

CAP S.A. 2Q25 Results



Aug 14, 2025

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Agenda

1. Overview 2Q25
2. Highlights 2Q25
3. Market context
4. Financial results
5. Strategy 2030 progress
6. Way Forward



Key facts

- Consolidated loss of US\$ 56.0 million in the 1H25, disappointing but better than the loss of US\$350.5 million in 1H24 (which included an impairment provision of US\$ 336 million due to Huachipato's steel suspension)
- Consolidated EBITDA during 1H25 reached US\$ 170.1 million, 50.6% lower than in 1H24 explained by the mining segment
- Indefinite suspension of Phase 5 in MLC confirmed on July 4th, 2025, with an impact of additional 400kt in 2025 and 2026 each
- Significant improvement in operational results in the Industrial Segment



Market background

- 62% Fe CFR China iron ore price averaged US\$ 97.8/ton in 2Q25, 14.6% lower than the US\$ 111.8/ton recorded in 2Q24
- During 2Q25, Chinese economy grew by 1.1% compared to the previous quarter and by 5.2% compared to 2Q24. These figures exceeded market projections. However, construction sector in China remains contracted with rising floor space inventory and few new household loans
- Regarding the construction sector in Chile, the IMACON has shown a downward trend over the last three years, stabilizing during 2025 but still below historical levels



Financial results

- Mining EBITDA fell 80% YoY in 2Q25 to US\$43.0 million, impacted by lower realized prices (-9.7%), lower shipments (-17.5%), and higher unit costs (+10.7%) due to fixed costs dilution
- Industrial segment, on the other hand, showed significant improvement in operational performance, reaching US\$ 6,3 million during 2Q25 versus US\$ 1.4 million in 2Q24
- Steady EBITDA in the Infrastructure Segment at US\$ 15.4 million during 2Q25



Way forward

- Improve short term results in mining
 - Continue to implement Efficiency Program at CMP, aimed at reducing Opex for up to US\$ 70 – 100 million during 2025
 - Implement sequential grinding at CNN to increase production by ~500kt yearly
 - Access to better quality ore in Phase 6 (VH) with an impact in the range of ~0.6-1,1Mt during 2H25
 - Pleito plant start of operations in August and other measures at VE with impact of ~0.6Mt during 2H25
- Enable longer term growth
 - Optimize LOM at Valle del Huasco, considering the restriction of Phase 5
 - Aclara: continue process to obtain environmental permits and conversations with potential offtakers
 - New contracts at Aguas CAP to enable desalination plant expansion to permitted maximums
 - Continue to develop Huachipato 2.0

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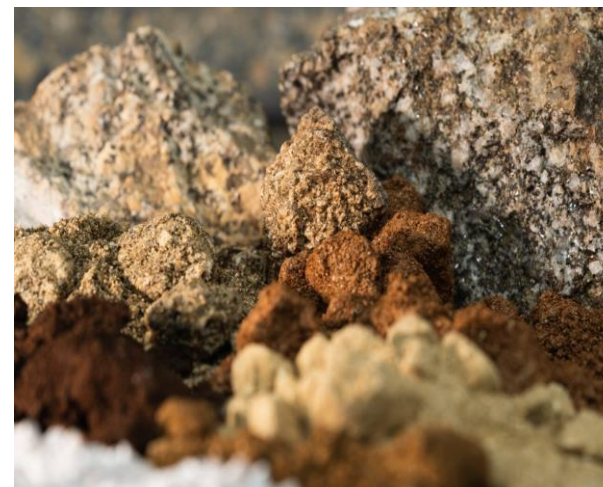
2. Highlights 2Q25



CAP Group maintains suspension of Phase 5 of MLC

Following the detection of geomechanical instability in Phase 5, CMP established an Independent Geomechanical Commission to conduct studies and inform decision-making, with the aim of safeguarding the stability of the mine and protecting the value of the asset.

Based on the recommendations of the experts, operations will remain suspended since they concluded that the risk of resuming Phase 5 cannot be fully eliminated. The next stages are further studies in July and August, continued monitoring and the early processing of Phase 7.



New strategic partnerships between Aclara, Virginia Tech and Stanford University

Aclara Resources has signed a strategic agreement with Virginia Tech to operate its U.S. - based rare earth separation pilot plant, designed to process mixed carbonate from the Carina Project in Brazil.

This build on its partnership with Stanford University to accelerate applied AI innovation enabling Aclara to refine and scale its technologies across projects in Chile and Brazil, while creating new opportunities in HREE.

Together, these partnerships mark a strategic milestone in Aclara's mission to strengthen heavy rare earths supply outside of China.



Vicente Smith assumed as CEO of Cintac Group

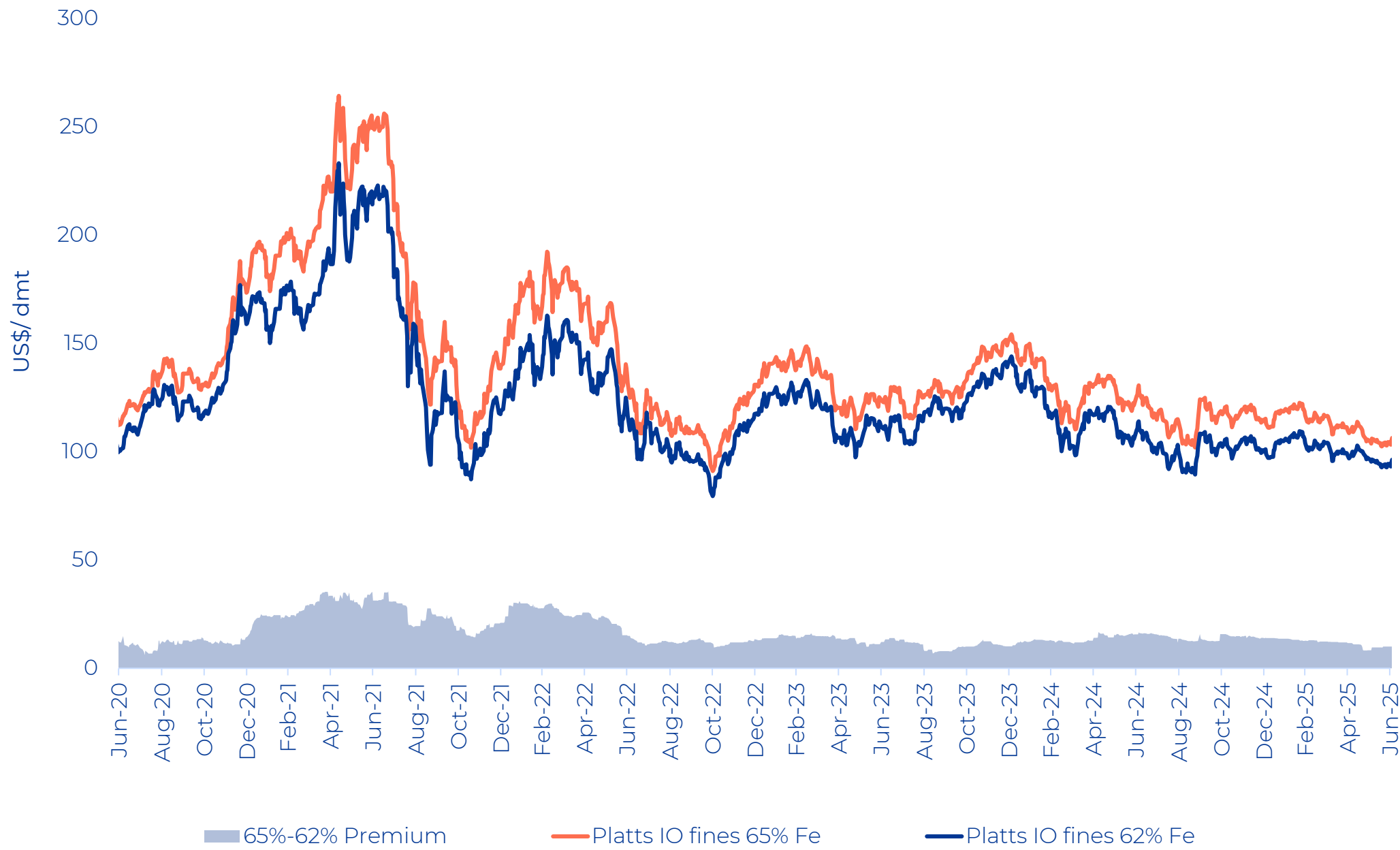
Vicente Smith, commercial engineer and MBA graduate from the MIT, has been appointed CEO of Cintac Group. With nearly 20 years of experience, he has led organizations across Chile, Latin America, and the U.S. He also serves on the board of ADS Tigre, a prominent Brazilian-American company specializing in sanitation, drainage, and stormwater management solutions. *"My goal is to consolidate and project Cintac as a company recognized for its capacity to innovate, its commitment to sustainability, and its contribution to the development of Chile and Peru."*

Agenda

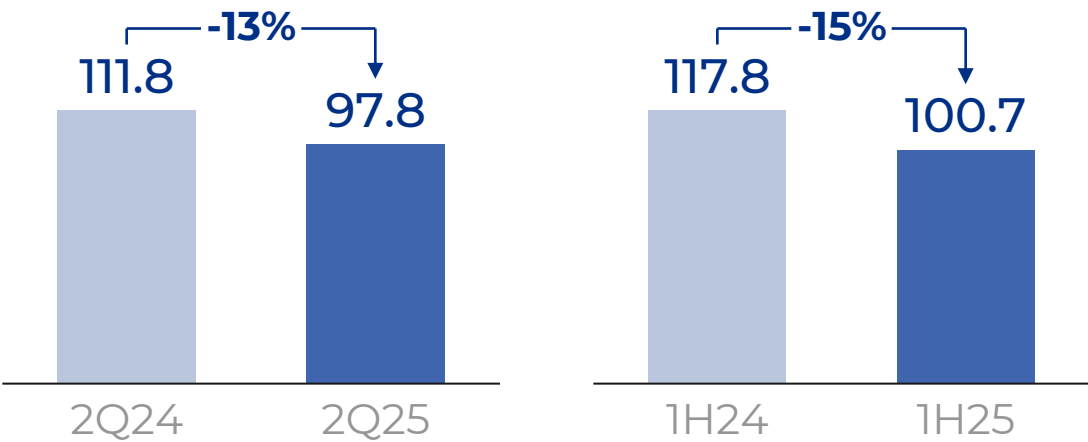
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Iron ore prices were ~13% lower in 2Q25 versus 2Q24

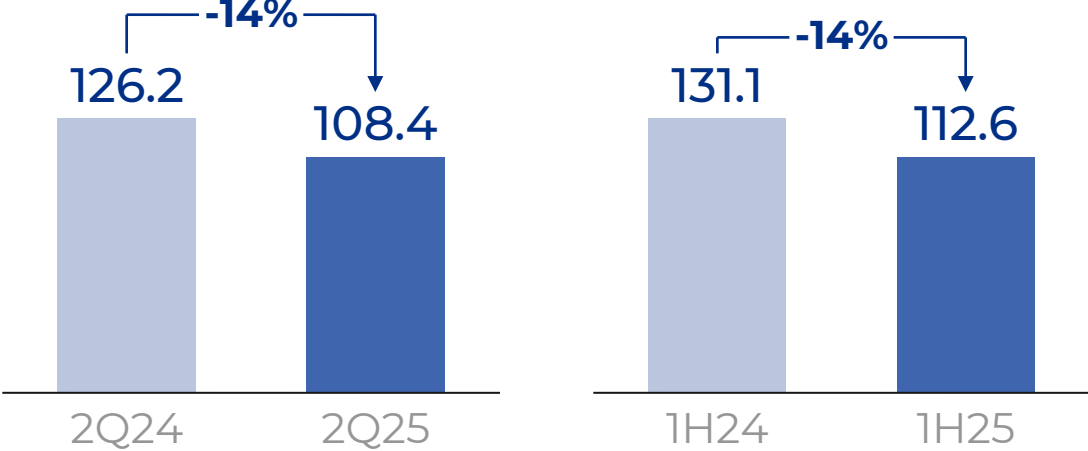
Iron ore price (CFR China)



Platts 62% Fe avg



Platts 65% Fe avg

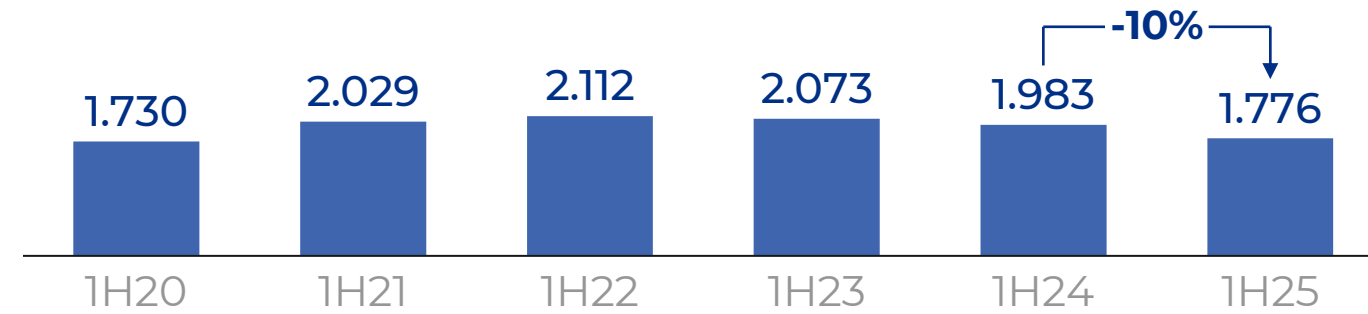


65-62% Premium(%)

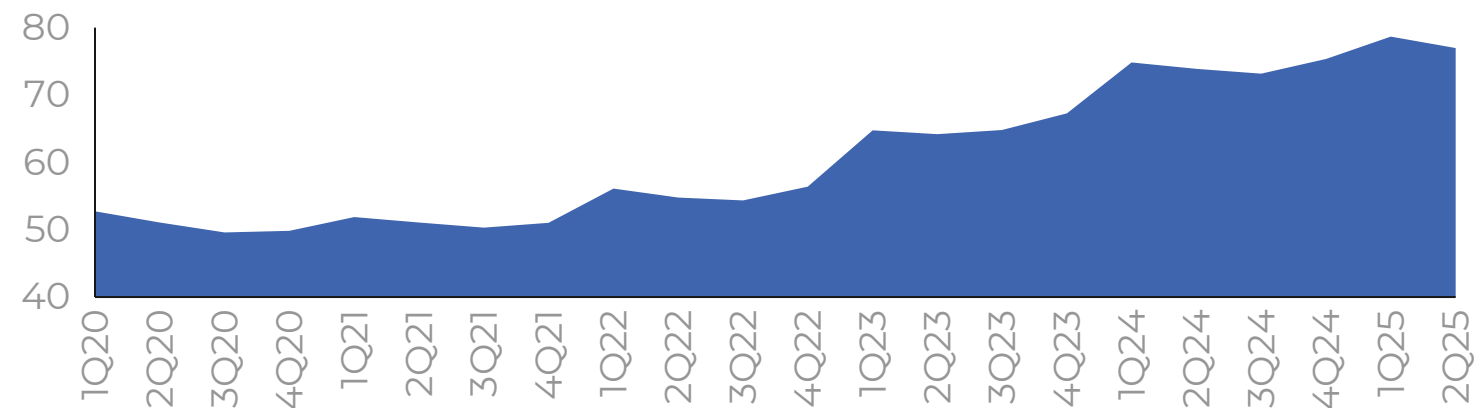


China's construction sector still sluggish

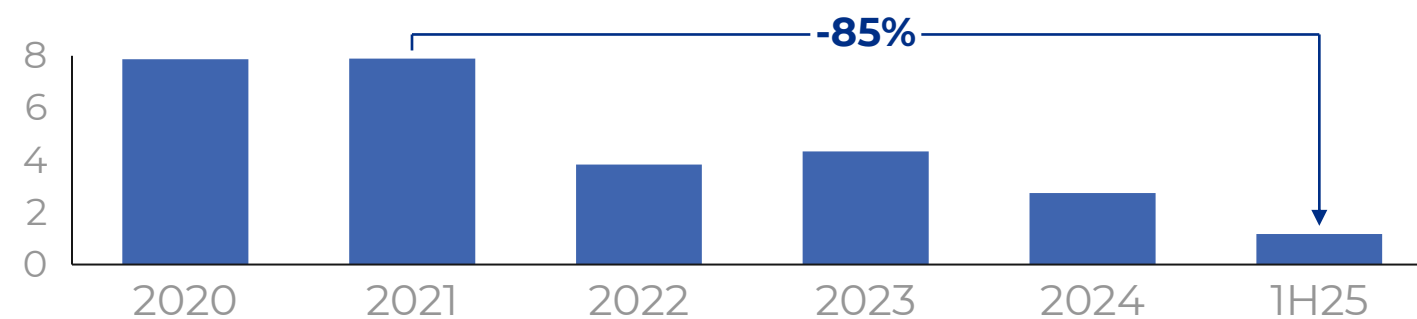
New constructions (Million sqm)¹



Floor space stock for sale (MM sqm)¹

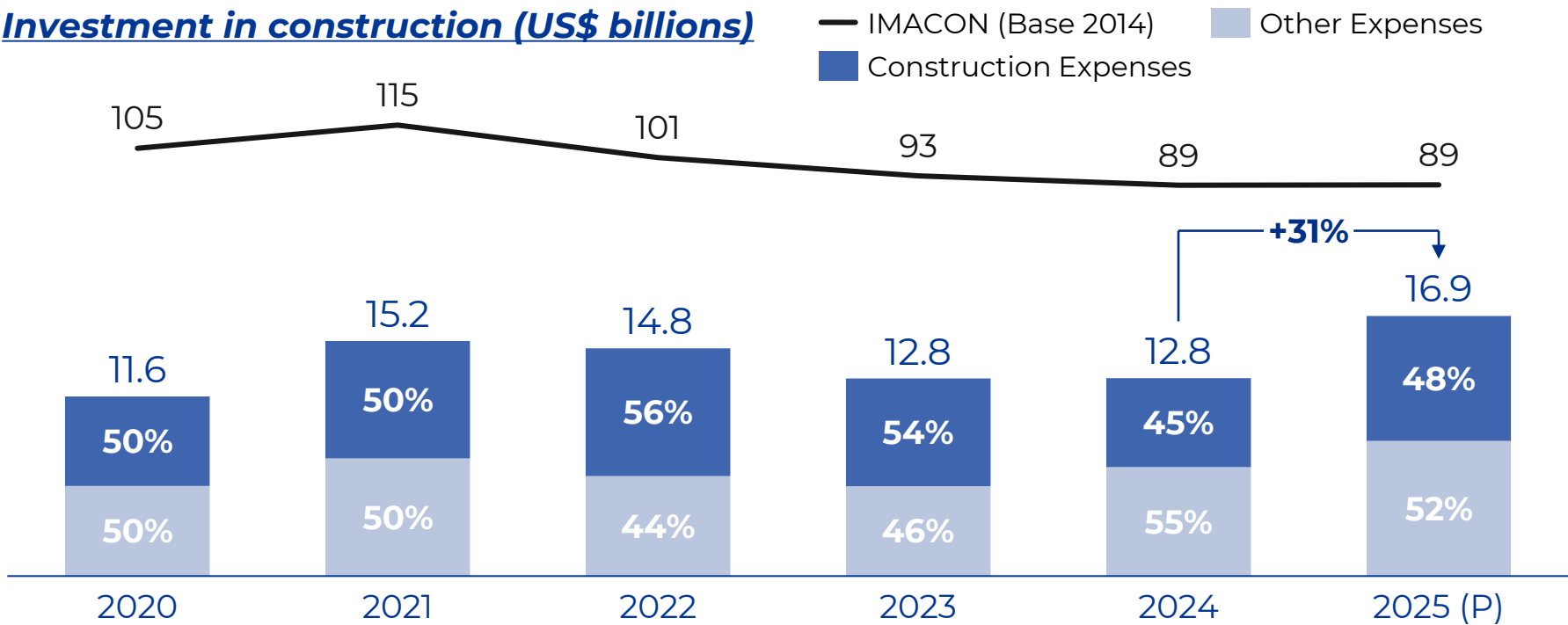


New household loans (¥ Tn)²

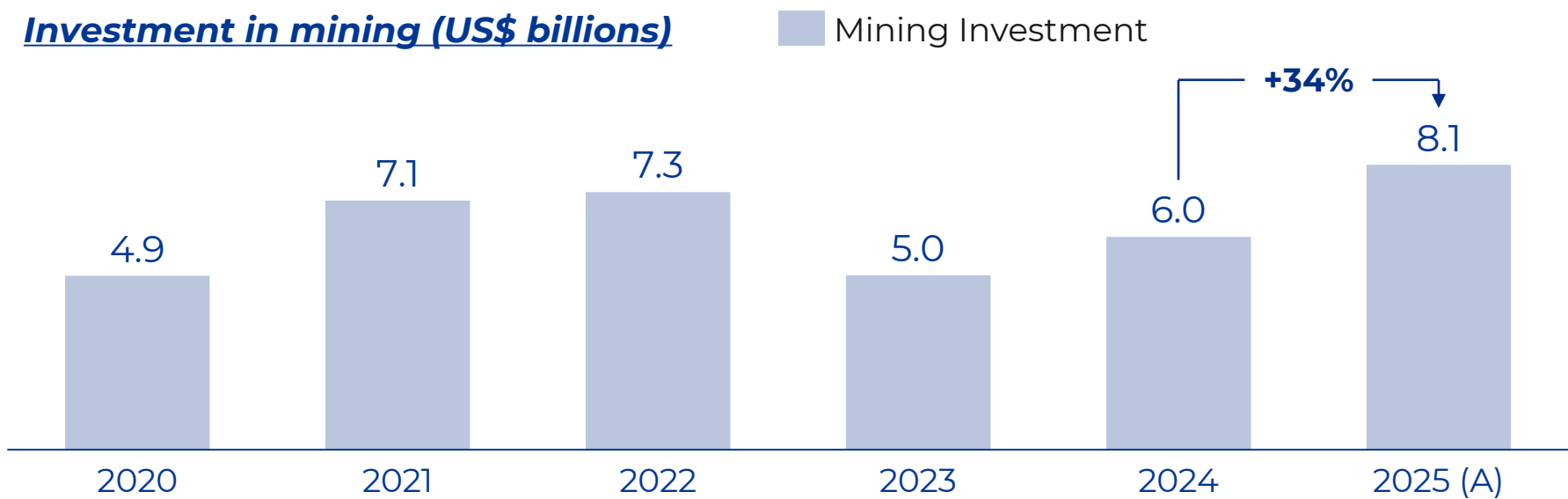


- In 2Q25, the Chinese economy grew 5.2% YoY, surpassing market projections of 5.1%
- In contrast, the **construction sector** remained contracted, with new construction declining 10%
- **Floor space inventory** has been increasing since 2020 and is expected to continue
- **China's household number of new loans** at minimum levels
- As a result, China's government has initiated several policies to:
 - Stimulate construction demand for emerging sectors
 - Boost consumption and provide liquidity support

|In Chile, investments in construction and mining should grow during 2025



Source: MACH 67 - CChC based in CBC surveys



Source: CBC

- Market estimates for **construction investments** are US\$ 16,9 bn (+31% YoY), showing a significant recovery in spending, particularly in the mining and energy sectors
- Forecast for **mining sector investments** in 2025 is US\$ 8.1 bn (+34% YoY). The main projects are:
 1. Los Bronces Integrado by Anglo American Sur S.A. (US\$ 3 bn)
 2. Operational modifications at Minera Escondida (US\$ 2.4bn)
 3. Life extension of Minera Los Pelambres (US\$ 2 bn)

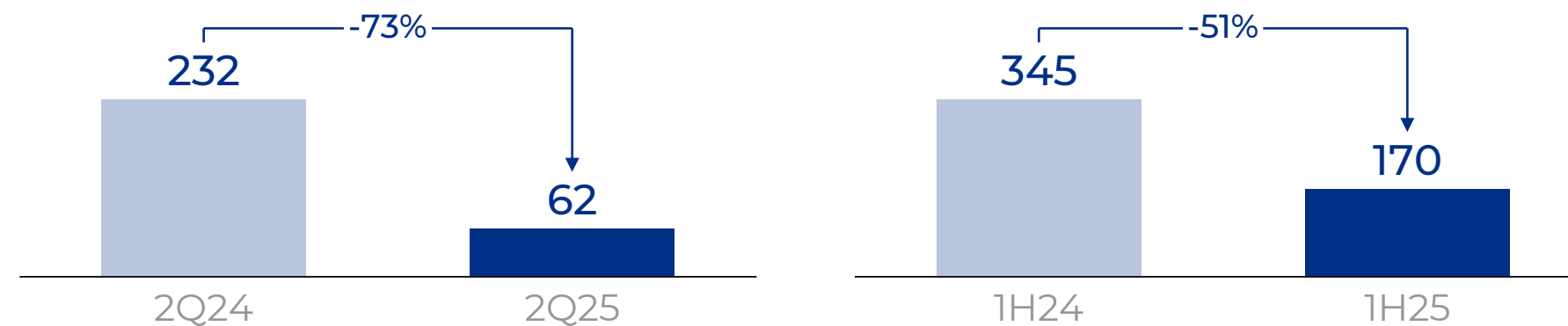
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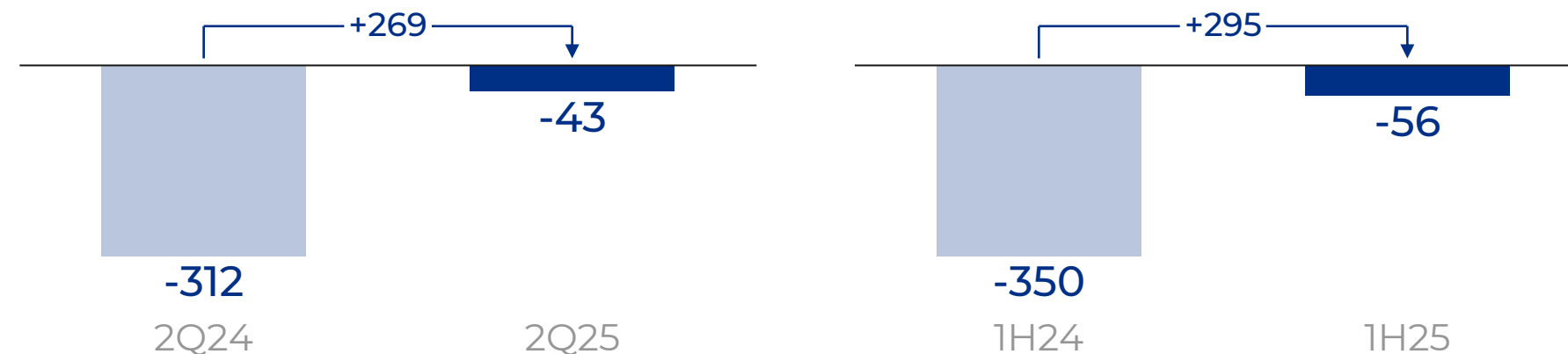
Consolidated EBITDA decreased 73% during 2Q25 mainly explained by mining, while net income improved vs 2Q24

Key 2Q25 highlights

EBITDA (US\$ million)

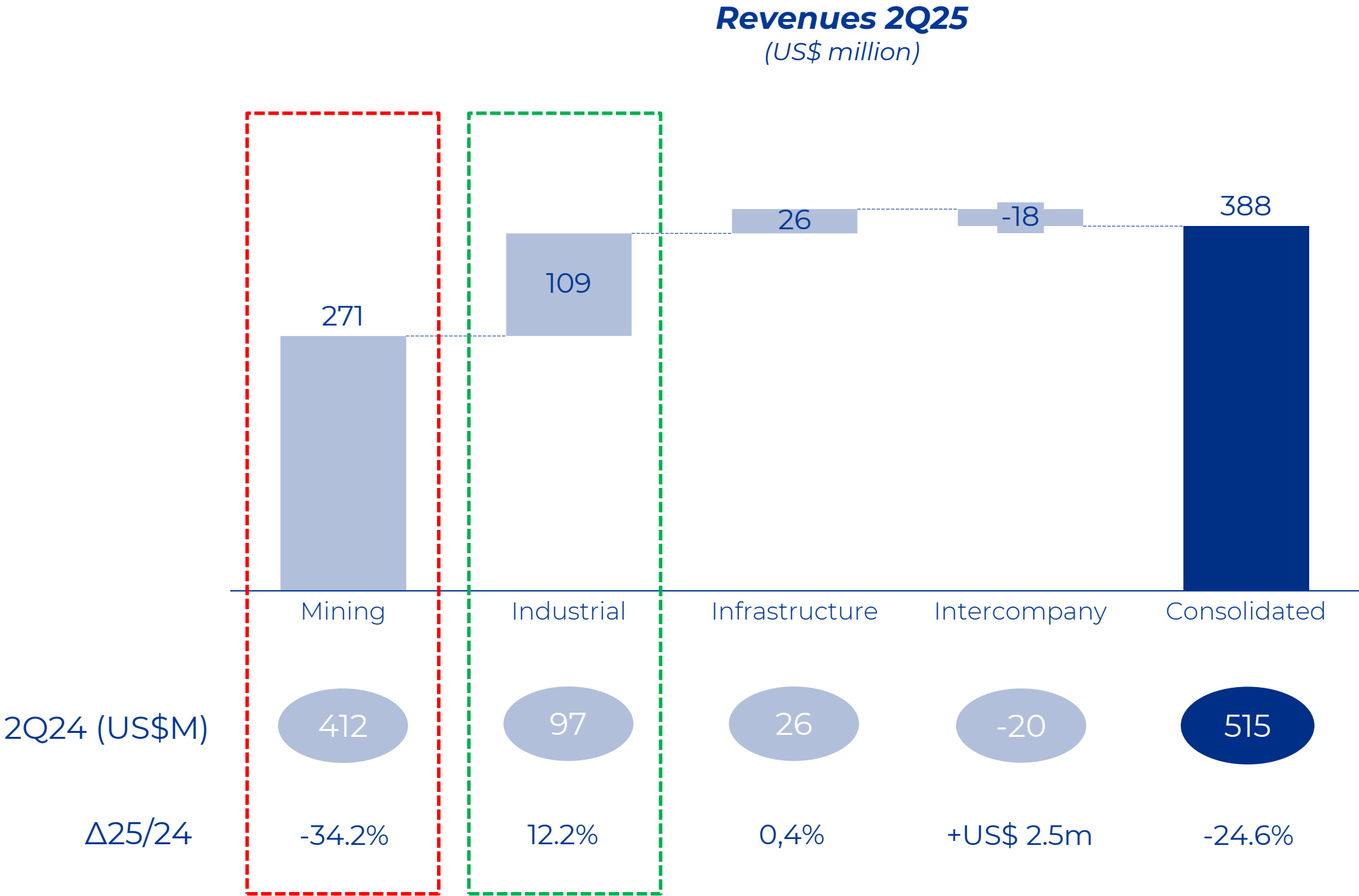


Net income (US\$ million)



- Lower EBITDA in the **mining segment** in 2Q25 (-80% YoY), mainly explained by:
 - 9.7% decrease in average realized prices
 - 17.5% drop in shipments, primarily driven by lower output in the Huasco Valley
 - 10.7% increase in C1 cash cost due to reduced production volumes and lower fixed cost absorption
- The **industrial segment**¹ reported higher EBITDA in 2Q25 (+US\$ 4.7m YoY), mainly driven by Cintac's improved performance (+US\$ 4.8m) compared to 2Q24, with an EBITDA margin expanding from 5.9% to 10.6%
- The **improvement in the bottom line** is mainly due to an impairment of US \$335.6m recorded in 2Q24 related to the suspension of steel production at Huachipato

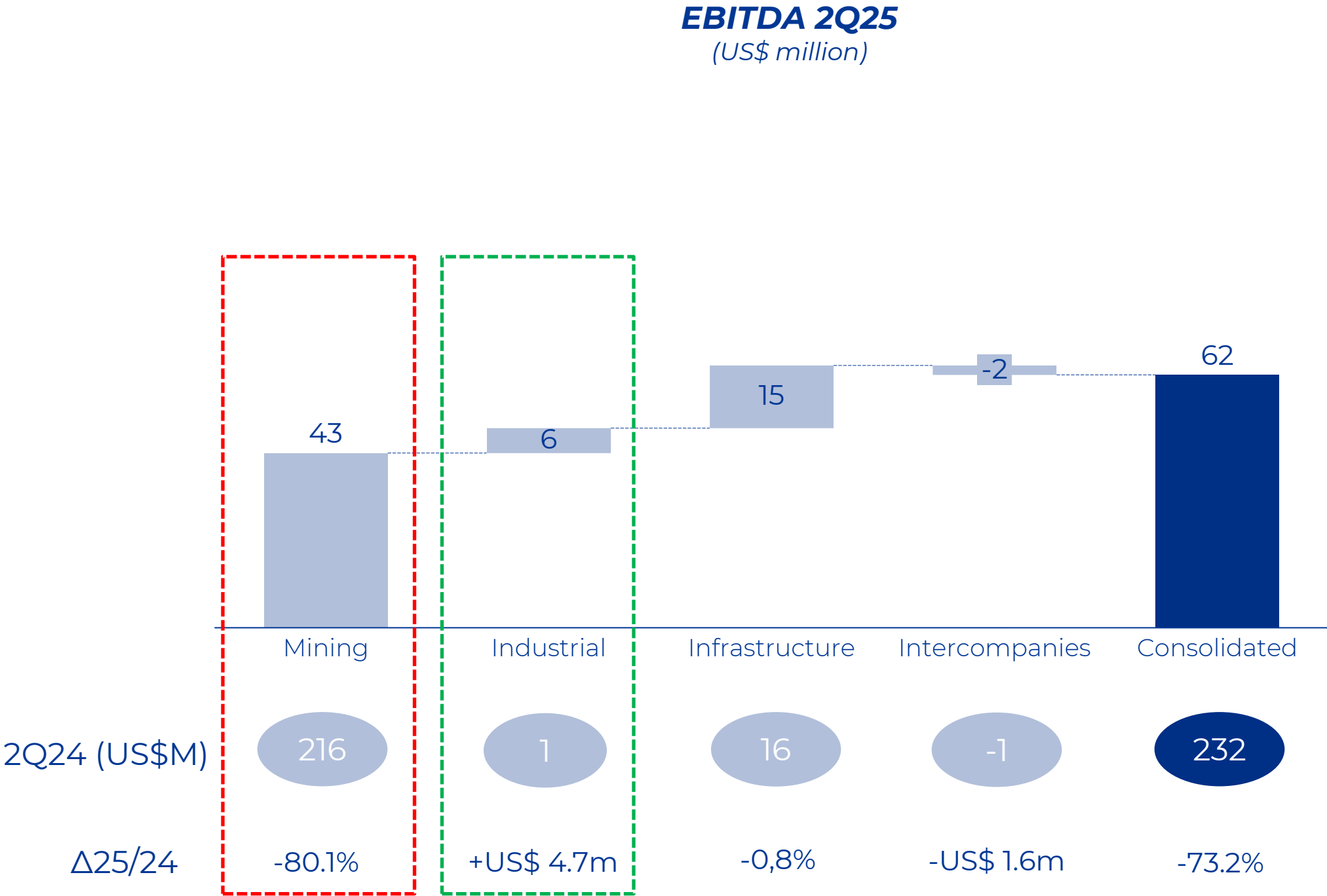
Consolidated Revenues decreased by 25% during 2Q25 YoY, driven by Mining



Key 2Q25 highlights

- Mining:** Revenue decreased by 34,2%, due to lower shipments (-17.5%), lower realized price (-9.7%), and a negative MtM effect (US\$ -34,4m vs 27,7m in 2Q24)
- Industrial:** 12.2% increase in revenues, mainly explained by a 14.0% rise in unit prices, partially offset by a -2,5% decrease in shipments at Cintac and TASA
- Infrastructure:** Sales increased slightly compared to 2Q24 (0.4% YoY)

Consolidated EBITDA decreased by 73% during 2Q25, also driven by Mining

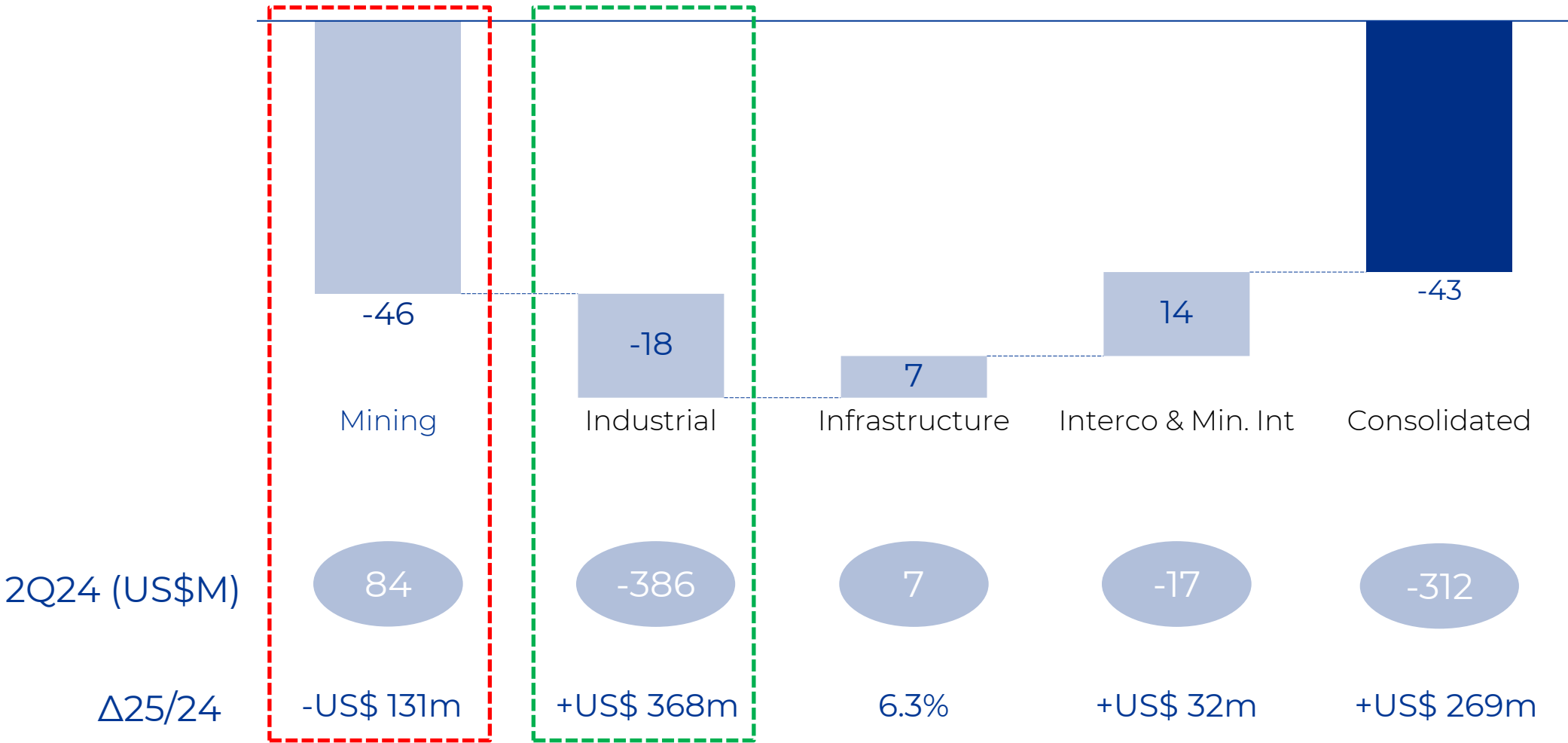


Key 2Q25 highlights

- Mining:** Reduction in EBITDA due to lower revenues and higher C1 cash cost (US\$58.0/t vs US\$52.4 in 2Q24), explained by lower dilution of fixed costs related associated with lower production volume
- Industrial:** Higher EBITDA mainly explained by Cintac (+US\$ 4.8m) as a result of improved gross margin and SG&A savings
- Infrastructure:** EBITDA remained stable

Net Income reached US\$ -43m in 2Q25, better than 2Q24 which included an impairment related to Huachipato's steel suspension

Net income 2Q25
(US\$ million)

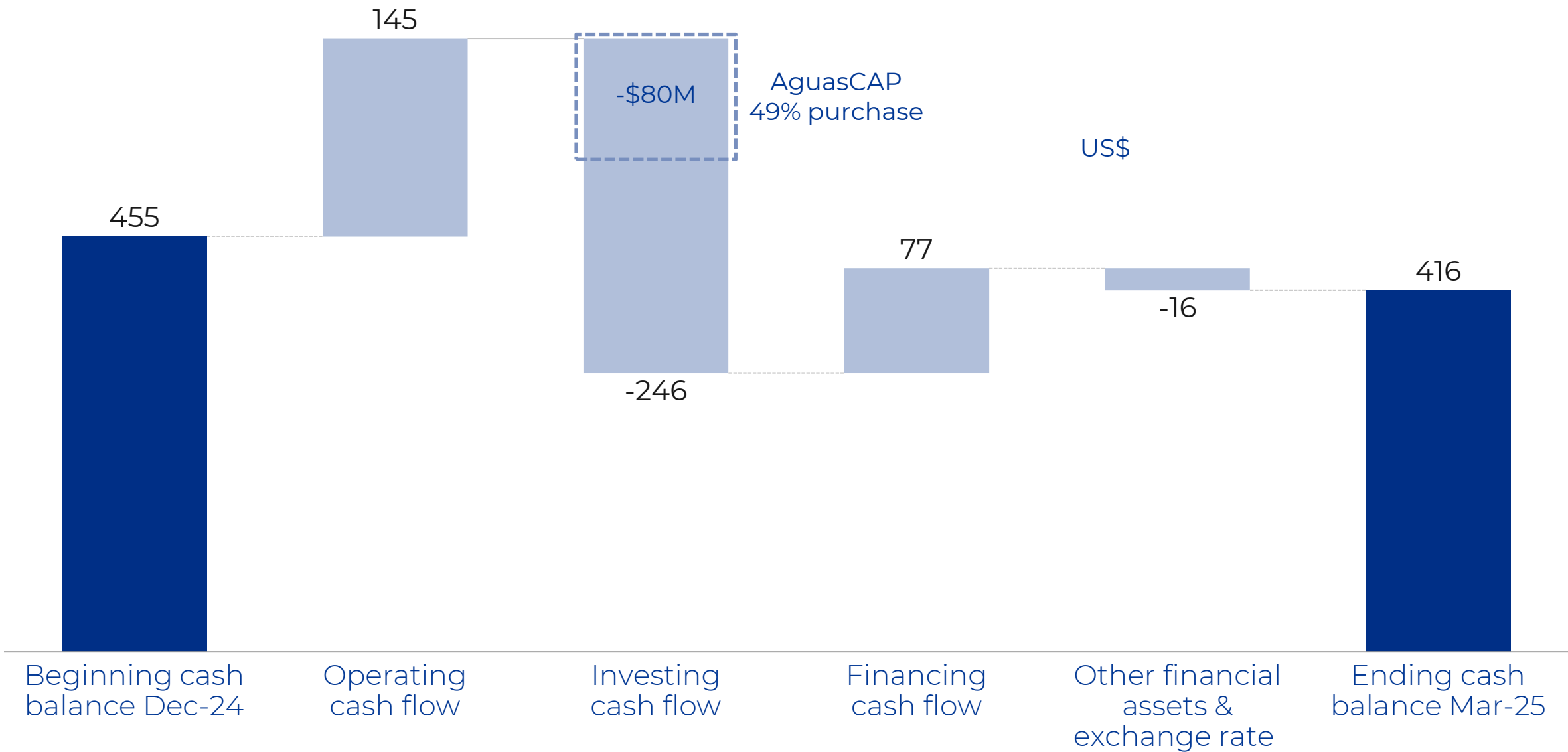


Key 2Q25 highlights

- Mining:** Negative results driven by the combined effect of the previously described factors
- Industrial:** Higher profit, driven by operational efficiencies at Cintac (+US\$ 11.6m YoY) and the normalization of Huachipato's financial results in 2025 (2Q24 included Huachipato's impairment of US\$ 335.6m). Worth noting also that the segment losses in 2Q25 include ~US\$ 11 million related to intercompany interest expenses
- Infrastructure:** Net income remained stable compared to 2Q24

As of June 2025, consolidated cash position remains strong at US\$ 416 million

Consolidated Cash Balance Jun 25 vs Dec 24
(US\$ million)

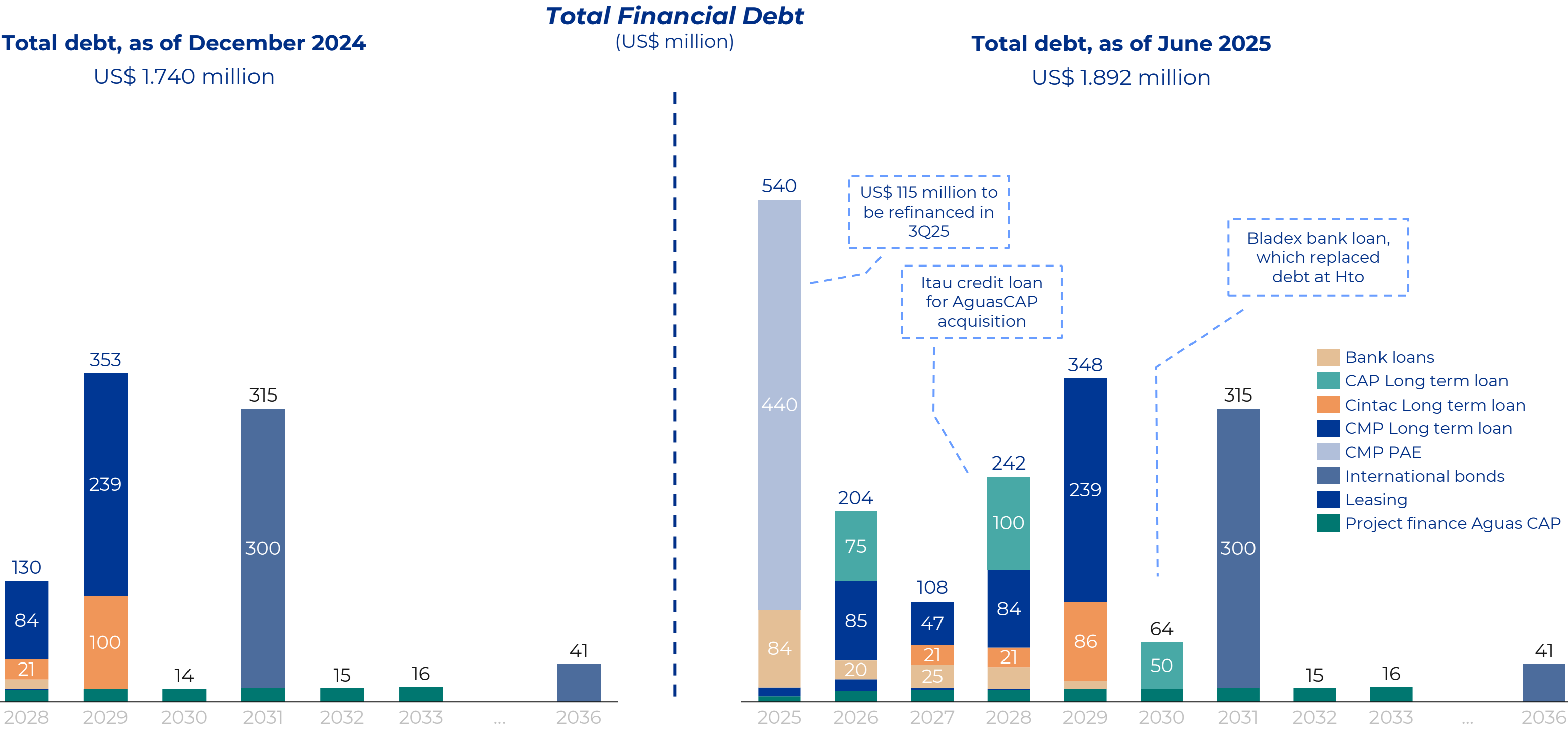


Key 1H25 highlights

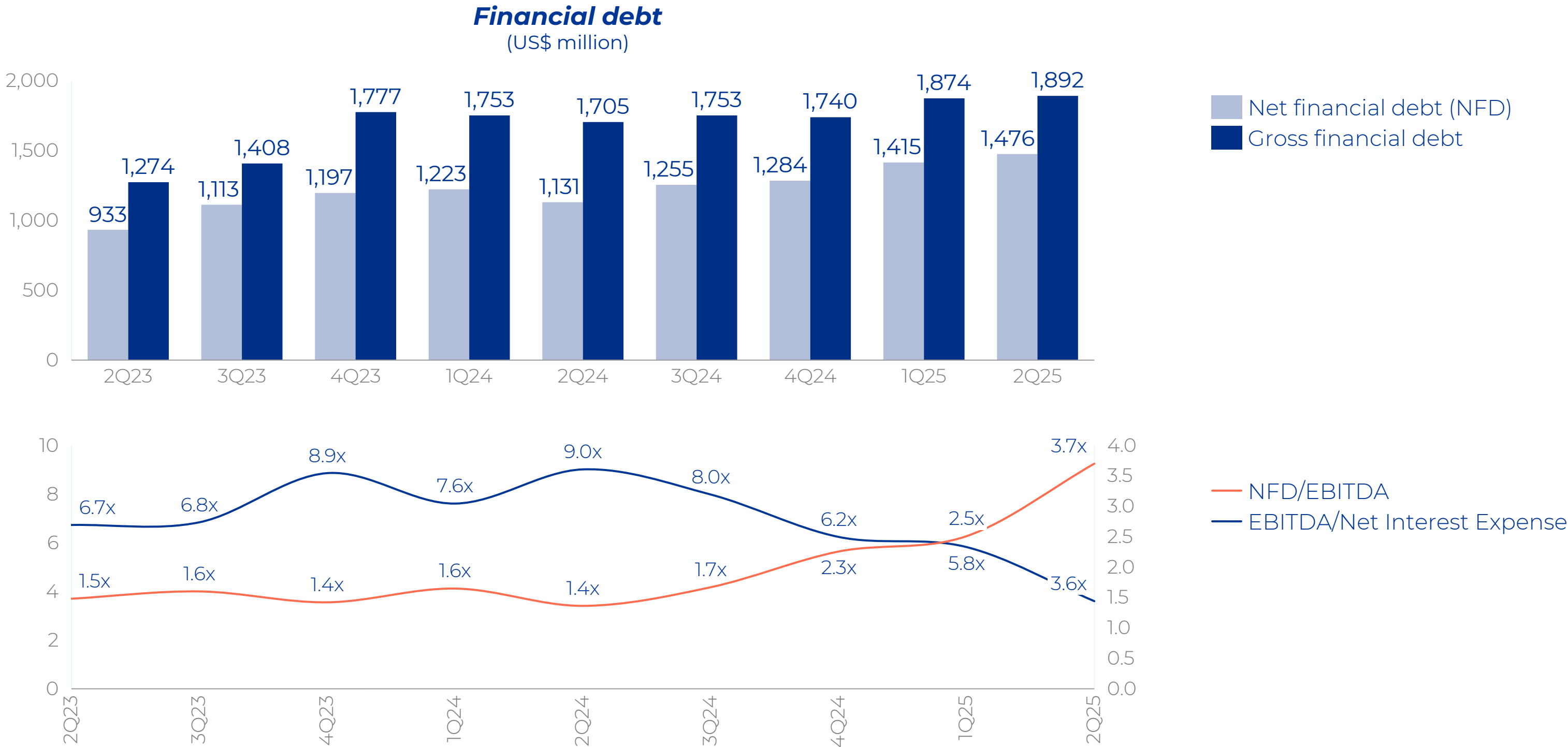
- Operating Cash Flow:** Collection from goods and services (US\$ 1.103m) partially offset by payments to suppliers (US\$ 857m), and to employees (US\$ 120m)
- Investing Cash Flow:** Consolidated CAPEX of US\$ 163m (90% at CMP), along with US\$ 72m related to Aguas CAP remaining stake (49%) and acquisitions of non-controlling interests (US\$ 31m²), partially offset by other inflows of cash (US\$ 12m) and interest received (US\$ 8m)
- Financing Cash Flow:** New net debt of US\$139,8 million, partially offset by US\$ 54,5 million of interest payment

1. Cash balance includes Cash and cash equivalents plus Other current financial assets
2. Includes Aclara Resources Holding (US\$11m) , Modulo Penco & REE Alloys (US\$13m) and Promet Chile (US\$7m)

| We continue to work on improving the maturity profile



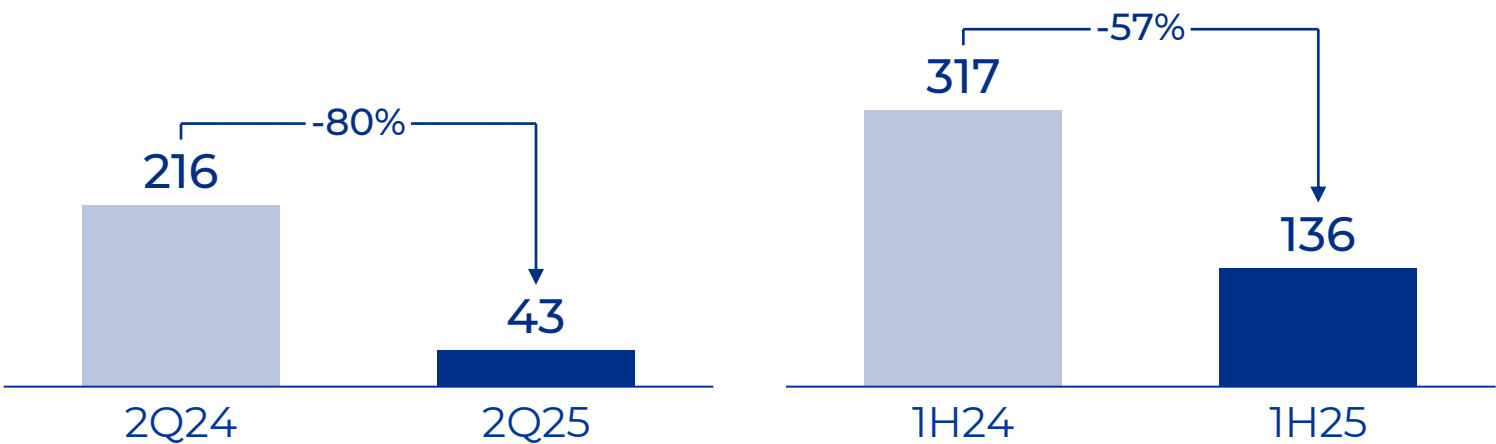
Gross financial debt remained stable in the second quarter, while NFD/EBITDA increased due to the lower EBITDA in mining



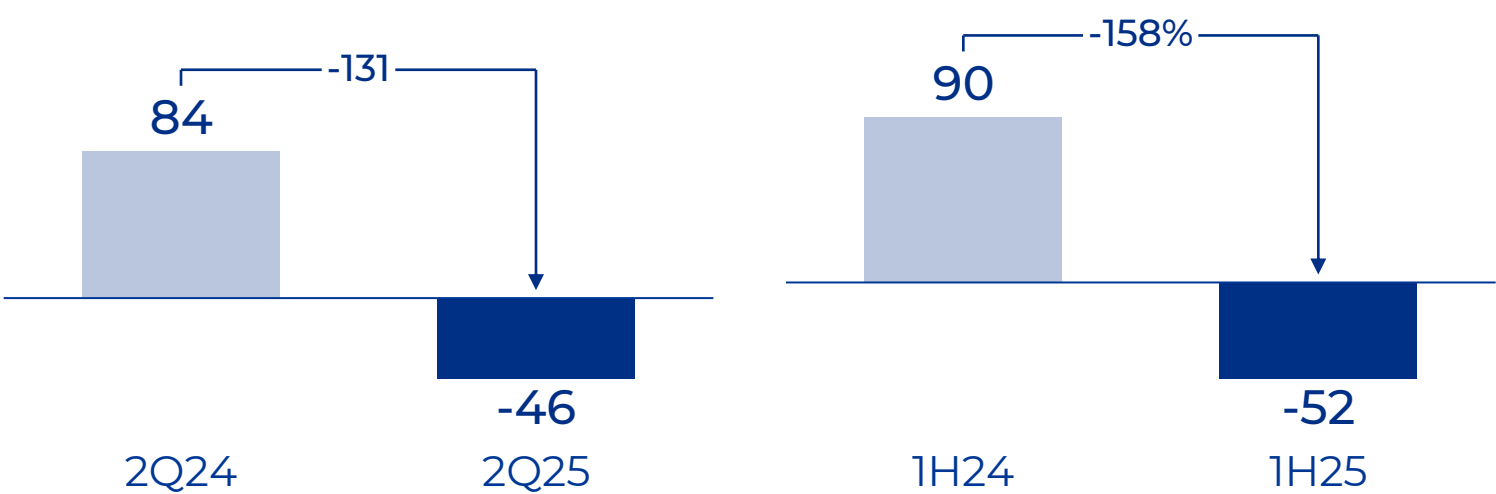
Mining Business

Compañía Minera del Pacífico (CMP) is the leading iron ore and pellets producer on the American Pacific coast, with operations in the Atacama and Coquimbo regions in Chile

EBITDA
(US\$ million)



Net income
(US\$ million)



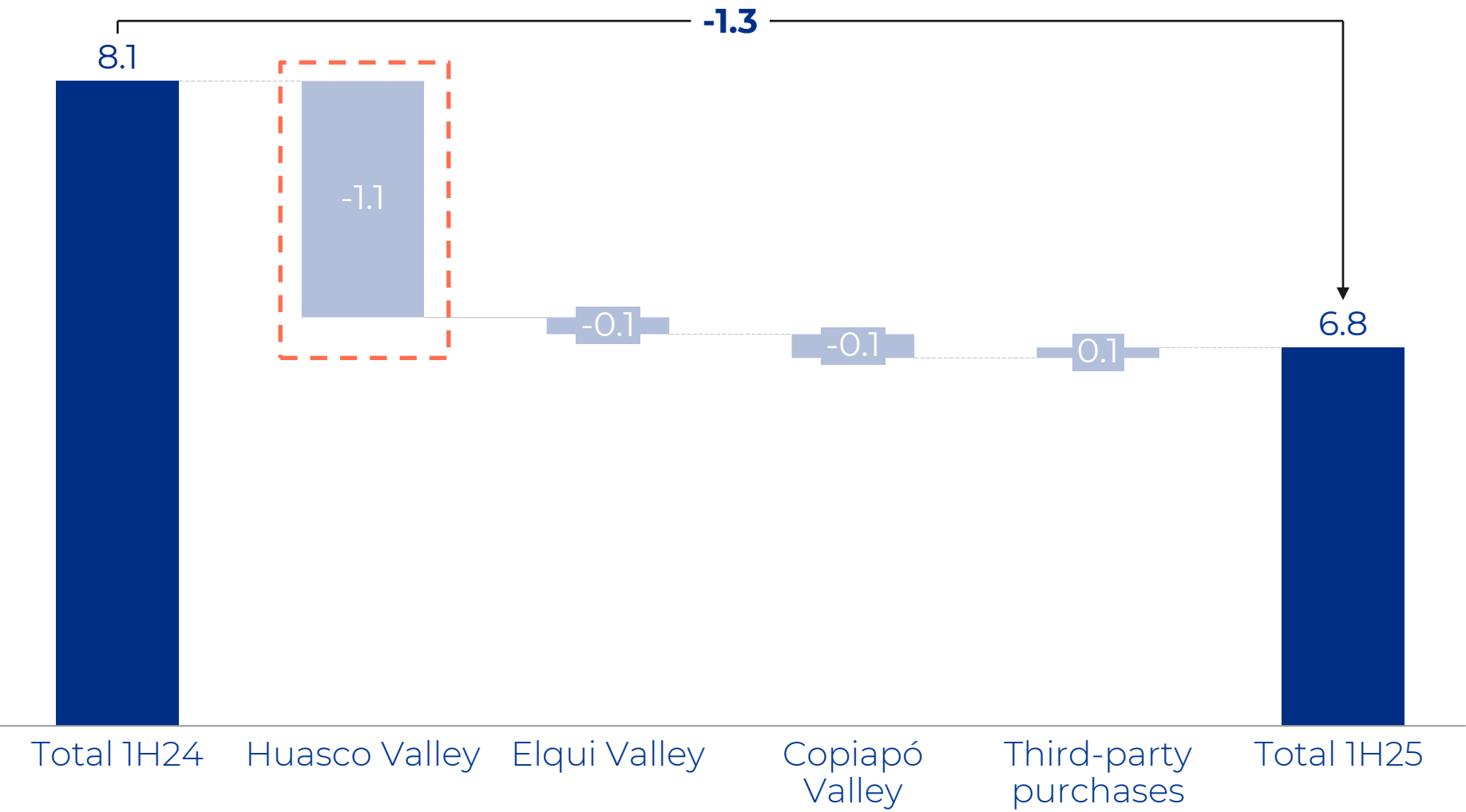
Key 2Q25 highlights

- **17.5% decline in shipments**, from 3.8mt in 2Q24 to 3.2mt in 2Q25, mainly due to the operational contingency at MLC and mining plan
- **9.7% fall in realized prices**, from US\$ 98.7 per ton in 2Q24 to US\$89.2 per ton in 2Q25
- **MtM registered a negative effect** of -US\$62m YoY (US\$ -34.4 in 2Q25 vs US\$ 27.7m in 2Q24)
- **Cash cost (C1)** increased from US\$ 52.4 per ton in 2Q24 to US\$ 58.0 per ton in 2Q25, mainly driven by a 30.5% production decrease in Valle del Huasco that impacted fixed costs absorption



Production decreased by 1.3mt during 1H25 YoY, primarily explained by MLC

Production 1H24 vs 1H25 (kt)



Huasco Valley

- **Phase V suspension:** 250 kt impact during the first half of 2025, due to the halt in operations at this phase
- **Iron ore quality:** In line with the mine plan and the transition to Phase VI, the ore processed during 2025 came mostly from stockpiles. These materials have lower iron grades and significantly lower recovery rates, resulting in an 800 kt impact

Elqui Valley

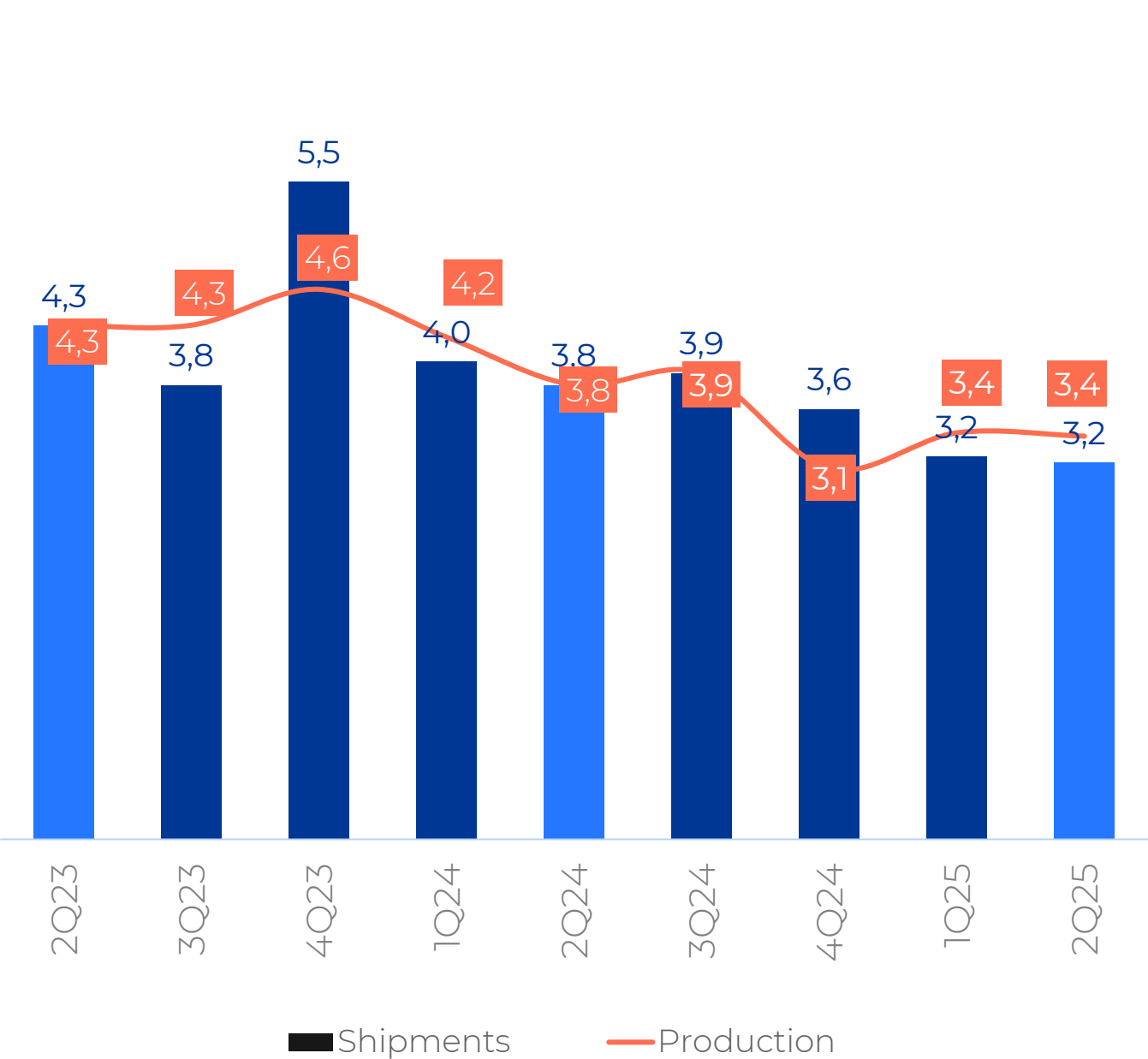
- Delays at **Pleito Plant** on 2Q25 along with Romeral’s Molino N°2 **planned maintenance**.

Copiapo Valley

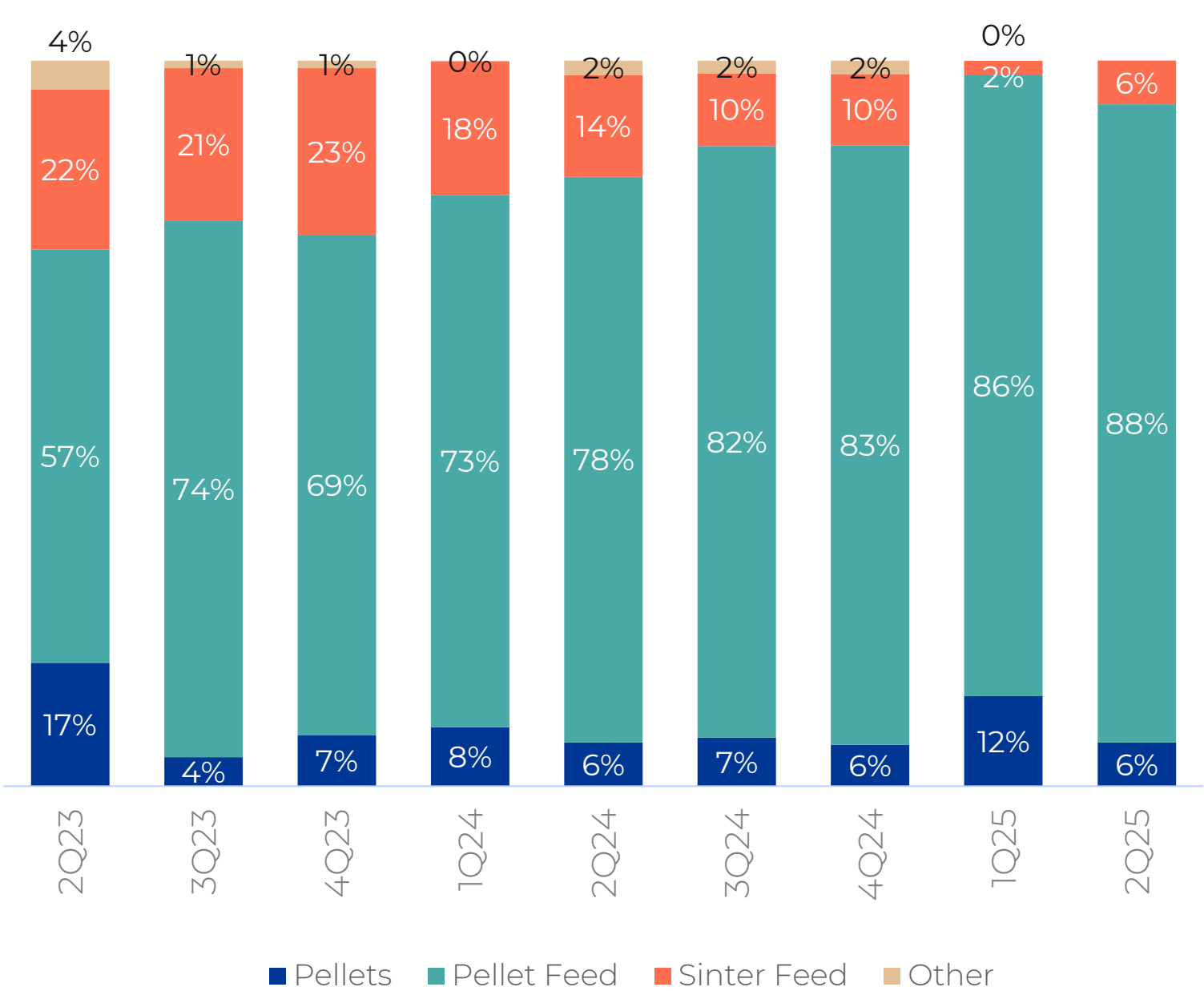
- Lower plant availability during April 2025

Product mix shifted towards pellet feed during 2Q25

Shipments and production
(million ton)



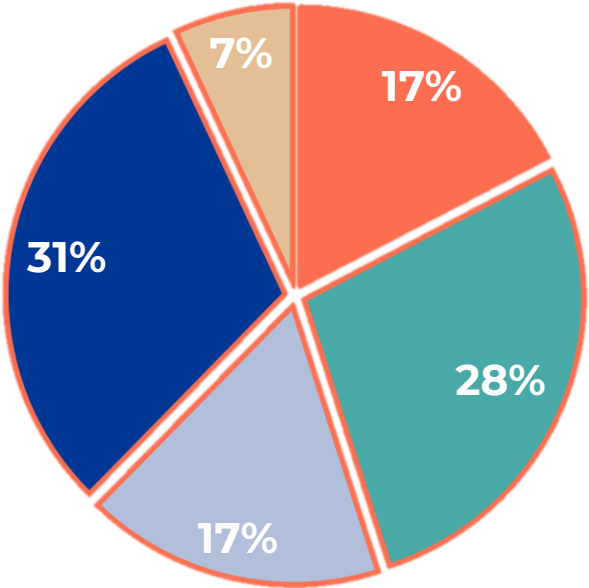
Product Mix (shipments)



- Pellet production has returned to last year's levels due to the unattractive spot premium at current market prices

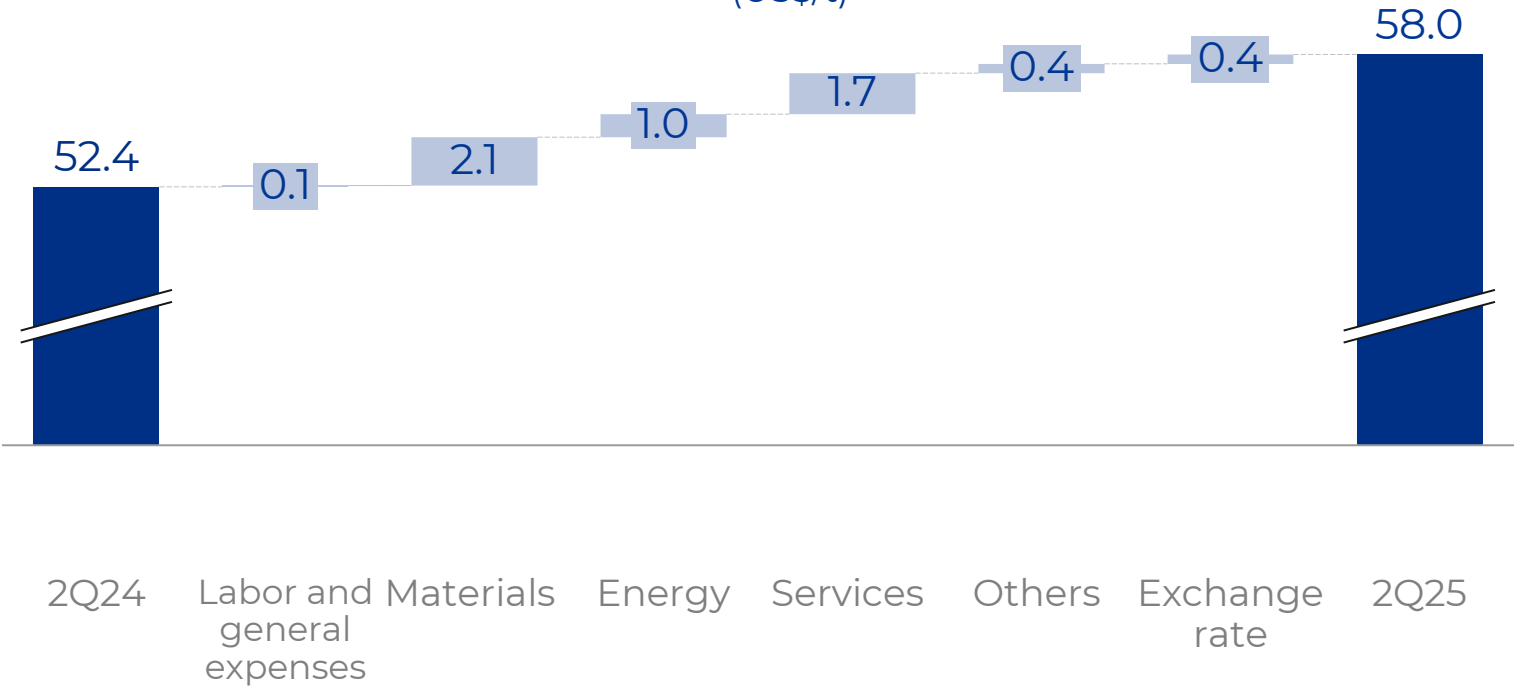
CMP cash costs increased during 2Q25 YoY due to fixed cost dilution

Cash Cost Distribution 2Q25



- Labor & General Expenses
- Materials
- Energy
- Services
- Others

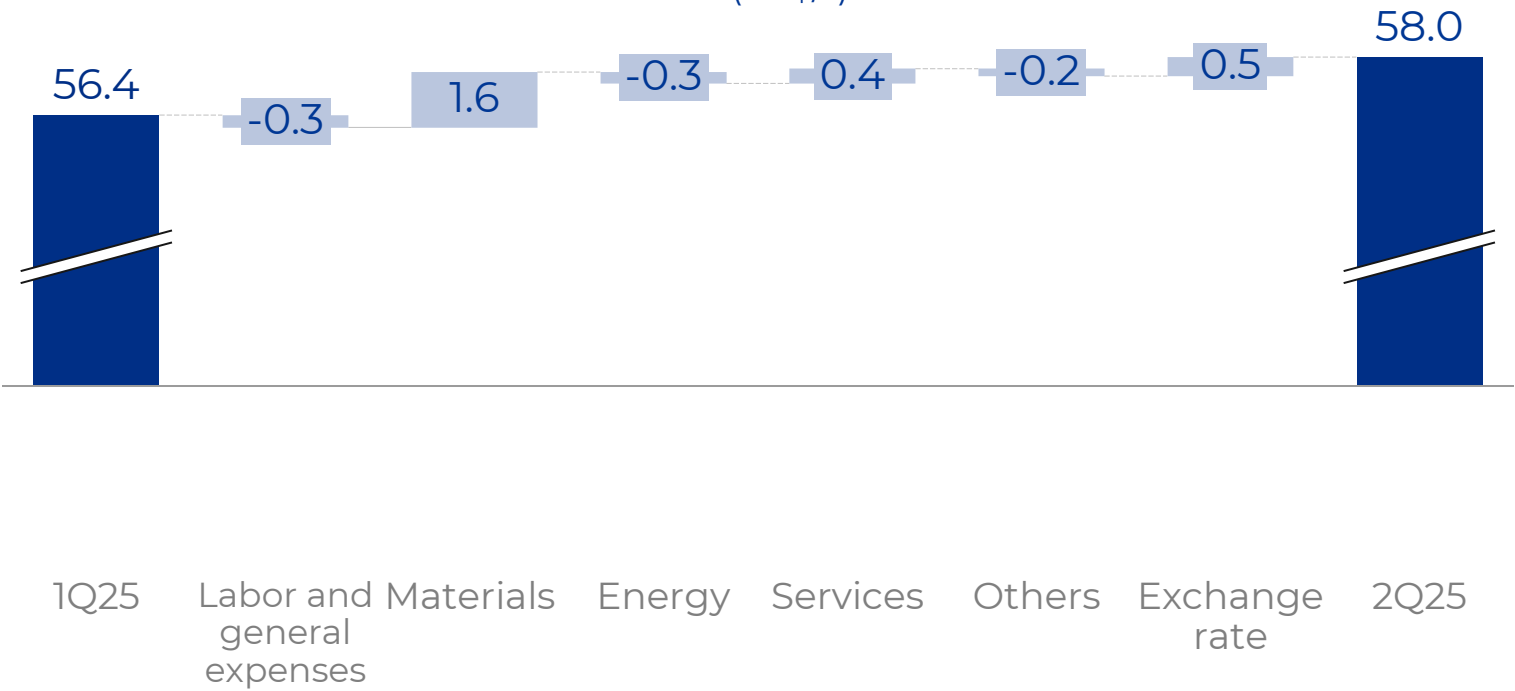
C1 Cash cost 2Q24-25
(US\$/t)



Key highlights YoY

- Higher unit costs due to lower production (3.372kt vs 3.844kt in 2Q24) which results in a reduced absorption of fixed costs at MLC

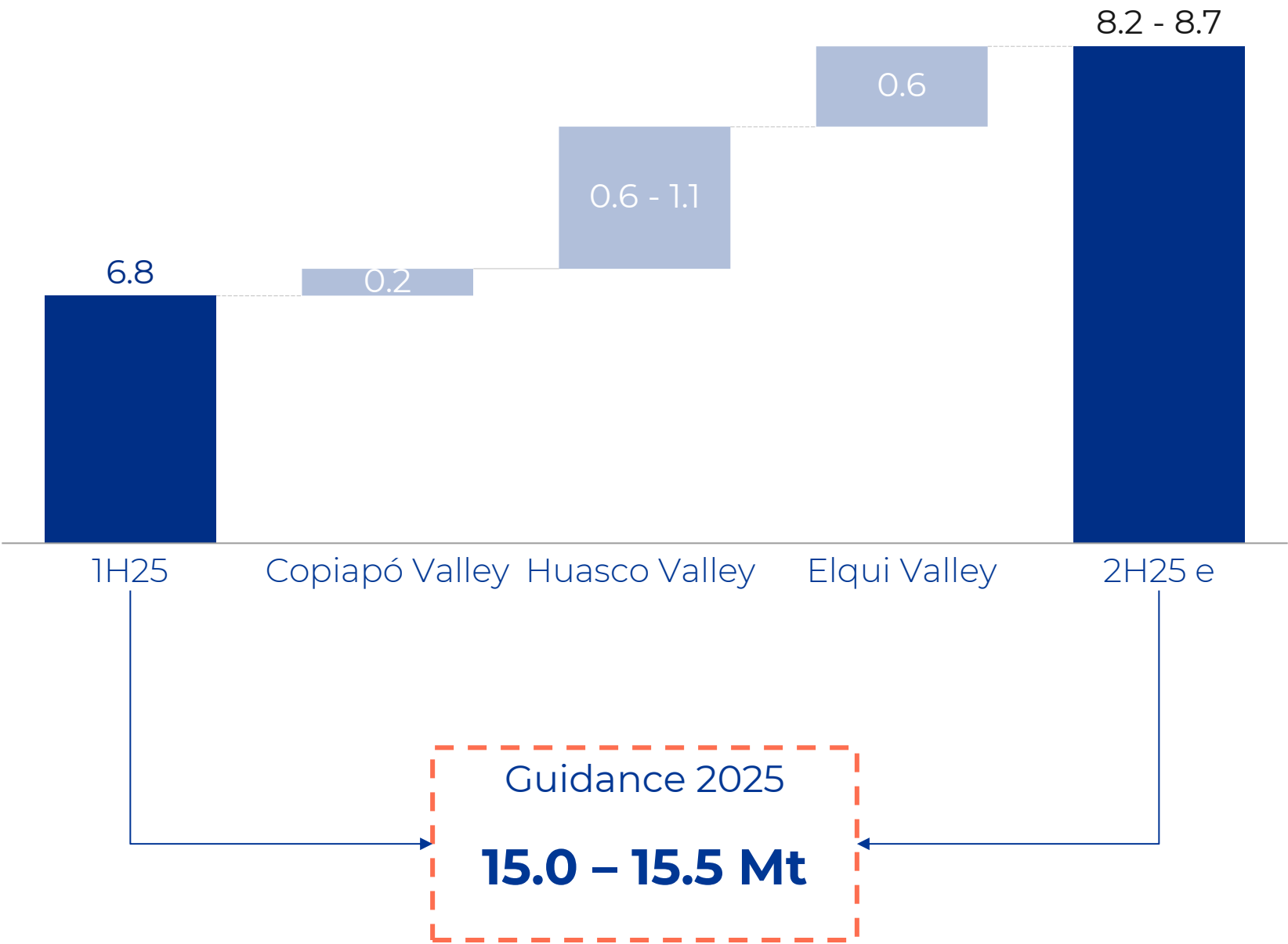
C1 Cash cost QoQ 2Q25
(US\$/t)



Key Highlights QoQ

- Higher unit costs mainly driven by materials prices, explained by increased tariffs of Candelaria's tailings

Production will increase during 2H25 as better mineral from Phase 6 at MLC is reached, and operational improvements go online. Current guidance is maintained.



Main volume drivers

Copiapo Valley: 0.2 mt

- Sequential grinding at CNN since September

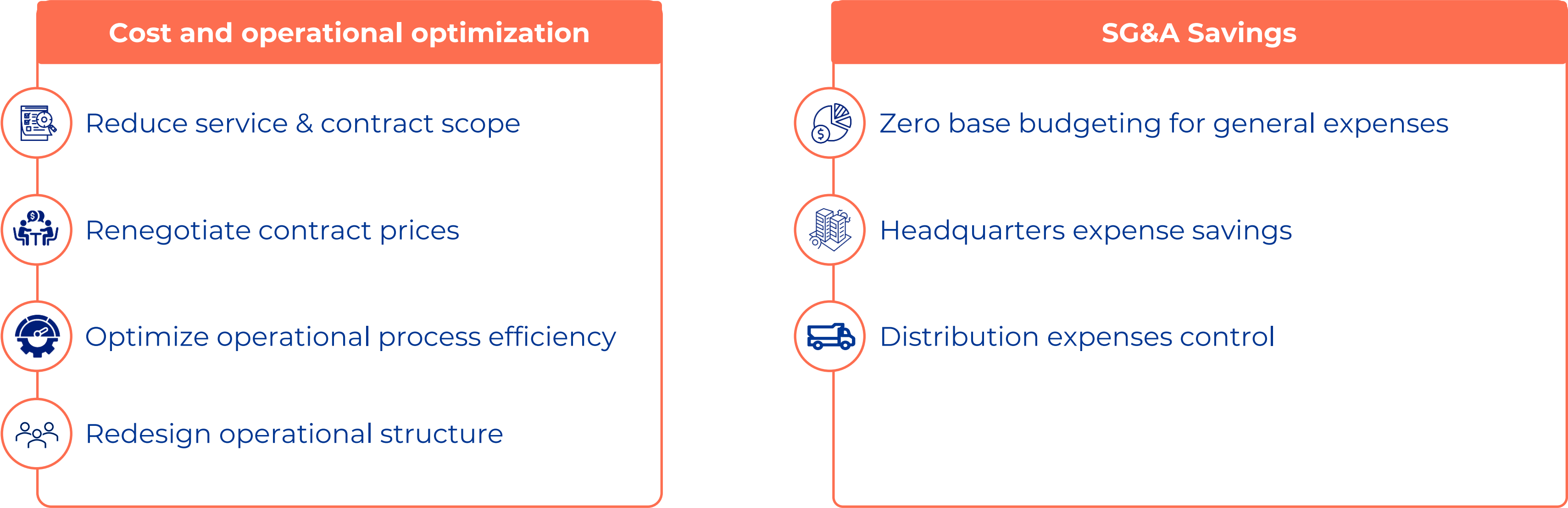
Huasco Valley: 0.6 mt - 1.1 mt

- Access to better quality ore in Phase 6B
- Increase in the average grade of ore fed at MLC (from 37% of Fe content in 1H25 to 42% in 2H25)

Elqui Valley: 0.6 mt

- Pleito plant operation since August

|During 2H25 CMP will continue to implement its ambitious cost reduction plan

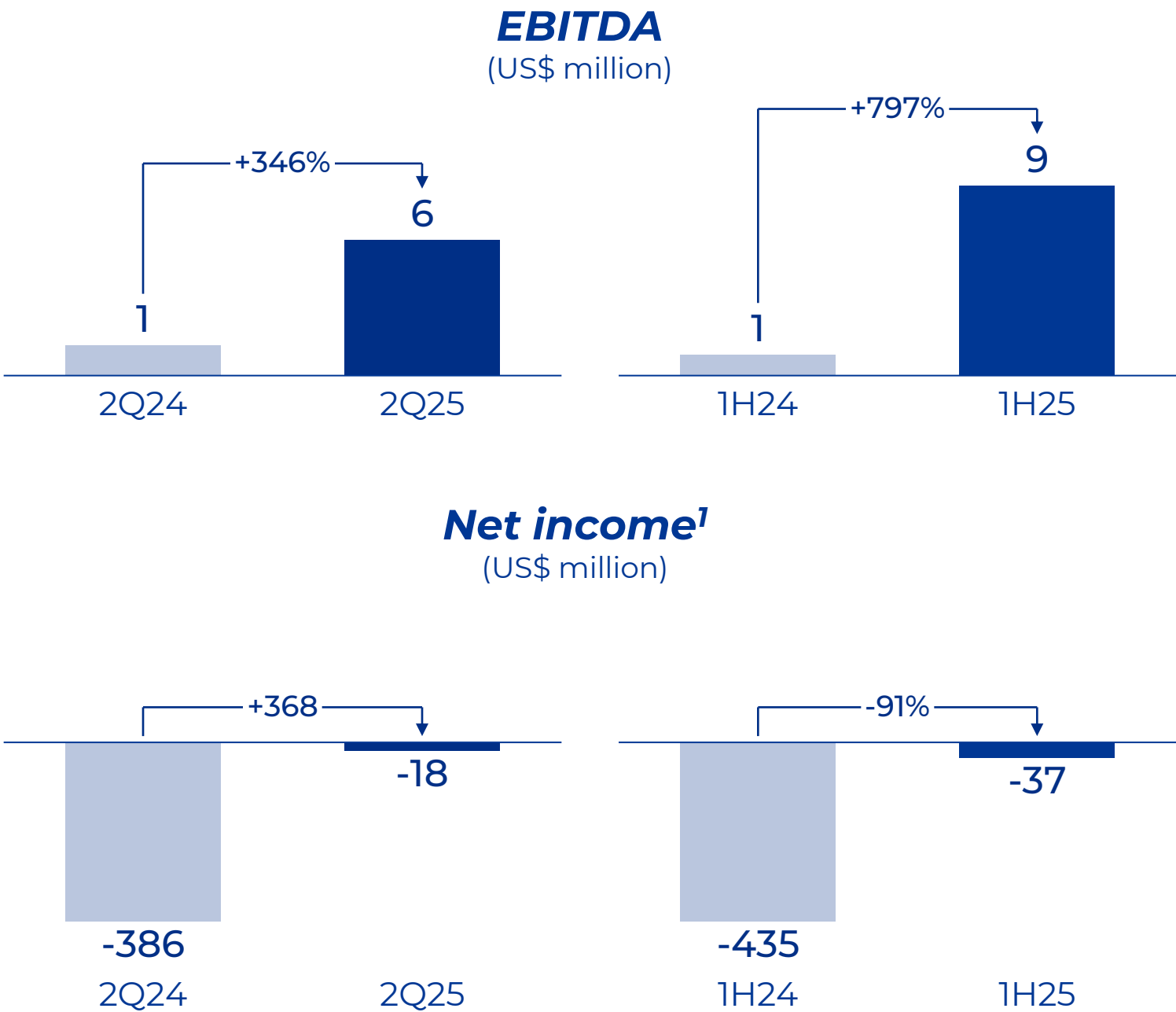


Potential savings Plan¹ (OPEX) **US\$ 70 - 100m**

1. Potential savings plan is based on internal CMP's 2025 budget as baseline

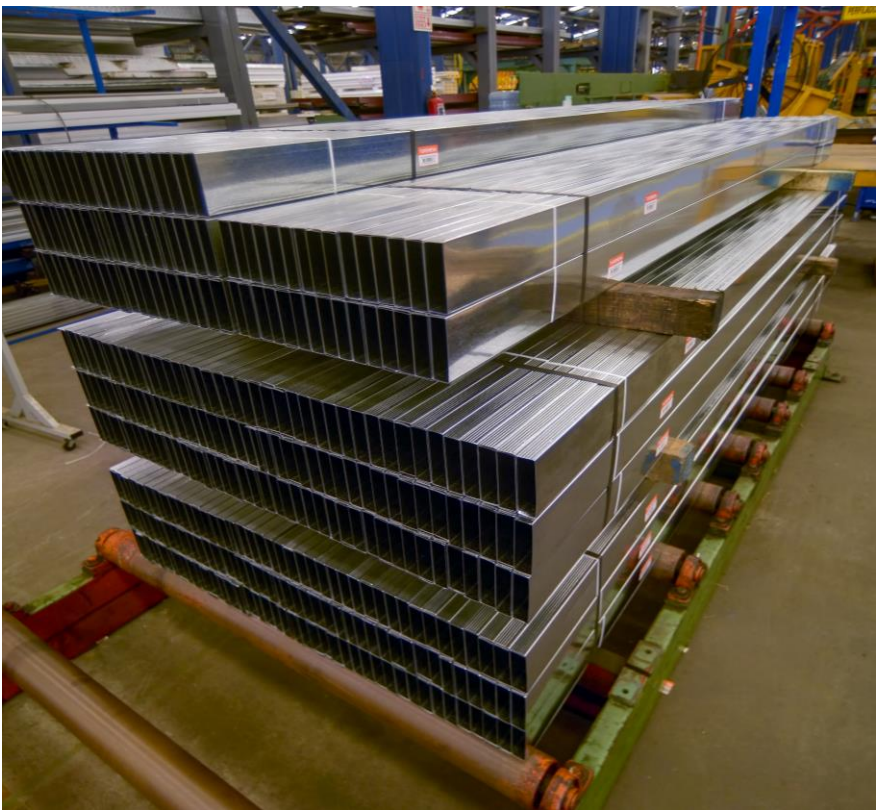
Industrial business

With operations in Chile, Peru, and Argentina, the Industrial business comprises the Cintac Group, Tubos Argentinos (TASA), and the ongoing operations at Huachipato



Key 2Q25 highlights

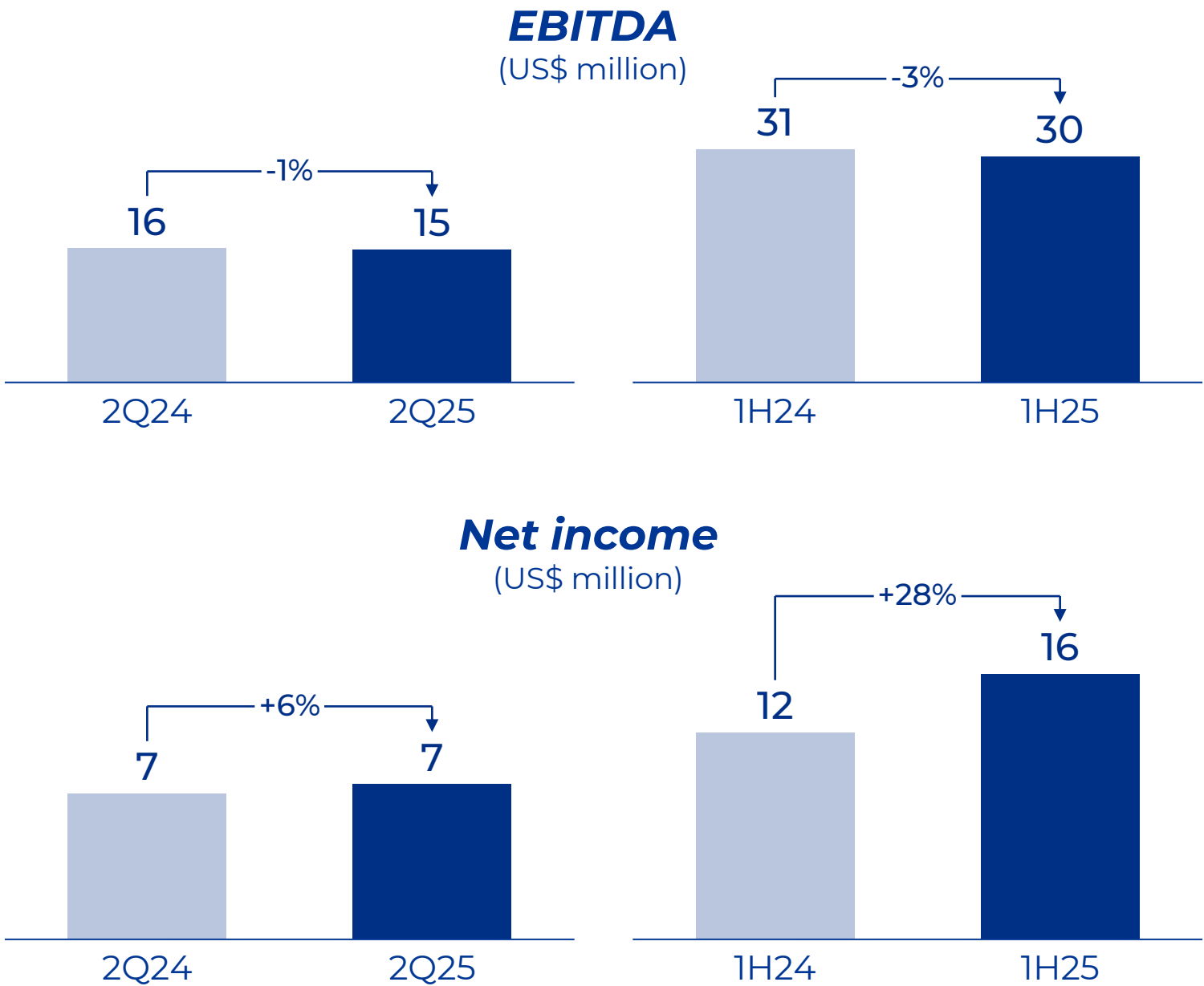
- Cintac's** EBITDA doubled to US\$ 9,6 million driven by higher revenue in the modular segment, an improved gross margin (13.1% to 16.8%) and US\$ 1 mm SG&A savings. Net income also improved, although it remains negative due to financial debt levels.
- TASA's** EBITDA declined to US\$ -1 million due to lower gross margins (9.1% to 1.3%), caused by lower prices in the market as a result of reduced import tariffs. Volume, however, increased 74.2% during 2Q25 YoY (6.1kt to 10.6kt).
- HTO's** EBITDA was US\$ -2,5 million, which was compensated by US\$ +2,5 million in non operational revenues



1. Industrial business net income includes intercompany interest expenses related to the loan between HTO and CAP, which during 1H25 reached US\$ 21 million

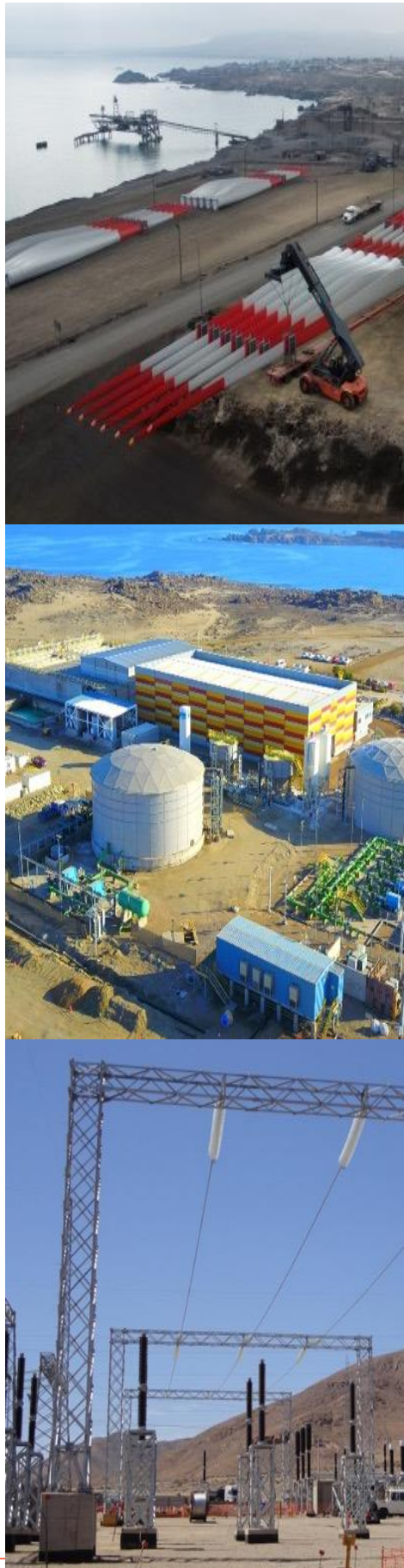
Infrastructure business

Includes port, water and energy assets that provide services to our mining and steel businesses and other customers located in the area of operation.



Key 2Q25 highlights

- **Cleanairtech** produced 2.0 million cubic meters of desalinated water in 2Q25, versus 1.9 million cubic meters in 2Q24
- **Tecnocap** reported a power transmission of 66 GWh during 2Q25 compared to 61 GWh reported in 2Q24



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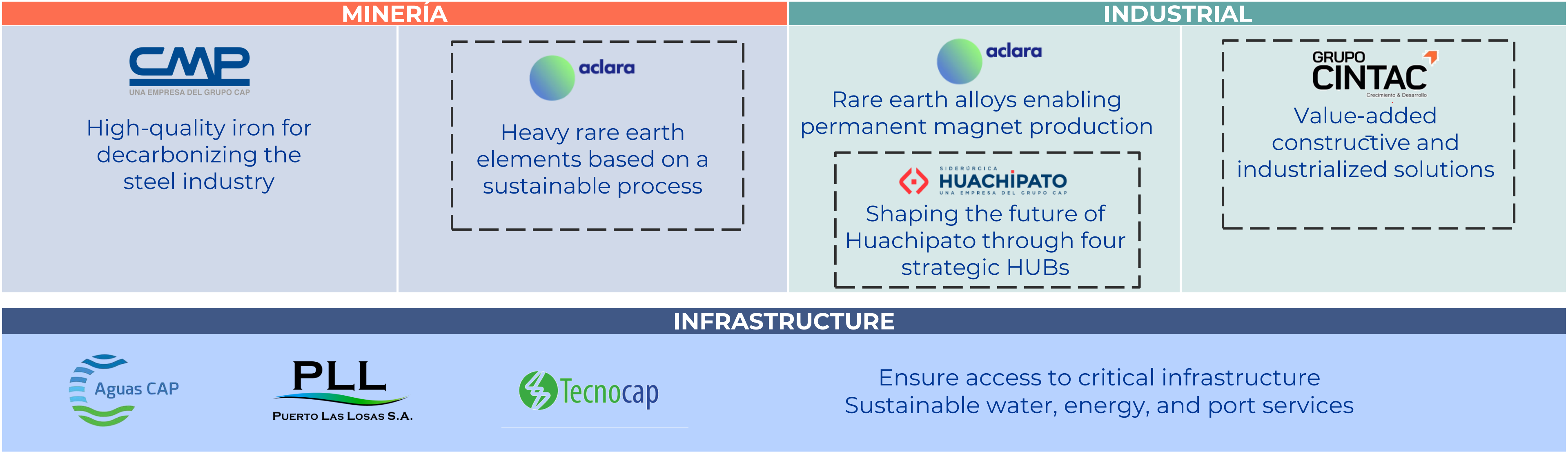
Our subsidiaries are aligned with CAP Group's strategy

Today's focus



CAP Group 2030 Strategy

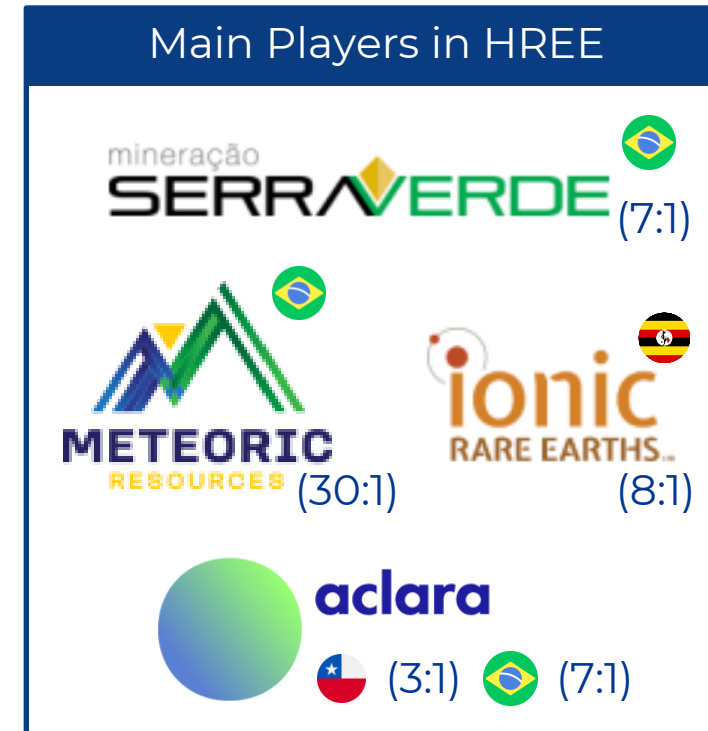
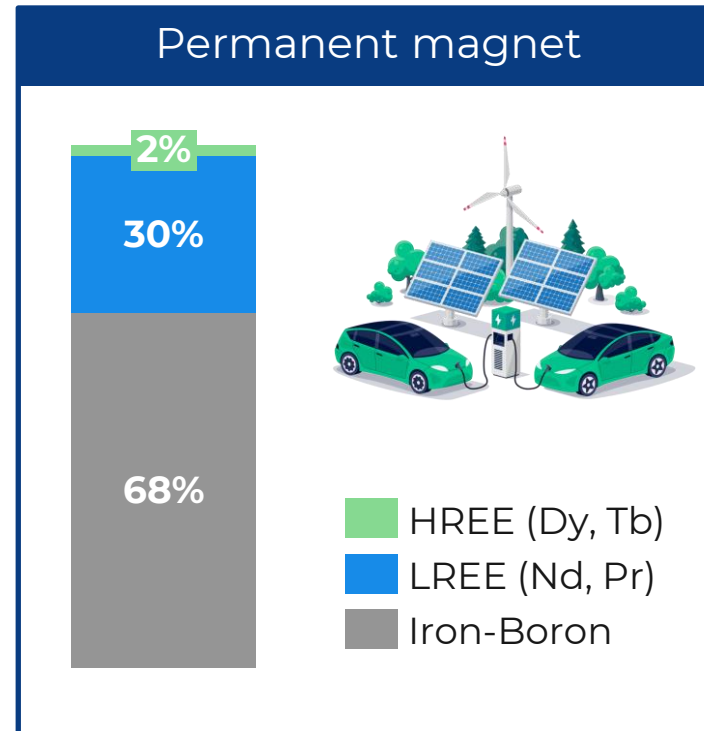
To be a leader in the global market for decarbonization materials through an integrated business portfolio and the development of innovative and sustainable solutions



Rare Earth minerals are critical for the energy transition, and therefore fit squarely within CAP's strategy

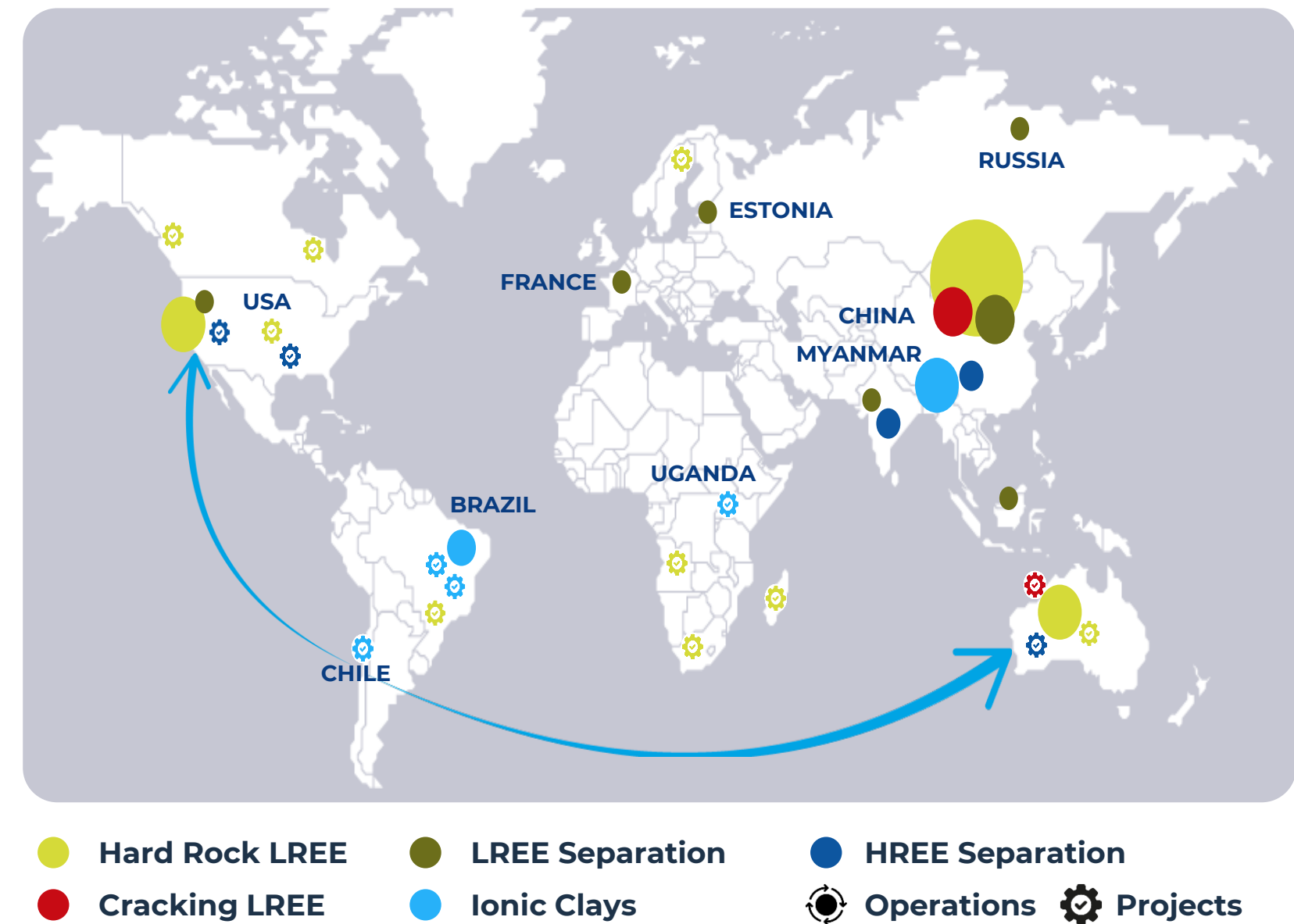
Industry Outlook

- Rare Earths (REE) are a group of 17 metals divided in **“light”** and **“heavy”**. The ratio in which they are typically found is ~ **150:1**
- Market size of US\$ 5b¹**, where Nd, Pr, Dy, Tb² accounts for 95% of its value for its magnetic properties
- Rare Earths are a critical component in many devices, but main uses are:
 - Electromobility:** Permanent magnets for electric vehicles
 - Renewable energy:** Wind turbines
 - Technology:** Chips for AI, smartphones, TVs, among others



Global supply chain issues

- Ionic clays are critical given **China's dominance in the REE** market.
- Chile and Brazil are key players to supply the **new HREE** separation plants in USA and Australia



Aclara has top notch deposits with high contents of heavy rare earths, the scarcest

Penco Module, Chile



- CAP as a strategic partner with longstanding community relations, local know-how and internal capacity
- Very high grades of HREE (DyTb) among ionic clay deposits around the world (3:1)

Carina Project, Brazil



- High grades of HREE (DyTb) ionic clay deposit (7:1)
- Almost five times the size of the Modulo Penco
- Supportive government and local community

Aclara Metals (Joint Venture)



- Project to produce REE metals and alloys for permanent magnets manufacturers
- Key part of the “Mine to magnet” strategy (vertical integration)
- Team in place supported by metallurgists from Huachipato

Aclara still has challenges to overcome, but we are progressing according to plan

3 key workstreams



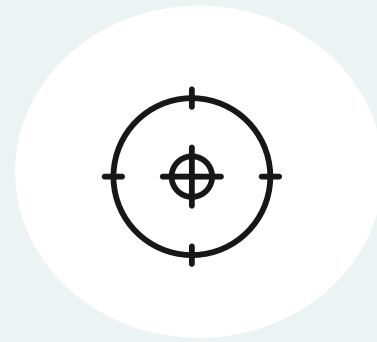
Environmental permit

Penco Module

- ICSARA 2 received in May, expected to be answered by Sept-25
- Approval is estimated for 1H26

Carina Project

- Environmental permit submitted in May
- Preliminary and construction licenses are estimated for Dec-25 and Dec-26, respectively



Offtakes

Early-stage negotiations are underway with prospective offtakers in the U.S. and Japan, reinforcing international interest in the project



Plant Development

- The pilot plant, showcasing the patented “circular mineral harvesting” technology, is running under optimal conditions in Goias, Brazil
- Penco feasibility study by 4Q25
- Carina feasibility study by 1H26

CAP's investment thesis is validated by recent RRE market dynamics, including MP Materials' execution of key strategic agreements

 **MP MATERIALS**  **~ US\$ 2bn**



- US\$ 400m investment in preferred stock and US\$ 150m loan
- 10yr NdPR **US\$110 /kg price floor** in comparison to the ~ US\$ 60/kg price in the Chinese market
- 10yr offtake agreement for 100% of the magnets produced at MP's new facility

J.P.Morgan **Goldman Sachs**

US \$1.0bn loan to build the new MP Materials 10x facility

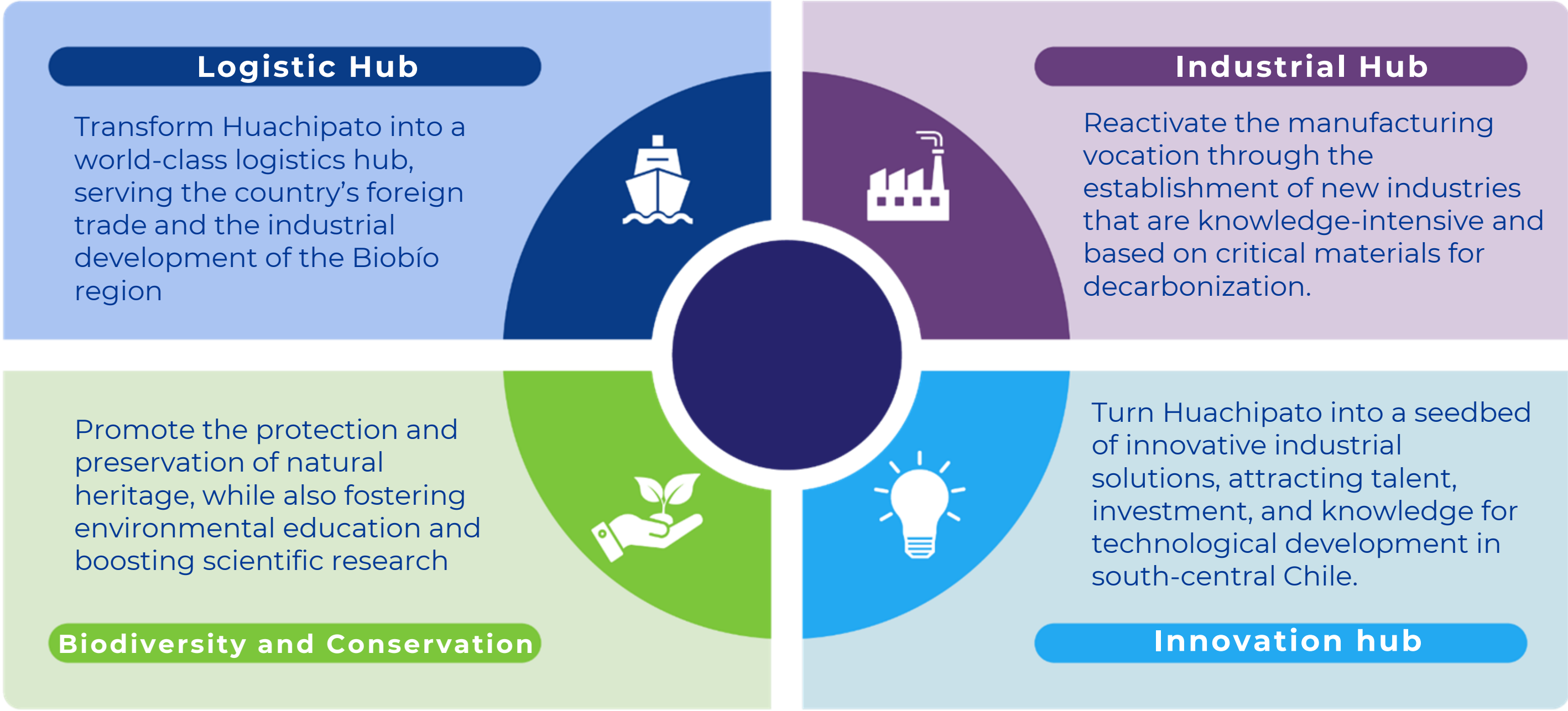


MP Materials and Apple have announced a US\$ 0.5bn partnership to produce recycled rare earth magnets in the USA

Aclara Resources stock price (CAD\$)



| In Huachipato 2.0, we are working along four lines of action



Territorial Master Plan, developed with Fundación Metropoli

| We have made significant progress during 1H25 in each of these fronts

Logistics

- **HSLP was created in June** to operate as HTO's commercial agent
- Current operations include the storage and handling of bulk materials
- Strategic agreements related to container depots, cargo storage, and logistics hubs are nearing under way

Industrial

- **Ensure limestone supply** for current customers through 2025–2026 (~100 ktpy), supported by a new, lower-cost process design
- Toll manufacturing and scrap handling contracts

Innovation

Creation of a **Center for Advanced Manufacturing and Industry 4.0**, with potential support from CORFO and major local universities, which would provide infrastructure and technological equipment

The first **Huachipato "Territory of Opportunities" participation forum** will be held on August 22, which goal is to develop a shared roadmap for the new urban ecosystem in Talcahuano

Cintac is making significant progress in its strategy to recover profitability

Balance sheet optimization

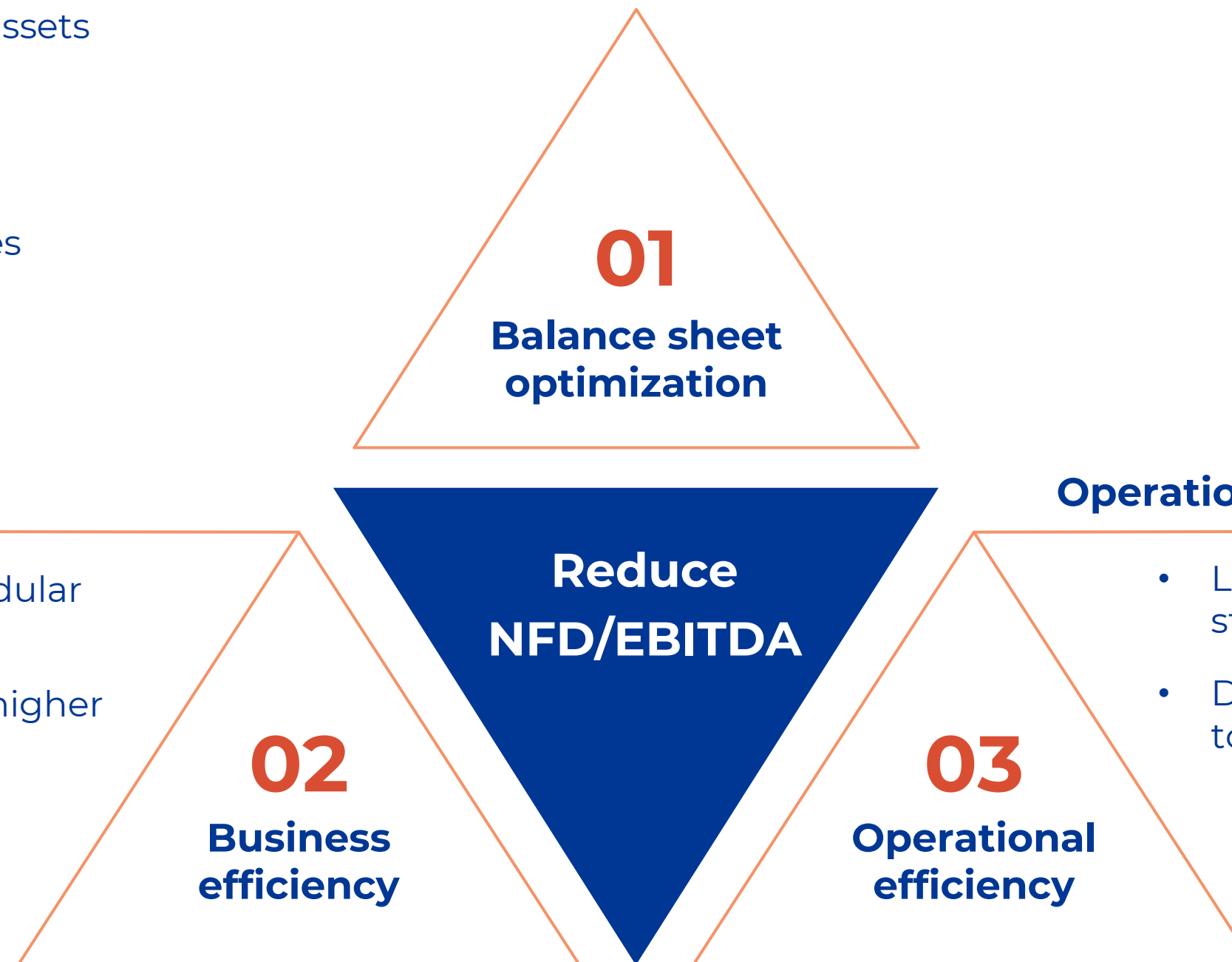
- Sale of low productivity assets
- Leaner working capital
- Inventory management
- Utilization of idle modules

Business efficiency

- Award of large-scale modular projects
- Cost reduction through higher site productivity
- Growth in the housing segment

Operational efficiency

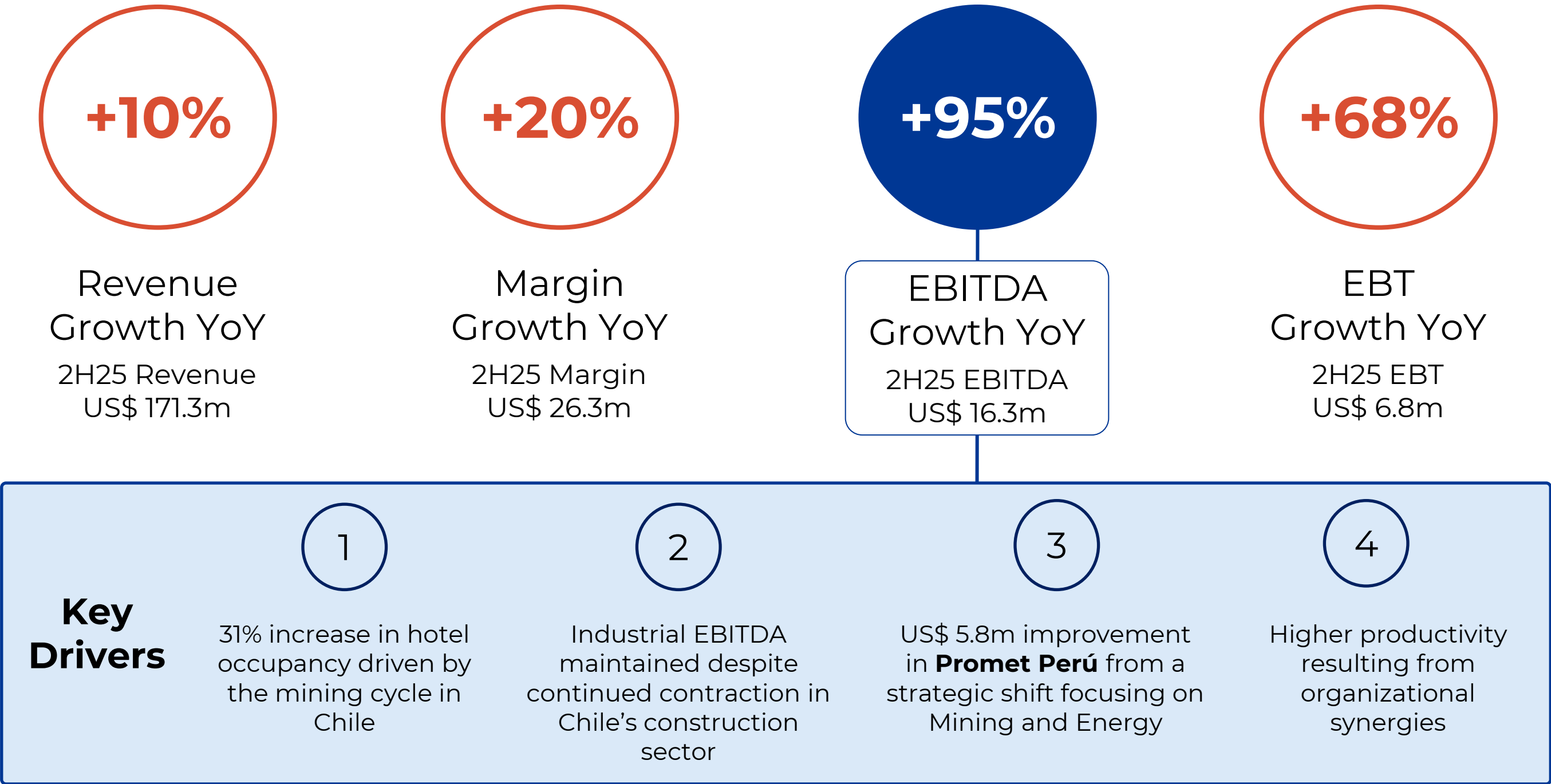
- Leverage organizational structure
- Deploy Zero base budget to reduce expenses



GRUPO
CINTAC

Radomiro Tomic mining camp
Chuquicamata, Calama

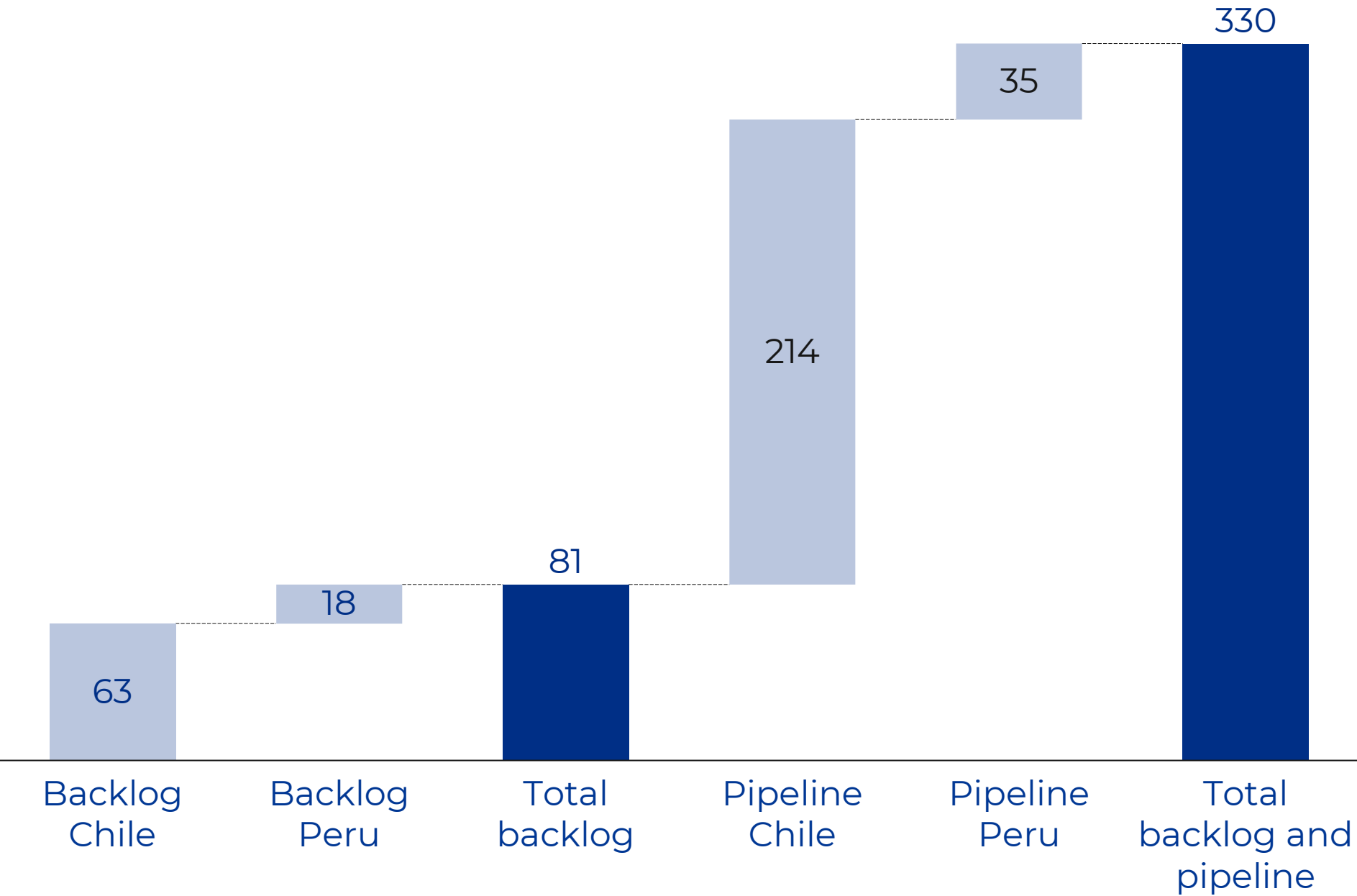
Despite the contraction in the construction industry, Cintac’s EBITDA improved significantly due to its other lines of business



Cintac has a solid backlog & pipeline of projects for 2H25 and 2026 in its modular business line

Chile and Perú modular project backlog and pipeline

Sales for '25 and '26 in US\$ million



- Considers **backlog** of sold projects to be executed and **pipeline** of projects still under bidding
- Every project includes **engineering and development**
- Mix of **modular** unit sales and **rent** projects
- Some projects includes **hospitality services**

Agenda

1. Overview 2Q25
2. Highlights 2Q25
3. Market context
4. Financial results
5. Strategy 2030 progress
6. Way Forward

Way forward

Improve short term results in mining



- Continue to implement Efficiency Program at CMP, aimed at reducing Opex for up to US\$ 70 – 100 million during 2025
- Implement sequential grinding at CNN to increase production by ~500kt yearly
- Access to better quality ore in Phase 6 (VH) with an impact in the range of ~0.6-1,1Mt during 2H25
- Resume Pleito operations in August and other measures at VE with impact of ~0.6Mt during 2H25

Enable longer term growth



- Optimize LOM at Valle del Huasco, considering the restriction of Phase 5
- Aclara: continue process to obtain environmental permits and conversations with potential offtakers
- New contracts at Aguas CAP to enable desalination plant expansion to permitted maximums
- Continue to develop Huachipato 2.0

CAP S.A.

2Q25 Results

Aug 14, 2025

