

Management Discussion and Analysis

Fourth quarter
2025

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**MANAGEMENT DISCUSSION AND ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2025**

CAP S.A. and its subsidiaries' ("CAP Group") Consolidated Financial Statements for the period ending December 31, 2025 (hereinafter "12M25"), are analyzed below. They have been prepared following International Financial Reporting Standards (IFRS).

CAP Group consists of the parent company CAP S.A. (the "Company") and subsidiaries grouped into three segments: (1) Mining, through Compañía Minera del Pacífico S.A. ("CMP") and its subsidiaries; (2) Industrial, which develops its business through Intasa S.A.¹ and subsidiaries, Cintac S.A. and subsidiaries, and Huachipato²; and finally, (3) Infrastructure, through the subsidiaries Cleanairtech Sudamérica S.A. (Aguas CAP), Tecnocap S.A., and CAP Puertos Multipropósito S.A.

2025 Executive Summary

	12M25	12M24	Δ% 12M	4Q25	4Q24	Δ% 4Q
CONSOLIDATED						
Revenues – US\$ m ³	1,930.0	1,801.4	7.1%	607.0	449.0	35.2%
EBITDA – US\$ m	513.2	569.3	-9.8%	215.5	97.4	121.3%
EBITDA Margin - %	26.6%	31.6%	-15.9%	35.5%	21.7%	63.7%
Net Income (Loss) ⁴ – US\$ m	-84.7	-426.9	-80.2%	-13.0	-68.0	-80.9%
Investing Cash Flow – US\$ m	-388.0	-284.6	36.3%	-60.6	-60.4	0.3%
Total Assets – US\$ m	6,116.2	6,355.8	-3.8%	6,116.2	6,116.2	0.0%
Net Financial Debt – US\$ m	1,450.9	1,284.5	13.0%	1,450.9	1,284.5	13.0%
Market Capitalization – US\$ m	1,222.4	788.9	55.0%	1,222.4	788.9	55.0%
CMP						
Shipments CMP – wmt ⁵	15,178	15,306	-0.8%	5,260	3,610	45.7%
Production CMP – wmt	15,125	15,066	0.4%	5,040	3,074	64.0%
Realized Price CMP – US\$ / wmt	89.2	97.9	-8.9%	87.6	86.7	1.0%
Cash Cost C1 CMP – US\$ / wmt	51.7	51.1	1.2%	43.1	58.7	-26.5%

¹ On January 14, 2026, the sale of 100% of TASA's shares to Ternium Argentina S.A. was announced at an *enterprise value* of US\$24.4 million, subject to adjustments and withholdings customary for this type of transaction, with an approximate consolidated cash effect of US\$22 million for the Group. For this reason, TASA is classified as a discontinued operation at the end of 2025; however, the 2024 figures are not restated.

² Refers to non-steel continuing operations.

³ Figures in millions of U.S. dollars.

⁴ Net income (loss) attributable to the parent company.

⁵ *Wet metric ton* refers to the wet tonnage of the product.

- **EBITDA of US\$215.5 million in 4Q25, compared to US\$97.4 million in 4Q24, driven by the recovery of the mining segment during the period.** For the full year, consolidated EBITDA of US\$513.2 million in 2025 versus US\$569.3 million in 2024, also driven by Mining, which fell 10.8% YoY.
- Net income attributable to the controlling interest of (US\$ -9.4 million) in 4Q25, impacted by one-off accounting charges or adjustments for the full year 2025 totaling US\$ 42.3 million, primarily related to deferred tax adjustments for the year and inventories at CMP totaling US\$ 18.8 million, an accounting loss from the sale of TASA of US\$ 15.2 million, and various adjustments at Cintac totaling US\$ 8.3 million (non-operating inventory adjustments, arbitrages, goodwill impairment, etc.).
- **In 2025, the company reported a consolidated loss of US\$ 84.7 million, compared to a loss of US\$ 426.9 million in 2024.** The results were driven by the mining segment, which posted a net loss of US\$ 23.4 million, compared to a profit of US\$ 70 million in 2024. Despite this, the consolidated loss compares favorably with 2024, as that year included an impairment provision and other restructuring costs of US\$ 372.5 million associated with the indefinite suspension of steelmaking activities at Huachipato and inventory revaluation. **During 2025, the mining segment continued to be impacted by the suspension of Phase 5 at Los Colorados mine and met the guidance provided to the market:** CMP maintained similar production and shipment levels compared to 2024, reaching 15.1 million wmt and 15.2 million wmt in 2024 and 2025, respectively. The average realized price⁶ fell by 8.9%, while C1 cash costs increased by 1.2% YoY to US\$ 51.7/wmt.
- **Industrial segment with 19.9% improvement in EBITDA:** The segment's revenue decreased by 9.0%, due to the reclassification of TASA as a discontinued operation. The segment's EBITDA reached US\$ 8.9 million, a 19.9% improvement over 2024, driven by improved results at Huachipato.
- **The infrastructure segment maintained its EBITDA and increased net income by 8.4% compared to 2024:** EBITDA of US\$ 59.9 million and net income of US\$ 26.6 million (+8.4% vs.

⁶ The price calculation considers only revenue from iron ore and does not include the MtM effect, final settlements, or CFR freight.

2024), driven by Aguas CAP, which reported higher desalinated water production and lower operating costs for energy and maintenance.

- **Free Cash Flow—excluding inorganic investments—of US\$ 88.9 million** during the period.
- **Operating cash flow of US\$ 373.6 million**, while outflows from CAPEX and other investments for the purchase of controlling and non-controlling interests (Aguas CAP, Aclara, and Promet Chile) totaled US\$ 388.0 million. This, combined with a negative financing cash flow of US\$ 69.1 million, resulted in a cash decrease of US\$ 80.8 million at the end of 2025.
- **Net debt and ratios:** Net financial debt⁷ increased to US\$1.450,9 million (+US\$166.5 million vs. end of December 2024), raising's **Net Financial Debt/EBITDA ratio**⁸ to 2.83x (vs. 2.26x), below CAP's current *covenant* level (4.0x). The interest coverage ratio⁹ fell from 6.24x to 4.54x. During the last quarter of the year, the Group used operating cash flow to reduce gross financial debt by US\$ 87.9 million, primarily at CMP.

⁷ Net Financial Debt = Other current financial liabilities + Other non-current financial liabilities + Current and non-current finance lease liabilities - (Cash and cash equivalents + Other current financial assets).

⁸ Net Financial Debt / EBITDA = Net Financial Debt / EBITDA for the last 12 months.

⁹ Interest Coverage Ratio = EBITDA for the last 12 months / (Financial expenses for the last 12 months - Financial income for the last 12 months)

1. 2030 Strategy Progress

CAP group continues to advance its Strategy 2030, aimed at positioning the Group as a leading player in critical materials for decarbonization, supported by an integrated portfolio of businesses, innovative products, and sustainable solutions. **Key milestones during the period include the following:**

I. Sale of Tubos Argentinos

- CAP completed the sale of 100% of Tubos Argentinos (TASA) to Ternium at an *enterprise value* of US\$24.4 million.
- This transaction is part of the portfolio streamlining process defined in the 2030 Strategy, allowing the company to concentrate capital and management on businesses aligned with its long-term strategic priorities.

II. Puerto Las Losas advances its multipurpose model with first iron ore shipment from Admiralty Minerals

- Puerto Las Losas (PLL) executed the first shipment of iron ore concentrate from Admiralty Minerals. The ore, sourced from the Mariposa deposit, was transported and loaded in accordance with high standards of safety, efficiency, and environmental stewardship.

III. Huachipato, UdeC, and UBB to Promote Industry 4.0 in Biobío

- Huachipato, the University of Concepción, and the University of Bío-Bío were awarded CORFO funds to implement the Advanced Manufacturing and Industry 4.0 Technology Center.
- The Center will operate from the Huachipato Innovation *Hub* and will feature 2,500 m² of infrastructure, 150 hectares of industrial land for pilot projects and technology scaling, and equipment valued at over US\$ 2 million, strengthening the technological capabilities of the regional production ecosystem.

IV. Second forum “Huachipato: Territory of Opportunities”

- Huachipato held the second participatory forum for the “Huachipato: Territory of Opportunities” project at the Regional Government headquarters.
- The event brought together nearly 200 public, private, academic, and social stakeholders from Greater Concepción to learn about the proposals that will shape the future Territorial Master Plan. The next step is for Huachipato and Fundación Metrópoli

to move forward with the development of the plan's preliminary version, which will be presented in the coming months.

V. Publication of its inaugural Sustainable Financing Framework

- Grupo CAP published its inaugural Sustainable Financing Framework, aligning its financial structure with concrete goals for emissions reduction and water management.
- The framework was developed in collaboration with BNP Paribas and includes a Second Party Opinion from S&P Global Ratings. Aligned with ICMA and LMA standards, it will enable the structuring of bonds and loans linked to environmental performance, reinforcing the Group's credibility with investors and expanding its access to sustainable capital.

2. Consolidated Results

The following table shows the main components of CAP S.A.'s consolidated income statement for the last quarter of 2025 and the comparison with the year before.

Summary of CAP S.A.'s consolidated income statement

US\$ million	4Q25	4Q24	Δ% 4Q	12M25	12M24	Δ% 12M
Revenues	607.0	449.0	35.2%	1,930.0	1,801.4	7.1%
Gross Profit	134.2	33.2	303.9%	228.9	302.8	-24.4%
SG&A	-31.7	-38.9	-18.4%	-131.1	-138.4	-5.3%
Net Income (loss)¹⁰	-13.0	-68.0	-80.9%	-84.7	-426.9	-80.2%
EBITDA	215.5	97.4	121.3%	513.2	569.3	-9.8%

2.1 Fourth quarter 2025 results

Total **revenue** amounted to US\$ 607.0 million, representing a 35.2% increase compared to the same period in 2024, driven primarily by higher revenue in the mining segment (+US\$ 223.2 million). In line with the above, **EBITDA** for the fourth quarter of 2025 was US\$ 215.5 million, up from the US\$ 97.4 million reported in the same quarter of the previous year.

In terms of **net income**, the fourth quarter recorded a loss attributable to the controlling interest of US\$ 13.0 million, a figure that compares favorably with the loss of US\$ 68.0 million reported in the same period of 2024. It should be noted that the fourth quarter of 2024 included an impairment provision of US\$ 37.0 million, associated with the indefinite suspension of steelmaking activities and the adjustment of remaining inventory.

The loss for the October-December 2025 period is primarily attributable to the negative performance in the industrial segment, which recorded a loss of US\$ 49.2 million. This result is primarily due to an accounting loss associated with the sale of TASA¹¹, intercompany financial expenses between Huachipato and CAP totaling US\$10.7 million, and a loss of US\$ 18.9 million at Cintac, which in turn includes US\$ 8.3 million in non-operating expenses related to various inventory adjustments, arbitrages, impairments, and other items.

¹⁰ Net Income (Loss) Attributable to Controlling Interest.

¹¹ The accounting loss associated with the sale of TASA was US\$15.2 million, including the impairment of the investment due to the difference between the book value of equity and the price received, and the provision for expenses associated with the sale.

In contrast, the mining and infrastructure segments reported profits of US\$ 33.8 million and US\$ 4.3 million, respectively. In the case of the mining segment, the result includes adjustments for deferred taxes and inventory totaling US\$ 18.8 million. This compares to a loss of US\$ 20.7 million in the mining segment and a profit of US\$ 2.0 million in infrastructure during the same quarter of 2024.

2.2 Cumulative results as of December 2025

CAP Group's **revenue** reached US\$ 1,930.0 million in 2025, reflecting a 7.1% increase compared to 2024. This growth is primarily driven by the mining segment, where lower shipped volumes and realized prices were partially offset by the implementation of a CFR sales strategy for iron ore products, which increased freight revenue (as well as costs to a similar extent) and enabled better commercial terms with customers. In addition, a *Mark-to-Market* (MtM) effect of US\$ -0.3 million was recorded in 2025 versus US\$ -151.0 million in 2024.

EBITDA totaled US\$ 513.2 million in 2025, reflecting a 9.8% decline compared to 2024, primarily due to higher operating costs in the mining segment associated with the Phase 5 contingency at the Los Colorados Mine¹². At the **bottom line**, a net loss (controlling interest) of US\$ 84.7 million was recorded, lower than the US\$ 426.9 million loss recorded in 2024, which included an impairment provision and inventory adjustment of US\$ 372.5 million associated with the indefinite suspension of steelmaking activities at Huachipato.

Consolidated **Selling, General and Administrative expenses** (SG&A) totaled US\$ 131.1 million, 5.3% lower than in 2024 (US\$ 138.4 million). As a percentage of sales, these expenses decreased from 7.7% to 6.8%, driven primarily by the mining and industrial segments.

CAP's consolidated **financial expenses** totaled US\$ 129.5 million, up from the US\$ 121.8 million recorded in 2024. This increase is primarily due to higher debt levels and the long-term refinancing of certain liabilities, which resulted in a higher average interest rate. On the other hand, **financial income** amounted to US\$ 16.5 million, down from US\$ 30.5 million in the same period of the previous year, due to a lower consolidated cash position and lower interest rates. As a result, **net financial expenses** increased from US\$ 91.3 million in 2024 to US\$ 112.9 million in 2025.

¹² On October 1, 2024, a material fact was announced regarding the operational contingency at Phase 5 of the Los Colorados Mine, where mining operations were halted. The estimated impact of this event in 2025 is a reduction of 650,000 wet tons in production and an impact on EBITDA of between US\$ 30 million and US\$ 40 million.

Regarding fluctuations in exchange rates (Chilean pesos, Argentine pesos, Peruvian soles), these generated a negative result of US\$ 1.7 million in 2025, compared to a positive result of US\$ 21.1 million during the previous year. In both cases, exchange differences arise from fluctuations in the value of the currencies relative to the dollar, applied to temporary mismatches in asset and liability accounts denominated in those currencies.

3. Results by segment

The following table shows the main cumulative results through the end of 2024 and 2025 for the CAP Group's various business segments.

Summary of results by business segment¹³

US\$ million	Mining		Industrial		Infrastructure	
	12M25	12M24	12M25	12M24	12M25	12M24
Revenues	1,517.8	1,372.5	374.5	411.5	103.6	101.6
Gross Margin	147.1	216.4	35.6	39.9	43.9	42.2
SG&A	70.1	69.4	29.0	34.5	4.9	4.9
Depreciation and Amortization	377.6	362.5	16.5	20.0	20.8	22.2
EBITDA	454.7	509.4	8.9	7.4	59.9	59.4
Profit (loss) after tax	-23.4	70.0	-109.1	-521.1	26.6	24.6

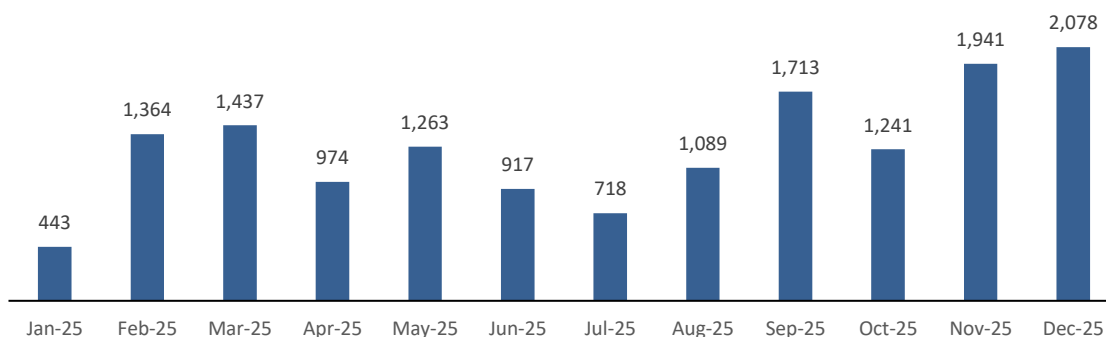
¹³ Values correspond to stand-alone figures for each segment, without eliminations for intercompany transactions.

3.1 Mining

Cumulative revenue for the mining segment at the end of 2025 reached US\$ 1.517,8 million, an increase of 10.6% compared to the previous year. This increase in revenue is explained by similar YoY production and shipments, CFR freight revenue during 2025, and the absence of a negative MtM impact in 2025 (in 2024 it was US\$-151 million).

In 2025, **CMP** recorded **production** of 15.1 million wet tons and **shipments** of 15.2 million tons, compared to 15.1 million and 15.3 million tons, respectively, in 2024. In the second half of the year, operations resumed at the Pleito open-pit mine in the Elqui Valley, and progress continued on the Romeral underground link project, alongside increased solid extraction at the Los Colorados Mine.

Iron ore shipments in 2025 by month – thousands of tons



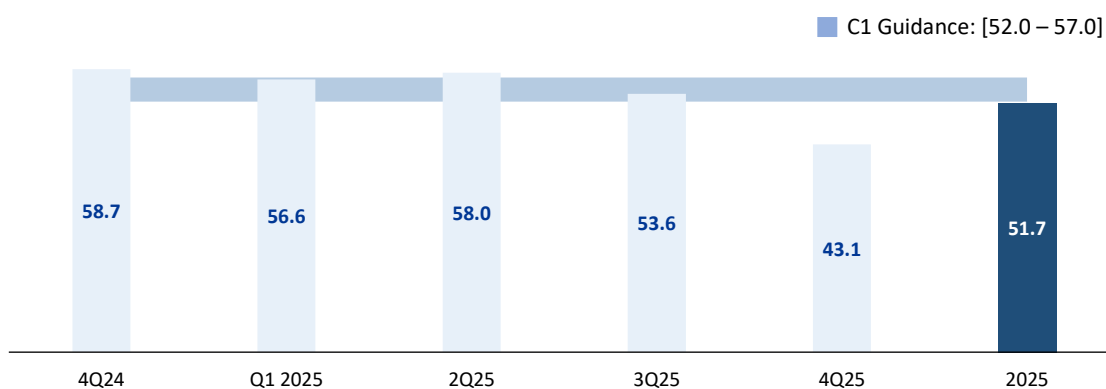
Regarding the **realized price**, the average for 2025 was US\$ 89.2 per ton (net of Mark to Market adjustments and freight costs), reflecting an 8.9% decrease from the US\$ 97.9 per ton recorded in 2024 (on the same basis). It is worth noting that, unlike in previous years, when virtually all CMP sales were made on FOB terms, in 2025, 46% of sales were made on CFR terms; therefore, this effect was reversed to allow for a year-over-year comparison, as was the MtM effect.

Market indicators and calculation of average realized price

Indicators - US\$ per ton	12M25	12M24	Δ %	4Q25	4Q24	Δ %
Platts 65 CFR China – dmt	115.4	123.4	-6.5%	118.7	118.0	0.6%
Platts 62 CFR China – dmt	102.4	109.5	-6.5%	106.0	103.4	2.5%
Freight C3 (Tubarao – Qingdao) - wmt	21.8	24.8	-12.2%	23.6	21.3	11.2%
CMP – US\$ per ton						
Gross realized price – wmt	98.6	88.1	12.0%	102.2	87.4	17.0%
Freight – wmt	9.4	-	N/A	12.9	-	N/A
MtM effect – wmt	-0.0	-9.9	N/A	1.7	0.7	N/A
Net realized price – wmt	89.2	97.9	-8.9%	87.6	86.7	1.0%

Cash costs of sales¹⁴ reached US\$ 56.2 per ton in 2025, up from US\$ 51.9 per ton recorded in the same period of 2024. Meanwhile, **C1 production cash costs** increased from US\$ 51.1 to US\$ 51.7 per ton at the end of 2025, below the range provided as guidance for 2025 (US\$ 52 - 57 per ton). This increase is primarily explained by the decline in production volume during the first half of the year, which led to lower dilution of fixed costs and, consequently, higher unit costs. In particular, the C1 cash cost for the fourth quarter of 2025 was US\$ 43.1 per ton, reaching levels similar to those of the fourth quarter of 2023, prior to the Phase 5 contingency.

Cash Cost (C1 production) – Quarterly series US\$/wmt



As a result, EBITDA at the end of 2025 stood at US\$ 454.7 million, down 10.8% from 2024. On the bottom line, CMP reported a net loss of US\$ 23.4 million, compared to a profit of US\$ 69.9 million

¹⁴ Defined as Cost of Sales (excluding freight costs, depreciation, or amortization), divided by tons shipped. That is, *Cash Cost of Sales* = [COGS - D&A – Freight in COGS] / Shipments.

in 2024, impacted by higher financial costs, increased depreciation, and a lower positive impact from foreign exchange differences.

3.2 Industrial

The **industrial** segment, comprising the Cintac Group in Chile and Peru, TASA in Argentina, and the continuing operations of Huachipato, had **cumulative revenue** at the end of 2025 of US\$ 374.5 million, representing a 9.0% decrease from the previous year, primarily due to the classification of TASA as a discontinued operation in 2025. This was partially offset by an increase in sales at Cintac, which reached US\$ 357.5 million in 2025 versus US\$ 344.7 million in 2024, due to improved results in the modular business.

The segment's **EBITDA** improved to US\$ 8.9 million in 2025, compared to the US\$ 7.4 million recorded the previous year. This improvement is mainly due to the Huachipato conversion process, where high property maintenance costs were partially offset by a US\$ 3.9 million reduction in administrative expenses, resulting in a negative EBITDA of US\$ 16.2 million, but an improvement of US\$ 4.4 million compared to 2024. Meanwhile, Cintac's EBITDA was impacted by delays in the execution of certain modular projects, recording US\$ 25.4 million compared to US\$ 28.3 million in 2024, which included the sale of a non-strategic property for US\$ 7.1 million in Peru¹⁵.

In terms of **net income**, as of the end of 2025, the segment reported a cumulative loss of US\$ 109.1 million, down from the US\$ 521.1 million loss in 2024. The 2025 result includes a loss of US\$ 22.1 million related to the result and accounting loss associated with the sale of TASA. Meanwhile, Huachipato reduced its losses from US\$ 484.6 million in 2024 to US\$ 55.8 million in 2025, an amount that includes US\$ 43.0 million in financial expenses associated with debt to CAP¹⁶. Meanwhile, Cintac reduced its losses from US\$ 39.2 million in 2024 to US\$ 31.1 million in 2025, mainly due to a US\$ 1.9 million decrease in net financial expenses resulting from a lower debt balance and an accounting effect of foreign exchange gains of US\$ 0.9 million (compared to a loss of US\$ 3.7 million in 2024).

¹⁵ On December 24, 2024, Cintac completed the sale of the Villa el Salvador property in Lima, Peru, for a transaction value of US\$ 10.6 million plus VAT (value-added tax), resulting in a profit of US\$ 7.4 million in its consolidated pre-income tax earnings and an impact on operating margin of US\$ 7.1 million.

¹⁶ On December 31, 2025, part of Huachipato's intercompany debt to CAP was capitalized for US\$ 360 million through a capital increase by CAP S.A. to Huachipato. This transaction had no impact on cash or consolidated results.

3.3 Infrastructure

Finally, the **infrastructure** segment comprises desalinated water production and distribution company Cleanairtech Sudamérica (Aguas CAP), power transmission company (Tecnocap), and CAP Puertos Multiproposito S.A. Its **revenue** in 2025 totaled US\$ 103.6 million, slightly higher than the amount reported in the same period of the previous year. These results are attributable to the production of 8.2 million cubic meters of desalinated water (versus 7.9 million cubic meters in the same period of 2024) at Aguas CAP and the transmission of 257.1 GWh of electricity at Tecnocap (versus 248.1 GWh at the end of 2024), respectively.

EBITDA for this period reached US\$ 59.9 million, representing a 0.7% increase compared to the figure reported in 2024 (US\$ 59.4 million). **Net income**, on the other hand, was US\$ 26.6 million, up 8.4% from the US\$ 24.6 million recorded in the same period of the previous year. This increase is primarily due to higher production of desalinated water and power transmission.

4. Trends in the markets where the CAP Group operates

In the fourth quarter of 2025, the Chinese economy posted YoY growth of 4.5%, down from 4.8% in the previous quarter. On the trade terms, exports and imports exceeded market forecasts, resulting in 3.0% growth in total trade¹⁷. Regarding industrial activity, China's manufacturing PMI remained in contractionary territory, at 49.0 in October, 49.2 in November, and 50.1 in December, pointing to a slight improvement toward the end of the quarter. Finally, even in the challenging context of 2025, China achieved solid cumulative growth of 5.0%, meeting its annual target, driven by an increase in the trade balance, accompanied by a slight rise in investment, and offset by a decline in consumption.

In the **Iron Ore** business, the sales mix remained concentrated in China, Egypt, and Bahrain, which accounted for 96% of fourth-quarter sales. In terms of prices, the 65/62% Fe premium averaged US\$12.8/t, representing a 17.3% decrease from US\$15.4/t in the previous quarter. On the demand side, inventories at Chinese ports increased significantly from 129.4 million dmt as of September 2025 to 145.3 million dmt at the end of 2025 (+12.3% MoM). This increase was mainly driven by rising stock levels at China Mineral Resources Group Co, which restricted purchases of certain BHP products and is building up inventory. On the supply side, the Simandou project (Guinea) began operations and made its first shipment of 200 wmt of iron ore in 2025, arriving in China on January 17, 2026, after a 46-day voyage. This milestone marks the start of Simandou's operations; however, the ramp-up has been slower than anticipated, and the volume shipped has been lower than expected.

The industrial segment's activities reflect the growth and investment levels of the markets where it operates, as well as its efficiency and innovation initiatives. In Chile, the IMACON 2025 index closed with a 0.8% increase compared to 2024, reversing the negative trend of the past three years. In December, there were positive signs, notably an increase in sales of construction materials for the fourth consecutive month and in sector employment. In contrast, the area authorized for construction showed a decline by the end of the year.

Meanwhile, the **modular segment** continues to expand in line with growth in the mining and energy industries. According to the "Informe de Macroeconomía y Construcción" by the Chilean Chamber

¹⁷ Total trade = exports + imports

of Construction, the results regarding contract awards and revenue from new projects have been positive, driven primarily by the mining and energy sectors as well as green hydrogen projects through 2025. According to the study, construction spending for 2025 is estimated to have grown by 43.5% (US\$ 8,274 million vs. US\$ 5,767 million in 2024), driven primarily by the mining sector. However, they emphasize that, given the challenge of continuing to strengthen the recovery of investment in 2026, streamlining processing times is key to expediting procedures and reducing the stages associated with the development of the corresponding construction projects.

Regarding the **real estate market**, it has been constrained by several factors. On the supply side, key factors include rising high-rise construction costs (+4.1% YoY as of November 2025), corporate liquidity constraints, and bureaucratic hurdles in housing projects. On the demand side, although rising costs and stricter mortgage lending requirements persist, the housing subsidy is expected to act as a catalyst for housing demand, boosting property sales and reducing the accumulated housing stock. In recent months, the interest rate on residential mortgage loans has declined from 4.34% to 4.14%¹⁸ in UF when comparing December 2025 to the previous period, which bolstered demand toward the end of the year.

¹⁸ Annual adjustable interest rate on housing loans in UF, Central Bank of Chile.

5. Analysis of the financial position

The following table provides a summary of the main balance sheet items for CAP S.A. as of December 31, 2025, and December 31, 2024; the key variations are analyzed below.

Summary of the statement of financial position

US\$ million	12M25	12M24	Δ%
Current Assets	1,189	1,290	-7.8%
Non-Current Assets	4,927	5,066	-2.7%
Total Assets	6,116	6,356	-3.8%
Current Liabilities	1,019	1,153	-11.6%
Non-current liabilities	2,079	2,017	3.1%
Total Liabilities	3,098	3,170	-2.2%
Equity	3,018	3,186	-5.3%
Total Liabilities plus Equity	6,116	6,356	-3.8%

The CAP Group's **total assets** decreased by US\$ 239.5 million during the twelve months of 2025, falling from US\$ 6,356 million in 2024 to US\$ 6,116 million at the end of 2025. This reduction is attributable to a US\$101.2 million decline in current assets and a US\$ 138.3 million decrease in non-current assets.

The US\$ 101.2 million decrease in **current assets** is primarily due to 3 factors:

- i) A decrease in **cash and other current financial assets** of US\$ 105.4 million, due to: (1) a decrease of US\$ 93.0 million at Cintac, explained by the settlement of temporary financing used as of December 31, 2024 (repayment of CAP's credit line and factoring), and (2) a decrease of US\$ 9.6 million at CMP due to the use of cash to reduce financial debt.
- ii) A reduction in **inventories** of US\$ 76.3 million, explained by (1) a decrease of US\$ 33.9 million at Huachipato associated with the plan for the indefinite suspension of steelmaking activities, (2) a US\$ 17.6 million decrease at Cintac resulting from working capital optimization in the traditional business, (3) a decrease in inventories at CMP due to higher shipment levels in the last quarter, and (4) the classification of TASA's inventories as assets held for sale as of the end of 2025.
- iii) An increase in **accounts receivable** of US\$ 27.1 million, explained primarily by a US\$ 25.8 million increase at Cintac, resulting from higher sales during 2025.

- iv) An increase in **current tax assets** of US\$ 18.1 million, primarily explained by a US\$ 22.6 million increase in CMP corresponding to monthly provisional payments (PPM), partially offset by a US\$ 6.5 million decrease in the holding company.

Meanwhile, the decrease in **non-current assets** of US\$ 138.3 million is primarily attributable to (1) a decrease in other non-current non-financial assets of US\$ 27.1 million (due to the reclassification of an electricity supply contract to current assets in the amount of US\$ 16.7 million and the reclassification of an employee bonus to current assets in the amount of US\$ 6 million), (2) amortization of intangible assets of US\$ 25.4 million, (3) lower non-current inventories of US\$ 21.5 million, (4) a decrease in property, plant, and equipment of US\$ 44.4 million, primarily at CMP, along with the reclassification of TASA's PP&E as an asset held for sale, and (5) amortization of right-of-use assets of US\$ 20.9 million, primarily at CMP, associated with operating leases.

Total liabilities decreased by US\$ 71.3 million, reaching US\$ 3,098 million at the end of December 2025. This reduction is due to a decrease in **current liabilities** of US\$ 133.4 million, partially offset by an increase in **non-current liabilities** of US\$ 62.1 million.

The US\$ 133.4 million decrease in **current liabilities** is attributed to various factors:

- i) Short-term debt decreased by US\$ 13.7 million, primarily due to a US\$ 72.0 million reduction in Huachipato's debt (of which US\$ 50 million corresponded to a loan from Bladex that was refinanced as long-term debt at CAP). Similarly, CMP reduced its short-term debt by US\$ 29.2 million, due to a partial refinancing of PAEs into long-term loans. In contrast, Cintac increased its short-term debt by US\$ 12.1 million to finance working capital for the modular business (while reducing its long-term debt by US\$ 9.3 million).
- ii) Reduction in trade payables of US\$ 66.0 million (US\$ 34.3 million at CMP, US\$ 19.8 million at Huachipato, and US\$ 11.5 million at Cintac).
- iii) Lower short-term provisions by US\$ 28.9 million (due to the use of provisions related to the indefinite suspension of Huachipato).
- iv) Decrease in accounts payable to related parties of US\$ 19.4 million, explained by the second capital contribution to REE Uno and the payment of 2024 dividends from Aguas CAP to Mitsubishi Corporation.

The US\$ 62.0 million increase in **non-current liabilities** is attributable to an US\$ 85.2 million increase in other non-current financial liabilities (attributable to the aforementioned US\$ 50 million refinancing of the Bladex loan, US\$ 100 million in financing obtained by CAP for the acquisition of a 49% stake in Aguas CAP , and US\$ 120 million in refinancing of long-term PAEs at CMP, offset by a decrease of US\$ 20.2 million at Cintac and Aguas CAP). This was partially offset by a US\$ 9.7 million reduction in non-current accounts payable at Cintac, associated with the payment of remaining installments for the acquisition of Promet Servicios SpA (Promet Chile).

Finally, the controlling interest's **equity** in Grupo CAP totaled US\$ 1,734 million at the end of December 2025, reflecting a decrease of US\$ 83.9 million. This decline is due to a net loss for the year of US\$ 84.7 million, net of the effects of changes in other reserves.

6. Analysis of the statement of cash flows and liquidity

The following table summarizes cash flows for the periods ended December 31, 2025, and 2024:

Summary of net cash flow statement

US\$ million	12M25	12M24
Cash flow from operating activities	373.6	387.6
Cash flow from investing activities	-388.0	-284.6
Cash flow from financing activities	-69.1	-200.4
Effects of the variation in the exchange rate	2.6	-7.5
Net increase (decrease) in cash	-80.8	-104.8
Cash at the beginning of the period	392.3	497.1
Cash at the end of the period	311.4	392.3

Operating cash flow totaled US\$ 373.6 million for the twelve months of 2025, down from US\$ 387.6 million in the same period of the previous year. This reduction in operating cash flow is primarily due to a decrease in collections from sales of goods and services, from US\$ 2,273.8 million as of December 31, 2024, to US\$ 1,815.8 million as of December 31, 2025. This was offset by a decrease in payments to and on behalf of employees from US\$ 343.4 million at the end of 2024 to US\$ 213.6 million at the end of 2025, and lower payments to suppliers for the provision of goods and services, which totaled US\$ 1,316.4 million as of December 2025, compared to the US\$ 1,684.5 million disbursed in the same period of the previous year.

In **investing activities**, cash flow totaled US\$ 388.0 million, consisting of (1) capital expenditures (Capex) of US\$ 314.6 million (of which 91.7% was attributable to CMP) and (2) acquisitions totaling US\$ 103.3 million, used to purchase a 49% stake in Aguas CAP and other equity interests.

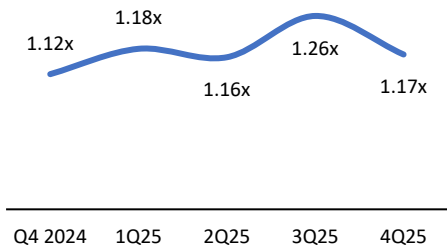
Cash flow from financing activities in 2025 reflects a net outflow for the period of US\$ 69.1 million, explained by (1) an increase in net debt of US\$ 63.4 million, (2) dividend payments of US\$ 0.9 million in 2025, (3) interest paid of US\$ 113.1 million during the year, and (4) lease payments of US\$ 15.1 million.

As a result, Grupo CAP recorded a net decrease in cash and cash equivalents of US\$ 80.8 million as of December 31, 2025. The cash and cash equivalents balance as of December 31, 2025, was US\$ 311.4 million.

7. Financial ratios

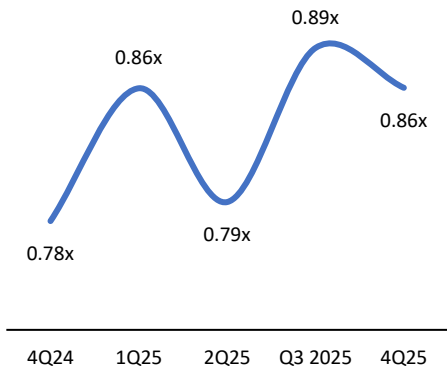
Liquidity Ratios

Current liquidity ratio¹⁹



The **current liquidity** ratio in 4Q25 was 1.17 times, higher than the 1.12 at the end of 2024. This change is due to a larger decrease in current liabilities than in current assets. The reduction in current liabilities is primarily attributable to lower trade payables and the refinancing of long-term debt.

Acid ratio²⁰



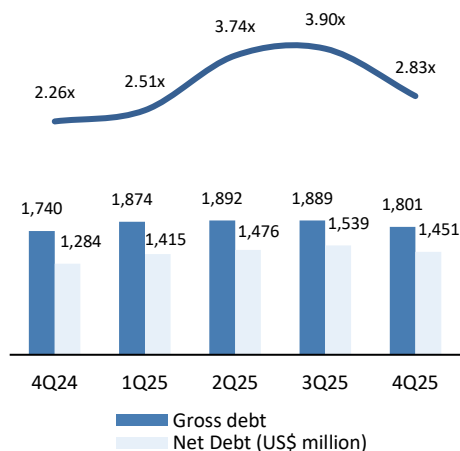
The **acid ratio** in 4Q25 was 0.86 times, higher than the 0.78 recorded at the end of 2024. This is mainly because the decrease in current liabilities exceeded the reduction in current assets minus inventory.

¹⁹ Current liquidity ratio = Current assets / Current liabilities.

²⁰ Acid ratio = (Current Assets - Inventory) / Current liabilities

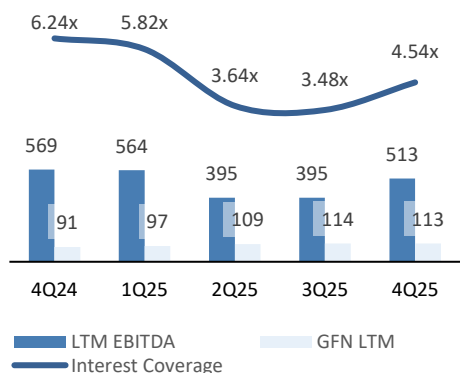
Debt Ratios

Net Financial Debt / EBITDA²¹



The **Net Financial Debt to EBITDA** ratio rose from 2.26 to 2.83 times in 4Q25, driven by a decline in LTM EBITDA, which fell from US\$ 569 million to US\$ 513 million, while financial debt²² increased from US\$ 1,740 million at the end of 2024 to US\$ 1,802 million in 4Q25. Net financial debt²³ reached US\$ 1,451 million during the same period. This represents an increase of US\$ 166 million compared to the figure recorded at the end of the previous fiscal year.

EBITDA / Financial Expenses (LTM)²⁴



The **interest coverage ratio** was 4.54x in 4Q25, down from 6.24x at the end of 2024. This change is explained by lower 12-month cumulative EBITDA combined with a slight increase in financial expenses from US\$91 million to US\$113 million.

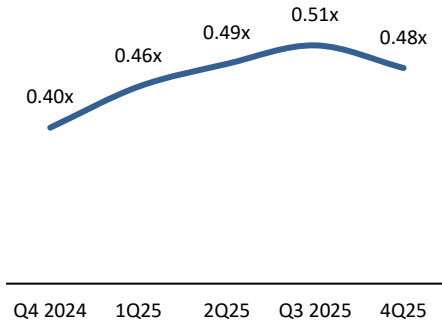
²¹ Net Financial Debt / EBITDA = Net Financial Debt / EBITDA for the last 12 months.

²² Gross Financial Debt = Other current financial liabilities + Other non-current financial liabilities + Current and non-current finance lease liabilities.

²³ Net Financial Debt = Gross Financial Debt - (Cash and cash equivalents + Other current financial assets).

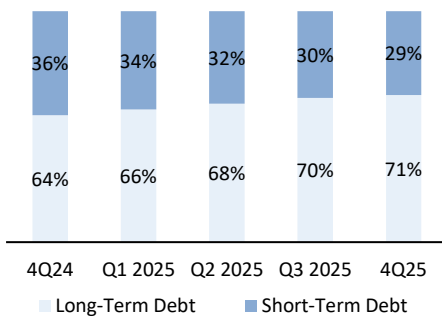
²⁴ EBITDA / Net Financial expense = EBITDA for the last 12 months / (LTM Financial expenses – LTM Financial income).

Debt-to-equity ratio



The **net debt-to-equity ratio** was 0.48x in 4Q25, up from 0.40 at the end of 2024. This was mainly due to lower equity, which decreased from US\$3,185 million to US\$3,018 million, and an increase in net debt from US\$1,284 million to US\$1,451 million at the end of 2025.

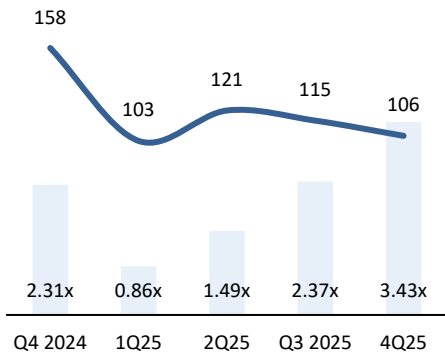
Short-term and long-term debt



The **Long-term mix of financial debt** was 71% at the end of 2025, up from 64% at the end of 2024. This change is due to the reclassification of long-term loans to current liabilities in accordance with their maturities.

Activity ratios

Inventory turnover and days of inventory²⁵



Inventory turnover was 3.43x at the end of 4Q25, up from 2.31x at the end of 2024. This was primarily due to lower average inventory levels resulting from the liquidation of remaining inventory from steel operations in Huachipato and the optimization of working capital at Cintac. At the same time, inventory days decreased from 158 days to 106 days from December 2024 to the end of 2025.

²⁵ Inventory Turnover = Cost of sales / average inventory days of inventory = (Average inventory / Cost of sales) x Days in the period

8. Market Risks

Foreign Exchange Risk

CAP Group has a net accounting liability position in currencies other than the US Dollar (liabilities exceeding assets in non-US dollar currencies) amounting to US\$ 147.2 million. If exchange rates (pesos and/or soles) were to appreciate or depreciate by 10%, it is estimated that the net effect on the Company's results would be a gain or loss of US\$ 14.7 million.

Interest Rate Risk

CAP's financial policy prioritizes debt in dollars, with a combination of fixed and variable rates. The company has managed its exposure through derivative instruments, including swaps for emission coverage in UF or floating rates. As of December 2025, variable-rate financial liabilities totaled US\$ 1,076.8 million, of which US\$ 83.8 million was hedged. Net exposure, therefore, amounts to US\$ 993.1 million. A $\pm 10\%$ variation in the average financing rate of 6.77% per year would have a potential impact of \pm US\$ 6.7 million on annual financial expenses. Financial investments, on the other hand, are held at fixed rates, partially mitigating this sensitivity.

Commodity Price Risk

The Group's profitability is highly related to the price of iron ore, whose dynamics respond to global supply and demand conditions. Unlike homogeneous commodities, iron ore presents relevant technical specifications that segment the market. CAP does not hold any price hedging contracts as of December 31, 2025. The sensitivity analysis for 2025 indicates that a $\pm 10\%$ variation in the average iron ore price would have resulted in an impact of \pm US\$ 149.8 million in revenue. This operational sensitivity is key to managing results and margin structure.

Annex

Key operating figures

Mining	12M25	12M24	Δ% 12M	4Q25	4Q24	Δ% 4Q
Shipments (kt)	15,178	15,306	-0.8%	5,260	3,610	45.7%
Production (kt)	15,125	15,066	0.4%	5,040	3,074	64.0%
Realized price (US\$/t) ²⁶	89.2	97.9	-8.9%	87.6	86.7	1.0%
C1 cash cost (US\$/t)	51.7	51.1	1.2%	43.1	58.7	-26.5%

Steel solutions²⁷	12M25	12M24	Δ% 12M	4Q25	4Q24	Δ% 4Q
Shipments (tons)	207,748	208,768	-0.5%	63,467	57,663	10.1%
Realized price (US\$/t)	1,089.1	1,076.6	1.2%	1,075.3	1,055.2	1.9%

²⁶ Realized price excludes MtM effects, final settlements, and CFR freight.

²⁷ Reported data excludes shipments and sales of TASA's steel products.