

CORPORATE PRESENTATION

AS OF JUNE 2023

OVERCOMING
CHALLENGES TO
ACHIEVE OUR
VISION



MINING

- » Completed the tie-in of the new **Pyrites Plant** to the national power grid.
- » **Juanicipio's beneficiation plant** started operations the previous quarter and continued to ramp up production to reach nameplate capacity in the **third quarter of 2023**.
- » Lower **gold** production as Noche Buena's useful life nears to end. Higher **silver** production due to Juanicipio's ramp-up. **Lead** remained stable. Lower **zinc** production as Capela experienced some intermittencies in the operation due to the lack of water and a blockade stoppage.

METALS

- » **Gold** production decreased mainly due to the lower production at Noche Buena. **Silver** and **lead** increased production due to a higher volume of concentrates treated compared to 2Q22.
- » Higher **zinc** production, because in the comparison quarter the annual maintenance shutdown was carried out, while the 2023 annual shutdown was deferred to the end of July. The replacement program for cathodes and anodes in poor condition at the three electrolysis modules continues and will be completed in the **third quarter of the year**.

CHEMICALS

- » **Sodium sulfate** production was lower due to decrease in consumption because some customers had logistical problems, and the advancement of the annual maintenance shutdown scheduled for November to take advantage of the general electricity shutdown.
- » **Magnesium sulfate** volume increased thanks to strong market demand and stable operations.
- » **Magnesium oxide** volumes decreased to weakening demand from fears of economic recession in the United States.
- » The **ammonium sulfate** by-product recorded a similar volume due to the availability of sulfuric acid from the Smelter.

KEY FINANCIAL METRICS



SALES

US\$ 2,950.0 mm
YTD 2023

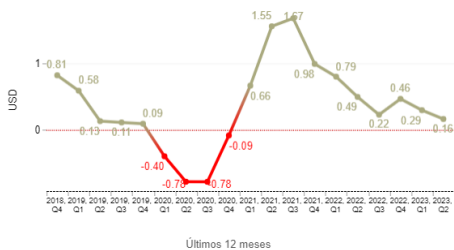
US\$ 5,597.1 mm
LTM

Cash Flow from Operations

US\$ 129.7 mm
YTD 2023

US\$ 420.5 mm
LTM

EPS



EBITDA

US\$ 444.6 mm
YTD 2023

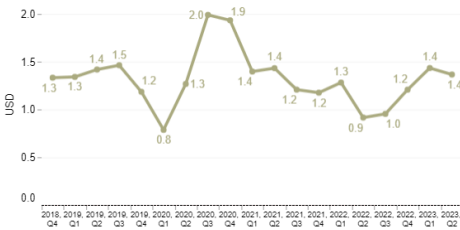
US\$ 814.7 mm
LTM

DEBT RATIOS

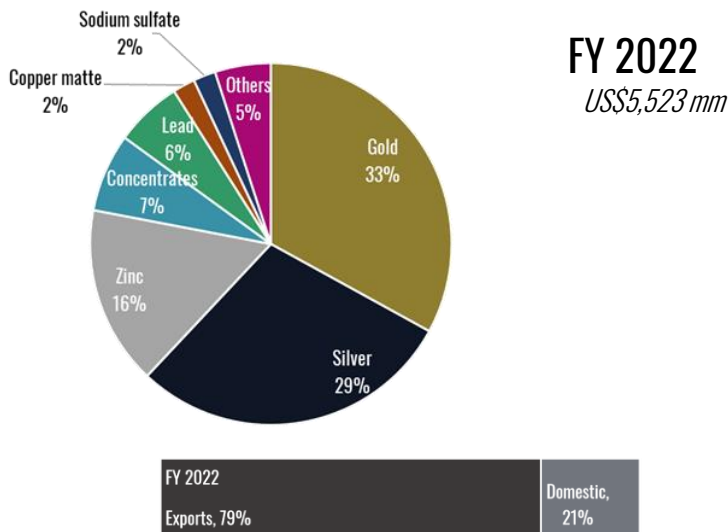
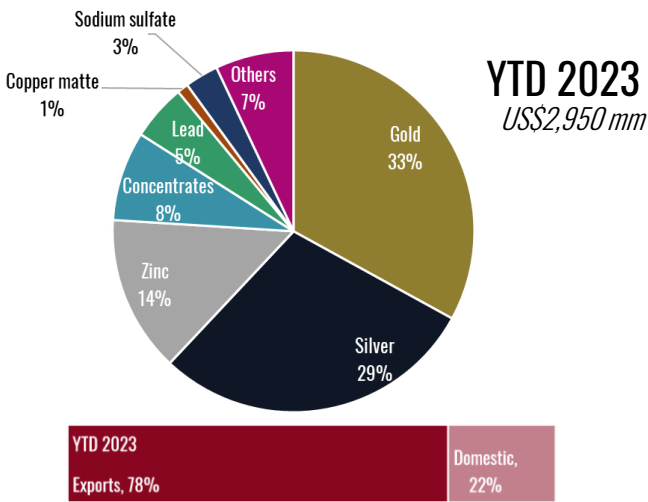
~ 2.0 x Net Leverage Ratio¹

~ 4.7 x Coverage Ratio²

P/BV



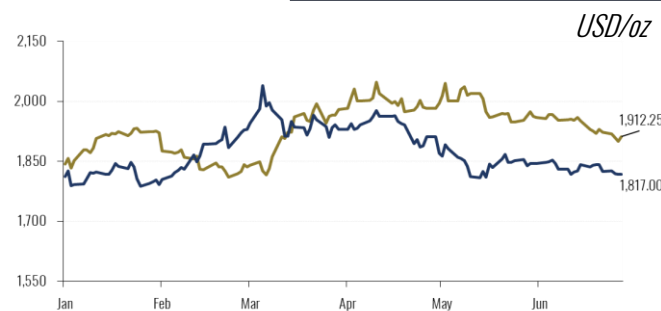
REVENUE BY PRODUCT AND MARKET³



Notes: 1/Net Leverage Ratio is defined as Net Debt/EBITDA for LTM. 2/Coverage Ratio is defined as EBITDA/Int Expense for LTM. 3/Includes Hedging results.

- » In the **second quarter of 2023**, average metal prices recorded mixed movements compared to the same period in 2022.
- » **Gold and silver rose 3.9% and 7.1% respectively**, with gold hitting an intraday record high in May on uncertainty surrounding the U.S. debt ceiling negotiation and dollar weakness. The price of **zinc fell sharply by 36.5%**, while **lead and copper fell by 5.3% and 11.0%**, affected by fears of an economic recession due to weak data on manufacturing production in China and the construction industry in Europe, together with reports of stable inventories and prospects of an increase in world inventories.

GOLD London



SILVER Comex



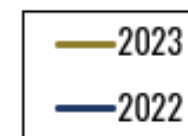
LEAD LME



ZINC LME SHG



COPPER LME



	2Q'23	2Q'22	%Chng	YTD 2023	YTD 2022	%Chng
Inflation rate for the Period (%): -	0.14	1.57		1.37	4.04	
Exchange Rate(peso-dollar):						
Close	17.0720	19.9847	-14.6			
Average	17.7225	20.0414	-11.6	18.2123	20.2822	-10.2

OPERATING RESULTS

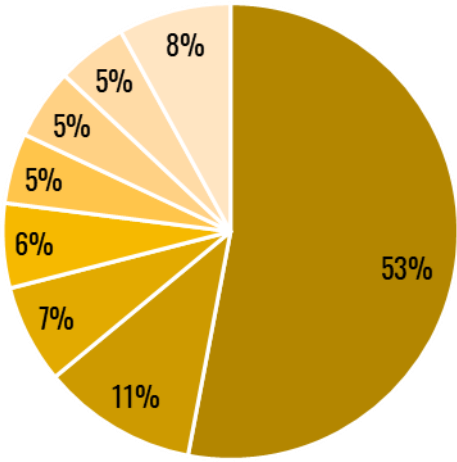


CONTRIBUTION BY MINE TO 2023 METAL PRODUCTION¹



GOLD

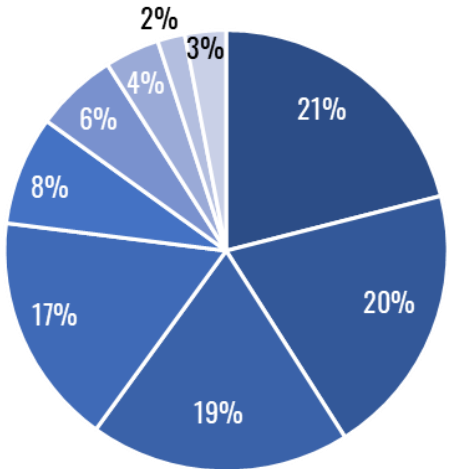
356,561 Oz



- Herradura
- Saucito
- Noche Buena
- San Julián
- Fresnillo
- Tizapa
- Ciénega
- Others

SILVER

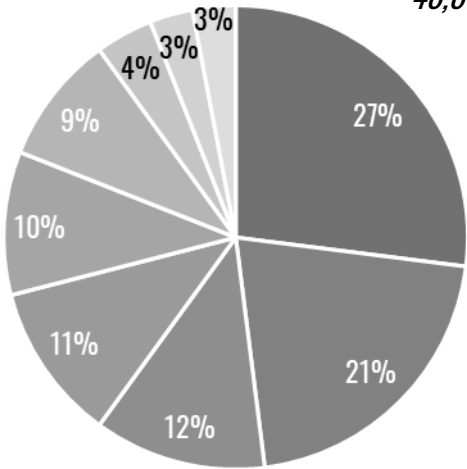
35,303 kOz



- Juanicipio
- San Julián
- Fresnillo
- Saucito
- Tizapa
- Ciénega
- Sabinas
- Capela
- Others

LEAD

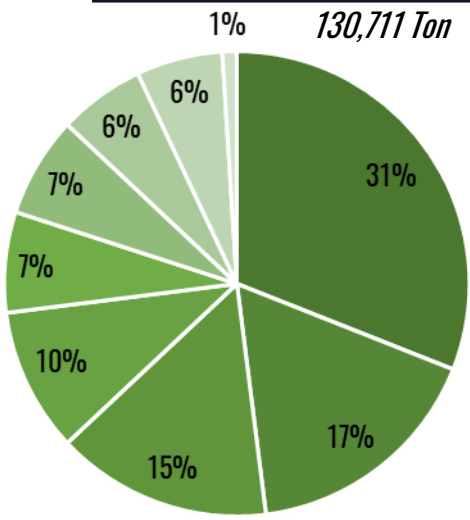
40,074 Ton



- Fresnillo
- Saucito
- Juanicipio
- Tizapa
- San Julián
- Sabinas
- Ciénega
- Velardeña
- Capela

ZINC

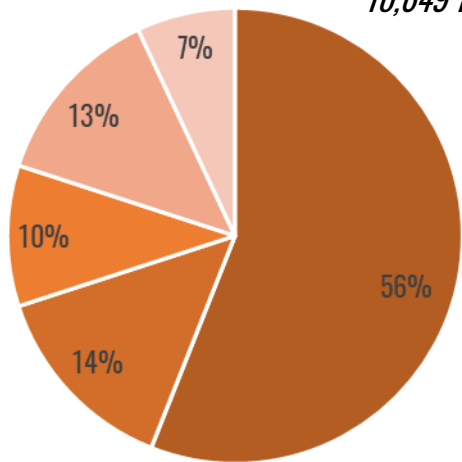
130,711 Ton



- Velardeña
- Fresnillo
- Tizapa
- Saucito
- Capela
- Sabinas
- San Julián
- Juanicipio
- Ciénega

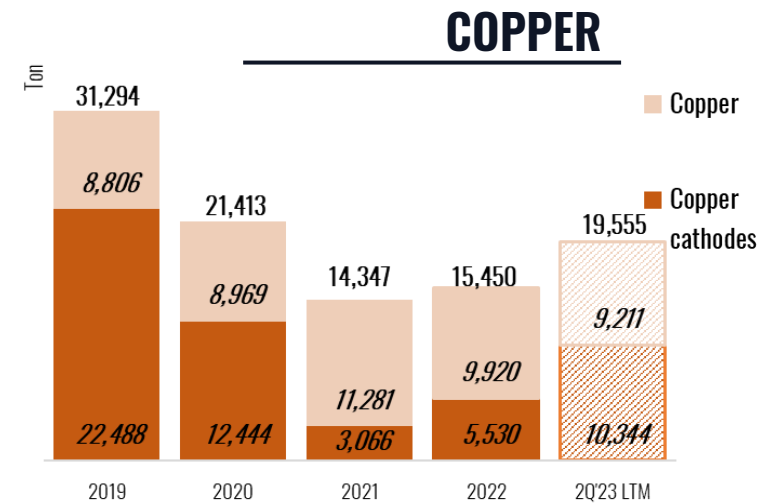
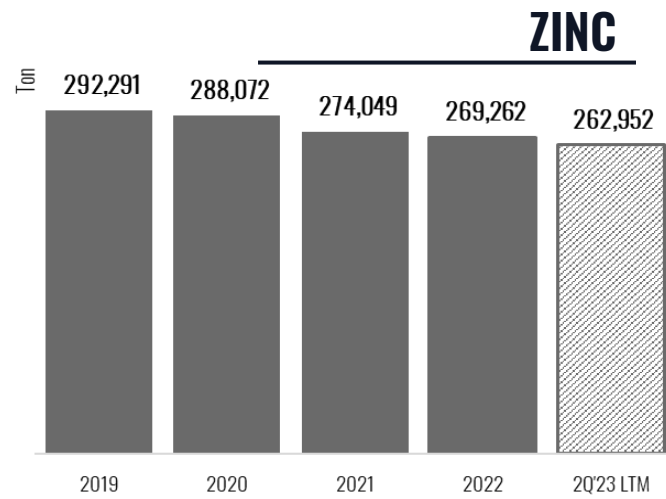
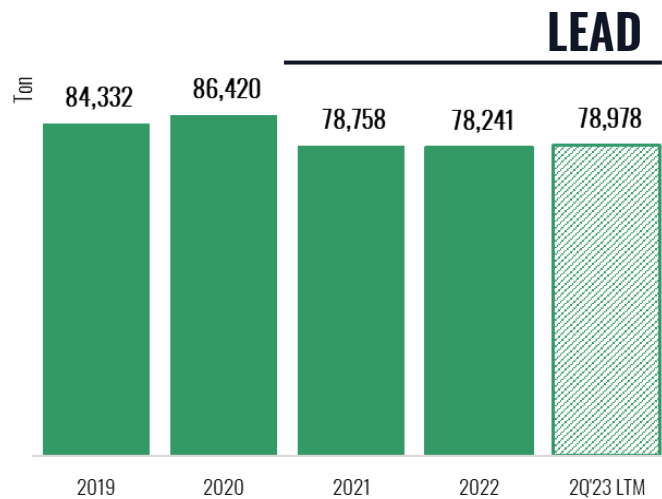
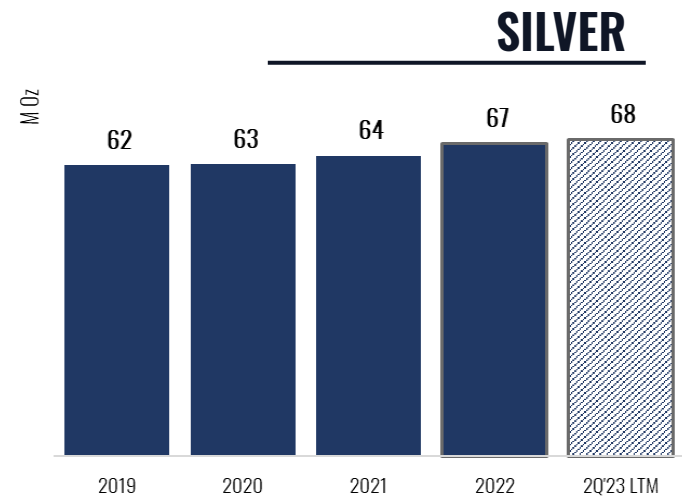
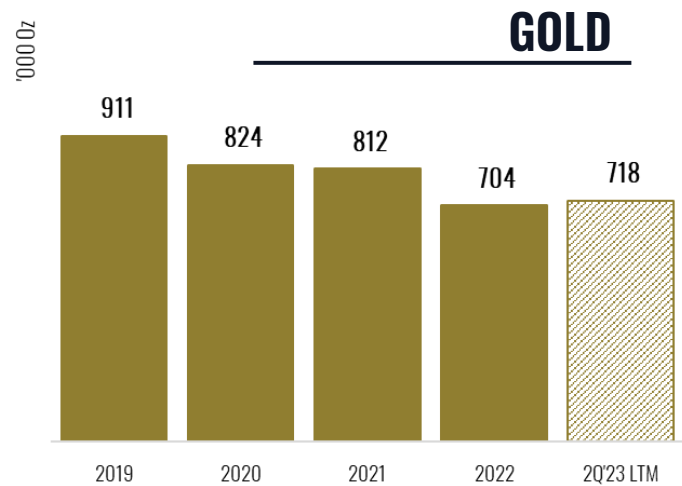
COPPER*

10,649 Ton



- Milpillas*
- Sabinas
- Capela
- Velardeña
- Tizapa

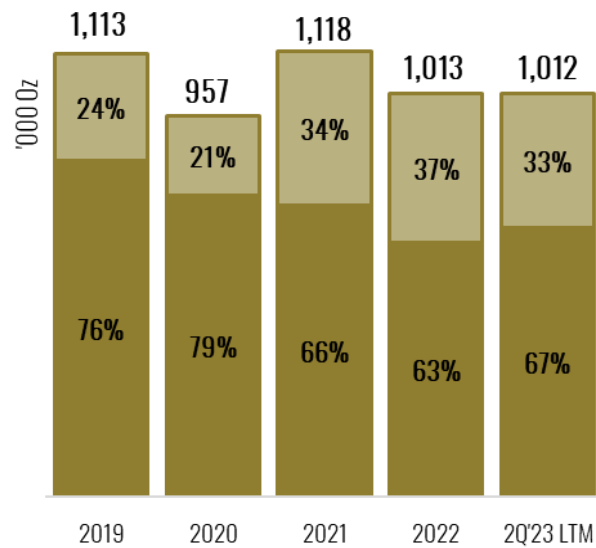
Notes: 1/ Includes 100% of Fresnillo plc payable production, */Copper cathodes



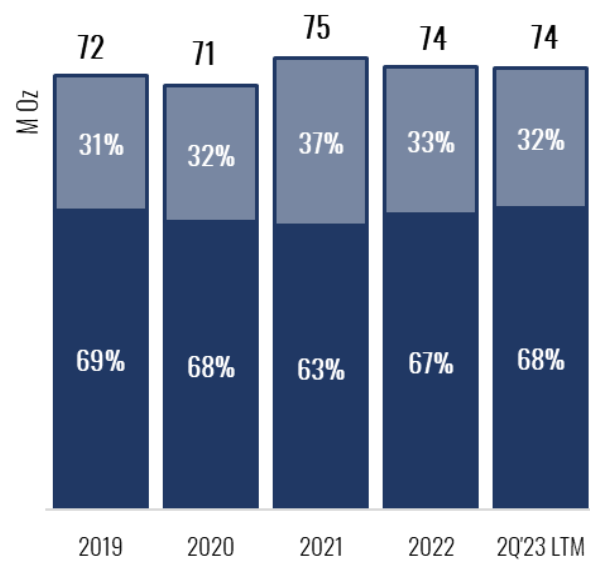
HISTORICAL REFINED PRODUCTION



GOLD



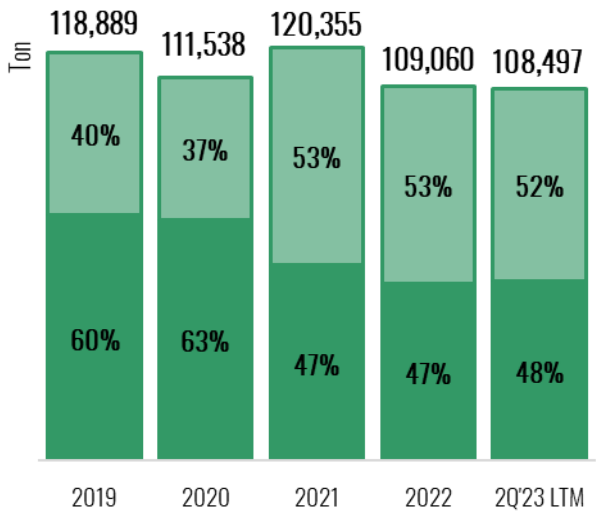
SILVER



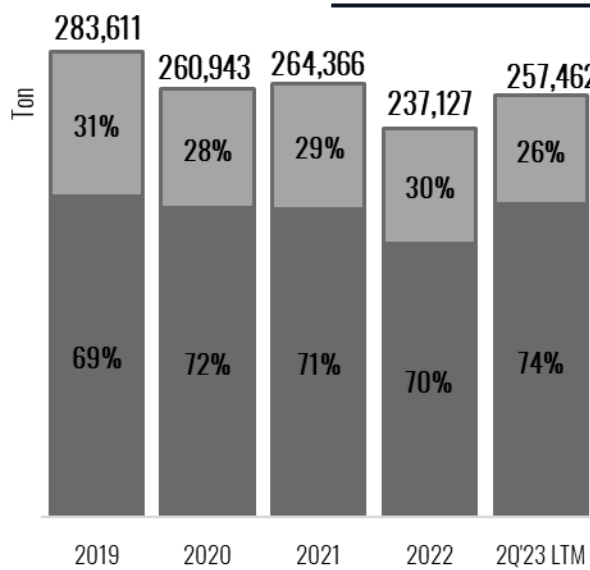
Contribution to refined production from:



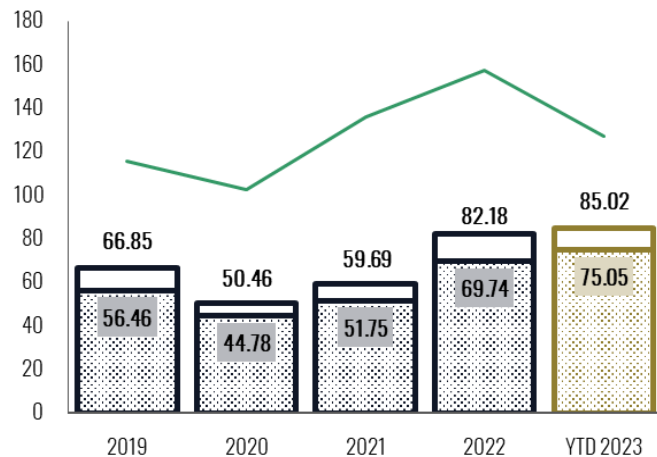
LEAD



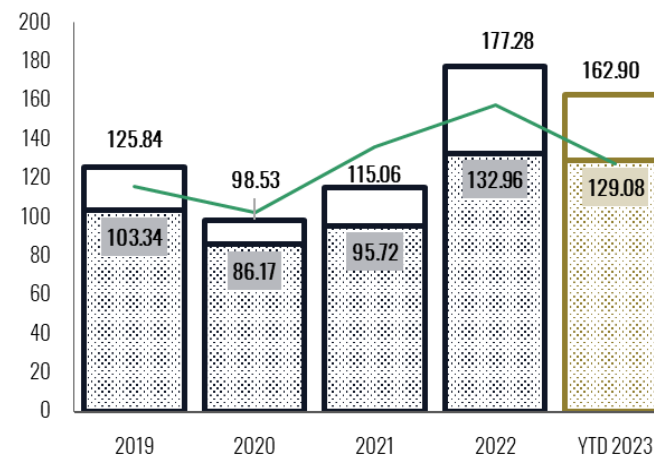
ZINC



Tizapa



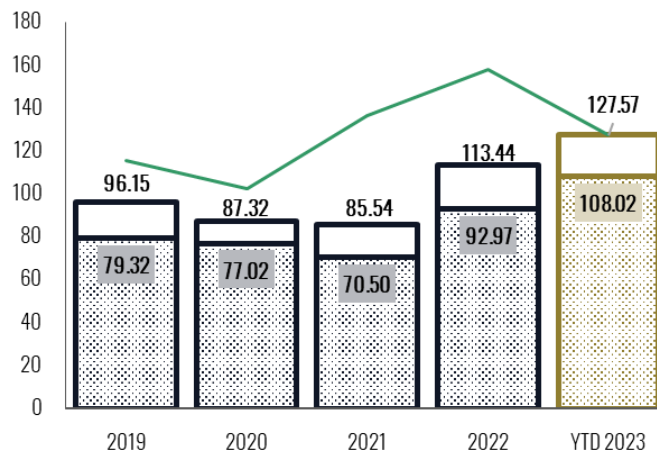
Sabinas



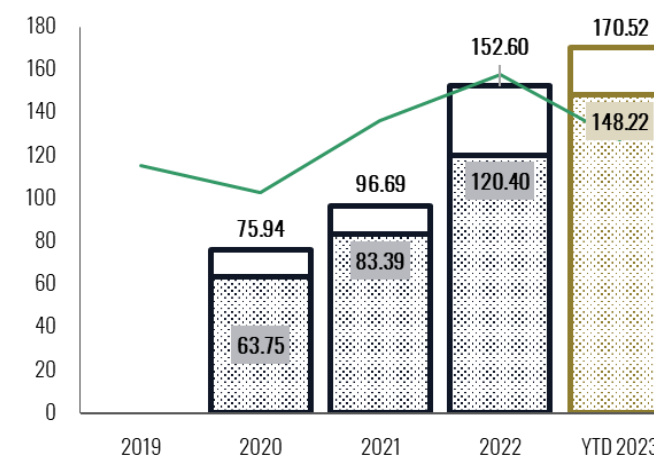
CC1¹
 AISC²

— Zinc price (US cents/lb)

Velardeña

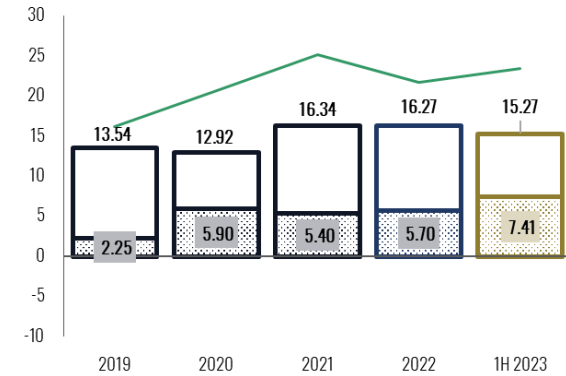


Capela

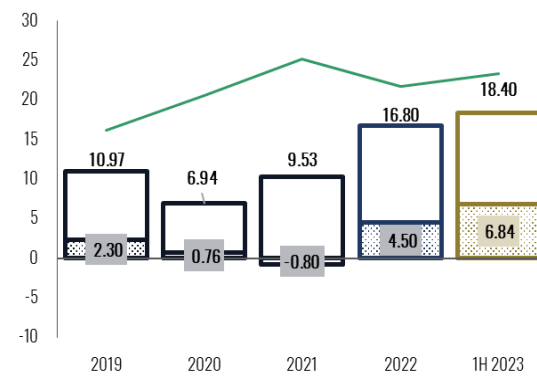


FRESNILLO'S CASH COSTS TRENDS

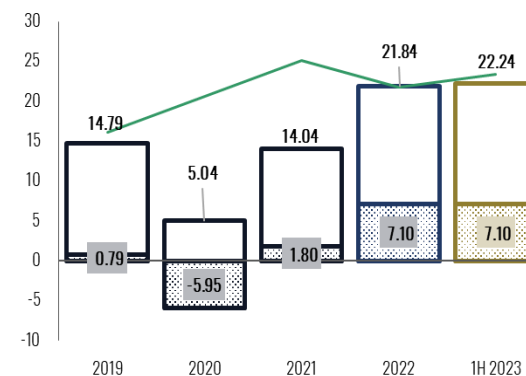
Fresnillo



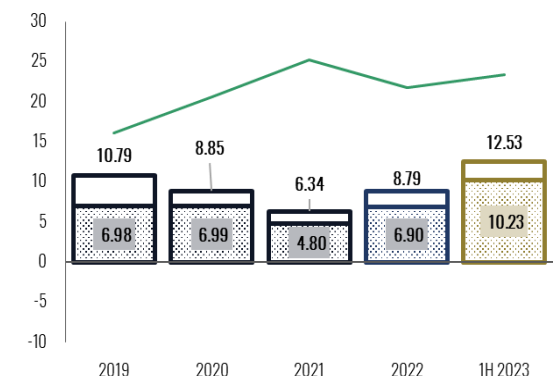
Saucito



San Julián (Veins)

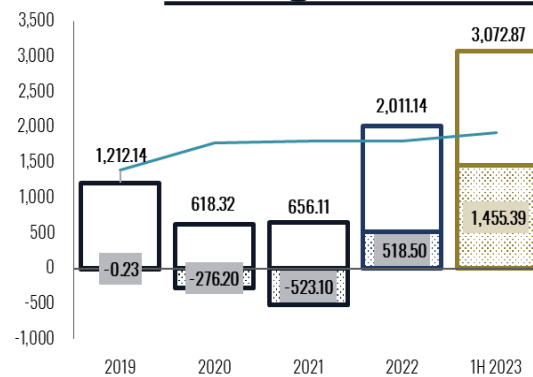


San Julián (DOB¹)

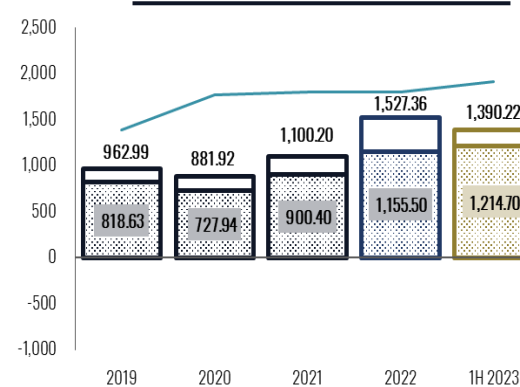


AISC³
 Cash Cost per Ounce²
— Silver US\$/Oz
 — Gold US\$/Oz

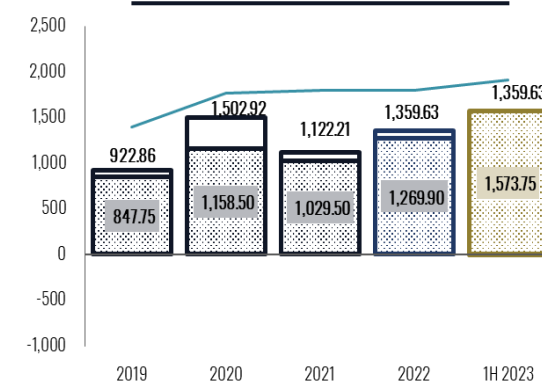
Ciénega



Herradura

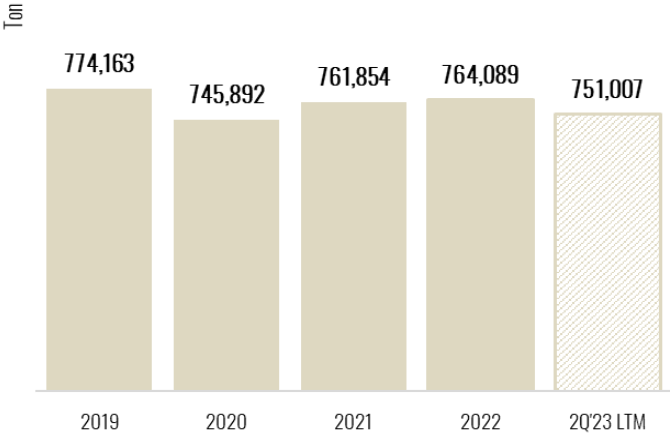


Noche Buena

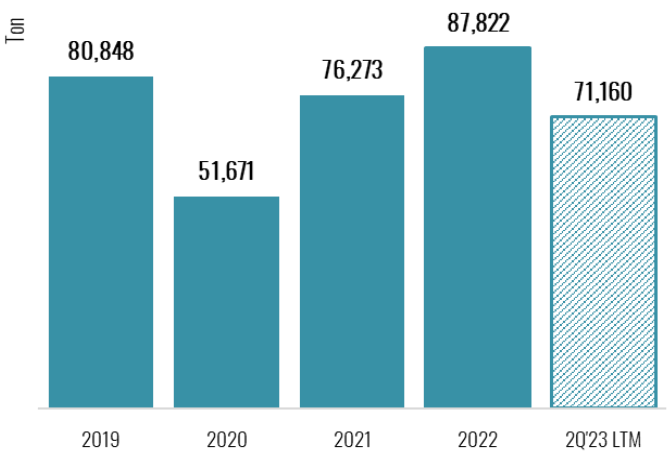


Notes: 1/Disseminated Ore Body. 2/Cash cost = (total cash cost (cost of sales plus treatment and refining charges, less depreciation) - revenue from by-products) / silver or gold ounces sold. 3/cash cost plus on-site general, corporate and administrative costs, community costs related to current operations, capitalized stripping and underground mine development, sustaining capital expenditures and remediation expenses.

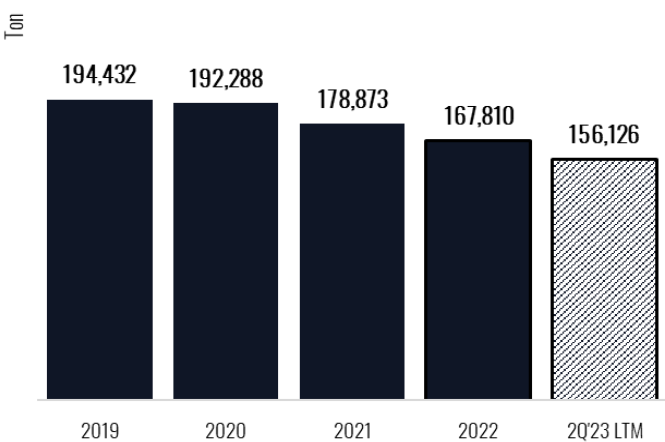
SODIUM SULFATE



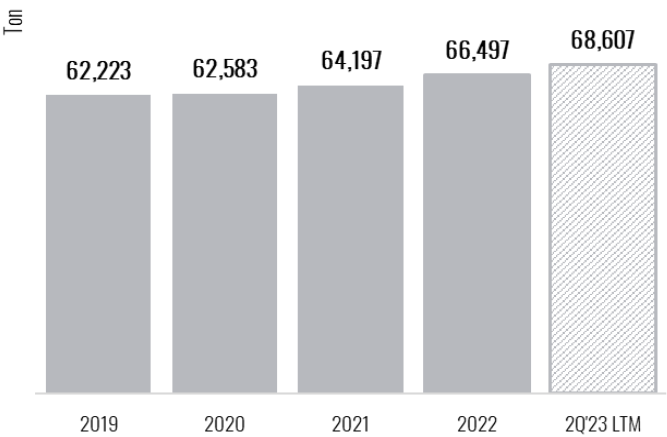
MAGNESIUM OXIDE



AMMONIUM SULFATE¹



MAGNESIUM SULFATE



Notes: 1/Maquila not included.

FINANCIAL RESULTS

FINANCIAL HIGHLIGHTS – INCOME STATEMENT

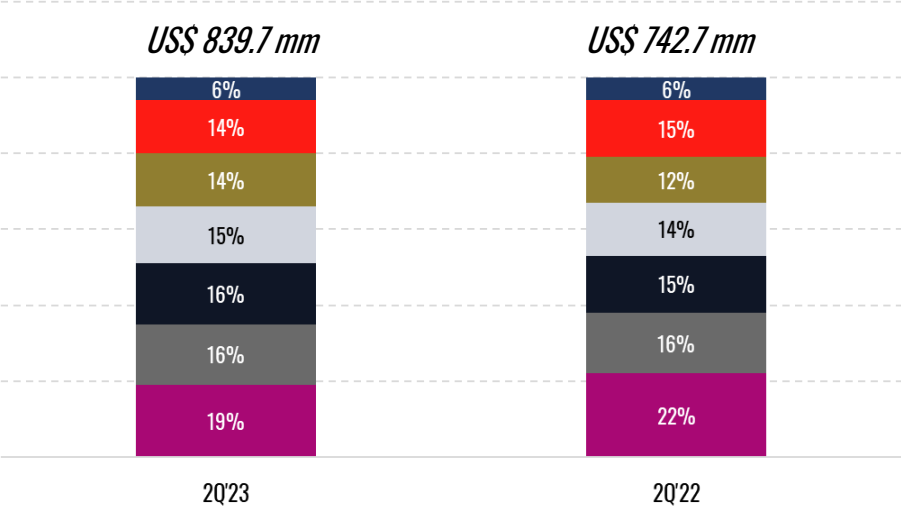


INCOME STATEMENT	2Q'23	2Q'22	% Chg.	2023 YTD	2022 YTD	% Chg.
+ Gross sales	1,535.8	1,475.3	4.1	2,948.8	2,889.4	2.1
+ Hedging results	1.2	-5.6	120.6	1.1	-13.2	108.1
Net Sales	1,536.9	1,469.7		2,950.0	2,876.2	
- Cost of Sales	1,312.3	1,168.4	12.3	2,472.7	2,191.2	12.6
Gross Profit	224.7	301.3	-25.4	477.3	685.0	-30.3
- General expenses ⁽¹⁾	194.0	168.1	15.4	364.5	312.0	16.6
Operating Profit	30.6	133.2	-77.0	112.8	372.9	-69.6
+ Net Financial Income (Expense)	-44.2	-44.7	1.2	-89.6	-85.8	-4.3
+ Profit after Net Financial Income (Expense)	-13.5	88.5	-115.3	23.2	287.1	-91.9
+ Other Income (Expense)	-33.4	-4.7	-617.2	-34.3	-6.9	-397.6
Profit before Taxes	-46.9	83.8	-156.0	-11.1	280.2	-104.0
+ Taxes	100.9	23.0	338.4	84.8	-62.6	235.5
After Tax Income	54.0	106.8	-49.5	73.7	217.6	-66.1
Non-Controlling Interest in Net Income and Share of Associates and JV	31.7	32.1	-1.2	48.0	72.2	-33.5
Controlling Interest in Net Income	22.3	74.8	-70.2	25.7	145.5	-82.3
Earnings (loss) per share ⁽²⁾	0.06	0.19	-70.2	0.06	0.37	-82.3
EBITDA ⁽³⁾	193.2	298.2	-35.2	444.6	700.8	-36.6

INCOME STATEMENT HIGHLIGHTS 2Q'2023

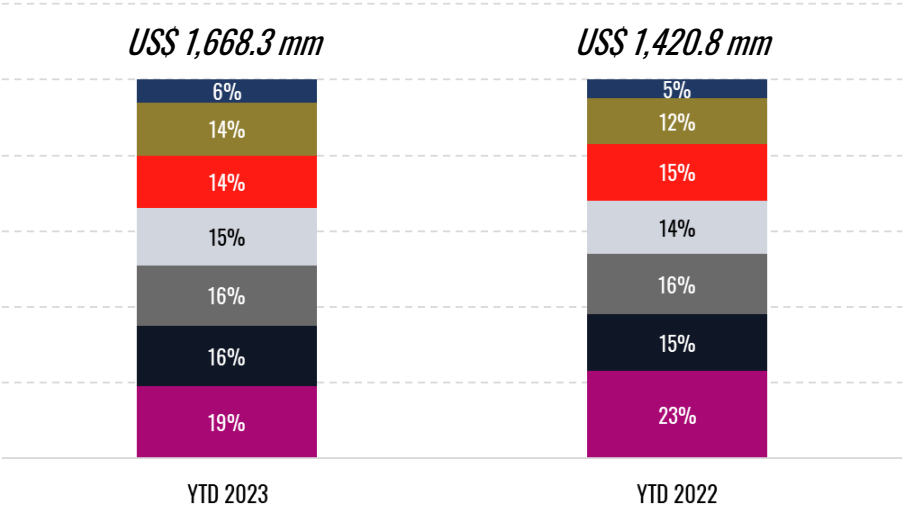
- » **Net Sales** growth derived from to higher precious metal prices and higher volumes sold, mainly of concentrates, copper, zinc and lead, which were partially offset by the negative effect of lower base metal prices.
- » The increase in **cost of sales** is attributable to the **strong appreciation of the peso** against the U.S. dollar (11.6% on average), which adversely impacts production costs incurred in pesos (approximately 50% of such costs are originated in pesos). This, together with the added costs of the start-up of the Juanicipio beneficiation plant, the Milpillas operation, the ore stripping ratio for Herradura -which resulted in a higher volume of waste material moved as part of the production cost, while in 2Q22 a higher volume was capitalized-, and inflation in the basket of inputs for our operations. There was also a higher inventory consumption charge for the Juanicipio stockpile and the Noche Buena leaching pads.
- » **Operating expenses** were higher mainly due to the appreciation of the peso and inflation.
- » **Other expenses** increased, mainly due to an inventory write-off in the Soledad-Dipolos unit of our subsidiary Fresnillo plc, loss on claims and in the sale of other products and services (which in 2Q22 reported income), mitigating the income from the sale of concentrates (which in 2Q22 reported a loss).
- » The **provision for income taxes** was favorable, as a result of lower income for the period and the adjustment in deferred taxes due to the effect of the revaluation of the peso against the US dollar and inflation in Mexico, which originated a benefit of certain assets for tax purposes.

COST OF PRODUCTION BREAKDOWN

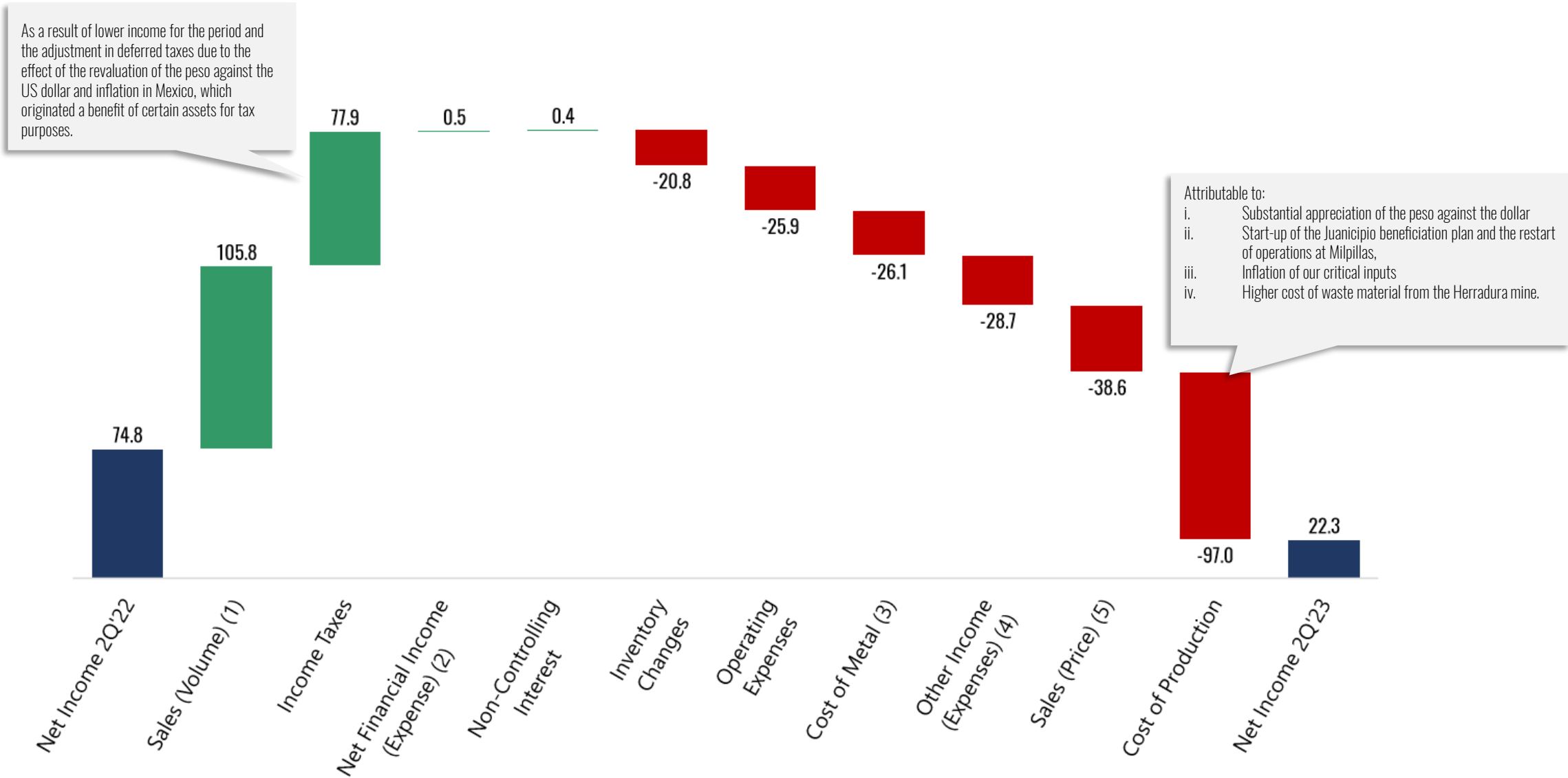


- Other items
- Labor
- Operating materials
- Maintenance and repairs
- Contractors
- Energy
- Depreciation

- » Higher Production Cost in 2Q'23 is derived from:
- i. the substantial appreciation of the peso against the dollar
 - ii. the start-up of the Juanicipio beneficiation plan and the restart of operations at Milpillas,
 - iii. the inflation of our critical inputs
 - iv. higher cost of waste material from the Herradura mine.

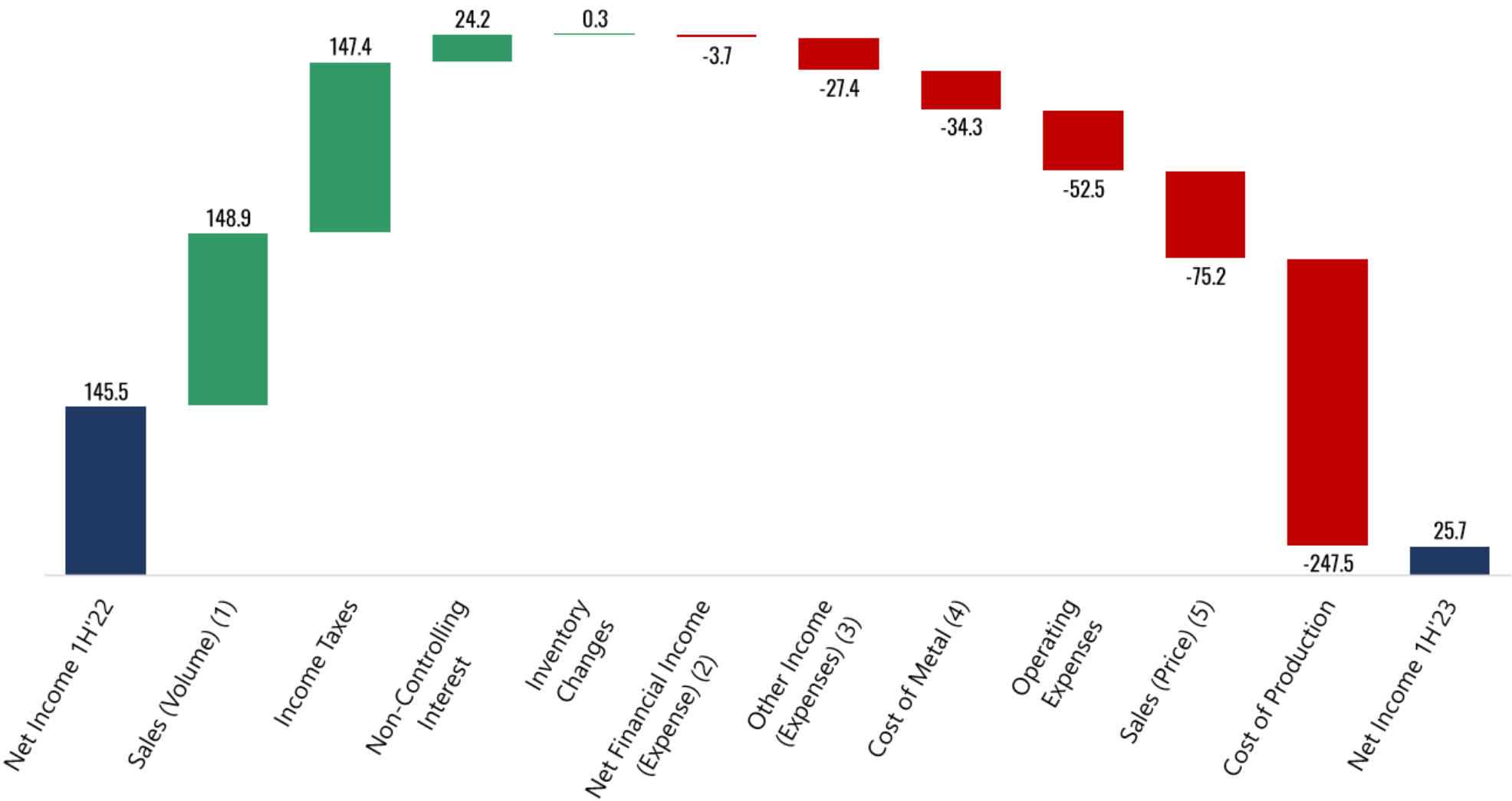


FINANCIAL HIGHLIGHTS – QUARTERLY NET INCOME ANALYSIS



Notes:1/ Includes variation for other products and services. 2/Financial expenses include Exchange result. 3/Net of Revenue from Treatment Charges, Income on inventories and other items. 4/Includes variation in hedging results.. 5/Includes hedging result.

FINANCIAL HIGHLIGHTS – YTD NET INCOME ANALYSIS

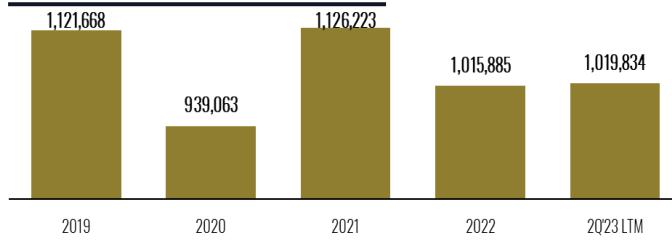


Notes:1/ Includes variation for other products and services. 2/Financial expenses include Exchange result. 3/Net of Revenue from Treatment Charges, Income on inventories and other items. 4/Includes variation in hedging results.. 5/Includes hedging result.

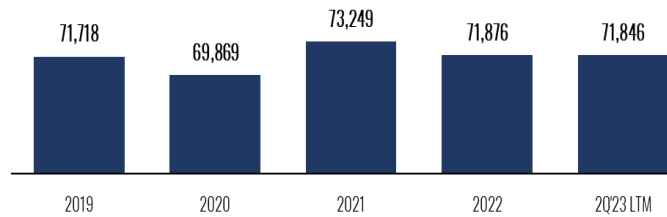
SALES VOLUME TREND



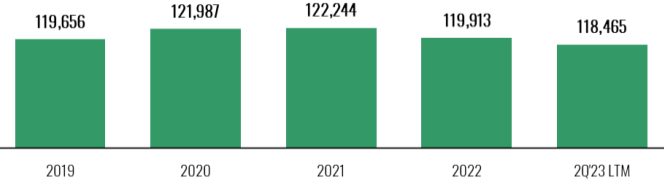
GOLD (Oz)



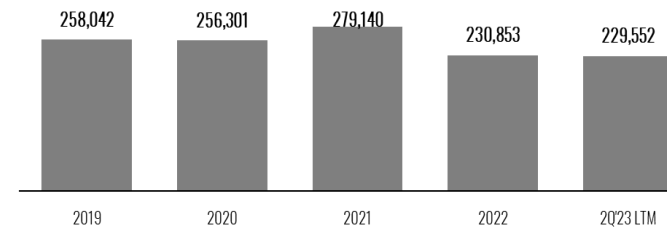
SILVER (koz)



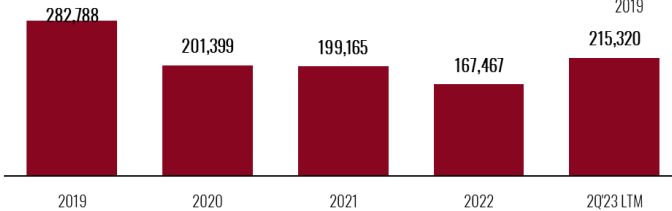
LEAD (Ton)



ZINC (Ton)



CONCENTRATES (Ton)



SALE VOLUMES

	Units	2Q'23	2Q'22	%Chng	YTD 2023	YTD 2022	%Chng
Gold	Oz	260,243	261,039	-0.3	515,267	511,319	0.8
Silver	Koz	18,835	18,984	-0.8	36,045	36,075	-0.1
Lead	Ton	29,926	26,907	11.2	58,067	59,516	-2.4
Zinc	Ton	59,778	57,513	3.9	119,559	120,860	-1.1
Copper	Ton	3,440	576	497.6	7,255	1,180	514.9
Copper matte	Ton	3,655	5,906	-38.1	5,337	7,915	-32.6
Concentrates	Ton	69,589	35,234	97.5	118,248	70,396	68.0
Sodium sulfate	Ton	191,940	179,506	6.9	369,454	373,421	-1.1
Magnesium oxide ¹	Ton	15,788	19,172	-17.6	30,465	37,401	-18.5
Ammonium sulfate ²	Ton	51,545	32,797	57.2	85,516	69,652	22.8
Magnesium sulfate	Ton	17,727	17,592	0.8	33,709	31,993	5.4

Notes: 1/ Includes refractory, caustic, electro-fused and hydroxide grades. 2/ Maquila not included.

FINANCIAL HIGHLIGHTS – BALANCE SHEET

BALANCE SHEET	As of:	Jun'23	Dec'22	% Chg.
Current assets		4,312.7	4,143.7	4.1
Inventories		1,862.6	1,880.6	-1.0
Trade and other receivables		579.2	598.7	-3.3
Cash and cash equivalents		1,407.5	1,468.9	-4.2
Other current assets		463.4	195.5	137.1
Non-current assets		6,020.9	5,898.8	2.1
Property, plant and equipment		4,665.5	4,710.7	-1.0
Deferred tax asset		930.3	702.9	32.3
Inventories		69.8	91.6	-23.9
Other receivables		51.7	44.9	15.1
Other non-current assets		303.7	348.6	-12.9
Total Assets		10,333.6	10,042.5	2.9

BALANCE SHEET	As of:	Jun'23	Dec'22	% Chg.
Current liabilities		1,580.1	1,416.4	11.6
Interest-bearing loans		528.4	376.8	40.2
Other liabilities		540.0	269.8	100.2
Trade and other payables		394.7	488.3	-19.2
Income tax payable		54.2	209.1	-74.1
Lease liabilities		13.6	13.8	-1.6
Other provisions		49.2	58.6	-15.9
Non-current liabilities		3,439.1	3,337.9	3.0
Interest-bearing loans		2,527.2	2,531.2	-0.2
Other liabilities		119.4	97.6	22.3
Lease liabilities		94.4	94.2	0.2
Pensions and other post-employment benefit plans		52.0	49.7	4.6
Deferred tax liability		172.4	132.7	29.9
Other provisions		473.7	432.4	9.5
Total Liabilities		5,019.2	4,754.3	5.6
Capital and reserves attributable to shareholders of the Company				
Share capital		401.4	401.4	0.0
Non -Controlling Interest		1,216.2	1,214.0	0.2
Retained earnings		3,713.4	3,687.7	0.7
Other reserves		-	16.7	-12.7
Total Capital		5,314.3	5,288.3	0.5
Total equity and liabilities		10,333.6	10,042.5	2.9



DEBT RATIOS¹

~ 2.0x Net Leverage Ratio as of 2Q23

~ 1.3x Net Leverage Ratio as of 2022

FINANCIAL HIGHLIGHTS – CASH FLOW

CASH FLOW	As of:	YTD'23	YTD'22	% Chg.
Profit for the year		74.3	216.5	-66
Cash generated from operations		361.0	351.6	3
Income tax paid		-305.7	-195.9	-56
Net cash from operating activities		129.7	372.2	-65
Cash flows from investing activities				
Purchase of property, plant and equipment		-252.6	-352.8	28
Proceeds from the sale of property, plant and equipment		2.0	9.7	-79
Interest received		36.5	11.0	231
Proceeds from the repayment of advances and loans granted to third parties		2.5	2.1	19
Others		-6.2	-17.1	64
Net cash used in investing activities		-217.8	-347.1	37
Cash flows from financing activities				
Interest-bearing loans; Net		123.7	40.0	209
Lease payments		-8.9	-11.1	19
Dividends paid		-39.2	-80.9	52
Capital contribution		2.3	10.1	-77
Interest paid		-90.5	-76.3	-19
Others		31.2	-12.3	354
Net cash generated (used in)/from financing activities		18.6	-130.5	114
Net increase in cash and cash equivalents during the year		-69.6	-105.3	34
Effect of exchange rate on cash and cash equivalents		8.2	-0.7	1231
Cash and cash equivalents at 1 January		1,468.9	1,817.1	-19
Cash and cash equivalents at 31 December		1,407.5	1,711.1	-18

CASH FLOW	As of:	YTD'23	YTD'22	% Chg.
Adjustments to reconcile profit for the period to net cash inflows from operating activities:				
Depreciation and amortisation		331.8	327.8	1
Income tax expense / (credit)		-84.8	62.6	-236
Net finance cost		61.2	70.8	-14
Foreign exchange loss		31.9	22.8	40
Impairments		8.5	0.0	
(Gain)/loss on the sale of property, plant and equipment and other assets		-8.7	-3.8	-133
Non-cash movements and other provisions		40.0	23.2	72
TOTAL		380.0	503.6	-25
Working capital adjustments				
Decrease/(Increase) in trade and other receivables		-197.8	-49.9	-296
Decrease/(Increase) in inventories		16.6	-150.4	111
(Decrease) / Increase in trade and other payables		162.2	48.3	236
TOTAL		-18.9	-151.9	88
Cash generated from operations		361.0	351.6	3

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