

## ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2025

CAP S.A. and its subsidiaries' ("CAP Group") Consolidated Financial Statements for the period ending March 31, 2025, are analyzed below. They have been prepared following International Financial Reporting Standards (IFRS).

CAP Group is made up of the parent company CAP S.A. (the "Company") and subsidiaries grouped in three segments: (1) Mining, through Compañía Minera del Pacífico S.A. ("CMP") and its subsidiary companies; (2) Industrial, which develops its business through Intasa S.A. and subsidiaries, Cintac S.A. and subsidiaries, and Huachipato<sup>1</sup>, and finally, (3) Infrastructure, through subsidiaries Cleanairteach Sudamérica S.A., Tecnocap S.A. and Puerto Las Losas S.A.

### 1. Summary of the Company's results

The following table shows the main components of CAP S.A.'s Consolidated Results Statement for the first quarter of 2025 and the comparison with the year before.

**Table No. 1: Summary of CAP S.A.'s Consolidated Income Statement**

| <i>Figures in thousands of US\$</i> | <b>1Q 2025</b> | <b>1Q 2024</b> | <b>Q-Q var</b> |
|-------------------------------------|----------------|----------------|----------------|
| Exploitation revenues               | 432,241        | 400,134        | 8.0%           |
| Gross Profit                        | 44,325         | 45,852         | -3.3%          |
| Administrative Expenses             | 31,561         | 32,957         | -4.2%          |
| Net Profit                          | -13,315        | -38,546        | -              |
| EBITDA                              | 107,905        | 112,785        | -4.3%          |

In the first quarter of 2025, exploitation revenues totaled US\$ 432.2 million, which reflects an 8.0% rise compared to the same quarter the year before. In terms of EBITDA, in the period between January and March 2025, the total was US\$ 107.9 million - a figure that is 4.3% lower than the US\$ 112.8 million from the same period in 2024.

As for the period's net result, it recorded a loss of US\$ -13.3 million, compared to the US\$ -38.5 million in the first quarter of 2024). This is explained by the Mining segment (US\$ -5.9 million vs US\$ 5.6 million) and the Industrial segment (US\$ -19.8 million vs US\$ -49.5 million). In the latter,

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<sup>1</sup> It considers non-steelmaking continuity businesses

Cintac Group recorded losses of US\$ -4.9 million, TASA reported a neutral result, and Huachipato had losses of US\$ -14.9 million, explained mostly by the inter-company financial costs related to the debt it holds with CAP, which came to US\$ -10.1 million. Infrastructure, on the other hand, reported a US\$ 8.7 million profit.

## 2. Analysis of revenues and results by business segment

The following table shows the main accumulated results until the end of March 2024 and 2025, for the different business segments in CAP Group.

**Table No. 2: Summary of results by business segment**

|                                     | Mining  |         | Industrial |         | Infrastructure |         |
|-------------------------------------|---------|---------|------------|---------|----------------|---------|
| <i>Figures in thousands of US\$</i> | 1Q 2025 | 1Q 2024 | 1Q 2025    | 1Q 2024 | 1Q 2025        | 1Q 2024 |
| Exploitation revenues               | 322,605 | 310,591 | 98,908     | 89,740  | 24,780         | 24,678  |
| Gross Margin                        | 24,669  | 27,684  | 9,461      | 7,895   | 9,878          | 10,658  |
| Administrative Expenses             | 16,863  | 15,990  | 10,937     | 13,441  | 970            | 702     |
| Depreciation and Amortization       | 85,434  | 89,539  | 4,395      | 5,258   | 5,209          | 4,984   |
| EBITDA                              | 93,240  | 101,233 | 2,920      | -364    | 14,117         | 14,941  |
| Profit (loss) after tax             | -5,940  | 5,552   | -19,784    | -49,499 | 8,678          | 5,634   |

*Note: Values refer to individual figures for each segment, without deletions for interrelated transactions*

In the first quarter of 2025, **CMP** recorded production and shipment levels of 3.4 and 3.2 million tons, respectively, lower than the 4.2 and 4.0 million tons produced and shipped in the same period in 2024. This decrease is mainly due to the operational situation in phase 5 of Mina Los Colorados (MLC) announced on October 1, 2024, via essential fact. In addition, the average realized price in the January-March 2025 period was US\$ 100.7 per ton, reflecting a decrease of 12.9% compared to the same period in 2024 (US\$ 115.7 per ton). Even so, the lower volume and realized price was offset by the final liquidation and *mark-to-market* effects which, in 1Q25, had a negative impact of US\$ -7.7 million - significantly lower than the US\$ -154.4 million from 1Q24. As a result of this, revenues from the mining business as of the end of March 2025 were 3.9% higher than those of the same period the year before, recording US\$ 322.6 million.

Operational costs in the mining segment increased from US\$ 71.2 to US\$ 91.8 per ton as of March 31, 2025, mainly explained by a production 33.2% lower in Huasco Valley compared to the first quarter the year before, due to the operational situation in MLC that translated into higher

operational costs due to a lessened dilution of fixed costs. Additionally, the Elqui Valley production dropped by 24% (equivalent to 105 thousand tons), which also negatively affected the dilution of said costs.

Considering the above, the mining segment's gross profit was 10.4% lower in the first quarter of 2025, recording US\$ 24.7 million, while the EBITDA decreased by 7.9%, with US\$ 93.2 million at the end of the period. Finally, this segment reported a net loss of US\$ -5.9 million, versus a profit of US\$ 5.5 million in the same quarter of 2024.

The **Industrial** segment, composed by Cintac Group in Chile and Peru, TASA in Argentina, and also by the continuity operations in Huachipato, showed accumulated revenues of US\$ 98.9 million as of the end of March 2025, which represents a 10.2% rise compared to the first quarter of 2024. This is mainly explained by a 14.6% increment in Cintac and TASA's shipments, versus the same period in 2024. In terms of average realized price associated to Cintac and TASA sales, there was a slight decrease of 2.5% compared to the first quarter of 2024, recording US\$ 1,195.9 per ton. In turn, the EBITDA in this segment was US\$ 2.9 million in January-March 2025, compared to US\$ -04 million in the same period the year before. In terms of results, in the first quarter of 2025, this segment recorded a loss of US\$ -19.8 million, compared to the US\$ -49.5 million in the same quarter of 2024, mainly due to a smaller net loss in Huachipato (US\$ -14.9 million versus US\$ -41.8 million for the January-March 2024 period), which, as it was explained previously, was mainly generated by the intercompany financial costs associated to the debt that this company has with CAP.

Finally, in **CAP Infrastructure**, activity that includes the desalinated water production and distribution company Cleanairtech Sudamérica, the electricity transmission company Tecnocap, and the multipurpose port terminal Puerto Las Losas, revenues reached US\$ 24.8 million in the first quarter of 2025, a figure 0.4% lower than in the first quarter the year before. In terms of EBITDA, in the January-March 2025 period, it recorded US\$ 14.1 million, 5.5% lower than the same period in 2024 (US\$ 14.9 million). In contrast, there was a US\$ 8.7 million net profit, which is 54% higher than that of 1Q24 (US\$ 5.6 million), explained mainly by other non-operational revenues in Puerto Las Losas. It is worth noting that Cleanairtech Sudamérica's results as of the end of March 2025 are 100% consolidated as CAP S.A.'s profits, after the acquisition of the 49% of equity that belonged to Mitsubishi Corporation.

### 3. Trends in the markets where CAP Group operates

In the first quarter of 2025, the Chinese economy recorded a quarterly growth of 1.2%, achieving a year-on-year expansion of 5.4% - a figure 5.3% higher than the same period in 2024 and the market projections, which pointed towards 5.2%. This result was mainly driven by an increase in exports, due to anticipated shipments from Chinese manufacturers in the expectation of new tariffs by the United States. In this context, on April 2, president Donald Trump imposed significantly high general tariffs against different countries, an event named "Liberation Day". This is expected to have a strong negative impact on Chinese exports and, hence, its economic growth, given that a large part of the external demand for Chinese goods comes from the United States.

On the other hand, the manufacturer PMI remained within the expansive zone with 50.5 points, reflecting a contracting trend. The intensification of the trade war increased expectations on economic stimuli from Beijing to compensate for the projected deterioration of the economic activity.

In this context, CAP will continue to closely monitor the trade tensions between United States and China, as well as the potential economic reactivation policies that Beijing may implement, given its impact on the Chinese real estate sector, the global demand for raw materials and international prices of iron ore.

**In the Iron Mining business**, the commercial aspect was characterized by a strong concentration in China, Japan and Bahrain, which represent 87% of the period's sales. As for the iron ore premium, the *spread* between prices of 65% Fe and 62% Fe averaged US\$ 13.2 per ton during the first half of 2025, which represents a year-on-year rise of 7%. On the other hand, the BF pellet's premium averaged US\$ 36 per ton, and the premium of the DR pellet recorded an average of US\$ 45 per ton. This last one corresponds to the segment that CAP seeks to promote as part of its long-term strategy to position itself as a key actor in the high-grade iron ore market.

The activities of the **Industrial** business segment are aligned with the growth and investment levels of the economies in which it participates and with its own efficiency and innovation efforts. In the first quarter of 2025, Cintac Group maintained its operations in a contracting context in the construction sector, both in Chile and Peru, which inflated its results. In Argentina, the steel tube producer subsidiary, which CAP owns through Intasa, had a lower performance in the first three

months of 2025, in line with what has happened in the last quarters, compared to the same period in 2024. This is mainly due to the uncertainty that the new measures brought by president Javier Milei have generated in Argentinean economy, impacting the construction and infrastructure sectors, among others, and, therefore, affecting the operation of Tubos Argentinos, particularly noticeable in price levels this quarter.

#### 4. CAP Group's businesses analysis

In the **Iron Ore** market, the average realized price of CMP's product basket in the first quarter of 2025 was US\$ 100.8 per metric ton, 12.9% lower than the average price of US\$ 115.7 per ton recorded in the same period in 2024. Despite this, CMP's revenue for iron ore sales increased by 3.9% compared to the same period in 2024, due to the final liquidation and mark-to-market effect, which in the first quarter of 2025 was significantly lower than that of the same period in 2024 (US\$ -7.7 million vs US\$ -154.5 million). As an illustration of said effect, the drop in the Platts 62% indicator between the end of December 2023 and the end of March 2024, which contrasts with a rise in this indicator in the first three months of 2025, of US\$ 3.9 per ton.

Regarding the shipped ore volumes as of the end of March 2025, they recorded a decrease of 18.3% compared to the first half of 2024, reaching 3.2 million tons. This is mainly explained by the operational contingency in MLC, as mentioned above. Considering the lower volumes and average realized price and, on the other hand, the liquidation and mark-to-market effect, CMP's revenues as of March 31, 2025, were 3.9% higher than the same quarter in 2024, recording US\$ 322.6 million.

As of March 31, 2025, the **Industrial** segment recorded revenues of US\$ 72.5 million for processed steel product sales. This is higher than the US\$ 64.9 million from the same period in 2024, due to the reasons explained above. On the other hand, revenues for services and others totalled US\$ 26.5 million in January-March 2025, a figure 6.4% higher than the US\$ 24.9 million as of the end of March 2024. With all the above, Cintac, Intasa, and Huachipato, societies that consolidate the Industrial business, reported revenues of US\$ 98.9 million as of March 31, 2025 - a figure 10.2% higher than the US\$ 89.7 million in sales revenues for the same period in 2024.

In the case of Huachipato, in January-March 2025, it freed approximately US\$ 12 million of working capital in CSH, and the total of its debt for raw material financing was reduced to zero. As of the end of December 2024, this reached US\$ 72.0 million.

In the first quarter of 2025, **CAP Infrastructure** subsidiaries Cleanairtech and Tecnocap recorded a production of 2.0 million cubic meters of desalinated water (vs. 2.2 million cubic meters in 1Q24) and a transmission of 64.6 GWh of electricity (vs 67.8 GWh in 1Q24), respectively. Thus, its contributions to the Group's revenues, including Puerto Las Losas' sales, reached US\$ 24.8 million, which is very similar to the US\$ 24.7 million as of the end of March 2024.

#### Costs of Sales

Regarding the first quarter of the previous year, average sales costs per ton as of December 31, 2025, increased by 29.0% in **iron ore** products, mainly explained by higher costs associated with the MLC contingency. As for the costs of the **Industrial** business, in absolute terms, they rose by 9.3% compared to those reported at the end of March 2024, mainly due to higher shipment levels from Cintac and TASA.

#### Administrative and selling expenses

Administration and consolidated sales expenses decreased, in absolute terms, from US\$ 33.0 million in 1Q24 to US\$ 31.6 million in 1Q25, mainly explained by a reduction both in Cintac Group and Huachipato (considering both periods without an impact from the steelmaking operation), due to their optimization plans. In percentage terms, sales dropped from 8.2% to 7.3%. The reduction is mainly due to an increase in exploitation revenue, maintaining expense levels.

#### Financial Expenses and Exchange Differences

CAP's consolidated financial expenses totaled US\$ 32.1 million in the first quarter of 2025, higher than the US\$ 30.7 million the same quarter the year before, mainly as a result of higher indebtedness. On the other hand, financial revenues reached US\$ 4.3 million in the January-March 2025 period, less than the US\$ 8.5 million from the same period in 2024. This is mainly explained by a lower consolidated cash flow, and by the lower interest rates for the eligible investment instruments for the Group's financial surpluses. As a result, net financial expenses increased from US\$ 22.1 million as of the end of March 2024 to US\$ 27.8 million in the first quarter of 2025.

Regarding variations produced by the currency exchange, they generated a result of US\$ -2.3 million during the first quarter of 2025, compared to a result of US\$ 1.3 million in the same period the year before. In both cases, the exchange differences are due to variations in the currency values

compared to the US dollar, applied on temporary discrepancies in assets and liability assets in said currencies.

## 5. Financial position statement analysis

Table No. 3 shows a summary of the main main items of CAP S.A.'s balance sheet as of March 31, 2025, and December 31, 2024, whose main variations are analyzed below.

**Table No. 3: Summary of the financial position statement**

| <i>Figures in thousands of US\$</i>                | <b>Mar-31-25</b> | <b>Mar-31-24</b> |
|--|------------------|------------------|
| Current Assets                                     | 1,313,882        | 1,290,157        |
| Non-Current Assets                                 | 5,046,338        | 5,070,633        |
| <b>Total Assets</b>                                | <b>6,360,220</b> | <b>6,360,790</b> |
| Current Liabilities                                | 1,108,930        | 1,152,649        |
| Non-Current Liabilities                            | 2,151,370        | 2,022,170        |
| <b>Total Liabilities</b>                           | <b>3,260,300</b> | <b>3,174,819</b> |
| <b>Equity</b>                                      | <b>3,099,920</b> | <b>3,185,971</b> |
| <b>Total Liabilities plus Shareholders' Equity</b> | <b>6,360,220</b> | <b>6,360,790</b> |

CAP Group's **Total Assets** did not record major variations compared to the end of December 2024, totaling US\$ 6,360.2 million as of March 31, 2025, versus US\$ 6,360.8 million as of December 31, 2025. This is explained by the fact that **Current Assets** increased by US\$ 23.7 million, very similar to the decrease in **Non-Current Assets** by US\$ 24.3 million.

The rise in **Current Assets** is due mainly to a US\$ 34.7 million increase in related entities accounts payable, and a US\$ 21.0 million rise in current tax assets. This was not offset by the US\$ 28.1 million drop in current inventories.

**Non-Current Assets** decreased by US\$ 24.3 million, mainly as a result of a US\$ 13.0 million reduction in properties, plants and equipment.

**Total Liabilities** rose by US\$ 85.5 million, explained by an increment of US\$ 129.2 million in **Non-Current Liabilities**, which was partially offset by a reduction in **Current Liabilities** of US\$ 43.7 million.

The lower figure in **Current Liabilities** is mainly explained by a reduction in trade accounts payable of US\$ 72.8 million, partly offset by a US\$ 53.3 million increase in related entities accounts payable.

On the other hand, a US\$ 15.0 million decrease was recorded in other short-term provisions, which is mainly due to the situation in Huachipato.

**Non-Current Liabilities** went up by US\$ 129.2 million, mainly because of a US\$ 135.7 million increase in other non-current financial liabilities, which is, in turn, explained by the three-year bank loan used for the acquisition of the 49% share of Cleanairtech Sudamérica that used to belong to Mitsubishi Corporation.

Finally, the decrease in **Equity** of US\$ 86.1 million is mainly attributed to a US\$ 75.7 million reduction in non-controlling shares, due to the acquisition of 49% of Cleanairtech.

## 6. Cash flow and liquidity statement analysis

The table below summarizes cash movements for the periods ending March 31, 2025 and 2024:

**Table No. 4: Summary of net cash flow statement**

| Figures in thousands of US\$                  | 3M 2025       | 3M 2024       |
|---|---------------|---------------|
| Cash flow from operating activities           | 10,841        | 84,079        |
| Cash flow from operating activities           | -61,530       | -40,320       |
| Cash flow from financing activities           | 92,349        | -42,317       |
| Effects of the variation in the exchange rate | 1,474         | -5,517        |
| <b>Net increase in cash</b>                   | <b>43,134</b> | <b>-4,075</b> |
| Cash at beginning of period                   | 392,263       | 497,080       |
| Cash at end of period                         | 435,397       | 493,055       |

**Operational** cash flow recorded US\$ 10.8 million in the first quarter of 2025, compared to US\$ 84.1 million in the same period the year before. The reduction of cash flow generation is mainly explained by fewer charges from goods and services sales, from US\$ 687.6 million as of December 31, 2024, to US\$ 383.3 million as of the end of December 2025. They were not offset by the supply of goods and services (US\$ 302.3 million as of 1Q25 versus US\$ 504.0 million at the end of 1Q24).

In terms of **investment** activities, the negative flow of US\$ 61.5 million is mostly explained by the purchase of properties, plants and equipment for US\$ 80.8 million (where 93.1% is from CMP), and cash flows used in the acquisition of non-controlling shares for US\$ 23.3 million (which correspond to the investments in REE Uno and Aclara Resources), slightly offset by other cash inflows and interests received that totaled US\$ 40.7 million in the first term of 2025.



Cash flow from **financing** activities reflects a net outflow in the period of US\$ 92.3 million, compared to an outflow of US\$ 42.3 million in January-March 2024. The difference is mainly explained by sums coming from long- and short-term loans, which totaled US\$ 673.2 million in the first quarter of 2025 (versus US\$ 381.4 million in 1T24). It was the biggest increase recorded in loan reimbursements, which totaled US\$ 548.6 million (versus US\$ 389.9 million in 1T24).

Consequently, CAP Group recorded a cash and cash-equivalent net increase of US\$ 43.1 million as of the end of March 2025 (versus a cashflow reduction of US\$ 4.1 million as of the end of March the year before). The cash and cash equivalents position as of December 31, 2025, was US\$ 435.4 million.

## 7. Financial indicators

**Table No. 5: Liquidity indicators**

| INDICATOR  | PARAMETER | As of Mar.31.2025 | As of Dec-31-2024 | VARIATION |
|--|-----------|-------------------|-------------------|-----------|
| <b>Current Liquidity</b><br>Current Asset/Current Liability  | times     | 1.18              | 1.12              | 0.06      |
| <b>Acid-test Ratio</b><br>(Cash and cash equivalents + other current financial assets)/Current Liabilities | times     | 0.41              | 0.40              | 0.01      |

The **current liquidity** ratio as of the end of March 2025 recorded 1.18 times, more than the 1.12 times reported on December 31, 2024. This is the result of current assets slightly increasing, as well as a reduction in current liabilities. The increase in current assets is mainly due to the increment in other non-financial current assets, related entities accounts payable and current tax assets, partially offset by a reduction in current inventories and the trade accounts payable and other accounts payable. Meanwhile, the decrease in current liabilities is explained by a reduction in trade accounts payable and other accounts payable.

The **acid ratio**, in turn, had a slight rise from 0.40 times at the end of December 2024 to 0.41 times at the end of March 2025, due to a decrease in current liabilities versus a cash and cash equivalent account and other current financial assets that showed practically no variation.

**Table No, 6: Indebtedness Indicators**

| INDICATOR  | PARAMETER | As of Mar.31.2025 | As of Dec-31-2024 | VARIATION |
|--|-----------|-------------------|-------------------|-----------|
| <b>Indebtedness</b>  |           |                   |                   |           |
| <b>Total Financial Indebtedness</b><br>Other current financial liabilities + Other non-current financial liabilities + Current and non-current lease liabilities | THUS\$    | 1,874,081         | 1,739,902         | 134,179   |
| <b>Net Financial Indebtedness</b><br>Total Financial Indebtedness - (Cash and Cash Equivalents + Other Current Financial Assets)                                 | THUS\$    | 1,415,426         | 1,284,460         | 130,966   |
| <b>Net Financial Indebtedness to EBITDA</b><br>Net Financial Indebtedness/EBITDA last 12 months  | times     | 2.51              | 2.26              | 0.25      |
| <b>Net Financial Indebtedness to Equity</b><br>Net Financial Indebtedness/Equity   | times     | 0.46              | 0.40              | 0.06      |
| <b>Net Financial Expense Coverage</b><br>EBITDA last 12 months/ (Financial expenses last 12 months - Financial income last 12 months)                            | times     | 5.82              | 6.24              | (0.42)    |
| <b>Short-Term Debt to Total Debt</b><br>Current Liabilities/Total Liabilities  | %         | 34                | 36                | (2.00)    |
| <b>Long-Term Debt to Total Debt</b><br>Non-Current Liabilities/Total Liabilities   | %         | 66                | 64                | 2.00      |

**Financial indebtedness** increased from US\$ 1,739.9 million as of the end of December 2024 to US\$ 1,874.1 million as of December 31, 2025; while net financial debt reached US\$ 1,415.4 million in this same period, reflecting a US\$ 131.0 million rise compared to December 31, 2024.

Accumulated EBITDA in 12 months dropped slightly from US\$ 596.3 million as of the end of December 2024 to US\$ 564.4 million as of the end of March 2025. Considering the above, the Net Financial Debt ratio over EBITDA increased from 2.26 and 2.51 times. On the other hand, the largest net financial expense with an EBITDA that did not show a relevant variation in the last twelve months, resulted in a **Financial Expense Coverage** ratio that dropped from 6.24 to 5.82 times as of the end of March 2025.

Finally, we observe a reduction in the relative weight of the current debt in the total debt, mainly due to Cintac's financial restructuring and CMP's strategy to move debt long term.

**Table No. 7: Inventory turnover indicators**

| INDICATOR  | Parameter | As of Mar.31.2025 | As of Mar.31.2024 | Variation |
|--|-----------|-------------------|-------------------|-----------|
| <b>Activity</b>  |           |                   |                   |           |
| <b>Inventory turnover</b><br>Cost of sales/Stocks                          | times     | 0.86              | 0.48              | 0.38      |
| <b>Inventory Holding</b><br>(Inventories/Cost of Sales)*Days of the period | days      | 103               | 135               | (32)      |

**Inventory turnover** rose from 0.48 to 0.86 times compared to December 31 the year before, mainly as a result of lower average stock levels. The same effect caused that the **inventory holding** ratio dropped by 32 days, from the 135 observed as of March 31, 2024, to 103 at the end of March 2025.

**Table No. 8: Profitability indicators**

| INDICATOR  | Parameter | As of Mar.31.2025 | As of Mar.31.2024 | Variation |
|--|-----------|-------------------|-------------------|-----------|
| <b>Profitability</b>   |           |                   |                   |           |
| <b>Return on Equity</b><br>Profit (Loss) / Total Equity  | %         | (0.49)            | (1.06)            | 0.57      |
| <b>Return on Assets</b><br>Profit (Loss)/ Total Assets   | %         | (0.24)            | (0.57)            | 0.33      |
| <b>Profit per Share</b><br>Profit (Loss) attributable to owners of the controlling company/Number of shares issued | US\$      | (0.09)            | (0.26)            | 0.17      |
| <b>Dividend Return*</b><br>Dividends for the last 12 months / closing share price                                  | %         | -                 | 5.13              | (5.13)    |

\*It only considers dividends distributed by CAP S.A.

Considering the consolidated loss as of the end of March 2025 of US\$ -15.1 million, including the non-controlling interest, the profitability indicators show an improvement compared to the same period of the previous year, when the consolidated loss reached US\$ -38.3 million. On the other hand, dividend returns as of March 31, 2025, are at zero, as there has been no dividend distribution in the last twelve months.

## **8. Market risks**

### Accounting in US dollars and exchange rates

The predominant functional currency in CAP Group is the US dollar; consequently, most of its subsidiaries keep their accounts in that currency, which allows them to value a significant portion of their assets, liabilities and shareholders' equity in US dollars.

The same happens in the income statement accounts, where income and expenses are debited and credited in that currency, respectively, as they accrue or occur.

Accordingly, assets and liabilities recorded and controlled in pesos and currencies other than the US dollar may generate exchange differences in their valuation at the balance sheet date, if the parity value of the US dollar with those currencies (exchange rate) varies. This exchange difference is reflected in the income statement for the period.

In view of the facts described above, the Company strives to maintain an adequate match between its assets and liabilities in different currencies or in a balance sheet that is satisfactory in light of the prevailing realities in the international and local exchange markets, trying to prevent its results from being materially affected. To this end, the Company may from time to time carry out currency hedging transactions with derivative instruments.

### Commodities

CAP's businesses reflect through their prices the cyclical or circumstantial variations in supply and demand, both globally and locally.

On the other hand, neither iron nor steel are traditional commodities, as the specific chemical composition of each type of iron or steel, which is essential in the purchasing decision for a large proportion of users, generates a wide range of varieties. During the period ranging between January and March 2025, the Company did not enter into or hold any commodity price hedging contracts.

### Sensitivity analysis

CAP's operations are mainly exposed to variations in the price of iron and steel, whose levels are determined by global supply and demand.

The Group estimates that, at the production and shipment levels recorded during the period, a 10% increase/(decrease) in the average iron ore price would have increased/(decreased) the group's revenues by US\$ 31.9 million. As for steel, it is estimated that a 10% increase/(decrease) over the average price recorded in the same period would have increased/(decreased) the group's revenues by US\$ 4.0 million.

#### Debt in other currencies and interest rates

Together with the cyclical nature of revenues, CAP S.A.'s Income Statement is exposed to the effects of variations in market financial parameters, which it seeks to mitigate by determining appropriate levels of debt ratios in different currencies or interest rate formats, whether fixed or floating, and eventually taking hedges with instruments available in the market.

CAP has historically sought to contract debt in US dollars, with the exception of UF (indexation unit) bond placements in the local market. These liabilities have been hedged with cross currency swaps into dollars, preferably on the same placement date. The Company has also contracted hedging instruments to fix floating interest rates on certain loans.

If hedging assets and liabilities arise from hedging transactions, they are presented at fair value on the dates of each financial statement.

**Table No. 9: Main operating figures**

| <b>Mining</b>                             | <b>1Q 2025</b> | <b>1Q 2024</b> | <b>Y-Y var</b> |
|---|----------------|----------------|----------------|
| Shipments (thousand tons)                 | 3,244.0        | 3,972.9        | -18.3%         |
| Production (thousand tons)                | 3,417.1        | 4,205.7        | -18.8%         |
| Realized price (US\$/t)*                  | 100.8          | 115.7          | -12.9%         |
| Final liquidations and MTM (US\$ million) | -7.7           | -154.4         |                |

| <b>Industrial - Steel solutions</b> | <b>1Q 2025</b> | <b>1Q 2024</b> | <b>Y-Y var</b> |
|-------------------------------------|----------------|----------------|----------------|
| Shipments (ton)                     | 60,591         | 52,875         | 14.6%          |
| Realized price (US\$/t)             | 1,195.9        | 1,227.1        | -2.5%          |

\*Realized price does not include MTM and final liquidations effect