

Annual Report Fiscal Year 2022/23

Analyst Conference Call
on December 20, 2023



Aurubis closes fiscal year with respectable results at the upper end of the last forecast – despite criminal activities

Operating EBT of
€ 349 million
(PY: € 532 million)

ROCE
11.3 %
(PY: 19.0 %)

Net cash flow
€ 573 million
(PY: € 295 million)¹

Recommended
dividend
€ 1.40
(PY € 1.80)

The financial impact of [the criminal acts directed against Aurubis](#) had a significant negative effect on fiscal year 2022/23

[Operating EBT at the upper end of the forecast corridor](#): positively influenced by significantly higher treatment and refining charges for concentrates, a significant increase in the Aurubis copper premium, high demand for continuous cast wire rod, and higher income from refining charges for recycling materials

[Net cash flow doubled despite lower results of operations](#)

[Additional strategic projects](#), such as the new precious metals processing plant, slag processing and 4th stage of the PV plant in Pirdop, have been approved

[Sustainability activities further expanded](#): [completion of the test series with ammonia instead of natural gas](#), investments in hydrogen-capable (“H2-ready”) anode furnaces, successful [Copper Mark certification](#) of the plant in Olen

[Forecast for FY 2023/24 follows on from the high average earnings level of the last three years](#): operating result (EBT) between [€ 380 and 480 million](#)

¹ Prior-year figures adjusted.

» **The financial impact of the criminal activities had a negative effect on the result; key measures for increasing security have been identified and process adjustments made**

Criminal activities: Investigation moving forward at full speed

Initial situation

- Indications of significant deviations from the estimated metal inventories and in individual samples of specific shipments of input materials for the recycling area detected on August 31, 2023
- Highly professional criminal fraud activities identified as cause
- Extraordinary inventory launched immediately on August 31, 2023 values metals shortfall at € 185 million

Actionability established

- ✓ LKA investigating: **ongoing and close cooperation with the authorities**
- ✓ **SAFE Task Force established**
- ✓ **Supervisory Board Security and Safety Committee** convened
- ✓ Internal investigation carried out by **external and internal experts**
- ✓ **Transparent information** disclosed to the capital market and the general public

Criminal activities: Expanded level of knowledge

Current status of investigation into criminal activities

Theft that came to light in June

- Trial started on December 12, 2023. We anticipate a guilty verdict.
- No significant impact on FY 2022/23.

Manipulation of internal samples of specific input materials in the recycling area

- It has been narrowed down to one material group – the **focus is on catalyzers containing high levels of precious metals.**
- Shortfall in the high double-digit-million-euro range identified and booked against the € 30 million receivables paid from insurance.

Additional **precious metals shortfall (intermediates)**

- Forensic findings and comprehensive internal analyses reveal **possible scenarios**, but: **The investigation is still ongoing.**
- Low triple-digit-million-euro shortfall identified – countered by positive effects in the mid-double-digit-million-euro range.

Criminal activities: Security level increased

Financial impacts

- Balancing inventories using a variety of **reliable, industry-standard estimation procedures**
- These apply to **stocktaking** during inventory and to **determining extractable metal content**
- **Marginal fluctuations** in metal content are part of the business model. Metal price fluctuations also impact inventory measurement.
- These are the reasons the **effects on balance sheet date September 30, 2023 cannot be fully reconciled** with the € **185** million inventory difference identified on August 31, 2023.
- This results in a **total difference valued** at € **169** million on September 30, 2023.

Security measures enacted

✓ Risk-based weak-point analysis:




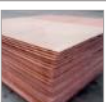




- ✓ Independent analysis of key critical areas
- ✓ The over 150 measures realized have effectively mitigated risk


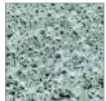


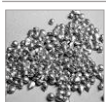



✓ Immediate measures include:

- ✓ Tightening access authorization for sensitive areas
- ✓ Staff increases for control and security services
- ✓ Extensive video surveillance
- ✓ Intensified screening of suppliers
- ✓ Additional security for transports
- ✓ Optimizations in the inventory area: detect differences earlier in the future
- ✓ Targeted investments in security — such as new precious metals processing facility

» Security level significantly increased: similar incidents of this scope can be ruled out for the future

Lower concentrate throughput due to shutdown with strong demand for wire rod

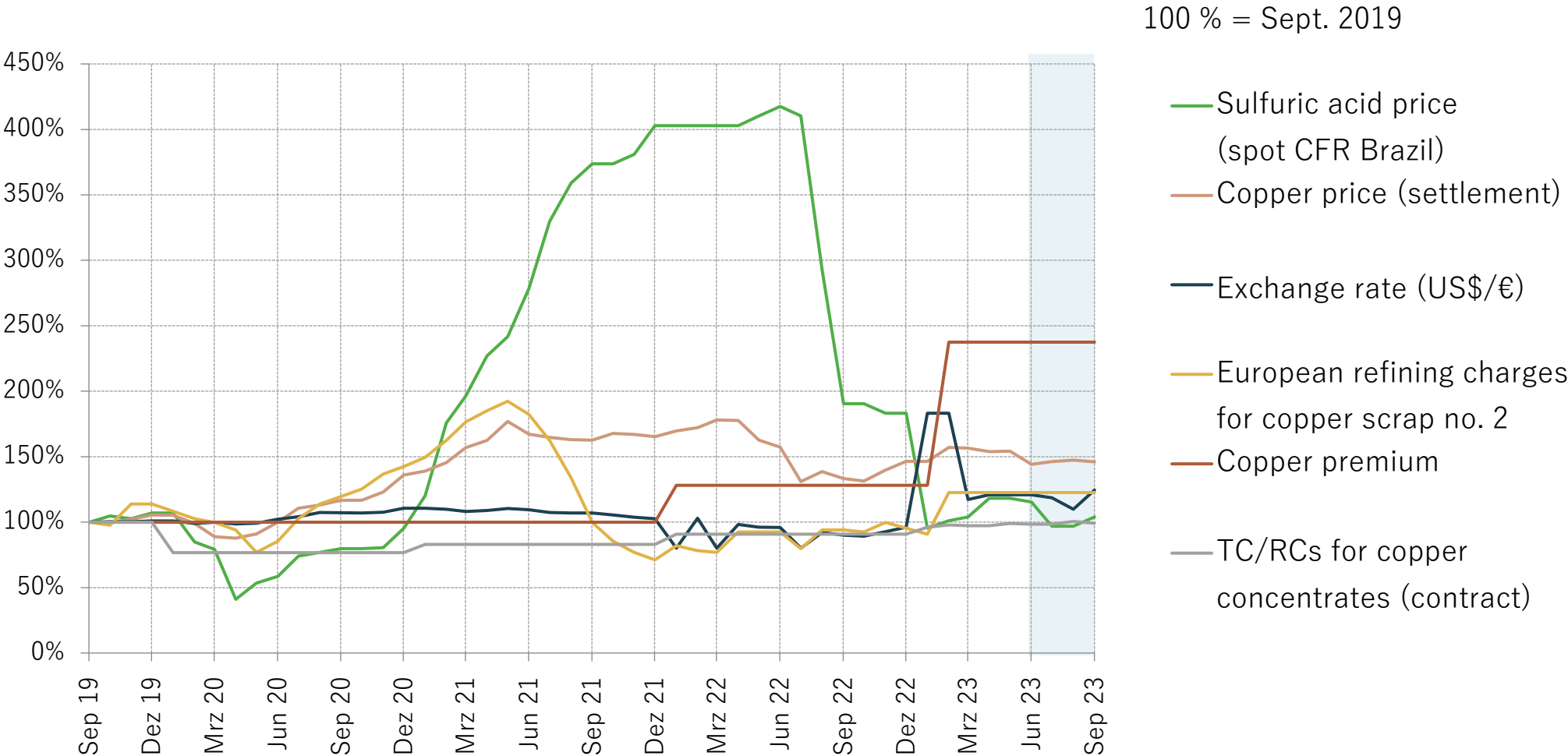
	FY 2022/23	Change vs. prior year
 Concentrate processing ¹	2,319,000 t	-5 %
 Copper scrap/blister copper input ²	515,000 t	-5 %
 Other recycling materials ²	565,000 t	+8 %
 Cathode output	1,109,000 t	0 %
 Continuous cast wire rod output	876,000 t	-1 %
 Copper shapes output	178,000 t	-18 %
 Flat rolled products + specialty wire output ³	133,000 t	-24 %
 Sulfuric acid output	2,158,000 t	-6 %

	FY 2022/23	Change vs. prior year
 Gold	49 t	+4 %
 Silver	921 t	+1 %
 Lead	38,088 t	-13 %
 Nickel	3,488 t	-10 %
 Tin	7,858 t	-16 %
 Zinc	13,791 t	-1 %
 Minor metals	875 t	+1 %
 Platinum group metals (PGMs)	9,858 kg	+4 %

¹ Custom smelter production ² Prior-year figures adjusted ³ Prior-year figures include FRP sites that have been sold

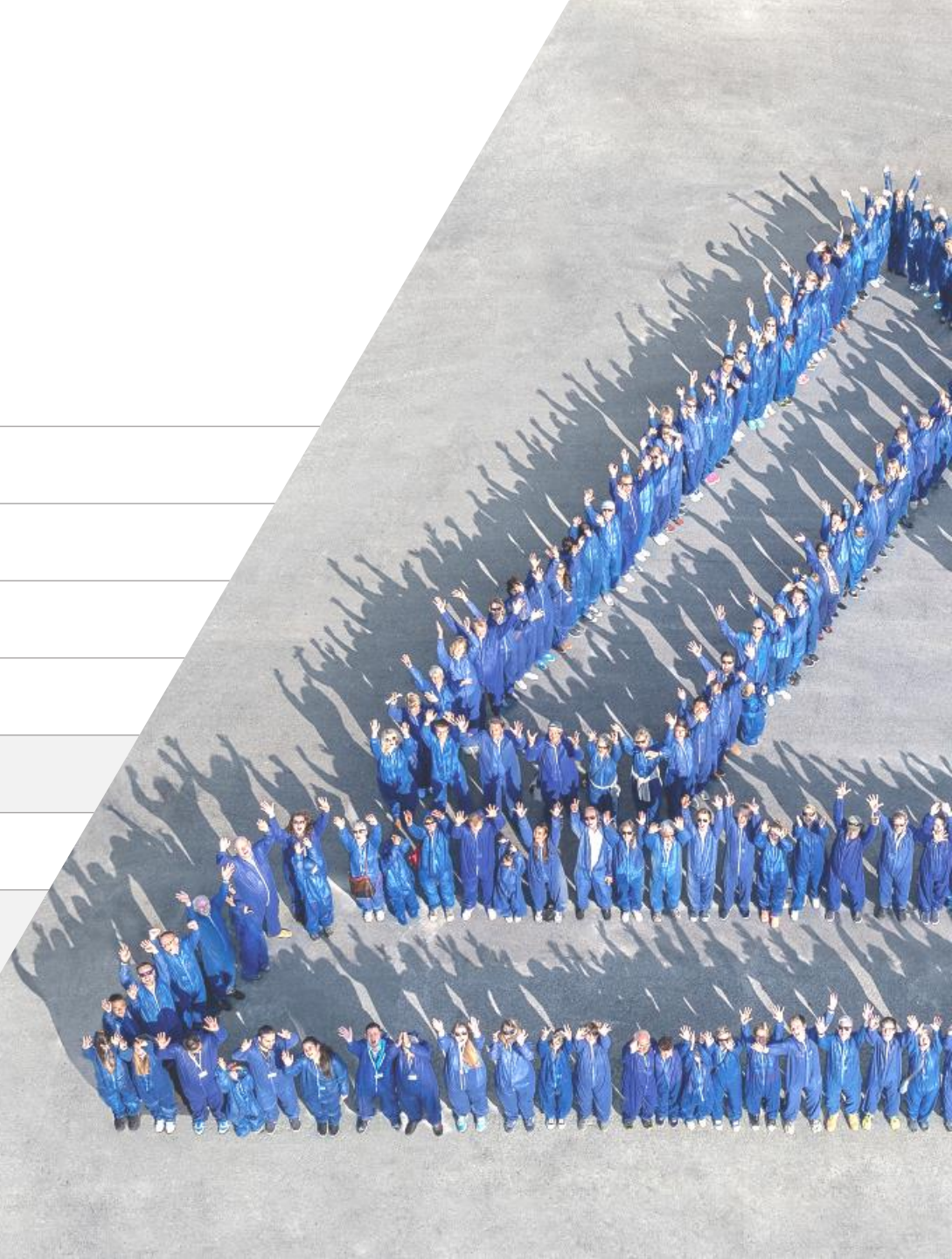
Higher treatment and refining charges for concentrates, significant increase in copper premium, reduced demand for sulfuric acid

Trend in significant market prices and refining charges



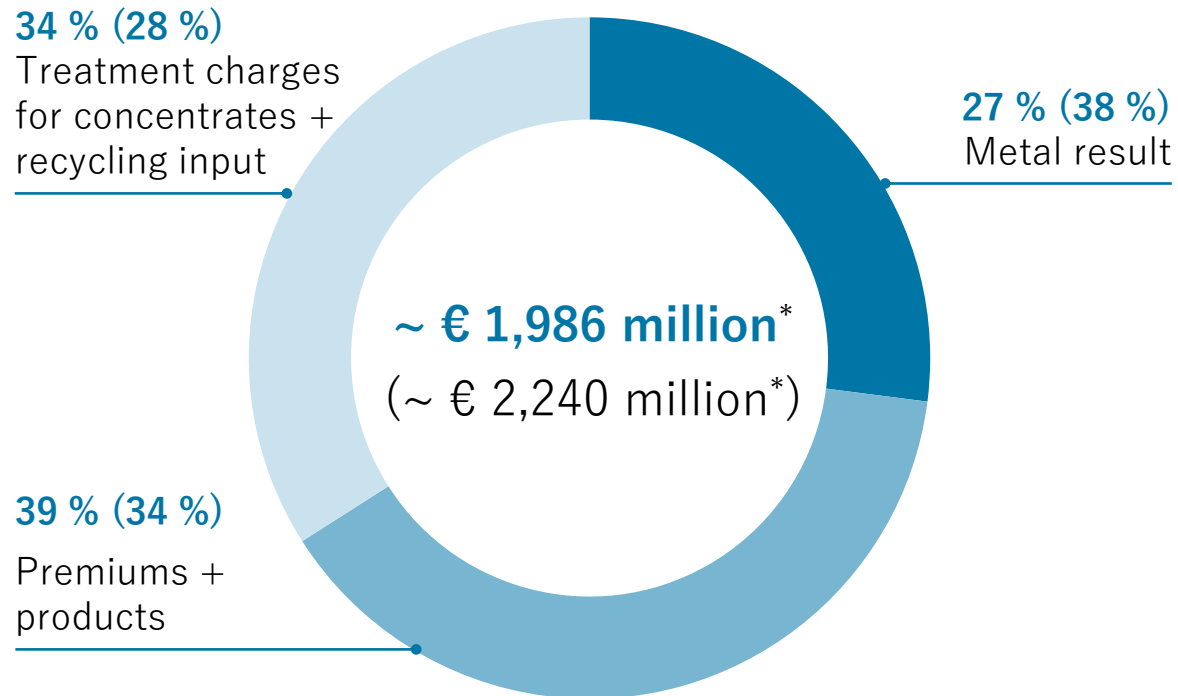
Financial impact of the criminal acts burden fiscal year 2022/23

(operating IFRS)		12M 2022/23	12M 2021/22	Change vs. prior year
Revenues	€m	17,064	18,521	-8 %
Gross profit	€m	1,470	1,647	-11 %
EBITDA	€m	557	753	-26 %
EBIT	€m	342	533	-36 %
EBT	€m	349	532	-34 %
Consolidated net income	€m	268	433	-38 %
Operating ROCE (operating EBIT last 4 quarters)	(%)	11.3	19.0	-



Gross margin for the Group in FY 2022/23

Breakdown of income components in the Aurubis Group FY 2022/23 (prior-year figures in parentheses)

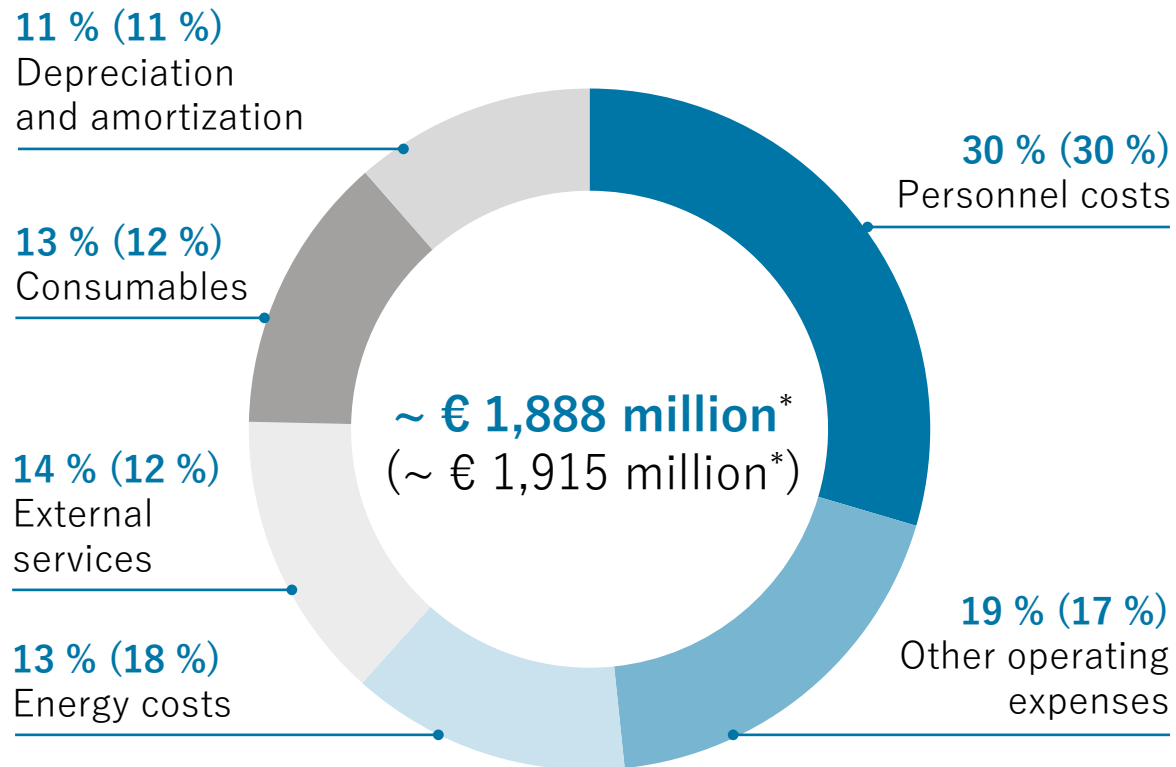


* Gross margin = Total of earnings components metal result, treatment and refining charges for concentrates + recycling input, and premiums + products



Lower energy costs were a significant driver of decrease in Group costs

Overview of cost/expense positions FY 2022/23
(prior-year figures in parentheses)



* Figures adjusted by energy compensations

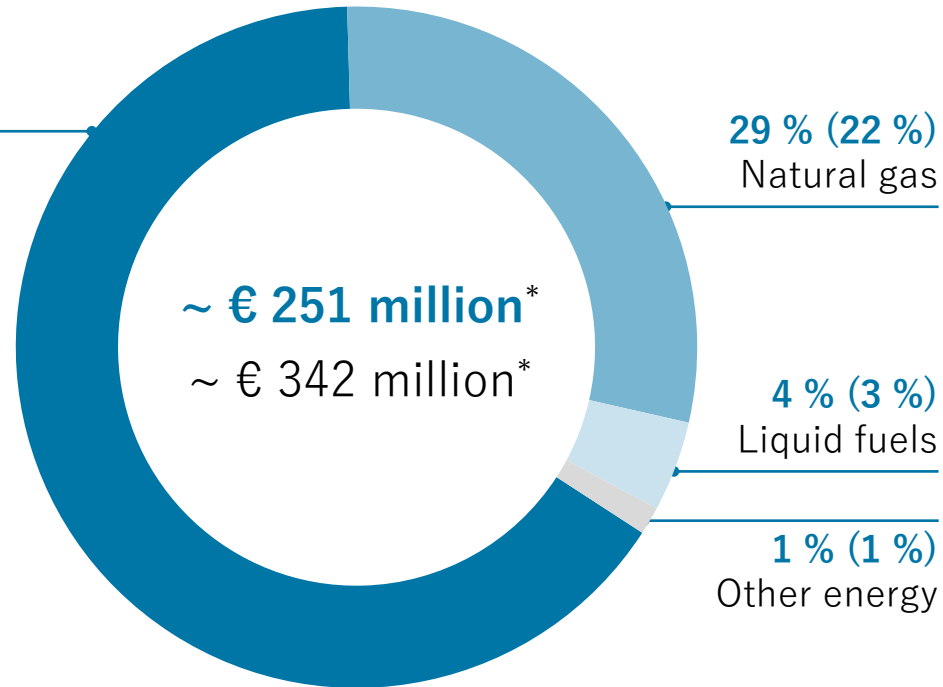


Significant decrease in energy prices

Energy consumption/CO₂ scopes in the Aurubis Group

Breakdown of energy costs FY 2022/23 (prior-year figures in parentheses)

65 % (74 %)
Electricity
incl. oxygen



Electricity consumption incl. oxygen in the Aurubis Group
CY 2022: approx. 1.85 TWh (PY: 1.94 TWh)

CO₂ emissions of 1.33 million t (CY 2022)

- 0.56 million t of direct emissions — Scope 1 (PY: 0.56 million t)
- 0.77 million t of indirect emissions related to purchased electricity; market based — Scope 2 (PY: 1.05 million t)

* Figures adjusted by energy compensations

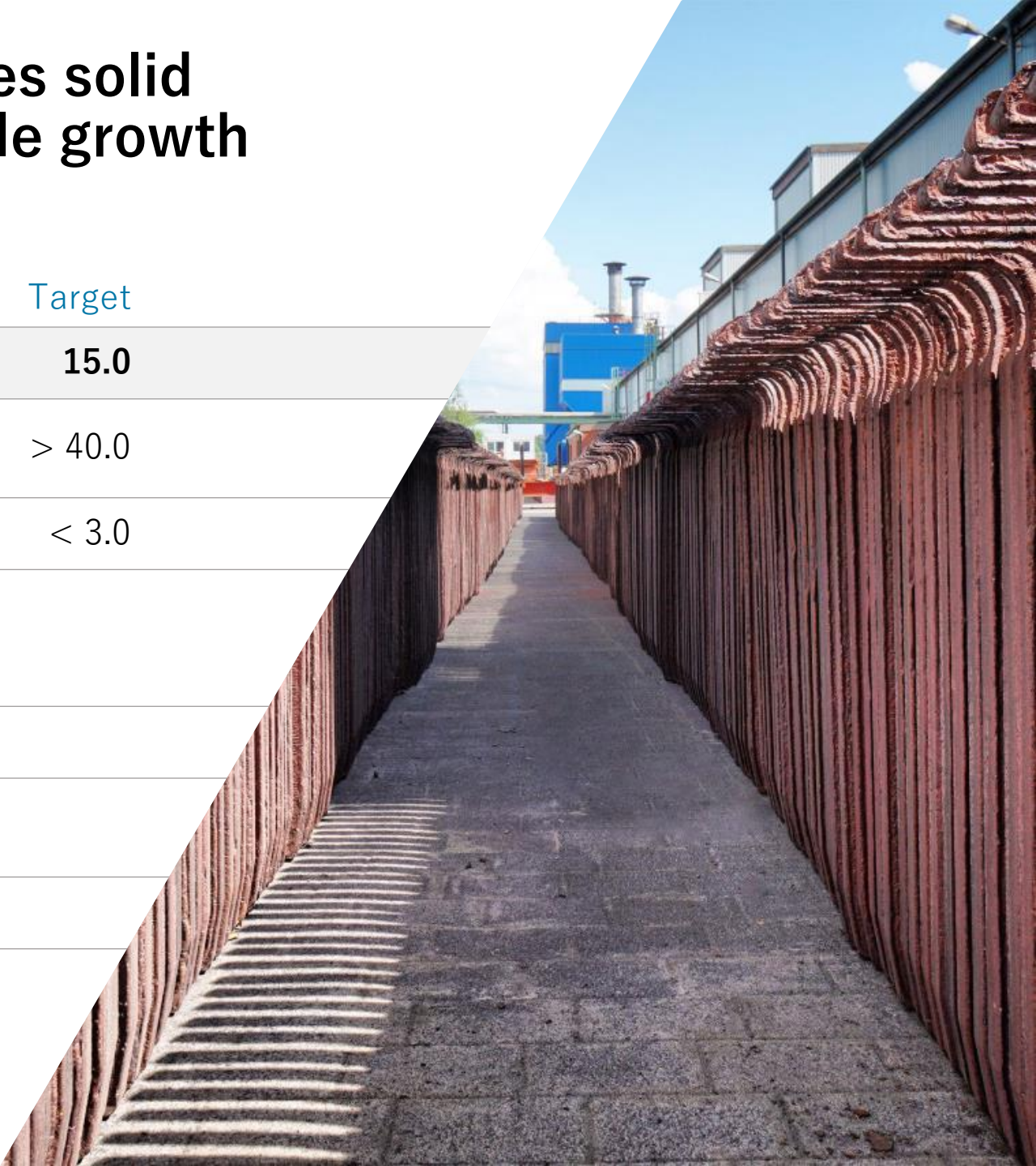
Solid balance sheet structure creates solid foundation for profitable, sustainable growth

		12M 2022/23	12M 2021/22	Target
ROCE ¹	%	11.3	19.0	15.0
Equity ratio (equity/total assets)	%	56.6	54.0	> 40.0
Debt coverage ²		-0.4	-0.5	< 3.0
Additional KPIs				
		12M 2022/23	12M 2021/22	
Capital expenditure	€m	633	362	
Capital employed (balance sheet date)	€m	3,182	2,866	
Net cash flow	€m	573	295 ³	

¹ Rolling EBIT last 4 quarters

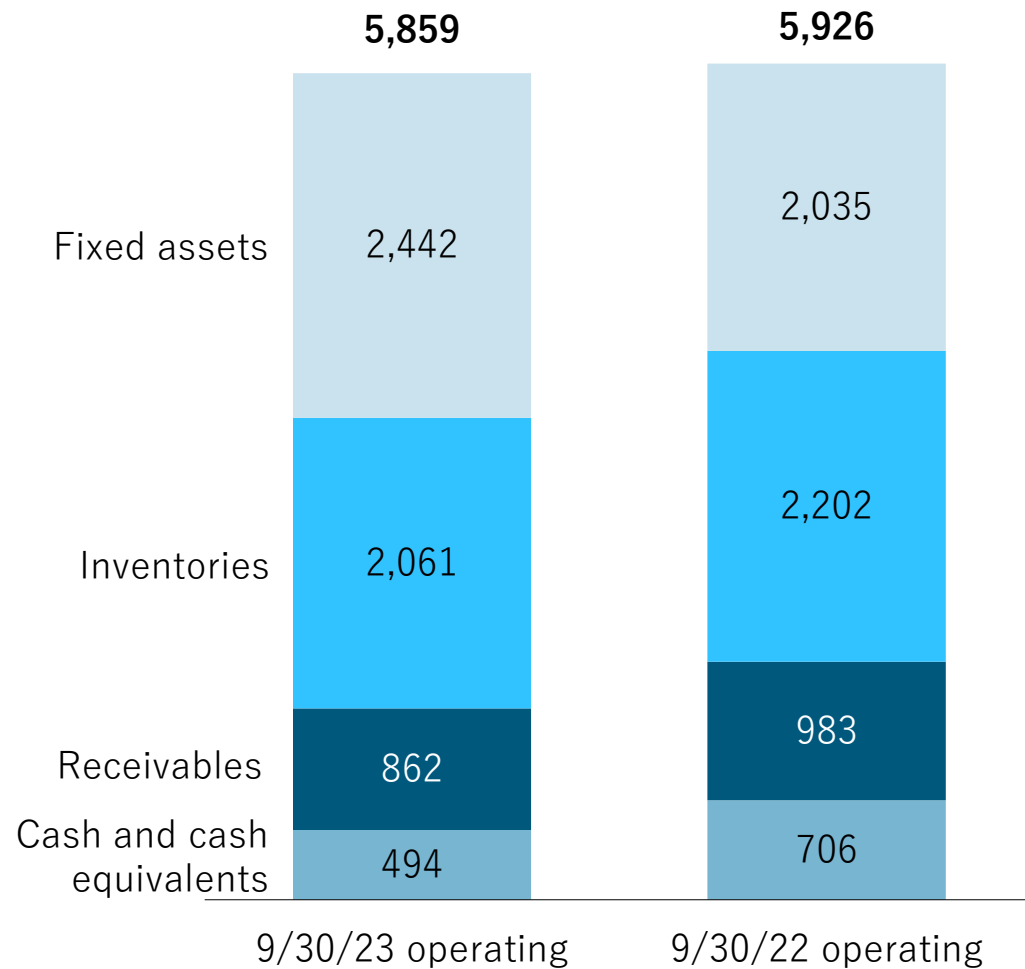
² Net financial liabilities/rolling EBITDA last 4 quarters

³ Prior-year figures adjusted

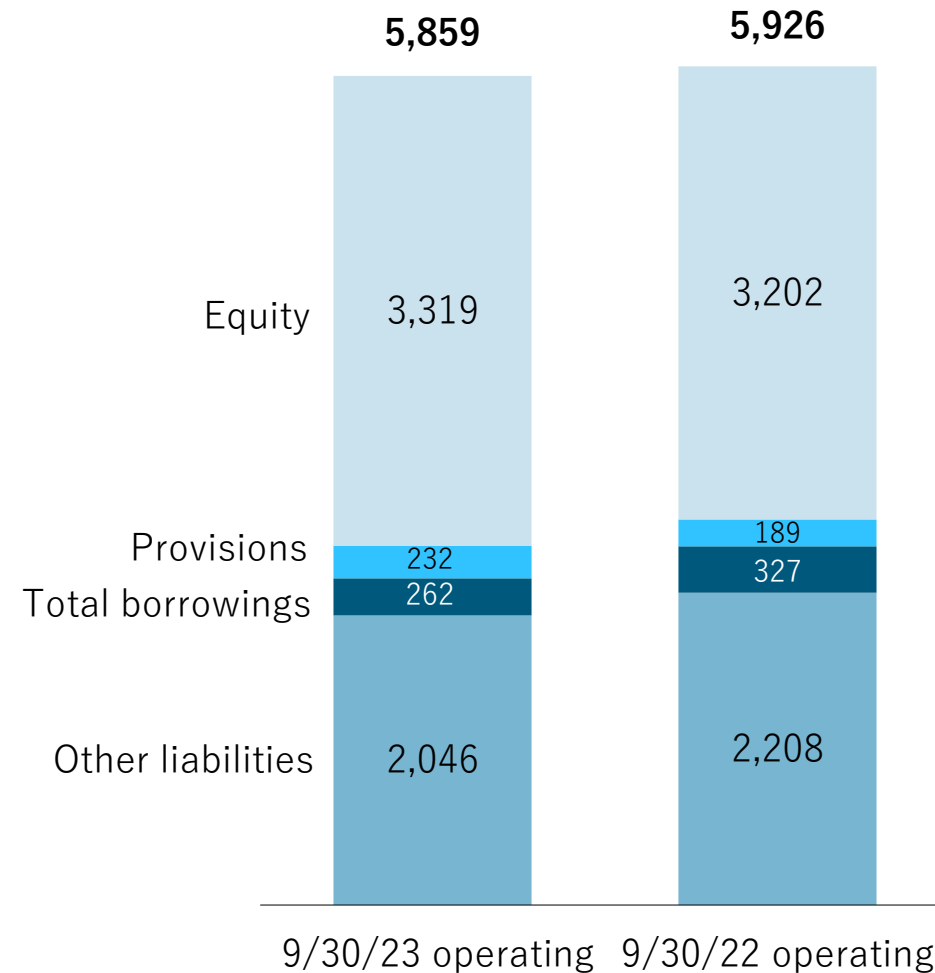


Group-wide investment activities increase fixed assets

Assets (in € million)



Equity and liabilities (in € million)

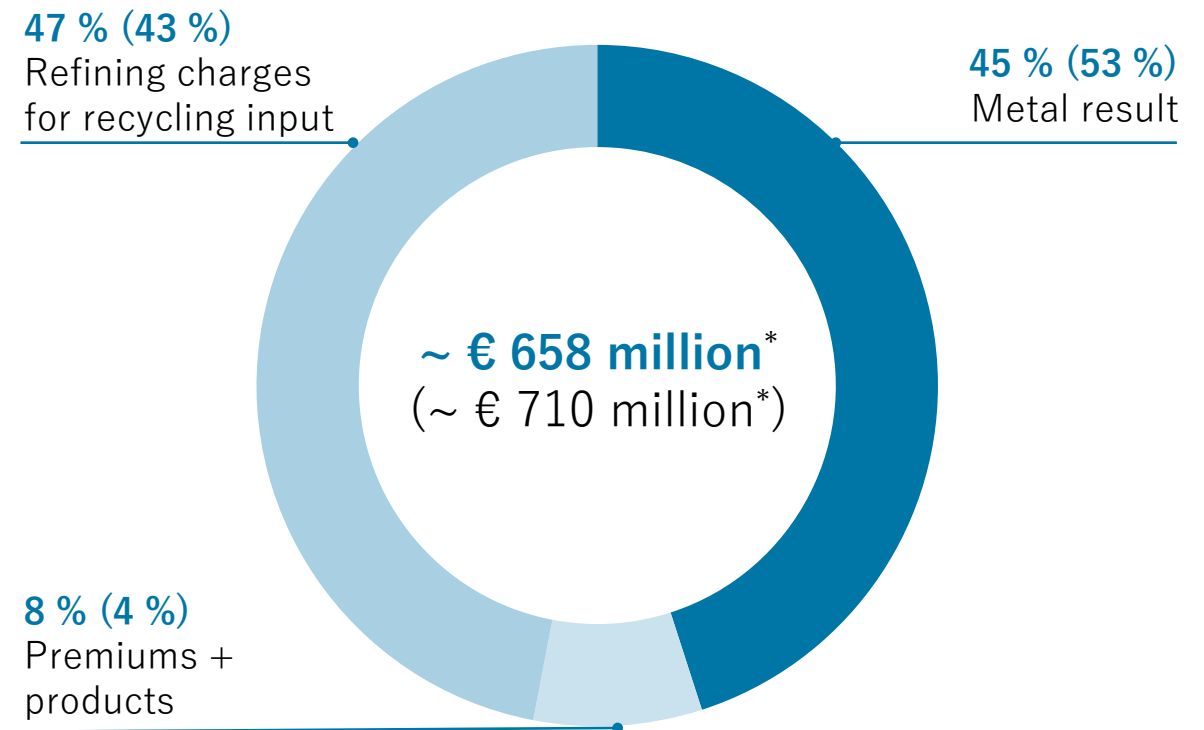


Multimetal Recycling segment

		12M	12M
Operating results		2022/23	2021/22
EBIT	€m	177	206
EBT	€m	174	205
ROCE ¹	%	15.4	25.7
Quantities			
Other recycling materials	mt	527	492
Copper scrap/blister copper	mt	322	325
Cathodes	mt	506	513

¹ Rolling EBIT last 4 quarters

Breakdown of income components in MMR segment
FY 2022/23 (prior-year figures in parentheses)



* Gross margin = Total of income components metal result, refining charges for recycling input, and premiums + products

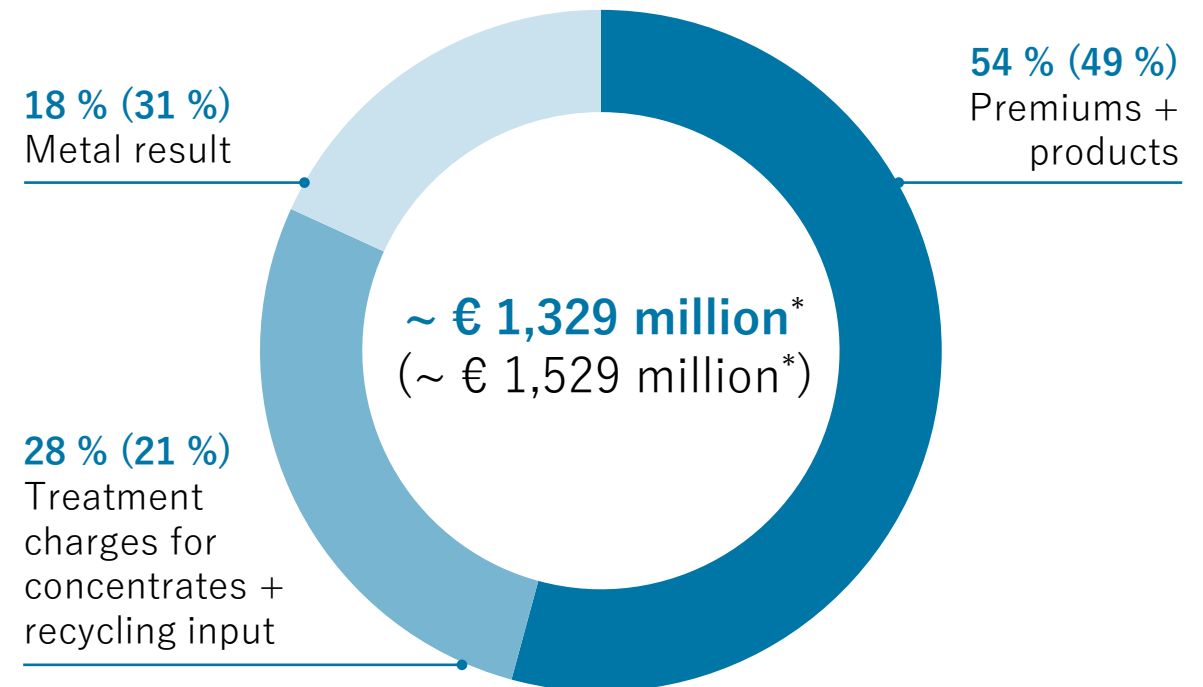
Custom Smelting & Products segment

		12M	12M
Operating results		2022/23	2021/22 ²
EBIT	€m	241	388
EBT	€m	253	390
ROCE ¹	%	13.0	18.7
Quantities			
Concentrates	mt	2,319	2,429
Copper scrap/blister copper	mt	193	219 ²
Sulfuric acid	mt	2,158	2,296
Cathodes	mt	603	598
Rod	mt	876	880
Shapes	mt	178	218
Flat rolled products and specialty wire	mt	133	176

¹ Rolling EBIT last 4 quarters

² Prior-year figures adjusted

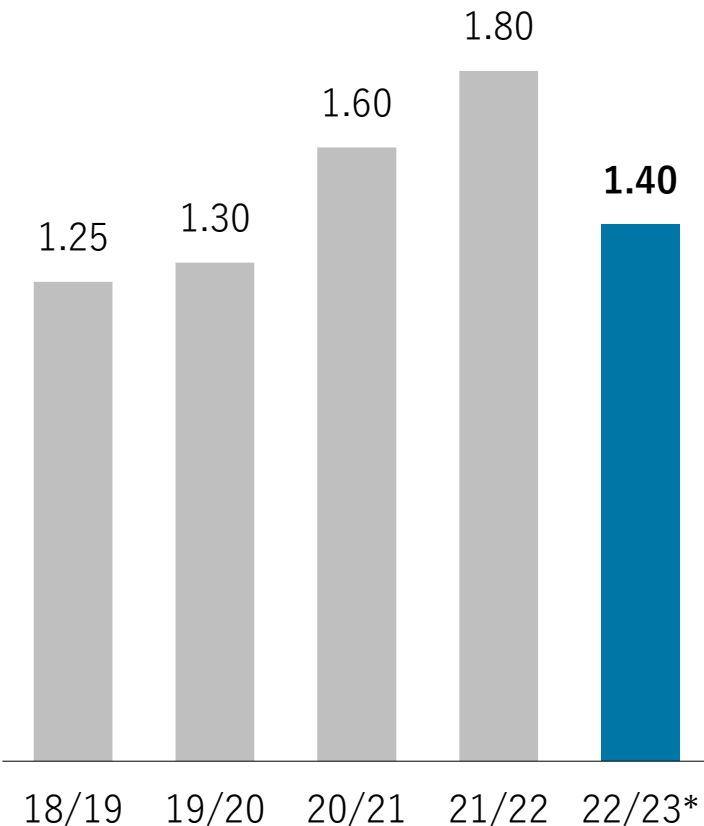
Breakdown of income components in CSP segment
FY 2022/23 (prior-year figures in parentheses)



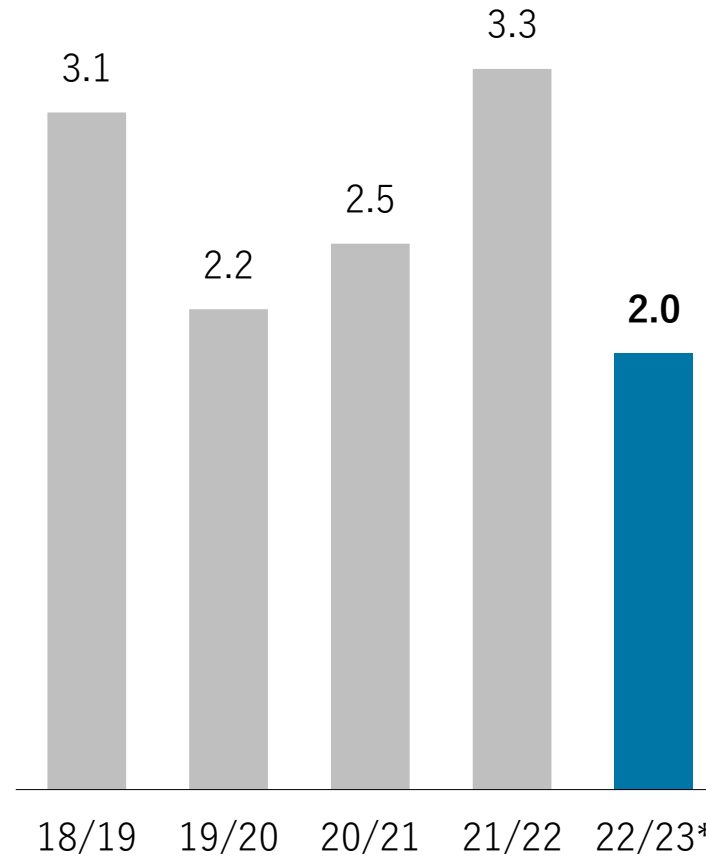
* Gross margin = Total of income components metal result, treatment and refining charges for concentrates + recycling input, and premiums + products

Dividend proposal for fiscal year 2022/23

Aurubis dividend (in € per share)



Dividend yield (in %)



Aurubis' growth strategy requires high investments in the coming years

Strategic projects ensure considerable increase in overall group profitability in the years to come

* Recommendation

Market outlook for 2023/24

Copper concentrates

We anticipate a further increase in concentrate supply from the mine side, underpinned by new greenfield projects and the expansion of existing mines. Our smelters are already well supplied into Q2 of FY 2023/24.

Recycling input materials

Overall, Aurubis expects a stable supply situation for recycling materials with stable refining charges. The copper scrap market remains of a short-term nature. The secondary smelters are already largely supplied for the second quarter.

Sulfuric acid

Based on the stabilizing demand on the market for sulfuric acid and the developments in sales prices, we expect the revenue situation on these markets to develop slightly less favorably in the 2023/24 fiscal year.

Aurubis copper premium

Has been set for 2024 at US\$ 228/t (2023: US\$ 228/t).

Other copper products

Aurubis expects demand for our continuous cast wire rod to remain high in fiscal year 2023/24. Demand for continuous cast shapes and flat rolled products will tend to move sideways compared to the previous year.

FY 2023/24 guidance

Our forecast range

Operating **EBT**
between € **380** million
and € **480** million

Operating **ROCE**
between **10** %
and **14** %

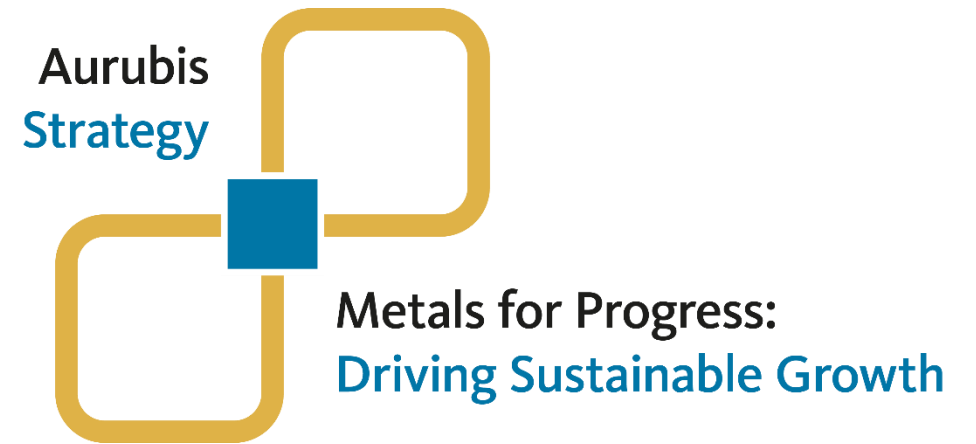
	Operating EBT in € million	Operating ROCE in %
Group	380–480	10–14
Multimetal Recycling	60–120	5–9
Custom Smelting & Products	410–470	19–23

Our strategy builds on Aurubis' sound mission and covers relevant aspects for driving sustainable growth



 **Industry Leadership in Sustainability**

- Enablers**
- Digitalization, automation, and “Plant of the Future”
 - Strategic resource management, talent and personnel development



» We are consistently implementing the strategy

Strategic investments and EBITDA impact to increase substantially

Short term

Currently approved

Strategic capex ~€ 1.7 billion approved

Key projects for the 3 strategic pillars – **Secure & Strengthen Core Business** (i.e., CRH & PM refinery), **Pursue Growth Options** (Aurubis Richmond), and **Sustainability** (i.e., PV park & Industrial Heating)

EBITDA impact over next 3 to 5 years ramping up to ~€ 260 million p.a., of which ~€ 170 million from Aurubis Richmond

Medium term

Medium-term planning

Additional strategic capex is included in the medium-term planning and projects are developed along the project stage gates

Additional EBITDA potential identified mainly in modular recycling system, battery recycling, and further expansion of Aurubis Richmond

Long term

Until 2030

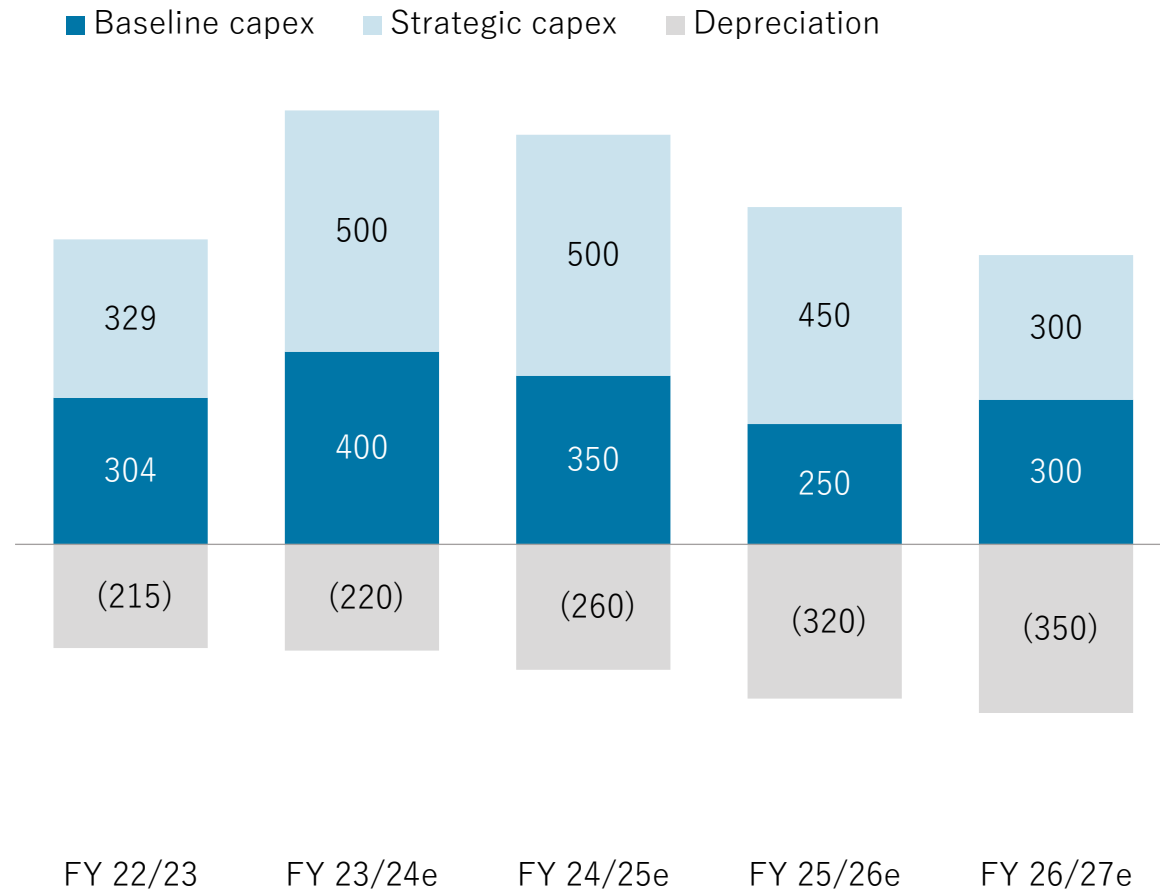
Ambition and scale of our long-term growth and project plans remain at a high level

All capex projects are subject to a sustainability assessment (especially CO₂ contribution)

All strategic investments create valuable synergies with our existing processes and positively impact our op. ROCE target

Outflows from current project pipeline expected to peak in 2023/24

Capex planning broken down into baseline and strategic (in € million)



Investment horizon of the Group

- The planned maintenance schedule of the two primary smelters in Hamburg and Pirdop will change from planned maintenance every two years to a three-year cycle from FY 2025/26 onwards
- Depreciation will start substantially impacting the P&L after FY 2025/26
- Baseline capex primarily includes maintenance operations along with investment in environmental protection at all Group sites
- In total, the strategic capex creates valuable synergies to our existing processes and contributes positively to our op. ROCE target

New precious metal processing plant in Hamburg heightens security and enables additional strategic projects

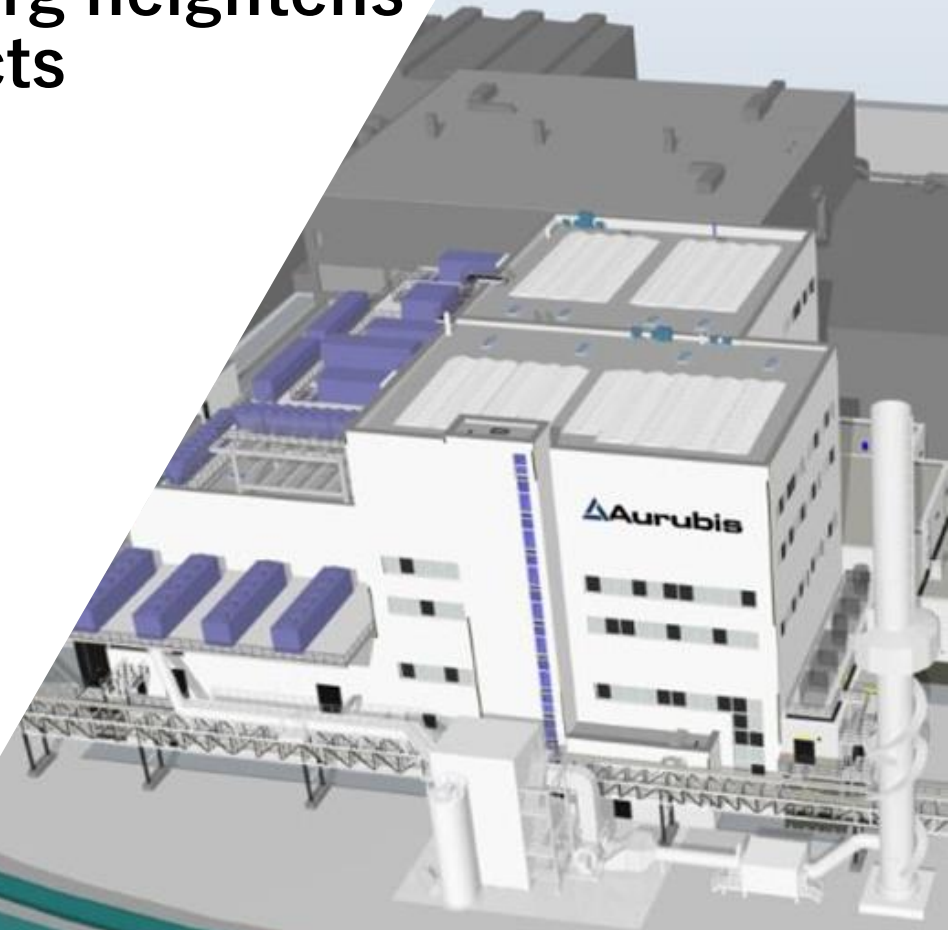
~€ 300 million investment optimizes process chain and includes integrated security concept – multiple security levels for higher physical security

Faster recovery of precious metals optimizes net working capital

Expanding processing capacity enables additional strategic projects by extending precious metal capacity

Setting benchmarks with innovative process and facility technology

15 % reduction of operating costs for precious metal processing



Secure
Core Business



Strengthen
Core Business

Optimizing slag processing at Bulgarian plant

Aurubis investing roughly € 46 million in Bulgaria and consistently working towards climate and environmental protection targets

New process considerably reduces diffuse emissions

Slags cooled in 200 slag pots. Current process an approved method in the industry.

Process also increases metal yield by reducing copper loss in the slag, resulting in an additional copper extraction of 500 t p.a.; positive contribution to earnings in the mid-single-digit-million-euro range

Full commissioning planned for 2026



Secure
Core Business



Strengthen
Core Business



Aurubis Richmond: On the path to successful commissioning in 2024



Expanding sustainable and cost-effective electricity generation at Bulgarian site

Investment of € 15 million in solar plant expansion stage in Bulgaria for additional output of around 18 MWp

Capacity of what is already the largest in-house solar park in Southeastern Europe set to double to almost 42 MWp by 2025

Once complete, the solar park will generate around 55,000 MWh of electricity per year, covering ~10 % of the plant's consumption

Solar park generates enough electricity to power 15,000 four-person households, or the equivalent of a small city

Preventing around 28,000 t of CO₂ emissions per year; further reduction of already very small carbon footprint per ton of copper output in an international industry comparison



Industry Leadership in
Sustainability

Sustainability: Second stage(RDE) to further reduce diffuse emissions

Aurubis actively investing ~€ 30 million in environmental protection at Hamburg site

In the 2nd stage of the RDE project, all ridge turrets in the primary smelter (RWO) will be suctioned and connected to an innovative filter system

Total air intake capacity of ~1,600,000 Nm³/h

Controlled based on need and therefore very energy efficient

A reduction in diffuse emissions in the primary smelter (RWO) of around 80 % anticipated with Stage 2

Since 2000, around € 830 million invested in environmental protection measures – highest sustainability standards in the industry



Leading the way with life cycle assessments – and substantially lower carbon footprints than industry averages

Copper cathodes (in kg CO₂ eq./t Cu)

Global industry average



2019: 3,965

Aurubis

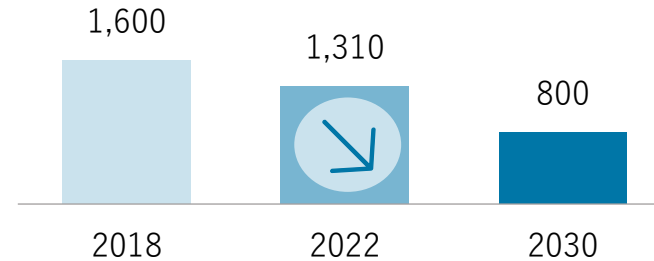


2022: 1,495

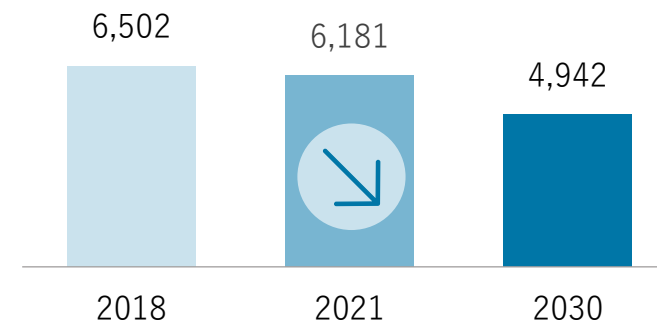
* Please note that ITA data is reported using the CML method of impact assessment, which has limited comparability.

Source: International Copper Association 2019, Aurubis LCA 2022

Absolute Scope 1+2 CO₂ emissions (in kt)



Scope 3 CO₂ emissions (in kt)¹

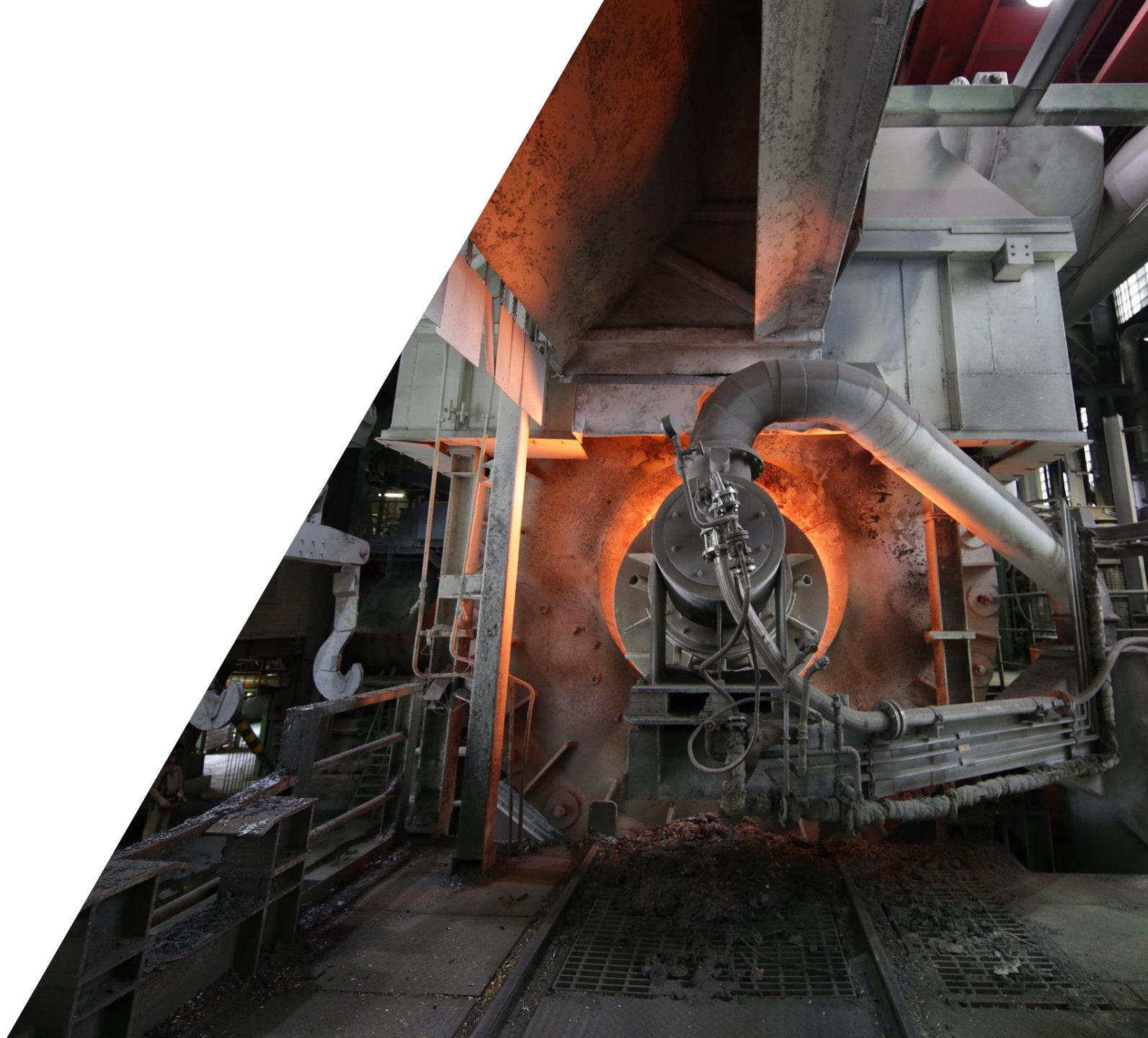


¹ Assumed steady copper cathode production until target year (physical intensity target)

➤ Aurubis continuously pursues better energy efficiency: lowering costs and reducing CO₂ emissions

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Financial calendar

- Q1 2023/24 February 6, 2024
- AGM February 15, 2024 (preliminary)
- Q2 2023/24 May 8, 2024
- Q3 2023/24 August 5, 2024
- Annual Report 2023/24 December 5, 2024



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Aurubis at a glance

Based in [Hamburg](#), Aurubis AG develops its leading market position with a [responsible approach](#) to the [environment](#), [people](#) and [resources](#)



The company's main expertise is in optimally [processing concentrates](#) and [recycling raw materials](#) with complex qualities

[Metallurgical know-how](#), [state-of-the-art plant facilities](#), and extraordinarily [high environmental standards](#) for the sector make Aurubis an attractive partner for raw material suppliers



The company, which was founded in 1866 as [Norddeutsche Affinerie AG](#), is listed in the [MDAX](#) and produces more than [1 million t of copper cathodes](#) and various copper products from them with around [7,200 employees](#) worldwide



The Group is [active in more than 20 countries](#) and has production sites concentrated in [Europe](#) and [North America](#)



Aurubis is one of the world's leading producers of cathodes, rod and flat rolled copper products

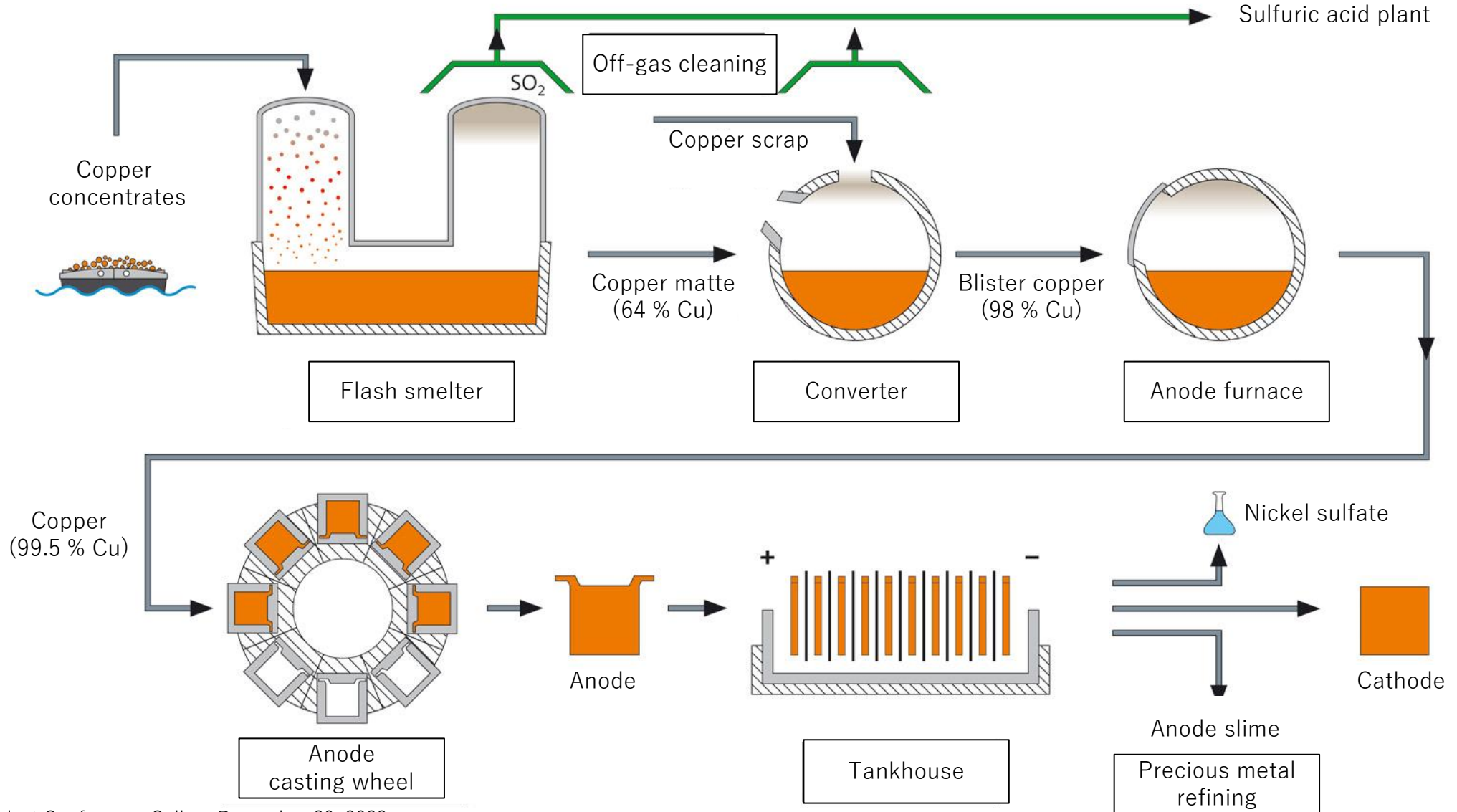
Scheduled shutdowns in the next 3 years



EBT effect from scheduled shutdowns (in € million)
 Status: December 2023

	FY 2023/24		FY 2024/25		FY 2025/26	
Smelter maintenance Hamburg	May until beginning of July 2024	~44				
Anode furnace Hamburg					May/June 2026	~6
Smelter maintenance Pirdop			Apr/June 2025	~24		
KRS Lünen	May 2024	~10	May 2025	~10	May 2026	~10
Anode furnace Lünen	Nov/Dec 2023	~6	Nov/Dec 2024	~7	Nov/Dec 2025	~7

Primary copper production process



Disclaimer

Forward-looking statements

This document contains forward-looking statements that involve risks and uncertainties, including statements about Aurubis' plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Aurubis. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected.