Group repaid of $611.1 million on 18 July 2024 utilising the proceeds from the Rights Issue. The undrawn balance will not be available in the future.
3. The loan amount from Top Create also included US$210.0 million drawn by the Group in the first half of 2024 pursuant to a KEP facility agreement dated 7 December 2023 between MMF and Top Create. In accordance with that agreement, a loan facility of up to US$300.0 million is made available to MMF. This facility will expire in December 2030. The interest rate under the facility is 4.15%.
4. The borrowing from Album Trading Company Limited (a subsidiary of CMN) is a project facility and will mature in June 2026. The interest rate is SOFR plus margin and a credit adjustment spread.

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21. Capital Commitments

Commitments for capital expenditure contracted at the reporting date but not recognised as a liability, are set out in the table below:

	30 June 2024 (Unaudited) US$ million	31 December 2023 (Audited) US$ million
Property, plant and equipment		
Within one year	356.3	225.6
Over one year but not more than five years	94.0	119.8
	450.3	**345.4**
Intangible assets		
Within one year	3.3	1.9
Over one year but not more than five years	0.6	0.4
	3.9	**2.3**
Aggregate		
Property, plant and equipment and intangible assets		
Contracted but not provided for	**454.2**	**347.7**

22. Contingencies

(a) 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 30 June 2024, these guarantees amounted to US$334.1 million (31 December 2023: US$310.5 million).

(b) 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, Zambia, Laos and the 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 condensed consolidated interim 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

Notes to Condensed Consolidated Interim Financial Statements
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potential exposure, and in some cases, it may not be possible to determine a range of possible outcomes, including timing of resolution or determining a reliable estimate of the potential exposure.

Peru – Withholding Taxes (2014, 2015, 2016 and 2017)

Included within such uncertain tax matters are audits of the 2014, 2015, 2016 and 2017 tax periods for MLB in relation to withholding taxes on interest and fees paid under certain loans, which were provided to MLB pursuant to facility agreements entered into among MLB and a consortium of Chinese banks in connection with the acquisition of the Las Bambas mine in 2014. MLB received assessment notices from the Peruvian tax authority (National Superintendence of Tax Administration of Peru or "SUNAT"), which advised that, in its opinion, MLB and the Chinese banks are related parties and thus a 30% withholding tax rate ought to be imposed rather than the 4.99% applied.

In June and July 2024, MLB has received favourable decisions of the Tax Court in Peru determining that MLB is not liable to penalty withholding tax at a 30% rate. The Tax Court decision relates to the 2014, 2015, 2016 and 2017 tax periods. The Tax Court stated that the purpose of the related-party provisions in the Income Tax law is to prevent tax avoidance practices and according to the Court, the nature of the relationship between MLB, MMG and the Chinese lender banks (the Lenders) is not for tax avoidance purposes. Therefore, the Court concluded that the interpretation of SUNAT was against the law and dismissed it and revoked the appealed Assessments in relation to the 2014 to 2017 tax periods in the amount of US$557.0 million. It is not clear at this point whether SUNAT intend to appeal these decisions. The assessments for omitted taxes, along with the corresponding penalties and interest, have been revoked, and the outstanding debt is currently recorded as zero in SUNAT's system.

Having received the above Tax Court decisions, external legal and tax advice, the Group has the continued point of view that the Company and its controlled entities are not related parties to Chinese banks under Peruvian tax law. Additionally, the Peruvian tax law was amended (with effect from October 2017) to provide expressly that parties are not related by being under state ownership for the purposes of withholding taxes.

Peru – Income Taxes (2016, 2017 and 2018)

Las Bambas received assessment notices from SUNAT in connection with the 2016, 2017 and 2018 income tax audit during 2023 and 2024. SUNAT assessments and interpretations include:

- Denying the deductions for all interest on borrowings expensed during the 2016 tax year. This included the loans from Chinese banks where SUNAT denied the interest deductions on the basis that the borrowings were from related parties and that the alleged related party debt should be included in calculating Las Bambas' related party 'debt to equity' ratio (the 'thin capitalisation' threshold) which would then be breached;
- Alleging that interest payable on the shareholder loan from MMG Swiss Finance A.G. is non-deductible due to the application of the "Causality Principle" (i.e., the loan has no relevance to the income-producing activities of Las Bambas);
- Alleging that the accounting treatment of the merger of Peruvian entities (subsequent to the acquisition of Las Bambas in 2014) should have resulted in a negative equity adjustment which would result in Las Bambas having no equity for the purposes of calculating its thin capitalisation allowance; and
- Denying recognition of previous years' tax losses, including 2014, 2015 and 2016 development costs.

The Assessment issued by SUNAT for tax, interest and penalties for the tax periods above totalled PEN 7,474.0 million (approximately US$ 1,992.0 million) as at 30 June 2024.

Regarding the above SUNAT interpretations, management strongly disagrees and is of the view that SUNAT has disregarded all available evidence and independent opinions on the accounting treatment, submitted by Las Bambas for consideration during the above tax assessment processes. The risk remains that this treatment will also be applied for future income tax years.

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Las Bambas has notified the Peru Government of a dispute pursuant to the Peru-Netherlands Bilateral Investment Treaty (Treaty) and the Peru Government has confirmed its inability to resolve the dispute by way of commercial negotiation. Las Bambas is currently evaluating its legal options to seek damages from the Government of Peru for a number of breaches of the Treaty.

Considering Las Bambas' proposed appeals and advice from the Las Bambas' tax and legal advisers, the Group did not recognise a liability in its condensed consolidated interim financial statements for any assessed amount. If Las Bambas is unsuccessful in its challenge on the SUNAT assessments, this could result in significant liabilities being recognised.

23. Financial and Other Risk Management

23.1 Financial risk factors

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.

There have been no changes in the risk management policies since 31 December 2023.

(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 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 six months ended 30 June 2024, the Group entered into various commodity trades to hedge the sales prices for copper and zinc. Unsettled commodity trades as of 30 June 2024 included:

- Zero/low-cost collar hedges:
  - 37,100 tons of copper at put strike price ranging from US$9,250/ton to US$10,385/ton and call strike price ranging from US$9,725/ton to US$10,700/ton;
  - 6,700 tons of zinc at put strike price ranging from US$2,850/ton to US$2,900/ton and call strike price ranging from US$3,270/ton to US$3,430/ton;
- Fixed price swap:
  - 83,900 tons of copper with fixed price ranging from US$8,852/ton to US $10,235/ton;
  - 51,600 tons of zinc with fixed price ranging from US$2,650/ton to US $2,960/ton.
- These commodity trades' settlement periods ranging from July 2024 to January 2025.

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

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

	Term	Carrying amount of hedging instrument US$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness: Hedging instrument US$ million	Favourable/(Unfavourable) changes in fair value used for measuring ineffectiveness: Hedged item US$ million	Settled portion of hedging instrument realised gains US$ million	Hedging gain recognised in cash flow hedge reserve[1] US$ million	Cost of hedging reserve US$ million
Cash flow hedges:							
At 30 June 2024 and for six months ended 30 June 2024							
Derivative financial assets (Note 12)	**March 2024 to December 2024**	14.8	12.8	(12.8)	(0.1)	10.1	1.5
Derivative financial liabilities (Note 12)	**March 2024 to December 2024**	(30.7)	(29.3)	29.3	(9.3)	(20.0)	(1.0)
At 30 June 2023 and for six months ended 30 June 2023							
Derivative financial assets (Note 12)	**March 2023 to December 2023**	15.0	14.3	(14.3)	2.6	9.7	0.5

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

At the reporting date, if the commodity prices increased/(decreased) by 10% and all other variables were held constant, the Group's post-tax profit/(loss) and OCI would have changed as set out below:

	For six months ended 30 June					
	2024			2023		
Commodity	Commodity price movement	Increase in profit US$ million	Decrease in OCI US$ million	Commodity price movement	Increase in profit US$ million	Decrease in OCI US$ million
Copper	+10%	12.5	(72.6)	+10%	65.4	(9.4)
Zinc	+10%	(1.0)	(9.8)	+10%	3.3	-
Total		**11.5**	**(82.4)**		**68.7**	**(9.4)**

Commodity	Commodity price movement	Decrease in profit US$ million	Increase in OCI US$ million	Commodity price movement	Decrease in profit US$ million	Increase in OCI US$ million
Copper	-10%	(12.5)	73.0	-10%	(65.4)	10.3
Zinc	-10%	1.0	9.9	-10%	(3.3)	-
Total		**(11.5)**	**82.9**		**(68.7)**	**10.3**

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(b) Interest rate risk

The Group is exposed to interest rate risk primarily through interest bearing borrowings and investment of surplus cash holdings. Deposits and borrowings at variable rates expose the Group to cash flow interest rate risk. Deposits and borrowings at fixed rates expose the Group to fair value interest rate risk. Details of the Group's borrowings are set out in Note 16.

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.

Interest rate sensitivity analysis

If the interest rate had increased/(decreased) by 100 basis points, with all other variables held constant, post-tax profit/(loss) would have changed as follows:

	For six months ended 30 June			
	2024		2023	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
US$ million	Increase/ (decrease) in profit after tax	Increase/ (decrease) in profit after tax	Increase/ (decrease) in loss after tax	Increase/ (decrease) in loss after tax
Financial assets				
Cash and cash equivalents				
- variable interest rate	4.2	(4.2)	3.6	(3.6)
Financial liabilities				
Borrowings				
- variable interest rate	(30.4)	30.4	(23.5)	23.5
Total	**(26.2)**	**26.2**	**(19.9)**	**19.9**

(c) Liquidity risk

Compared to 31 December 2023, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

The Group has sufficient debt facilities to manage liquidity. 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 30 June 2024. Certain financial covenants are measured with reference to the financial performance of the Group or its subsidiaries and may be influenced by future operational performance.

In addition, for six months ended 30 June 2024, the Las Bambas Joint Venture Group had an agreement with CMN and CITIC which was renewed for another year to 30 June 2025, each as direct or indirect off-takers of Las Bambas production, for early payment on cargoes already shipped and invoiced as well as pre-payments for inventory held at both port and site. Early payment and pre-payments are permitted up to an aggregate amount of US$280.0 million, allocated to each party in their respective off-take proportions. There was no early payment from CMN and CITIC under this agreement as at 30 June 2024.

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(d) Fair value of financial instruments

The fair values of cash and cash equivalents and short-term monetary financial assets and financial liabilities approximate their carrying values. The fair values of other monetary financial assets and liabilities are either based upon market prices, where a market exists, or have been determined by discounting the expected future cash flows by the current interest rate for financial assets and financial liabilities with similar risk profiles.

The fair value of commodity derivatives is determined based on the discounted future cash flows. Future cash flows are estimated based on forward commodity price from observable yield curves at the end of the reporting period and contracted price, discounted by the current interest rate.

The fair values of listed equity investments have been valued by reference to market prices prevailing at the reporting date.

The carrying values of other receivables less impairment provisions and trade payables are a reasonable approximation of their fair values due to the short-term nature of trade receivables and payables. The fair values of non-derivative financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

The carrying amounts and fair values of financial assets and liabilities by category and class at 30 June 2024 and 31 December 2023 are as follows:

US$ million	Amortised cost (assets)	Financial assets/ (liabilities) at fair value through profit or loss	Financial assets/ (liabilities) at fair value designated under cash flow hedge	Amortised cost (liabilities)	Total carrying value	Total fair value
As at 30 June 2024						
Financial assets						
Cash and cash equivalents	621.0	-	-	-	**621.0**	**621.0**
Trade receivables (Note 13)	-	462.7	-	-	**462.7**	**462.7**
Other receivables	297.0	-	-	-	**297.0**	**297.0**
Derivative financial assets (Note 12)	-	2.0	14.8	-	**16.8**	**16.8**
Other financial assets	-	1.3	-	-	**1.3**	**1.3**
Financial liabilities						
Trade and other payables	-	-	-	(976.1)	**(976.1)**	**(976.1)**
Borrowings (Note 16)	-	-	-	(6,596.4)	**(6,596.4)**	**(6,626.4)**
Lease liabilities	-	-	-	(138.3)	**(138.3)**	**(138.3)**
Derivative financial liabilities (Note 12)	-	(3.5)	(30.7)	-	**(34.2)**	**(34.2)**
Total	**918.0**	**462.5**	**(15.9)**	**(7,710.8)**	**(6,346.2)**	**(6,376.2)**

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US$ million	Amortised cost (assets)	Financial assets/ (liabilities) at fair value through profit or loss	Financial assets/ (liabilities) at fair value designated under cash flow hedge	Amortised cost (liabilities)	Total carrying value	Total fair value
As at 31 December 2023						
Financial assets						
Cash and cash equivalents	447.0	-	-	-	**447.0**	**447.0**
Trade receivables (Note 13)	-	354.8	-	-	**354.8**	**354.8**
Other receivables	249.2	-	-	-	**249.2**	**249.2**
Derivative financial assets	-	3.1	-	-	**3.1**	**3.1**
Other financial assets	-	2.7	-	-	**2.7**	**2.7**
Financial liabilities						
Trade and other payables	-	-	-	(902.9)	**(902.9)**	**(902.9)**
Borrowings (Note 16)	-	-	-	(4,707.1)	**(4,707.1)**	**(4,850.1)**
Lease liabilities	-	-	-	(147.6)	**(147.6)**	**(147.6)**
Total	**696.2**	**360.6**	**-**	**(5,757.6)**	**(4,700.8)**	**(4,843.8)**

Fair value estimation

The table below analyses financial instruments carried at fair value, by the valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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The following table presents the Group's financial assets and liabilities that are measured at fair value as at 30 June 2024 and 31 December 2023.

US$ million	Level 1	Level 2	Total
As at 30 June 2024			
Trade receivables (Note 13)	-	462.7	**462.7**
Derivative financial assets (Note 12)[2]	-	16.8	**16.8**
Financial assets at fair value through profit and loss – listed[1]	1.3	-	**1.3**
Derivative financial liabilities (Note 12) [2]	-	(34.2)	**(34.2)**
	1.3	**445.3**	**446.6**
As at 31 December 2023			
Trade receivables (Note 13)	-	354.8	**354.8**
Derivative financial assets (Note 12)[2]	-	3.1	**3.1**
Financial assets at fair value through profit and loss – listed[1]	2.7	-	**2.7**
	2.7	**357.9**	**360.6**

There were no transfers between levels 1, 2 and 3 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 hedges and fixed price swaps 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.

23.2 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 decade, 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.

Notes to Condensed Consolidated Interim Financial Statements
Continued

24. Events After the Reporting Date

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

- On 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 price 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$1,152.2 million net of approximately US$10.7 million for transaction costs.

  The Company has repaid Top Create borrowings of US$786.1 million using the proceeds from the Rights Issue. The remaining proceeds have been used to repay external borrowings.

- On 5 July 2024, Las Bambas made an early payment on the project facility of US$800.0 million.