

## Volcan Compañía Minera S.A.A. and Subsidiaries

### Management Discussion and Analysis

### Fourth Quarter 2024

#### Principal Results:

Consolidated Volcan	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Sales Prices<sup>1</sup></b>									
Zinc (USD/MT)	2,473	2,770	2,765	3,004	2,494	20.5	2,768	2,642	4.7
Lead (USD/MT)	2,099	2,159	2,068	2,013	2,155	-6.6	2,079	2,132	-2.5
Copper (USD/MT)	7,794	9,162	8,558	9,063	8,177	10.8	8,709	8,428	3.3
Silver (USD/Oz)	23.2	28.1	29.2	31.1	23.1	34.9	28.2	23.2	21.4
Gold (USD/Oz)	2,069	2,332	2,478	2,667	1,980	34.7	2,419	1,943	24.5
<b>Operating Results</b>									
Mineral treatment <sup>2</sup> (thousands MT)	2,122	2,199	2,472	2,402	2,325	3.3	9,194	9,429	-2.5
Zinc Production (thousands FMT)	50.3	52.9	62.9	64.0	62.4	2.6	230.1	242.0	-4.9
Lead Production (thousands FMT)	11.2	12.4	15.1	15.9	15.5	2.7	54.6	60.8	-10.2
Copper Production (thousands FMT)	0.8	0.8	1.2	1.6	1.2	30.0	4.3	5.3	-17.4
Silver Production (millions Oz)	3.1	3.2	3.9	3.8	3.7	2.7	13.9	15.2	-8.3
Gold Production (thousands Oz)	2.9	2.9	3.6	3.7	3.8	-2.1	13.1	18.4	-28.7
Unit Cost (USD/TM) <sup>3</sup>	49.0	46.1	49.5	52.2	52.0	0.3	49.2	51.9	-5.2
Total Investments (MM USD)	33.8	32.9	0.0	54.0	55.4	-2.5	167.2	179.5	-6.8
<b>Financial Results (MM USD)</b>									
Sales before adjustments	180.0	213.1	272.7	299.2	217.3	37.7	965.0	890.5	8.4
Sales Adjustments	-3.4	5.2	2.2	-8.5	1.6		-4.5	-7.4	-39.2
Settlement of prior period adjustments	-0.9	5.4	-0.3	-4.3	-2.0	112.0	0.0	-9.5	
Adjustments for open positions <sup>4</sup>	-2.6	0.0	2.4	-4.2	2.1		-4.5	-1.8	147.4
Hedging results	0.1	-0.2	0.0	0.0	1.5	-100.0	-0.1	3.9	
Sales after adjustments	176.7	218.3	274.8	290.7	218.8	32.9	960.5	883.1	8.8
Net profit before exceptionals	-19.2	12.6	39.2	29.7	8.1	266.8	62.2	-0.5	
Exceptional adjustments	0.0	-2.2	0.0	77.1	-7.1	0.0	74.9	-9.5	
Net profit	-19.2	10.4	39.2	106.8	1.0		137.1	-10.0	
EBITDA <sup>5</sup>	44.8	87.2	123.6	126.2	70.1	80.0	381.8	276.9	37.9

<sup>1</sup> These prices are the initial billing prices, which are provisional, as the adjustments are made when settlements of prior periods are received from customers.

<sup>2</sup> Includes treated tons at Oxides Plant.

<sup>3</sup> Unit cost include infill drilling costs.

<sup>4</sup> The open commercial positions refer to shipments that don't have final settlements yet, therefore they are exposed to adjustments due to metal prices variations in the future.

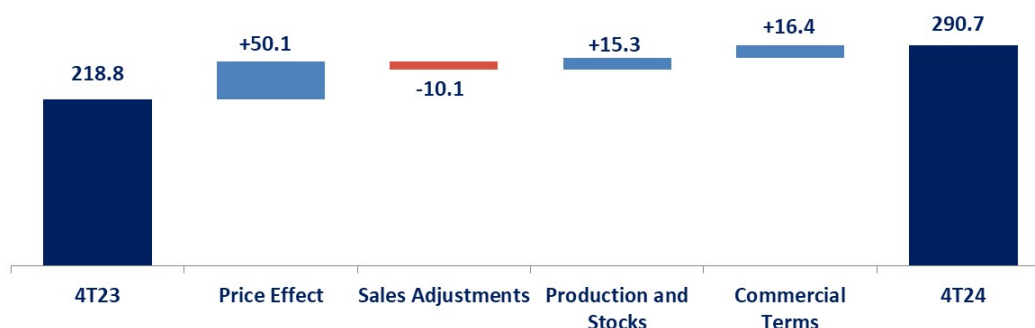
<sup>5</sup> Does not consider exceptional adjustments

Source: Volcan Cia. Minera

---

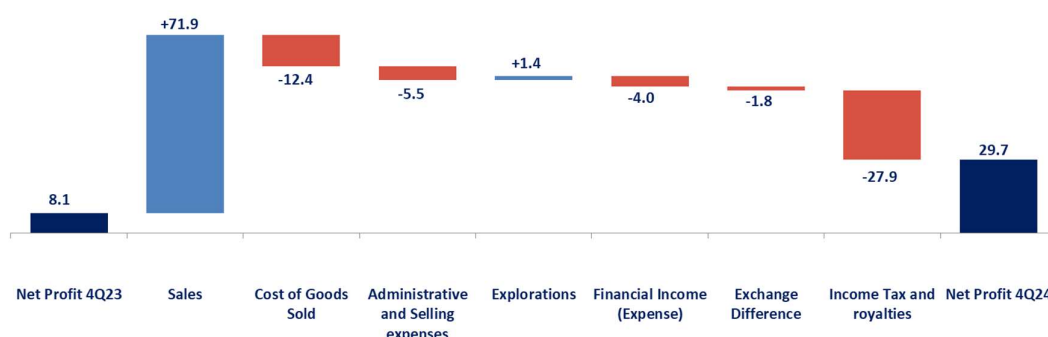
## 1. Executive Summary

- In 4Q24, a higher production is observed compared to both 4Q23 and earlier quarters of the year. This, coupled with higher prices for zinc and silver, along with enhanced commercial conditions in the sale of concentrates, has allowed the Company to achieve better financial results, reaching an EBITDA of USD 126.2 MM in 4Q24 and USD 381.8 MM for the year 2024.
- The price of zinc increased by 20.5%, from 2,494 USD/MT in 4Q23 to 3,004 USD/MT in 4Q24. Conversely, the price of lead decreased by 6.6%, from 2,155 USD/MT in 4Q23 to 2,013 USD/MT in 4Q24. The price of copper increased by 10.8%, from 8,177 USD/MT to 9,063 USD/MT. The price of silver increased by 34.9%, from 23.1 USD/Oz to 31.1 USD/Oz, while the price of gold rose by 34.7%, from 1,980 USD/Oz to 2,667 USD/Oz.
- Zinc fines production increased by 2.6%, from 62.4 thousand FMT in 4Q23 to 64.0 thousand FMT in 4Q24. Lead fines production increased by 2.7%, from 15.5 thousand FMT in 4Q23 to 15.9 thousand FMT in 4Q24. Copper fines production increased by 30.0%, from 1.2 thousand FMT in 4Q23 to 1.6 thousand FMT in 4Q24. Silver ounces production increased by 2.7%, from 3.7 MM Oz in 4Q23 to 3.8 MM Oz in 4Q24. Gold ounces production decreased by 2.1%, from 3.8 thousand Oz in 4Q23 to 3.7 thousand Oz in 4Q24.
- Consolidated unit cost increased by 0.3%, from 52.0 USD/MT in 4Q23 to 52.2 USD/MT in 4Q24. On an annual basis, consolidated unit cost decreased by 5.2%, from 51.9 USD/MT in 2023 to 49.2 USD/MT in 2024, explained by lower mine costs and higher extraction rates at Alpamarca and Cerro de Pasco.
- Total investments decreased by 2.5%, from USD 55.4 MM in 4Q23 to USD 54.0 MM in 4Q24. On an annual basis, total investments decreased by 6.8%, from USD 179.5 MM in 2023 to USD 167.2 MM in 2024, mainly due to the prioritization of disbursements to ensure liquidity during the first half of the year.
- Sales before adjustments increased by 37.7%, from USD 217.3 MM in 4Q23 to USD 299.2 MM in 4Q24, due to higher metal prices and better commercial terms in concentrate sales. Adjustments on sales amounted to USD -8.5 MM in 4Q24 compared to USD 1.6 MM in 4Q23. Consequently, sales after adjustments increased by 32.9%, from USD 218.8 MM to USD 290.7 MM.

**Graph 1: Variations that impacted net sales (MM USD)**


Source: Volcan Cia. Minera

- Net profit before exceptionals increased from USD 8.1 MM in 4Q23 to USD 29.7 MM in 4Q24, primarily due to higher metal prices, improvements in sales commercial terms, and higher fines production.
- In 4Q24, a positive exceptional adjustment of USD 77.1 MM was recorded, primarily related to the reversal of impairment provisions for fixed assets at Yauli and Cerro de Pasco, due to a recovery in metal prices and an improvement in the estimation of future production. As a result, net profit for 4Q24 amounted USD 106.8 MM.

**Graph 2: Variations that Impacted Net Profit before exceptionals (MM USD)**


Source: Volcan Cia. Minera

- EBITDA increased by 80.0%, from USD 70.1 MM in 4Q23 to USD 126.2 MM in 4Q24, in line with higher sales and improved margins.
- On a cumulative basis (Jan-Dec), net sales after adjustments rose from USD 883.1 MM in 2023 to USD 960.5 MM in 2024. The net loss of USD 10.0 MM in 2023 turned into net profit of USD 137.1 MM in 2024. Finally, EBITDA grew from USD 276.9 MM in 2023 to USD 381.8 MM in 2024.

## 2. Consolidated Results

### 2.1 Production

**Table 1: Consolidated Production**

Consolidated Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Mineral extraction (thousands MT)<sup>1</sup></b>	<b>2,293</b>	<b>2,269</b>	<b>2,564</b>	<b>2,497</b>	<b>2,413</b>	<b>3.5</b>	<b>9,623</b>	<b>9,383</b>	<b>2.6</b>
Polymetallic ore	2,058	2,015	2,317	2,252	2,181	3.3	8,642	8,425	2.6
Oxides ore	236	254	247	245	232	5.5	981	958	2.4
<b>Mineral treatment (thousands MT)</b>	<b>2,122</b>	<b>2,199</b>	<b>2,472</b>	<b>2,402</b>	<b>2,325</b>	<b>3.3</b>	<b>9,194</b>	<b>9,429</b>	<b>-2.5</b>
Concentrator Plants	1,887	1,945	2,225	2,156	2,093	3.0	8,213	8,471	-3.0
Silver Oxides Plant	236	254	247	245	232	5.5	981	958	2.4
<b>Fine Content</b>									
Zinc (thousands FMT)	50.3	52.9	62.9	64.0	62.4	2.6	230.1	242.0	-4.9
Lead (thousands FMT)	11.2	12.4	15.1	15.9	15.5	2.7	54.6	60.8	-10.2
Copper (thousands FMT)	0.8	0.8	1.2	1.6	1.2	30.0	4.3	5.3	-17.4
Silver (millions Oz)	3.1	3.2	3.9	3.8	3.7	2.7	13.9	15.2	-8.3
Gold (thousands Oz)	2.9	2.9	3.6	3.7	3.8	-2.1	13.1	18.4	-28.7

<sup>1</sup> Tonnage extracted from Alparmarca was adjusted.

Source: Volcan Cia. Minera

Ore extraction volume increased by 3.5%, from 2,413 thousand MT in 4Q23 to 2,497 thousand MT in 4Q24, due to higher extraction volumes at Alparmarca and Yauli. Treatment volume increased by 3.3%, from 2,325 thousand MT in 4Q23 to 2,402 thousand MT in 4Q24, explained by higher treatment at Alparmarca and the expansion of the Paragsha plant capacity at Cerro de Pasco.

Zinc fines production increased by 2.6%, from 62.4 thousand FMT in 4Q23 to 64.0 thousand FMT in 4Q24. Lead fines production increased by 2.7%, from 15.5 thousand FMT in 4Q23 to 15.9 thousand FMT in 4Q24. Copper fines production increased by 30.0%, from 1.2 thousand FMT in 4Q23 to 1.6 thousand FMT in 4Q24. Silver ounces production increased by 2.7%, from 3.7 MM Oz in 4Q23 to 3.8 MM Oz in 4Q24. Finally, gold ounces production decreased by 2.1%, from 3.8 thousand Oz in 4Q23 to 3.7 thousand Oz in 4Q24.

On a cumulative basis (Jan-Dec), the extraction volume was 2.6% higher than in the same period of the previous year, increasing from 9,383 thousand MT in 2023 to 9,623 thousand MT in 2024, while the treatment volume decreased by 2.5%, from 9,429 thousand MT to 9,194 thousand MT, which is explained by the stoppages at the San Cristóbal-Carahuacra, Ticlio, and Animón mining units in the first half of 2024.

Annual zinc production decreased by 4.9%, from 242.0 thousand FMT to 230.1 thousand FMT; lead production fell by 10.2%, from 60.8 thousand FMT to 54.6 thousand FMT; copper production decreased by 17.4%, from 5.3 thousand FMT to 4.3 thousand FMT; silver production declined by 8.3%, from 15.2 MM Oz to 13.9 MM Oz; and gold production decreased by 28.7%, from 18.4 thousand Oz to 13.1 thousand Oz.

## 2.2 Production Cost

**Table 2: Consolidated Production Cost**

Consolidated Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost<sup>1</sup> (MM USD)</b>									
Mine cost	65.5	58.9	73.5	75.4	73.5	2.6	273.4	294.2	-7.1
Plant and Other Cost	26.0	28.9	31.7	31.7	31.1	1.9	118.2	123.8	-4.5
Others	17.2	15.2	19.6	19.5	19.0	2.7	71.6	74.1	-3.5
<b>Total Production Cost (MM USD)</b>	<b>108.8</b>	<b>103.0</b>	<b>124.8</b>	<b>126.6</b>	<b>123.6</b>	<b>2.4</b>	<b>463.2</b>	<b>492.2</b>	<b>-5.9</b>
<b>Unit Cost (USD/MT)</b>									
Mine cost	28.6	26.0	28.7	30.8	30.4	1.3	28.6	31.0	-7.6
Plant and Other Cost	12.2	13.1	12.8	13.2	13.4	-1.3	12.9	13.1	-2.1
Others	8.1	6.9	7.9	8.1	8.2	-0.6	7.8	7.9	-1.0
<b>Sub total Unitary Cost (USD/MT)</b>	<b>49.0</b>	<b>46.1</b>	<b>49.5</b>	<b>52.2</b>	<b>52.0</b>	<b>0.3</b>	<b>49.2</b>	<b>51.9</b>	<b>-5.2</b>

<sup>1</sup> Do not include expenses from previous periods

Source: Volcan Cia. Minera

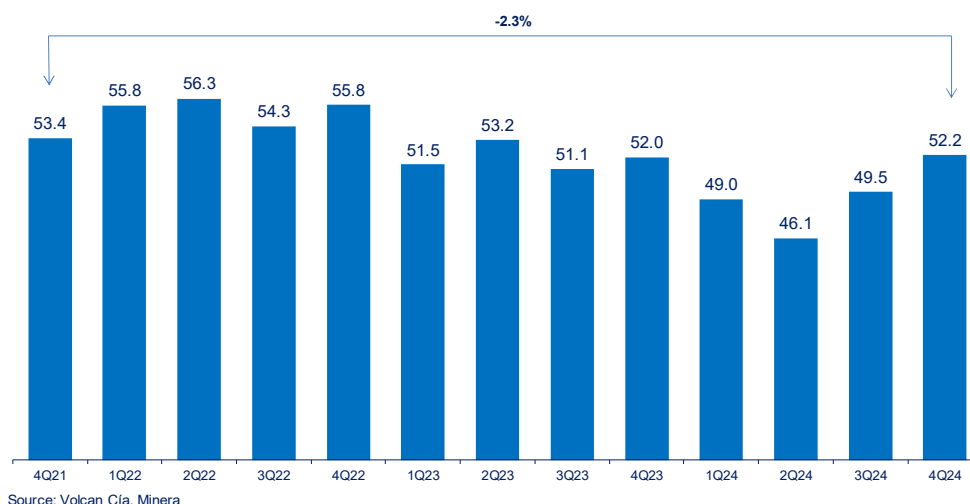
Absolute production cost increased by 2.4%, from USD 123.6 MM in 4Q23 to USD 126.6 MM in 4Q24, primarily explained by higher mining preparations at Chungar and Ticlio, aimed at getting production areas ready for 2025, higher volumes produced at Alpamarca, increased reagent consumption at Oxides plant due to ore characteristics, and higher pumping expenses at Chungar and Ticlio. However, this higher cost was partially offset by other savings in fees, reagent consumption, and improved efficiency at Yauli, Cerro, and Alpamarca. Unit cost increased by 0.3%, from 52.0 USD/MT in 4Q23 to 52.2 USD/MT in 4Q24.

On a cumulative basis (Jan-Dec), absolute production cost decreased by 5.9%, from USD 492.2 MM to USD 463.2 MM, while unit cost decreased by 5.2%, from 51.9 USD/MT to 49.2 USD/MT, explained by lower mine costs and a higher processed volume at Alpamarca and Cerro de Pasco.

The Company continues to make significant efforts to control and reduce production costs and expenses in its operations and in Lima, while maintaining the safety of its workers as its foremost value, without compromising the sustainability of its mining operations.

The following graph illustrates the evolution of unit costs over the past 3 years.

**Graph 3: Evolution of Unit Cost Including Infill Drilling (USD/MT)**



## 2.3 Investments

**Table 3: Consolidated Investments**

Consolidated Investment (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Mining</b>	<b>33.8</b>	<b>32.9</b>	<b>46.5</b>	<b>53.9</b>	<b>55.2</b>	<b>-2.4</b>	<b>167.2</b>	<b>178.9</b>	<b>-6.6</b>
<b>Mining Units</b>	<b>33.1</b>	<b>31.3</b>	<b>44.9</b>	<b>51.0</b>	<b>52.3</b>	<b>-2.6</b>	<b>160.3</b>	<b>168.0</b>	<b>-4.6</b>
Local Exploration	2.0	2.1	2.4	2.2	3.5	-35.6	8.8	13.1	-32.7
Development	17.6	15.4	17.7	18.6	19.1	-2.7	69.1	76.3	-9.4
Plants and Tailings Facilities	7.0	6.3	12.3	13.7	14.3	-4.1	39.3	32.0	22.8
Mine and Infrastructure	5.5	5.4	7.8	6.6	9.7	-32.1	25.3	34.5	-26.7
Electrical Infrastructure in Units	0.1	0.6	1.5	3.3	3.8	-12.9	5.5	8.7	-36.8
Support and Others	0.9	1.7	3.2	6.6	2.0	233.3	12.3	3.5	253.2
<b>Regional Explorations</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>-76.2</b>	<b>0.1</b>	<b>0.1</b>	<b>-46.1</b>
<b>Growth and Others</b>	<b>0.7</b>	<b>1.6</b>	<b>1.6</b>	<b>2.9</b>	<b>2.9</b>	<b>1.4</b>	<b>6.9</b>	<b>10.9</b>	<b>-36.9</b>
<b>Energy</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>-100.0</b>	<b>0.0</b>	<b>0.5</b>	<b>-96.3</b>
<b>Others</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>33.8</b>	<b>32.9</b>	<b>46.5</b>	<b>54.0</b>	<b>55.4</b>	<b>-2.5</b>	<b>167.2</b>	<b>179.5</b>	<b>-6.8</b>

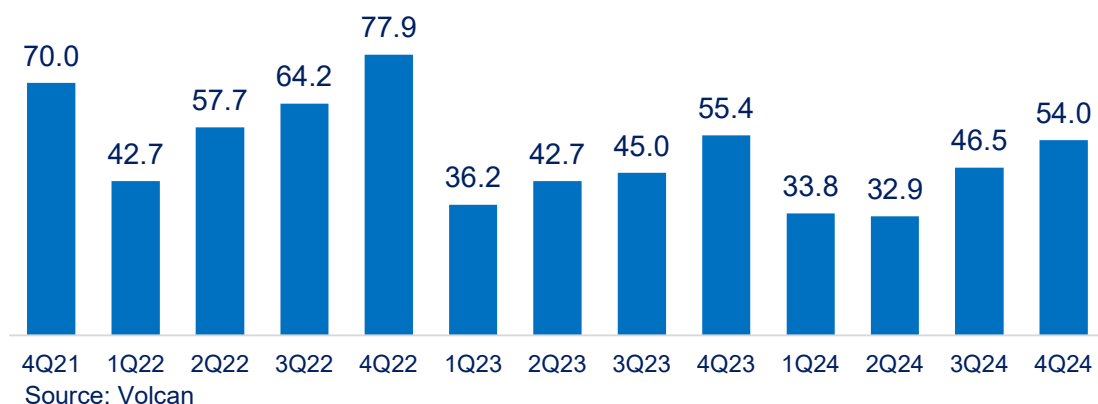
Source: Volcan Cia. Minera

Investments in operating units decreased by 2.6%, from USD 52.3 MM in 4Q23 to USD 51.0 MM in 4Q24. This reduction is primarily explained by: i) optimization of exploration, prioritizing areas and optimizing the drilling grid and length; ii) lower development due to the optimization of mining design; iii) lower execution of infrastructure projects. This was partially offset by higher investment in overhauls and component purchases at Yauli and Chungar.

Growth investment (Romina) remained similar at USD 2.9 MM. As a result, total investments decreased by 2.5%, from USD 55.4 MM in 4Q23 to USD 54.0 MM in 4Q24.

On a cumulative basis (Jan-Dec), total investments decreased by 6.8%, from USD 179.5 MM to USD 167.2 MM, mainly due to lower investments in mining and infrastructure, developments, and growth during 1H24, as a result of prioritizing investments to preserve the Company's liquidity.

Graph 4: Evolution of Consolidated Investments



## 2.4 Income Statement

Table 4: Income Statement

Income Statement (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Sales before adjustments</b>	180.0	213.1	272.7	299.2	217.3	37.7	965.0	890.5	8.4
<i>Sett. of prior periods adjustments</i>	-0.9	5.4	-0.3	-4.3	-2.0	0.0	0.0	-9.5	
<i>Adj. open positions</i>	-2.6	0.0	2.4	-4.2	2.1		-4.5	-1.8	147.4
<i>Hedging</i>	0.1	-0.2	0.0	0.0	1.5	-100.0	-0.1	3.9	
<b>Sales after adjustments</b>	176.7	218.3	274.8	290.7	218.8	32.9	960.5	883.1	8.8
<b>Cost of Goods Sold</b>	-159.4	-164.5	-181.9	-193.8	-178.4	8.6	-699.6	-725.5	-3.6
<b>Gross Profit</b>	17.3	53.8	92.9	97.0	40.5	139.7	260.9	157.6	65.6
<b>Gross Margin</b>	10%	25%	34%	33%	18%	15 pp	27%	18%	9 pp
Administrative Expenses	-9.5	-8.3	-12.9	-23.7	-8.1	194.5	-54.4	-38.9	39.8
Exploration Expenses	-2.4	-2.3	-2.4	-1.3	-2.7	-51.3	-8.5	-16.3	-47.6
Sales Expenses	-7.1	-6.9	-7.2	-7.9	-9.3	-14.5	-29.1	-30.6	-4.9
Other income (Expenses) <sup>1</sup>	-0.3	3.6	3.5	11.1	-0.6		17.8	-2.1	
<b>Operating Profit</b>	-2.0	39.9	73.8	75.1	19.8	279.8	186.8	69.8	167.7
<b>Operating Margin</b>	-1%	18%	27%	26%	9%	17 pp	19%	8%	12 pp
Financial income (expense)	-18.0	-17.5	-18.9	-20.5	-16.5	24.4	-74.9	-65.4	14.6
Exchange difference (net)	0.0	-0.7	1.4	-0.1	1.7		0.6	1.0	-40.1
Royalties	-2.2	-3.4	-5.2	-5.0	-2.3	118.8	-15.8	-10.6	48.6
Income Tax	3.0	-5.7	-12.0	-19.7	5.5		-34.5	4.8	
<b>Net Profit before Exceptionals</b>	-19.2	12.6	39.2	29.7	8.1	266.8	62.2	-0.5	
<b>Net Margin</b>	-11%	6%	14%	10%	4%	7 pp	6%	0%	7 pp
Exceptional adjustments	0.0	-2.2	0.0	77.1	-7.1		74.9	-9.5	
<b>Net Profit</b>	-19.2	10.4	39.2	106.8	1.0		137.1	-10.0	
<b>Net Margin</b>	-11%	5%	14%	37%	0%	36 pp	14%	-1%	15 pp
<b>EBITDA<sup>2</sup></b>	44.8	87.2	123.6	126.2	70.1	80.0	381.8	276.9	37.9
<b>EBITDA Margin</b>	25%	40%	45%	43%	32%	11 pp	40%	31%	8 pp

<sup>1</sup> Includes sales and cost of sales of the energy division<sup>2</sup> Does not consider exceptional adjustments

Source: Volcan Cia. Minera



## • Sales Analysis

**Table 5: Average Sales Prices**

Sales Prices	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc (USD/MT)	2,473	2,770	2,765	3,004	2,494	20.5	2,768	2,642	4.7
Lead (USD/MT)	2,099	2,159	2,068	2,013	2,155	-6.6	2,079	2,132	-2.5
Copper (USD/MT)	7,794	9,162	8,558	9,063	8,177	10.8	8,709	8,428	3.3
Silver (USD/Oz)	23	28	29	31	23	34.9	28.2	23.2	21.4
Gold (USD/Oz)	2,069	2,332	2,478	2,667	1,980	34.7	2,419	1,943	24.5

Source: Volcan Cia. Minera

The prices shown in the table above correspond to the initial invoicing prices, which are provisional and are adjusted when the final settlements are issued. Provisions for open positions at the end of each period estimate adjustments on open deliveries due to future price variations of the metals, using a specified future price curve.

**Table 6: Fines Sales Volume**

Fines Sales	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc (thousands FMT)	52.5	54.4	63.5	65.7	62.6	4.9	236.2	244.2	-3.3
Lead (thousands FMT)	11.8	12.4	15.0	16.1	15.0	6.8	55.3	60.8	-9.1
Copper (thousands FMT)	0.9	0.9	1.4	1.7	1.3	32.2	4.9	5.6	-12.0
Silver (millions Oz)	3.1	3.2	4.0	3.8	3.7	2.9	14.0	15.3	-8.4
Gold (thousands Oz)	2.8	2.5	4.2	3.8	4.0	-6.5	13.2	19.3	-31.5

Source: Volcan Cia. Minera

**Table 7: Sales in USD**

Sales (millions USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc	91.7	107.3	130.2	150.1	105.3	42.5	479.3	427.2	12.2
Lead	22.3	24.4	28.7	29.6	28.6	3.7	105.0	113.9	-7.9
Copper	4.5	5.7	8.5	11.9	7.4	59.8	30.6	29.1	4.9
Silver	57.4	71.5	96.9	98.2	69.7	40.9	324.1	290.1	11.7
Gold	4.1	4.1	8.5	7.9	6.2	27.9	24.6	30.1	-18.2
Slags	0.0	0.0	0.00	1.5	0.0	0.0	1.5	0.0	
<b>Sales before adjustments</b>	<b>180.0</b>	<b>213.1</b>	<b>272.7</b>	<b>299.2</b>	<b>217.3</b>	<b>37.7</b>	<b>965.0</b>	<b>890.5</b>	<b>8.4</b>
Adjustments <sup>1</sup>	-3.4	5.2	2.2	-8.5	1.6	12.0	-4.5	-7.4	-39.2
Sett. of prior period adjust.	-0.9	5.4	-0.3	-4.3	-2.0	112.0	0.0	-9.5	
Adjust. for open positions	-2.6	0.0	2.4	-4.2	2.1		-4.5	-1.8	147.4
Hedging results	0.1	-0.2	0.0	0.0	1.5	-100.0	-0.1	3.9	
<b>Sales after adjustments</b>	<b>176.7</b>	<b>218.3</b>	<b>274.8</b>	<b>290.7</b>	<b>218.8</b>	<b>32.9</b>	<b>960.5</b>	<b>883.1</b>	<b>8.8</b>

Source: Volcan Cia. Minera

Sales before adjustments increased by 37.6%, from USD 217.3 MM in 4Q23 to USD 299.2 MM in 4Q24, primarily due to higher zinc and silver prices, as well as improved commercial terms in the sale of concentrates. Sales adjustments amounted to USD 8.5 MM in 4Q24 compared to USD 1.6 MM in 4Q23. In 4Q24, the adjustments consisted of a provision for open positions of USD 4.2 MM and negative results from final settlements of USD -4.3 MM. As a result, sales after adjustments increased by 32.9%, from USD 218.8 MM in 4Q23 to USD 290.7 MM in 4Q24.

On a cumulative basis (Jan-Dec), sales after adjustments increased by 8.8%, from USD 883.1 MM in 2023 to USD 960.5 MM in 2024, driven by higher silver and zinc prices, improved



commercial terms, and lower sales adjustments, partially offset by lower production resulting from stoppages at San Cristóbal, Ticlio, and Animón during 1H24.

- **Cost of Goods Sold**

**Table 8: Cost of Goods Sold**

Cost of Goods Sold (millions USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Volcan Production</b>	<b>159.2</b>	<b>164.1</b>	<b>180.5</b>	<b>189.6</b>	<b>177.6</b>	<b>6.7</b>	<b>693.4</b>	<b>723.2</b>	<b>-4.1</b>
Volcan Production Cost	108.8	103.0	124.8	126.6	123.6	2.4	463.2	492.2	-5.9
D&A from Production Cost	44.9	45.6	48.2	49.7	48.4	2.6	188.3	199.5	-5.6
Other expenses	9.2	12.5	4.6	11.6	5.0	130.1	37.9	24.0	57.6
Inventories variation	-3.6	2.9	2.9	1.7	0.6	207.6	3.9	7.4	-48.1
<b>Workers Profit Sharing</b>	<b>0.2</b>	<b>0.4</b>	<b>1.5</b>	<b>4.2</b>	<b>0.7</b>	<b>459.3</b>	<b>6.2</b>	<b>2.4</b>	<b>164.8</b>
<b>Total</b>	<b>159.4</b>	<b>164.5</b>	<b>181.9</b>	<b>193.8</b>	<b>178.4</b>	<b>8.6</b>	<b>699.6</b>	<b>725.5</b>	<b>-3.6</b>

Total cost of goods sold increased by 8.6%, from USD 178.4 MM in 4Q23 to USD 193.8 MM in 4Q24, primarily due to an increase in production costs, an increase in other expenses due to penalty payments related to concessions at Alpamarca, a decrease in inventories, and a higher share for workers due to better results.

On a cumulative basis (Jan-Dec), the total cost of goods sold decreased by 3.6%, from USD 725.5 MM in 2023 to USD 699.6 MM in 2024, due to the stoppage of operations in 1H24.

- **Gross Margin and Gross Profit**

The Company's gross margin increased from 18% in 4Q23 to 33% in 4Q24, primarily due to higher metal prices and favourable commercial terms in the sale of concentrates. As a result, gross profit increased by 140.0%, from USD 40.5 MM in 4Q23 to USD 97.0 MM in 4Q24.

On a cumulative basis (Jan-Dec), gross margin increased from 18% in 2023 to 27% in 2024, while gross profit grew from USD 157.6 MM in 2023 to USD 260.9 MM in 2024.

- **Administrative Expenses**

Administrative expenses totalled USD 23.7 MM in 4Q24, 194.5% higher than the USD 8.1 MM in 4Q23, mainly explained by higher expenses and exceptional personnel provisions, making 4Q24 an atypical quarter.

On a cumulative basis (Jan-Dec), administrative expenses increased from USD 38.9 MM in 2023 to USD 54.4 MM in 2024.

- **Sales Expenses**

Sales expenses decreased by 14.5% compared to the same period of the previous year, totalling USD 7.9 MM in 4Q24, compared to USD 9.3 MM in 4Q23, primarily due to lower shipping freight rates for exports.

On a cumulative basis (Jan-Dec), sales expenses decreased from USD 30.6 MM to USD 29.6 MM.

---

- **Exploration Expenses**

Exploration expenses decreased by 51.3%, from USD 2.7 MM in 4Q23 to USD 1.3 MM in 4Q24, in line with adjusted greenfield and brownfield exploration plan.

On a cumulative basis (Jan-Dec), exploration expenses decreased from USD 16.3 MM in 2023 to USD 8.5 MM in 2024.

- **Other Income and Expenses**

In 4Q24, the net amount of other income/expenses was USD 11.1 MM, compared to USD -0.6 MM in 4Q23, primarily due to the net gain from the sale of the Huanchor hydroelectric plant completed in October.

On a cumulative basis (Jan-Dec), the net amount of other income/expenses was USD -2.1 MM in 2023, compared to USD 17.8 MM in 2024.

- **Financial Expenses and Exchange Rate Differences**

Net financial expenses increased by 24.4%, from USD 16.5 MM in 4Q23 to USD 20.5 MM in 4Q24, mainly due to the increase in the average interest rate following the Company's debt refinancing.

On a cumulative basis (Jan-Dec), net financial expenses totalled USD 74.9 MM in 2024, compared to USD 65.4 MM in 2023.

On the other hand, the effect of the exchange rate variation shifted from a positive value of USD 1.7 MM in 4Q23 to a negative result of USD -0.1 MM in 4Q24.

- **Royalties and Income Tax**

Royalties increased from USD 2.3 MM in 4Q23 to USD 5.0 MM in 4Q24. Similarly, income tax shifted from a credit of USD 5.5 MM in 4Q23 to a charge of USD -19.7 MM in 4Q24, due to better financial results.

On a cumulative basis (Jan-Dec), royalties increased from USD 10.6 MM in 2023 to USD 15.8 MM in 2024, while the income tax shifted from a credit of USD 4.8 MM in 2023 to a charge of USD -34.5 MM in 2024.

- **Net Profit and EBITDA**

Net profit before exceptionals increased from USD 8.1 MM in 4Q23 to USD 29.7 MM in 4Q24, mainly due to higher gross profit and the positive result from the sale of the Huanchor hydroelectric plant. The period recorded a net exceptional gain of USD 77.1 MM, mainly related to the reversal of impairment on fixed assets at Yauli and Cerro de Pasco, and the update of provisions for mine closures and community matters in accordance with current accounting standards. Net profit increased from USD 1.0 MM in 4Q23 to USD 106.8 MM in 4Q24.

EBITDA increased from USD 70.1 MM in 4Q23 to USD 126.2 MM in 4Q24, primarily due to higher sales from better prices and commercial terms.

On a cumulative basis (Jan-Dec), net profit before exceptionals increased from USD -0.5 MM in 2023 to USD 62.2 MM in 2024. Net profit rose from USD -10.0 MM to USD 137.1 MM, and EBITDA grew from USD 276.9 MM in 2023 to USD 381.8 MM in 2024.

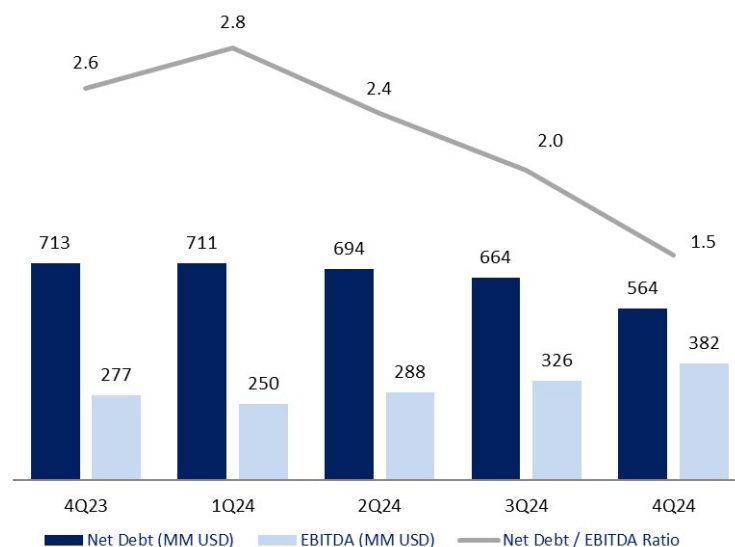
## 2.5 Liquidity and Solvency

In 4Q24, cash generation from mining operations after operating investments was positive at USD 115.9 MM. Disbursements for growth-related mining investments and other investments totalled USD 3.7 MM, while the net financial flow amounted to USD -57.4 MM.

Consequently, cash flow for 4Q24 was positive at USD 54.8 MM, and cash balance at the end of 4Q24 reached USD 155.8 MM.

Net Debt/EBITDA ratio as of December 31, 2024, was 1.5x reflecting a significant reduction compared to previous periods, due to higher accumulated EBITDA over the last 12 months and a decrease in net debt.

**Graph 5: Evolution of the Net Debt / EBITDA Ratio**



<sup>1</sup> Debt does not include operating leases associated with IFRS16 or current interest

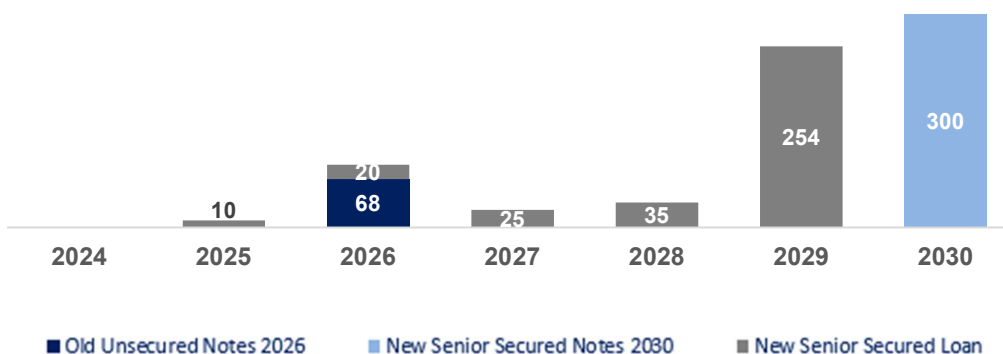
<sup>2</sup> Last twelve month EBITDA

Source: Volcan Cia. Minera

During 2024, the Company successfully completed the refinancing of its debt. As of the fiscal year-end, the Company holds a Syndicated Term Loan Agreement amounting to USD 344.3 MM, notes maturing in 2026 totalling USD 67.9 MM, and notes maturing in 2030 for USD 299.9 MM. Both the syndicated loan and the 2030 bonds are secured by the majority of the Company's assets and those of its subsidiaries.

Additionally, in line with the Company's strategy to focus on the mining business and strengthen its balance sheet, in May 2024, the sale of the Rucuy hydroelectric plant was completed for a total amount of USD 31.7 MM, and in October, the sale of the Huanchor hydroelectric plant was finalized for a total of USD 49.5 MM.

**Graph 6: Debt Maturity Profile**



It is worth noting that, through our commercial agreements, we have additional working capital lines that allow us to ensure liquidity and maintain sufficient financial flexibility, guaranteeing the proper management of the business. To date, we have available lines of up to USD 25.0 MM with maturities until December 2025.

Finally, it is important to mention that a program of zinc and silver price hedging is being implemented to mitigate volatility in our cash flow in 2025.

### 3. Results by Operating Unit

#### 3.1 Operating Results - Yauli Unit

**Table 9: Yauli Production**

Yauli Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)	682	629	817	840	818	2.7	2,968	3,101	-4.3
Mineral treatment (thousands MT)	636	654	814	832	818	1.8	2,935	3,106	-5.5
<b>Fines Content</b>									
Zinc (thousands FMT)	34.3	36.5	43.8	44.8	43.9	1.9	159.4	166.9	-4.5
Lead (thousands FMT)	5.1	5.8	6.9	6.5	8.4	-22.8	24.3	28.4	-14.4
Copper (thousands FMT)	0.3	0.4	0.8	1.0	0.7	36.5	2.6	2.8	-9.0
Silver (millions Oz)	1.4	1.5	2.1	2.0	2.1	-5.4	7.0	7.8	-10.6
Gold (thousands Oz)	0.8	0.8	1.2	1.2	1.2	-5.6	4.0	5.5	-27.5

Source: Volcan Cia. Minera

In 4Q24, ore extraction at the Yauli unit increased by 2.7%, and treatment volume exhibited a 1.8% increase compared to 4Q23. This growth is attributed to higher treatment at the Victoria and Andaychagua plants and improved operational practices in the Andaychagua processes. Zinc production increased by 1.9%; lead production decreased by 22.8%; copper production rose by 36.5%; silver production decreased by 5.4%; and gold production fell by 5.6%.

On a cumulative basis (Jan-Dec), compared to the previous year, ore extraction decreased by 4.3%, and ore treatment decreased by 5.5%, due to the suspension of operations at San Cristóbal-Carahuacra and Ticlio between March and April. The production of payable zinc, lead, copper, silver, and gold fines decreased by 4.5%, 14.4%, 9.0%, 10.6%, and 27.5%, respectively.

**Table 10: Yauli Production Cost**

Yauli Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost* (MM USD)</b>									
Extraction cost <sup>2</sup>	44.7	35.7	48.6	49.4	49.6	-0.4	178.3	189.1	-5.7
Treatment Cost	5.9	6.3	8.2	9.0	8.0	13.5	29.4	32.9	-10.5
Others	9.3	7.3	10.3	11.3	10.7	5.1	38.2	39.0	-2.3
<b>Total Production Cost (MM USD)</b>	<b>59.8</b>	<b>49.3</b>	<b>67.0</b>	<b>69.7</b>	<b>68.2</b>	<b>2.1</b>	<b>245.9</b>	<b>261.0</b>	<b>-5.8</b>
<b>Unit Cost (USD/MT)</b>									
Extraction Cost	65.6	56.7	59.4	58.8	60.6	-3.1	60.1	61.0	-1.5
Treatment Cost	9.2	9.7	10.0	10.9	9.7	11.6	10.0	10.6	-5.3
Others	14.6	11.2	12.7	13.5	13.1	3.3	13.0	12.6	3.4
<b>Total Unitary Cost (USD/MT)</b>	<b>89.4</b>	<b>77.6</b>	<b>82.1</b>	<b>83.2</b>	<b>83.5</b>	<b>-0.4</b>	<b>83.1</b>	<b>84.1</b>	<b>-1.3</b>

\* Distribution update of production cost by areas (mine, plant, others)

<sup>2</sup> Mine cost include infill drilling costs

Source: Volcan Cia. Minera

Absolute production costs increased from USD 68.2 MM in 4Q23 to USD 69.7 MM in 4Q24. This increase was primarily due to higher plant costs related to the replacement of components after their useful life, partially offset by optimizations in reagent usage. Additionally, there were higher costs associated with improving staff living conditions, renewing and renegotiating contracts with third parties, and provisions. At Ticlio, increased costs were recorded due to additional preparations to ensure production for 2025 and higher pumping expenses. These were partially offset by savings at the San Cristóbal mine, primarily from reduced transportation costs due to the introduction of new locomotives and optimizations in ground support.

Internal efficiencies achieved allowed unit cost in 4Q24 to decrease by 0.4% compared to the same period last year.

On a cumulative basis (Jan-Dec), absolute production costs decreased by 5.8%, from USD 261.0 MM in 2023 to USD 245.9 MM in 2024. Unit production cost decreased by 1.3%, from 84.1 USD/MT to 83.1 USD/MT.

**Table 11: Yauli Operating Investments**

Yauli Operating Investment (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Local Exploration <sup>1</sup>	1.5	1.4	1.6	1.4	2.4	-42.0	5.9	9.7	-38.6
Mine Development	13.8	11.4	13.9	14.2	15.7	-9.5	53.3	62.9	-15.4
Plants and Tailings Dams	2.7	4.7	10.6	10.5	7.5	39.8	28.4	21.4	32.6
Mine and Infrastructure	3.8	2.0	5.0	3.8	5.9	-35.5	16.1	23.4	-31.3
Electrical Infrastructure	0.1	0.6	1.5	3.2	2.3	40.5	5.4	6.6	-17.6
Support and Others	0.7	0.7	1.2	2.0	1.1	72.6	4.6	2.2	111.6
<b>Total</b>	<b>22.6</b>	<b>22.3</b>	<b>33.9</b>	<b>35.0</b>	<b>34.8</b>	<b>0.4</b>	<b>113.7</b>	<b>126.2</b>	<b>-9.9</b>

Source: Volcan Cia. Minera

In 4Q24, operating investments in Yauli totalled USD 35.0 MM, 0.4% higher than the USD 34.8 MM in 4Q23. This increase is primarily due to investments in the raising of the Rumichaca tailings dam and the replacement of components at Victoria plant due to the expiration of their useful life.

On a cumulative basis (Jan-Dec), operating investments decreased by 9.9% compared to the previous year, from USD 126.2 MM to USD 113.7 MM. This reduction is attributed to the suspension of operations at the San Cristóbal-Carahuacra and Ticlio mines during March and April, a period in which investments were prioritized to preserve the Company's liquidity.

### 3.2 Chungar Unit Operating Results

**Table 12: Chungar Production**

Chungar Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)	243	210	261	306	295	3.9	1,020	1,250	-18.3
Mineral treatment (thousands MT)	230	225	265	305	297	2.6	1,025	1,261	-18.7
<b>Fines Content</b>									
Zinc (thousands FMT)	10.1	10.0	11.1	11.8	12.5	-5.8	43.0	49.9	-13.8
Lead (thousands FMT)	3.3	3.5	4.1	5.4	4.6	18.6	16.3	21.0	-22.4
Copper (thousands FMT)	0.1	0.1	0.2	0.3	0.2	34.6	0.8	1.2	-36.4
Silver (millions Oz)	0.3	0.4	0.4	0.6	0.4	35.6	1.7	2.2	-22.6
Gold (thousands Oz)	0.2	0.2	0.1	0.2	0.3	-28.1	0.8	1.5	-47.0

Source: Volcan Cia. Minera

In 4Q24, extracted ore at Chungar increased by 3.9%, and treated ore grew by 2.6% compared to 4Q23, due to the increased preparation of new ore zones during 3Q24. Lead, copper, and silver production rose by 18.6%, 34.6%, and 35.6%, respectively, while zinc and gold production decreased by 5.8% and 28.1%, due to the extraction of ore with higher lead/silver content and lower zinc content.

On a cumulative basis (Jan-Dec), compared to the previous year, ore extraction decreased by 18.3%, as did ore treatment, which decreased by 18.7%. The production of payable zinc, lead, copper, silver, and gold fines decreased by 13.8%, 22.4%, 36.4%, 22.6%, and 47.0%, respectively, due to the suspension of operations during 1H24.

**Table 13: Chungar Production Cost**

Chungar Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost<sup>1</sup> (MM USD)</b>									
Extraction cost <sup>2</sup>	15.8	17.3	18.6	20.3	18.3	11.1	71.9	82.0	-12.3
Treatment Cost	3.0	4.0	5.8	4.5	5.8	-22.4	17.2	20.6	-16.3
Others	3.9	3.9	4.1	4.7	4.3	10.0	16.7	17.9	-6.7
<b>Total Production Cost (MM USD)</b>	<b>22.6</b>	<b>25.1</b>	<b>28.5</b>	<b>29.6</b>	<b>28.4</b>	<b>4.1</b>	<b>105.8</b>	<b>120.5</b>	<b>-12.2</b>
<b>Unit Cost (USD/MT)</b>									
Extraction Cost	64.9	82.2	71.2	66.3	62.0	6.9	70.5	65.6	7.4
Treatment Cost	12.8	17.6	21.8	14.8	19.6	-24.4	16.8	16.3	2.9
Others	17.0	17.3	15.6	15.6	14.5	7.1	16.3	14.2	14.7
<b>Sub total Unitary Cost (USD/MT)</b>	<b>94.7</b>	<b>117.2</b>	<b>108.6</b>	<b>96.7</b>	<b>96.1</b>	<b>0.6</b>	<b>103.6</b>	<b>96.1</b>	<b>7.7</b>

<sup>1</sup> Distribution update of production cost by areas (mine, plant, others)

<sup>2</sup> Mine cost include infill drilling costs

Source: Volcan Cia. Minera

Total production costs increased by 4.1%, from USD 28.4 MM in 4Q23 to USD 29.6 MM in 4Q24, primarily due to the increased preparation of ore zones to ensure production for 2025 and higher maintenance expenses required to maintain optimal operating conditions. Unit cost increased by 0.6%, from 96.1 USD/MT in 4Q23 to 96.7 USD/MT in 4Q24.

On a cumulative basis (Jan-Dec), compared to the previous year, the absolute production cost decreased by 12.2%, from USD 120.5 MM to USD 105.8 MM, mainly due to the temporary suspension of operations at Islay in July 2023. However, unit production cost increased by 7.7%, from 96.1 USD/MT to 103.6 USD/MT, which can be partly attributed to the increased preparation costs, and higher pumping and tailings disposal costs.

**Table 14: Chungar Operating Investments**

Chungar Operating Investment (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Local Exploration	0.6	0.7	0.8	0.4	1.0	-64.6	2.4	3.3	-29.3
Mine Development	3.8	4.0	3.8	4.4	3.4	28.8	15.9	13.4	18.7
Plants and Tailings Dams	0.0	0.0	0.3	0.5	1.4	-65.1	0.8	2.7	-70.6
Mine and Infrastructure	1.5	1.7	2.6	2.2	3.0	-26.6	8.1	9.5	-14.9
Electrical Infrastructure	0.0	0.0	0.0	0.1	1.5	-93.7	0.1	2.0	-95.1
Support and Others	0.2	0.7	1.5	2.3	0.6	268.2	4.7	1.1	342.7
<b>Total</b>	<b>6.0</b>	<b>7.0</b>	<b>9.0</b>	<b>9.8</b>	<b>11.0</b>	<b>-10.6</b>	<b>31.9</b>	<b>31.9</b>	<b>-0.2</b>

Source: Volcan Cia. Minera

Operating investments in Chungar decreased by 10.6%, from USD 11.0 MM in 4Q23 to USD 9.8 MM in 4Q24, in line with the annual investment program.

On a cumulative basis (Jan-Dec), operating investments remained similar to those executed in 2023. Notable investments included those in electrical infrastructure, improvements in mining infrastructure, and equipment repairs.



### 3.3 Alparamarca Unit Operating Results

**Table 15: Alparamarca Production**

Alparamarca Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)	259	283	282	242	171	41.1	1,066	837	27.4
Mineral treatment (thousands MT)	259	277	277	191	174	10.0	1,004	958	4.8
<b>Fines Content</b>									
Zinc (thousands FMT)	1.2	1.3	1.5	0.9	0.9	1.2	5.0	5.8	-14.4
Lead (thousands FMT)	1.2	1.2	1.2	0.8	0.9	-10.1	4.3	4.0	8.4
Copper (thousands FMT)	0.1	0.1	0.0	0.0	0.0	11.2	0.2	0.3	-30.4
Silver (millions Oz)	0.2	0.2	0.2	0.2	0.1	22.7	0.8	1.0	-21.6

<sup>1</sup> Tonnage extracted from Alparamarca was adjusted.  
Source: Volcan Cia. Minera

In 4Q24, extracted ore increased by 41.1% compared to the same quarter of the previous year, due to the incorporation of additional resources that allowed for an extension of the mining plan. Treatment volume increased by 10.0%, from 174 thousand MT in 4Q23 to 191 thousand MT in 4Q24.

Production of zinc, copper, and silver fines increased by 1.2%, 11.2%, and 22.7%, respectively, while the production of lead fines decreased by 10.1% due to the ore grade processed.

On a cumulative basis (Jan-Dec), compared to the previous year, ore extraction increased by 27.4%, and ore treatment increased by 4.8%. The production of zinc, copper, and silver fines decreased by 14.4%, 30.4%, and 21.6%, respectively, due to lower grades, while the production of lead fines increased by 8.4%.

**Table 16: Alparamarca Production Cost**

Alparamarca Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost<sup>1</sup> (MM USD)</b>									
Extraction cost <sup>2</sup>	1.9	2.2	2.5	2.1	1.2	82.8	8.7	6.1	43.3
Treatment Cost	1.5	1.8	1.7	0.9	1.1	-19.8	5.9	6.3	-6.1
Others	1.3	1.0	2.0	0.1	0.7	-80.8	4.4	4.7	-5.3
<b>Total Production Cost (MM USD)</b>	<b>4.6</b>	<b>5.0</b>	<b>6.2</b>	<b>3.2</b>	<b>3.1</b>	<b>4.6</b>	<b>19.1</b>	<b>17.1</b>	<b>11.7</b>
<b>Unit Cost (USD/MT)</b>									
Extraction cost <sup>3</sup>	7.3	8.0	9.0	11.2	6.7	66.2	8.7	6.4	36.7
Treatment Cost	5.8	6.6	6.1	4.8	6.6	-27.1	5.9	6.6	-10.4
Others	4.8	3.6	7.3	0.7	4.3	-82.6	4.4	4.9	-9.6
<b>Sub total Unitary Cost (USD/TM)</b>	<b>17.9</b>	<b>18.2</b>	<b>22.4</b>	<b>16.8</b>	<b>17.6</b>	<b>-4.9</b>	<b>19.0</b>	<b>17.9</b>	<b>6.7</b>

<sup>1</sup> Distribution update of production cost by areas (mine, plant, others)

<sup>2</sup> Mine cost include infill drilling costs

<sup>3</sup> Do not include expenses from previous periods

Source: Volcan Cia. Minera

Total production cost increased by 4.6%, from USD 3.1 MM in 4Q23 to USD 3.2 MM in 4Q24, primarily due to higher waste extraction from the pit to prepare areas for exploitation in 1Q25. Unit cost decreased by 4.9%, from 17.6 USD/MT in 4Q23 to 16.8 USD/MT in 4Q24, driven by the higher volume extracted and processed.

On a cumulative basis (Jan-Dec), compared to the previous year, the total production cost increased by 11.7%, from USD 17.1 MM to USD 19.1 MM. The unit production cost increased by 6.7%, from 17.9 USD/MT to 19.0 USD/MT.

**Table 17: Alparamarca Operating Investments**

Alparamarca Operating Inv. (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Local Exploration	0.0	0.0	0.0	0.0	0.1	-100.0	0.0	0.1	-100.0
Plants and Tailings Dams	0.0	0.0	0.0	0.3	0.1	454.0	0.3	0.2	39.6
Mine and Infrastructure	0.1	0.1	0.0	0.0	0.2	-97.0	0.2	0.7	-67.8
Energy	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
Support and Others	0.0	0.0	0.0	0.0	0.0	-19.1	0.0	0.0	-19.1
<b>Total</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.3</b>	<b>0.3</b>	<b>8.7</b>	<b>0.5</b>	<b>1.0</b>	<b>-46.1</b>

Source: Volcan Cia. Minera

Operational investments increased by 8.7%, from USD 0.29 MM in 4Q23 to USD 0.31 MM in 4Q24, primarily focused on essential components to ensure the continuity of operations in the short term.

On a cumulative basis (Jan-Dec), operational investments decreased from USD 0.98 MM in 2023 to USD 0.53 MM in 2024.

### 3.4 Cerro de Pasco Unit Operating Results

**Table 18: Cerro de Pasco Production**

Cerro de Pasco Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)	874	893	956	864	897	-3.7	3,587	3,238	10.8
Mineral treatment (thousands MT)	762	789	869	829	805	3.0	3,249	3,146	3.3
<b>Fines Content</b>									
Zinc (thousands FMT)	4.7	5.0	6.5	6.5	5.0	29.6	22.7	19.4	17.3
Lead (thousands FMT)	1.6	2.0	2.9	3.2	1.6	96.5	9.7	7.5	30.5
Copper (thousands FMT)	0.2	0.2	0.2	0.2	0.2	3.8	0.8	0.9	-12.9
Silver (millions Oz)	0.4	0.4	0.4	0.4	0.4	8.6	1.5	1.5	4.2

Source: Volcan Cia. Minera

The volume of stockpiled ore processed at Cerro de Pasco increased by 3.0%, from 805 thousand tons in 4Q23 to 829 thousand tons in 4Q24.

The production of zinc, lead, copper, and silver in 4Q24 increased by 29.6%, 96.5%, 3.8%, and 8.6%, respectively, compared to 4Q23, driven by higher treatment tonnage, better ore grades, and improved metallurgical recoveries from the addition of new ore zones.

Throughout the year, a plan to increase treatment capacity was implemented at the Paragsha plant in Cerro de Pasco, which included the commissioning of new equipment. As a result, the plant's capacity increased from 9,000 tpd in January 2024 to 9,500 tpd in June and reached 9,700 tpd in December.

On a cumulative basis (Jan-Dec), processing increased by 3.3%, or 103 thousand additional tons compared to the previous year. This higher processed volume allowed for an increase in the production of zinc, lead, and silver by 17.3%, 30.5%, and 4.2%, respectively, while copper production decreased by 12.9% due to a lower copper grade.

**Table 19: Cerro de Pasco Production Cost**

Cerro de Pasco Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost<sup>1</sup> (MM USD)</b>									
Extraction cost <sup>2</sup>	1.8	2.1	2.1	1.9	2.6	-26.4	7.9	9.6	-17.0
Treatment Cost	7.3	8.0	7.1	7.6	7.8	-2.8	30.1	29.3	2.7
Others	1.4	1.6	1.6	1.7	1.7	0.3	6.3	6.4	-1.9
<b>Total Production Cost (MM USD)</b>	<b>10.6</b>	<b>11.8</b>	<b>10.8</b>	<b>11.2</b>	<b>12.1</b>	<b>-7.5</b>	<b>44.4</b>	<b>45.3</b>	<b>-2.1</b>
<b>Unit Cost (USD/MT)</b>									
Extraction Cost	2.1	2.4	2.2	2.2	2.9	-23.6	2.2	3.0	-25.1
Treatment Cost	9.6	10.2	8.2	9.2	9.7	-5.6	9.3	9.3	-0.6
Others	1.9	2.0	1.9	2.0	2.1	-2.6	1.9	2.0	-5.0
<b>Sub total Unitary Cost (USD/TM)</b>	<b>13.6</b>	<b>14.6</b>	<b>12.2</b>	<b>13.4</b>	<b>14.7</b>	<b>-8.8</b>	<b>13.4</b>	<b>14.3</b>	<b>-6.3</b>

<sup>1</sup> Distribution update of production cost by areas (mine, plant, others)

<sup>2</sup> Mine cost include infill drilling costs

Source: Volcan Cia. Minera

Absolute production cost decreased by 7.5%, from USD 12.1 MM in 4Q23 to USD 11.2 MM in 4Q24, due to better supply rates and lower supply consumption at the plant. The unit cost decreased by 8.8%, from 14.7 USD/MT in 4Q23 to 13.4 USD/MT in 4Q24.

On a cumulative basis (Jan-Dec), the absolute production cost decreased by 2.1% compared to the previous year, driven by optimizations in various processes. The unit production cost decreased by 6.3%, from 14.3 USD/MT in 2023 to 13.4 USD/MT in 2024.

**Table 20: Cerro de Pasco Operating Investments**

Cerro de Pasco Operating Inv. (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Local Exploration	0.0	0.0	0.0	0.3	0.0		0.3	0.0	
Plants and Tailings Dams	4.3	1.6	1.4	2.4	3.8	-37.9	9.6	6.0	61.4
Mine and Infrastructure	0.1	0.1	0.1	0.4	0.1	571.1	0.7	0.3	152.3
Support and Others	0.0	0.1	0.4	1.9	0.0		2.4	0.0	
<b>Total</b>	<b>4.3</b>	<b>1.8</b>	<b>1.9</b>	<b>5.1</b>	<b>3.9</b>	<b>30.2</b>	<b>13.1</b>	<b>6.4</b>	<b>103.8</b>

Source: Volcan Cia. Minera

Operating investments increased by 30.2%, from USD 3.9 MM in 4Q23 to USD 5.1 MM in 4Q24, primarily due to higher investments in plant maintenance equipment, infrastructure equipment, and support area equipment.

On a cumulative basis (Jan-Dec), operating investments increased from USD 6.4 MM in 2023 to USD 13.1 MM in 2024, mainly due to the expansion of the Ocroyoc tailings dam and other investments in support areas.

### 3.5 Oxides Plant Operating Results

**Table 21: Oxides Plant Production**

Oxides Plant Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)	236	254	247	245	232	5.5	981	958	2.4
Mineral treatment (thousands MT)	236	254	247	245	232	5.5	981	958	2.4
<b>Fines Content</b>									
Silver (millions Oz)	0.7	0.7	0.8	0.7	0.7	0.3	2.9	2.7	7.6
Gold (Oz)	1,686	1,829	2,184	2,147	2,200	-2.4	7,845	11,425	-31.3

Source: Volcan Cia. Minera

The volume processed at the Oxide's Plant increased by 5.5%, rising from 232 thousand MT in 4Q23 to 245 thousand MT in 4Q24, in line with the plan to utilize an additional 10% of plant capacity allowed by the new regulation effective from June 2024.

Silver production increased by 0.3% due to a higher treatment volume, which was partially offset by a lower head grade due to the higher contribution of pyrite ore. Gold production decreased by 2.4% due to lower recovery and lower grade from a reduced contribution of ore from the pit.

On a cumulative basis (Jan-Dec), in 2024, ore processing increased by 2.4%, silver production rose by 7.6%, and gold production decreased by 31.3% compared to the previous year.

**Table 22: Oxides Production Cost**

Oxides Plant Production Cost	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
<b>Production Cost<sup>1</sup> (MM USD)</b>									
Extraction cost <sup>2</sup>	1.4	1.6	1.8	1.7	1.9	-9.9	6.5	7.4	-11.4
Treatment Cost	8.3	8.7	8.9	9.6	8.4	15.2	35.6	34.7	2.4
Others	1.4	1.4	1.5	1.7	1.6	7.6	6.0	6.1	-2.0
<b>Total Production Cost (MM USD)</b>	<b>11.1</b>	<b>11.8</b>	<b>12.2</b>	<b>13.0</b>	<b>11.8</b>	<b>10.2</b>	<b>48.1</b>	<b>48.2</b>	<b>-0.3</b>
<b>Unit Cost (USD/MT)</b>									
Extraction Cost	5.9	6.5	7.3	6.8	8.0	-14.6	6.6	7.7	-13.5
Treatment Cost	35.3	34.3	36.1	39.3	36.0	9.2	36.2	36.3	0.0
Others	5.8	5.6	6.1	6.8	6.7	2.0	6.1	6.4	-4.3
<b>Sub total Unitary Cost (USD/TM)</b>	<b>47.1</b>	<b>46.4</b>	<b>49.5</b>	<b>53.0</b>	<b>50.7</b>	<b>4.5</b>	<b>49.0</b>	<b>50.3</b>	<b>-2.6</b>

<sup>1</sup> Distribution update of production cost by areas (mine, plant, others)

<sup>2</sup> Mine cost include infill drilling costs

Source: Volcan Cia. Minera

In 4Q24, absolute production cost was USD 13.0 MM, 10.2% higher compared to the USD 11.8 MM in 4Q23, due to a higher consumption of supplies at the plant due to the characteristics of the processed ore. Unit cost increased by 4.5%, from 50.7 USD/MT in 4Q23 to 53.0 USD/MT in 4Q24.

On a cumulative basis (Jan-Dec), the absolute production cost decreased by 0.3%, from USD 48.2 MM in 2023 to USD 48.1 MM in 2024, while the unit cost of operations decreased by 2.6%, from 50.3 USD/MT to 49.0 USD/MT, mainly due to the higher processed volume.

**Table 23: Oxides Operating Investments**

Oxides Plant Operating Inv. (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Local Exploration	0.0	0.0	0.0	0.1	0.0		0.2	0.0	
Mine Development	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
Plants and Tailings Dams	0.0	0.0	0.0	0.1	1.5	-93.1	0.2	1.7	-90.6
Mine and Infrastructure	0.0	0.0	0.1	0.1	0.6	-78.3	0.2	0.7	-64.8
Energy	0.0	0.0	0.0	0.0	0.0		0.0	0.0	
Support and Others	0.0	0.1	0.1	0.4	0.2	120.7	0.6	0.2	163.5
<b>Total</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.8</b>	<b>2.3</b>	<b>-66.2</b>	<b>1.1</b>	<b>2.5</b>	<b>-55.4</b>

Source: Volcan Cia. Minera

Operating investments during 4Q24 totalled USD 0.8 MM, 66.2% lower than the USD 2.3 MM in 4Q23, in line with the annual investment plan.

On a cumulative basis (Jan-Dec), operating investments decreased by 55.4%, from USD 2.5 MM in 2023 to USD 1.1 MM in 2024.

## 4. Energy

**Table 24: Electric Balance Volcan**

Balance Eléctrico (GWh)	Ene-Mar 2024	Abr-Jun 2024	Jul-Sep 2024	Oct-Dic 2024	Oct-Dic 2023	var %	Ene-Dic 2024	Ene-Dic 2023	var %
<b>Producción de Energía</b>	<b>126.0</b>	<b>108.2</b>	<b>76.8</b>	<b>47.6</b>	<b>112.3</b>	<b>-57.6</b>	<b>358.6</b>	<b>424.8</b>	<b>-15.6</b>
CH's Chungar	42.6	38.7	35.1	41.6	39.1	6.5	158.0	141.6	11.6
CH Tingo	1.7	1.7	1.7	1.7	1.7	1.5	6.8	6.7	1.4
CH Huanchor	39.4	39.5	39.9	4.3	36.0	-88.1	123.1	142.5	-13.6
CH Rucuy	42.4	28.3	0.0	0.0	35.5	-100.0	70.7	134.0	-47.3
<b>Consumo de Energía</b>	<b>207.6</b>	<b>207.8</b>	<b>215.0</b>	<b>213.1</b>	<b>204.3</b>	<b>4.3</b>	<b>843.5</b>	<b>844.0</b>	<b>-0.1</b>
<b>Compra de Energía</b>	<b>163.4</b>	<b>167.5</b>	<b>178.2</b>	<b>169.8</b>	<b>163.5</b>	<b>3.8</b>	<b>678.8</b>	<b>695.7</b>	<b>-2.4</b>

Fuente: Volcan Cia. Minera

During 4Q24, the Company's total electricity consumption was 213.1 GWh, with a peak demand of 106 MW. The 10 hydroelectric plants at Chungar collectively generated 41.6 GWh, 6% more than in the same period last year, due to greater available water resources. Self-generation accounted for 20% of the consolidated consumption, at an average cost of 37 USD/MWh, which includes operation, maintenance, and transmission costs.

To meet its total energy consumption, the Company purchased 169.8 GWh from the National Interconnected Electric System (SEIN) at an average cost of 83 USD/MWh. This energy purchase was 4% higher than in the same period last year.

The Tingo hydroelectric plant maintained its production at 1.7 GWh, all of which was sold to the Chungar mining operation.

It is worth mentioning that in May 2024, the sale of the Rucuy hydroelectric plant was executed for USD 31.7 MM, and in October 2024, the sale of the Huanchor hydroelectric plant was completed for USD 49.5 MM. Both hydroelectric plants had an installed capacity of 20 MW each.

---

## 5. Final Comments

- The higher production, increased metal prices, and improved commercial terms in concentrate sales enabled the Company to achieve stronger financial results in 4Q24 compared to 4Q23, with an EBITDA of USD 126.2 MM for the quarter and USD 381.8 MM for the full year 2024.
- The higher EBITDA of the last twelve months, the increase in cash balance, and the reduction of total debt by USD 59.3 MM through the amortization of the syndicated loan have resulted in a significant improvement in the Net Debt/EBITDA ratio, now standing at 1.5x.
- The Company successfully completed its debt refinancing plan, extending the maturity of the syndicated loan until 2029 and 81.374% of the 2026 international bonds until 2030.
- In May 2024, the sale of the Rucuy hydroelectric plant was completed, followed by the sale of the Huanchor hydroelectric plant in October 2024, in line with the Company's strategy to focus on its mining business and strengthen its balance sheet. Both transactions totalled USD 81.2 MM, before expenses, deductions, and taxes.
- The debt refinancing and the sale of the hydroelectric plants have allowed the Company to strengthen its balance sheet and liquidity, enabling it to continue focusing on strengthening its current mining units, developing the Romina project, and exploring other growth opportunities in the future.
- It is important to mention that a zinc and silver price hedging program has been implemented to mitigate the impact of price volatility of these metals on our cash flow for the year 2025, allowing the Company to focus on optimizing its operations and developing its projects.
- The Romina project is progressing as planned. The construction of the tunnel and ramp, key elements of the project, began in December 2024. 100% of the preliminary work and construction facilities have been completed, including the magazine, waste dump, workshop, offices, sedimentation ponds, electrical substations, platforms, and access roads.

The approval of the Environmental Impact Assessment (EIA) for exploitation is expected before the end of 1Q25, and the ITM approval to make modifications to the Alpamarca plant has already been obtained. Works will begin in April 2025, according to the schedule.

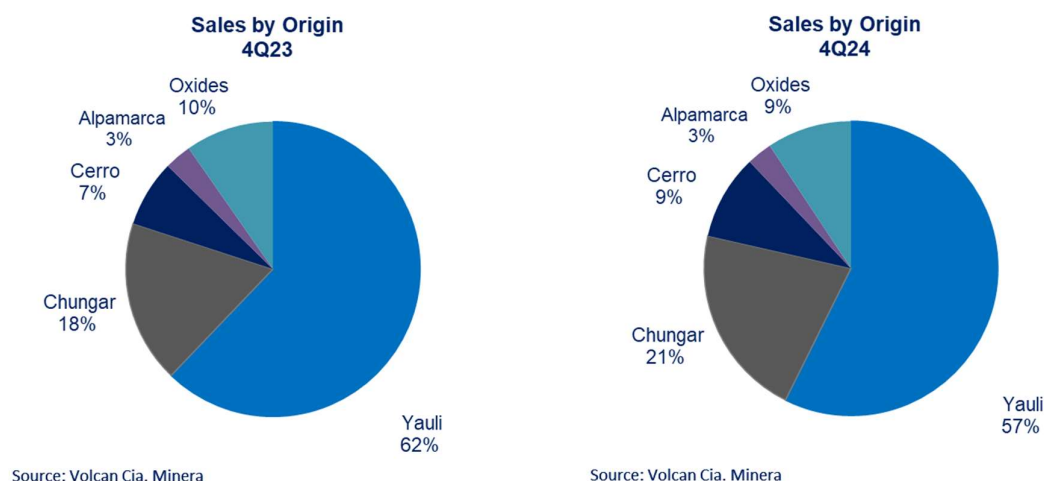
In parallel, areas near the Romina deposit are being evaluated to identify opportunities for increasing ore resources.



## Annexes

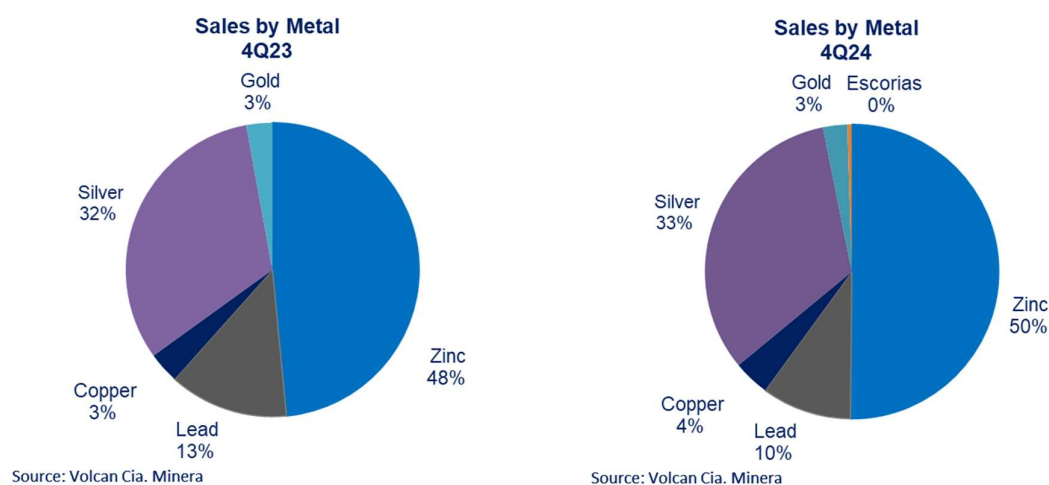
### Annex 1: Sales Details

**Graph 7: Sales by Operating Unit (percentage of total sales value)**



The sales value distribution by operational unit in 4Q24, compared to 4Q23, shows an increase in the contributions from Cerro and Chungar, and a decrease in the contributions from Yauli and Oxides. The contribution from Alpamarca remained similar to that of the same period last year.

**Graph 8: Sales by Metal (percentage of total sales value)**



The sales value distribution by metal in 4Q24, compared to 4Q23, reflects an increase in the zinc contribution and a decrease in the lead contribution. The contributions from copper, silver, and gold remained similar to the levels of the same period last year.



## Annex 2: Average Spot Prices

Spot Prices	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc (USD/MT)	2,449	2,833	2,779	3,048	2,498	22.0	2,777	2,649	4.8
Lead (USD/MT)	2,076	2,166	2,041	2,006	2,119	-5.3	2,072	2,137	-3.0
Copper (USD/MT)	8,444	9,751	9,204	9,178	8,169	12.3	9,144	8,483	7.8
Silver (USD/Oz)	23.4	28.9	29.4	31.3	23.2	34.9	28.2	23.4	20.8
Gold (USD/Oz)	2,073	2,337	2,476	2,663	1,977	34.7	2,387	1,943	22.9

Source: London Metal Exchange

## Annex 3: Macroeconomic Indicators

Macroeconomic Indicators	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Exchange Rate (S/ x USD)	3.76	3.74	3.76	3.75	3.79	-0.9	3.75	3.75	0.2
Inflation <sup>1</sup>	3.12	2.24	1.98	2.08	3.74	-44.3	2.35	6.26	-62.4

<sup>1</sup> Inflation of the last 12 months

Source: Central Reserve Bank of Peru

## Annex 4: National Production of Major Metals

National Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Nov 2024	Oct-Nov 2023	var %	Jan-Nov 2024	Jan-Nov 2023	var %
Zinc (FMT)	315,409	311,328	321,584	207,764	242,738	-14.4	1,156,086	1,318,363	-12.3
Lead (FMT)	66,563	72,555	75,840	48,713	48,106	1.3	263,671	246,871	6.8
Copper (FMT)	641,138	648,992	701,380	478,680	493,678	-3.0	2,470,190	2,490,573	-0.8
Silver (thousands Oz)	23,927	27,083	29,627	19,207	17,364	10.6	99,844	88,060	13.4
Gold (thousands Oz)	858	784	840	596	612	-2.7	3,078	2,890	6.5

Source: Ministry of Energy and Mines