

# Interim Report First 6 Months 2023/24

Conference Call  
on May 8, 2024

 **Aurubis**



# Executive summary of first 6 months 2023/24

Operating EBT  
6M 2023/24 of  
**€ 243 million**  
(PY: € 239 million<sup>1</sup>)

Operating ROCE  
**10.0 %**  
(PY: 14.1 %)

Aurubis' positive development continued in the second quarter 2023/24

Operating EBT positively influenced by increased TC/RCs for concentrates, a higher metal result, a significant rise in the Aurubis copper premium coupled with ongoing high demand for wire rod and lower energy costs, counteracted by decreased sulfuric acid revenues, lower income from refining charges, and higher costs.

Prior-year figures restated due to the financial impact of the criminal activities

Net cash flow  
**€ 5 million**  
(PY: € 19 million)

Confirmed forecast  
range for FY 2023/24  
**€ 380–480 million**  
op. EBT

Strong operating performance at our smelter in Hamburg

ROCE (rolling EBIT last four quarters) reduced because of the negative closing quarter of the previous year and ongoing investment activity

Net cash flow low due to high payments for the build-up of inventories in preparation for the shutdown in Hamburg

**» We are confirming our forecast of € 380–480 million operating EBT for 2023/24**

# Aurubis with positive results development after 6 months of FY 2023/24

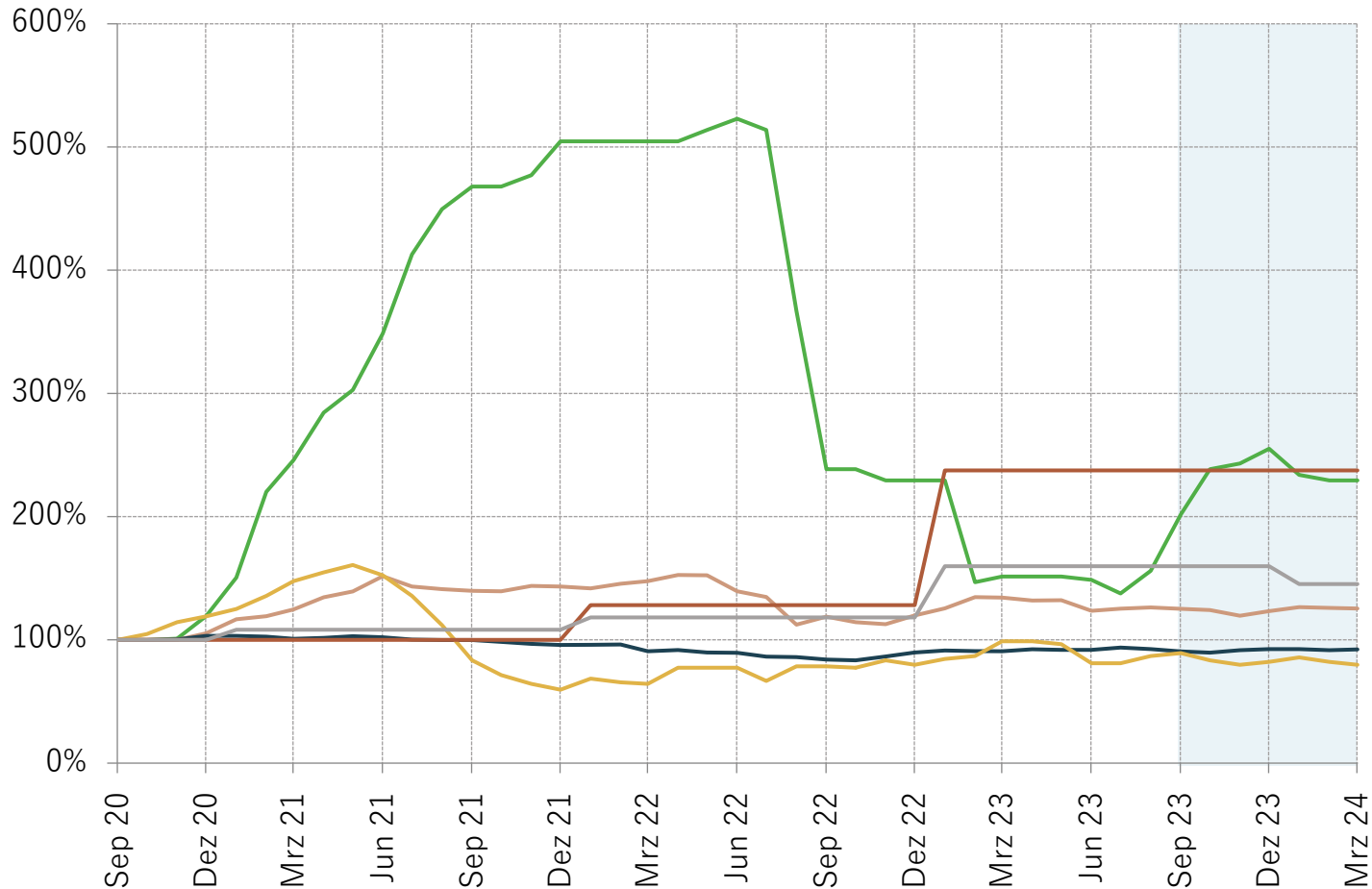
(operating)		6M 2023/24	6M 2022/23	Change vs. prior year
Revenues	€m	8,249	8,784	-6 %
Gross profit	€m	876	787	11 %
EBITDA	€m	338	331	2 %
EBIT	€m	240	234	3 %
<b>EBT</b>	€m	<b>243</b>	<b>239</b>	<b>2 %</b>
Consolidated net income	€m	195	189	3 %
<b>Operating ROCE</b> (operating EBIT last 4 quarters)	(%)	<b>10.0</b>	<b>14.1</b>	-

Prior-year figures restated.



# Market conditions in first HY 2023/24

Trend in significant market prices and refining charges



100 % = Sept. 2020

- Sulfuric acid price (spot CFR Brazil)
- Copper price (settlement)
- Exchange rate (US\$/€)
- European refining charges for copper scrap no. 2
- Copper premium
- TC/RCs for copper concentrates (contract)

# Gross margin for the Group in 2023/24 YTD

Breakdown of income components in the Aurubis Group 6M 2023/24 YTD (YTD prior-year figures)

**32 % (32 %)**

Treatment charges  
for concentrate +  
recycling input

**32 % (31 %)**  
Metal result

**~ € 1,105 million\***  
(~ € 1,069 million\*)

**36 % (37 %)**

Premiums +  
products

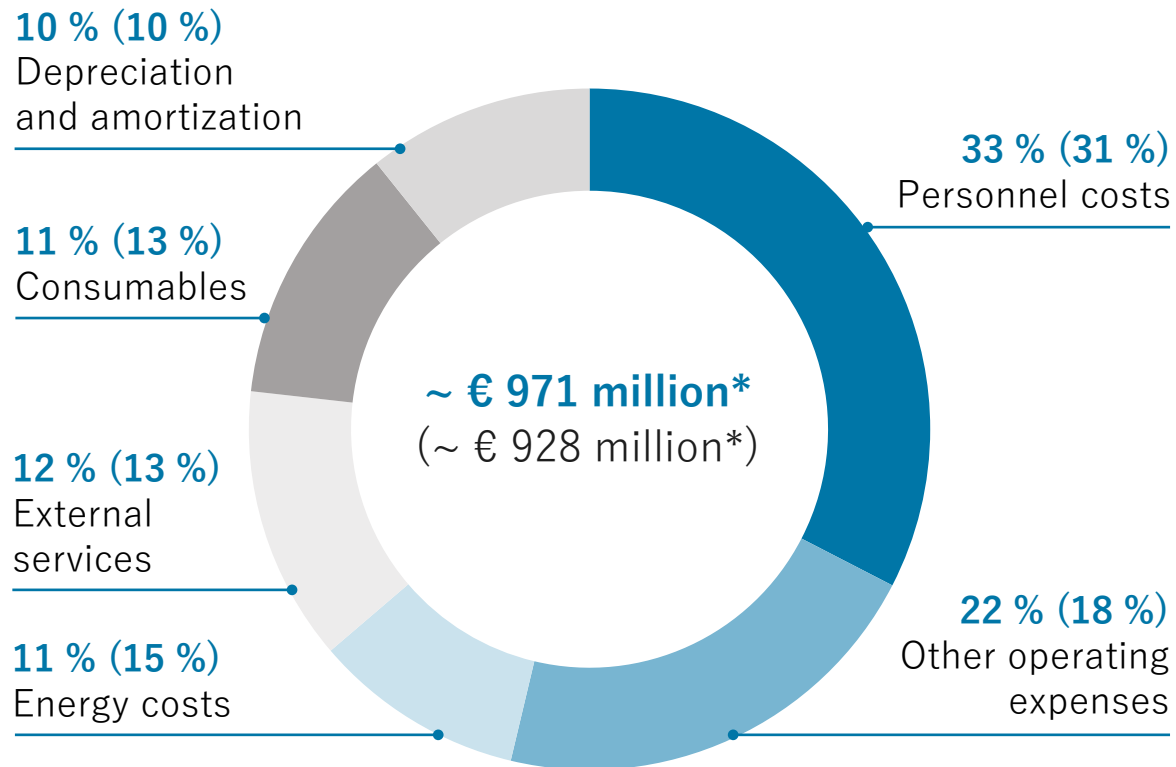
Prior-year figures restated.

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



# Overview of Group costs — further decrease in energy costs

Overview of cost/expense positions  
6M 2023/24 YTD (YTD prior-year figures)



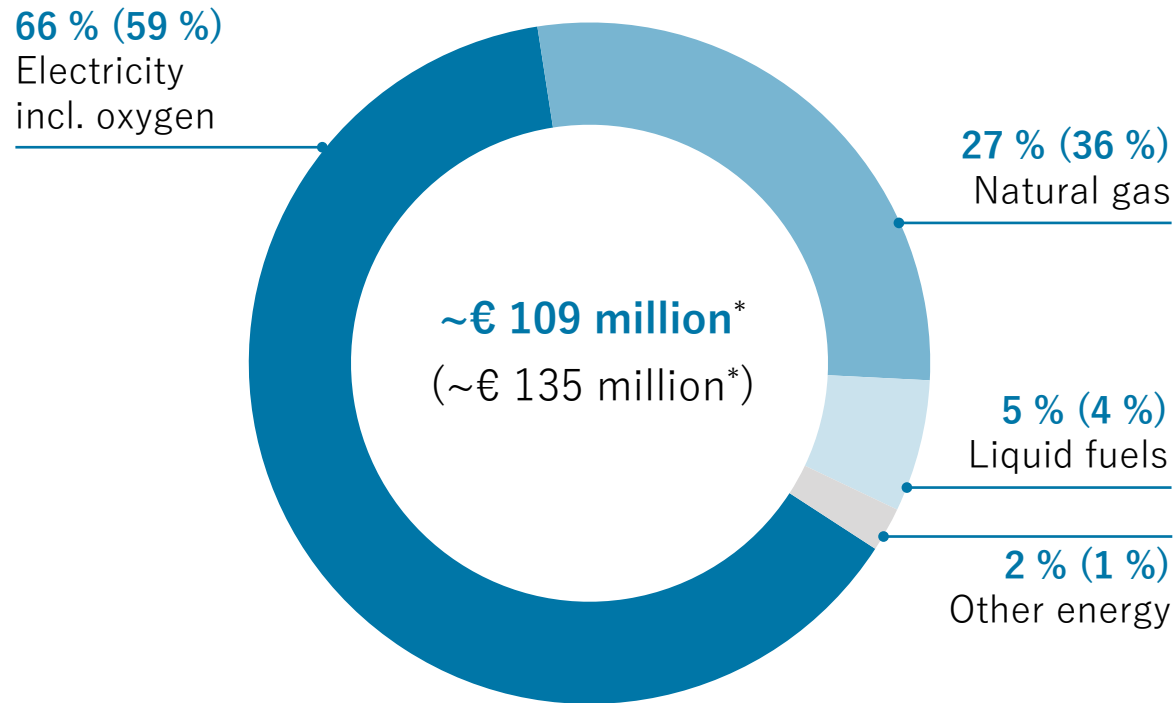
Prior-year figures restated.

\* Figures adjusted by energy compensations and hedging transactions



# Significantly lower energy costs in the first HY

Breakdown of energy costs 6M 2023/24  
(YTD prior-year figures)



Key influencing factors for reduction of energy costs in 6M 2023/24:

- Active energy management/hedging transactions
- Indirect CO<sub>2</sub> compensation (annual payment)
- Lower commodity prices for electricity and natural gas

\* Figures adjusted by energy compensations and hedging transactions

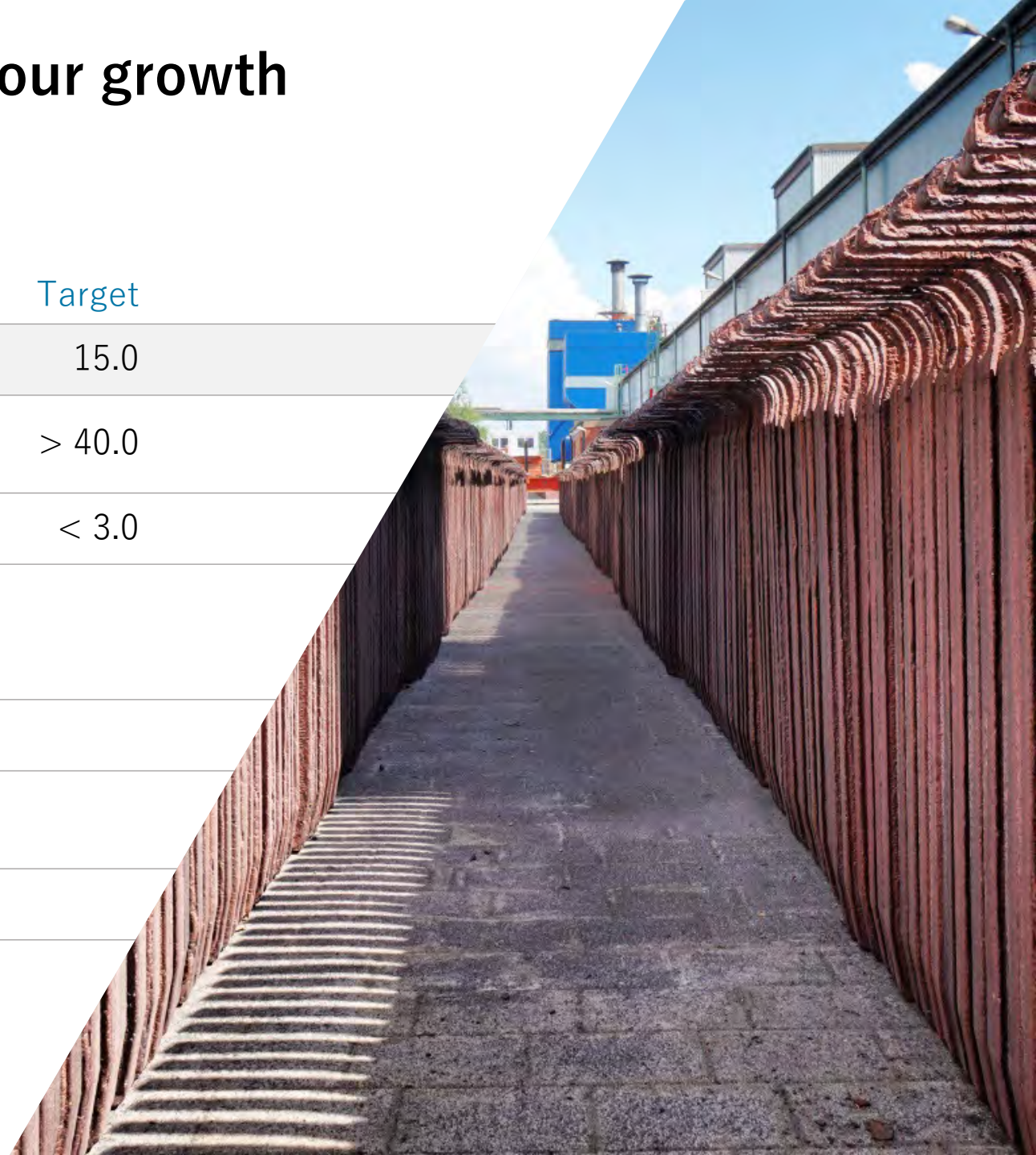
# Aurubis' financial position enables our growth strategy

		6M 2023/24	6M 2022/23	Target
ROCE <sup>1</sup>	%	<b>10.0</b>	<b>14.1<sup>3</sup></b>	15.0
Equity ratio (equity / total assets)	%	54.2	56.6	> 40.0
Debt coverage <sup>2</sup>		0.2	-0.2	< 3.0
Additional KPIs				
		6M 2023/24	6M 2022/23	
Capital expenditure	€m	317	179	
Capital employed (balance sheet date)	€m	3,683	3,176	
Net cash flow	€m	5	19	

<sup>1</sup> Rolling EBIT last 4 quarters.

<sup>2</sup> Net financial liabilities/rolling EBITDA last 4 quarters.

<sup>3</sup> Prior-year figures restated.



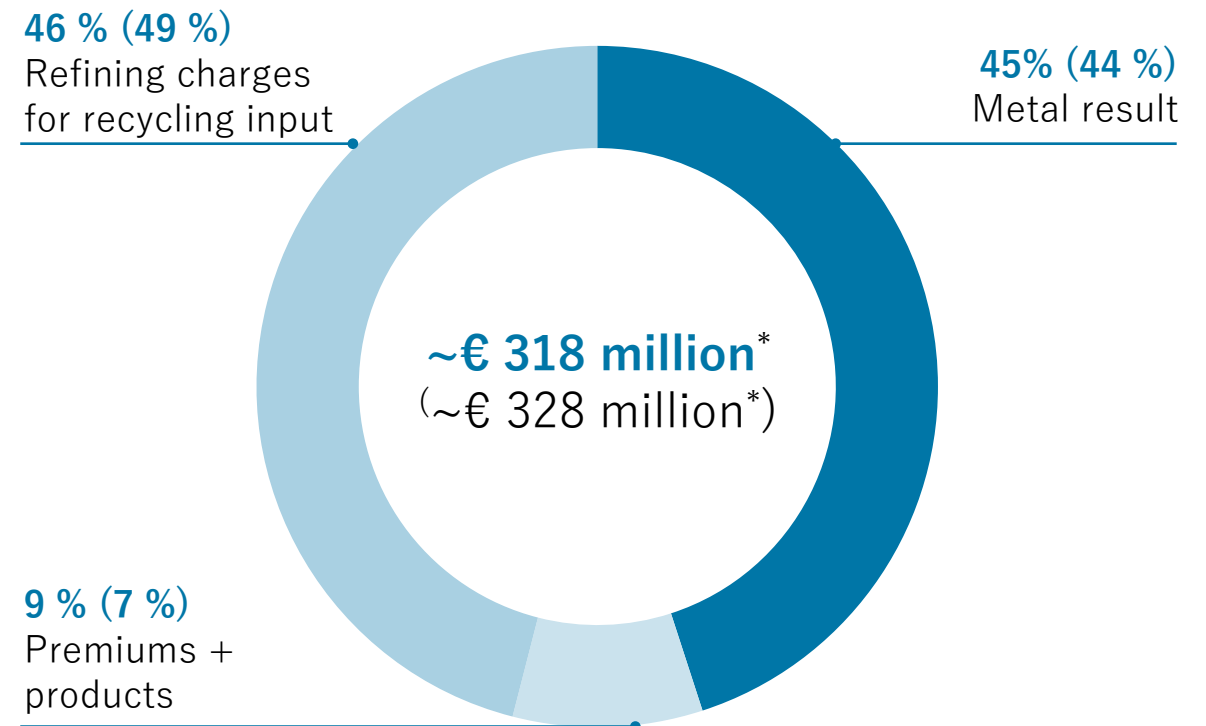


# Multimetal Recycling segment

		6M	6M
Operating results		2023/24	2022/23
EBIT	€m	72	102
<b>EBT</b>	<b>€m</b>	<b>75</b>	<b>103</b>
<b>ROCE<sup>1</sup></b>	<b>%</b>	<b>10.3</b>	<b>15.5</b>
Quantities			
Copper scrap / blister copper	mt	144	173
Other recycling materials	mt	267	268
Cathodes	mt	253	263

<sup>1</sup> Rolling EBIT last 4 quarters.

Breakdown of income components in MMR segment  
6M 2023/24 YTD (YTD prior-year figures)



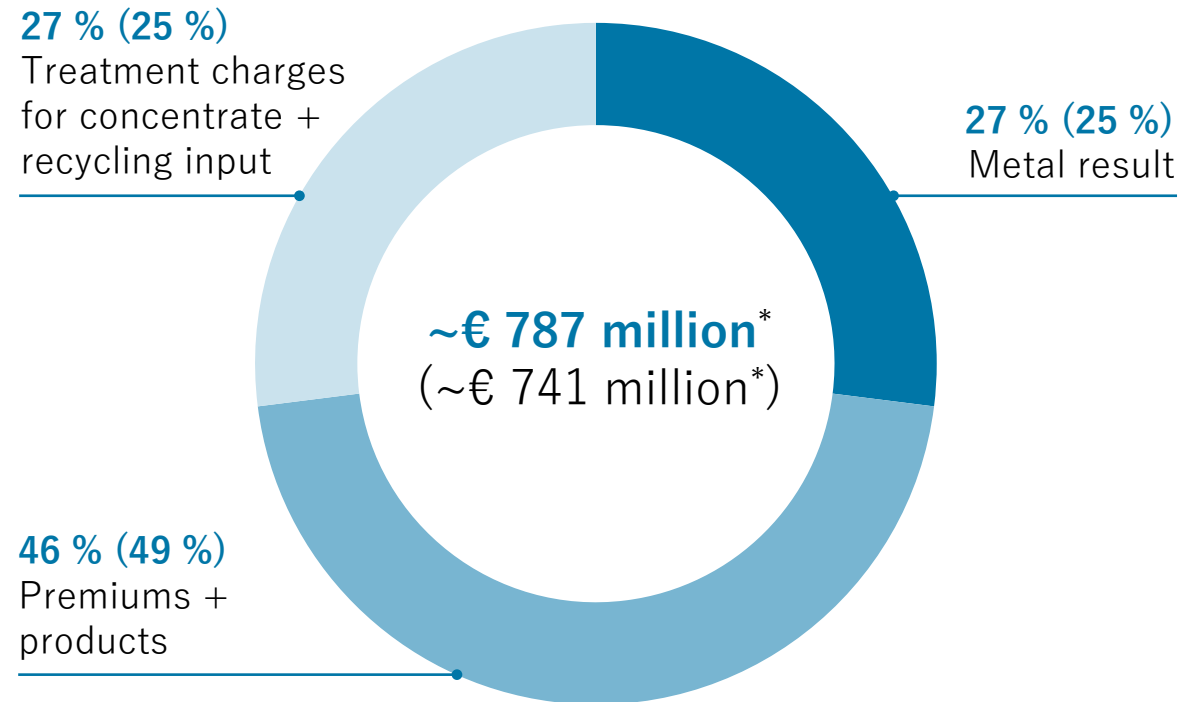
\* Gross margin = Total of earnings components metal result, refining charges for recycling input, and premiums + products

# Custom Smelting & Products segment

		6M	6M
Operating results		2023/24	2022/23
EBIT	€m	234	168
<b>EBT</b>	<b>€m</b>	<b>235</b>	<b>171</b>
<b>ROCE<sup>1</sup></b>	<b>%</b>	<b>14.2</b>	<b>17.2</b>
Quantities			
Concentrates	mt	1,291	1,262
Copper scrap / blister copper	mt	105	101
Sulfuric acid	mt	1,191	1,183
Cathodes	mt	304	305
Rod	mt	446	445
Shapes	mt	84	95
Flat rolled products and specialty wire	mt	62	67

<sup>1</sup> Rolling EBIT last 4 quarters.  
Prior-year figures restated.

## Breakdown of income components in CSP segment 6M 2023/24 YTD (YTD prior-year figures)



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

# Market outlook for 2023/24

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## Copper concentrates

We anticipate a reduced but sufficient concentrate supply for Aurubis from the mining side thanks to our long-term sourcing strategy with the global mining industry. Our smelters are already well supplied into Q4 of FY 2023/24.

## Recycling input materials

Aurubis expects a subdued European supply situation for recycling materials due to intensified purchases from Asia and reduced industrial residues. The diversified supplier network buffers potential supply shortages. The secondary smelters are already largely supplied into Q4 of FY 2023/24.

## Sulfuric acid

Despite stabilizing demand on the market for sulfuric acid and current positive developments in sales prices, we still expect the revenue situation to develop less favorably than in FY 2023/24.

## Aurubis copper premium

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

## Other copper products

We expect demand for our wire rod to remain at the high level of the previous FY. Demand for shapes and flat rolled products will remain subdued.

# 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	<b>380–480</b>	<b>10–14</b>
Multimetal Recycling	60–120	5–9
Custom Smelting & Products	410–470	19–23

# 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 Heat)

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 the modular recycling system, battery recycling, and further expansion of Aurubis Richmond

## Long term

Until 2030

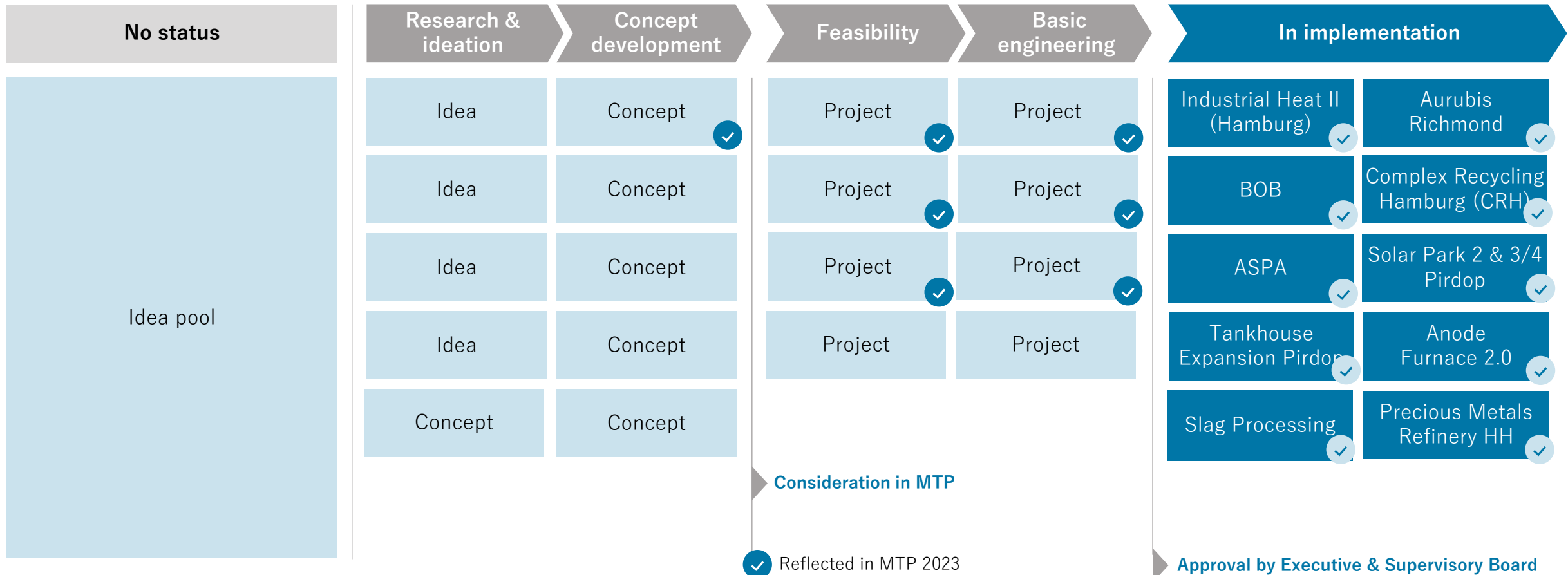
Ambition and scale of our long-term growth and project plans remain at a high level

All capex projects are subject to a sustainability assessment (especially CO<sub>2</sub> contribution)

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

# Strong pipeline features advanced projects included in medium-term planning, plus wealth of nascent concepts to drive sustainable growth

Strategic projects from development to implementation



# Timeline of strategic projects in implementation

Timeline for the commissioning of our strategic projects

2024

- **Bleed treatment Olen Beerse (BOB)** (BE Olen)
- **Industrial Heat II** (DE Hamburg)
- **Aurubis Richmond Module 1** (US Georgia)
- **Advanced Sludge Processing by Aurubis (ASPA)** (BE Beerse)
- **Solar Park 2&3** (BG Pirdop)
- **Anode Furnace 2.0** (DE Hamburg)

2025

- **Solar Park 4** (BG Pirdop)
- **CRH** (DE Hamburg)
- **Aurubis Richmond Module 2** (US Georgia)

2026

- **Tankhouse Expansion** (BG Pirdop)
- **Precious Metals Refinery** (DE Hamburg)
- **Slag Processing** (BG Pirdop)

# Pursue growth options

## Aurubis Richmond makes further visible progress





# Secure and strengthen core business: Investments in the Hamburg site

## Financial impacts

- Timeframe: May–July 2024
- Capex: approx. € 235 million in FY 2023/24
  - Maintenance € 95 million
  - H2-ready anode furnace around € 40 million
  - Industrial heat system around € 100 million
- EBT effect: approx. € -44 million in Q3 2023/24

## Key facts

Description: major maintenance and investments that can only take place during a shutdown include boiler repair, industrial heat expansion, installation of H2-ready anode furnaces, and brick lining of the furnace; during the project ~250 maintenance and repair activities will take place, projects and optimizations that will allow the primary asset to return to a 3-year maintenance cycle.



**Secure**  
Core Business



**Strengthen**  
Core Business



**Industry Leadership**  
in Sustainability



# Aurubis expands Germany's largest industrial heat system and makes anode furnaces H2-ready



# Investments in the Pirdop site: Strategic investments and baseline investments

## Financial impacts

- Capex: approx. € 400 million in FY 2023/24
  - Tankhouse expansion € 120 million
  - Groundbreaking for PV modules 2 & 3 + expansion announcement for PV module 4
  - Optimization of slag processing at Aurubis Bulgarian site
  - Baseline investments
- Strategic investments: approx. 60 % of € 400 million

## Baseline investments

Description: deploying 460 high-efficiency motors in the Bulgarian plant, replacing transformers, and installing state-of-the-art lighting technology. Further investments in a number of infrastructure projects and a company fleet of train cars to transport copper concentrates from the Port of Burgas to Pirdop.



Secure  
Core Business



Industry Leadership  
in Sustainability



Strengthen  
Core Business



# Start of tankhouse and solar park expansion



# Financial calendar

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- Q3 2023/24 August 5, 2024
- Annual Report 2023/24 December 5, 2024
- Annual General Meeting April 3, 2025 (preliminary)

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on May 8, 2024

 **Aurubis**



# Your IR contacts

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# Overview of restated operating EBT Q1–Q4 2022/23 relevant only at Group and CSP level

- New findings have resulted from the investigation into and clarification of the criminal activities against Aurubis.
- We now assume that the negative impact of the criminal acts took effect at the start of the 2023 calendar year specifically.
- As a result, operating and IFRS results from Q2 2022/23 onwards have been restated in keeping with IAS 8.
- Restatement only applies to CSP segment and Group level
- The estimate of the impact is based on the special inventory as at August 31, 2023, the inventory as at the September 30, 2023 reporting date, and the additional analyses that we have carried out to date.
- According to best estimates, it is assumed that the financial impact on operating EBT as at the March 31, 2023 reporting date and the following quarters should have been as follows:

	3M	6M	9M	12M
(operating in €m)	2022/23	2022/23	2022/23	2022/23
<b>Aurubis Group</b>				
EBT before restatement	125	291	406	-
Restatement	0	-52	-149	-169
<b>EBT restated</b>	<b>125</b>	<b>239</b>	<b>257</b>	<b>349</b>
<b>CSP segment</b>				
EBT before restatement	108	223	322	-
Restatement	0	-52	-149	-169
<b>EBT restated</b>	<b>108</b>	<b>171</b>	<b>173</b>	<b>253</b>

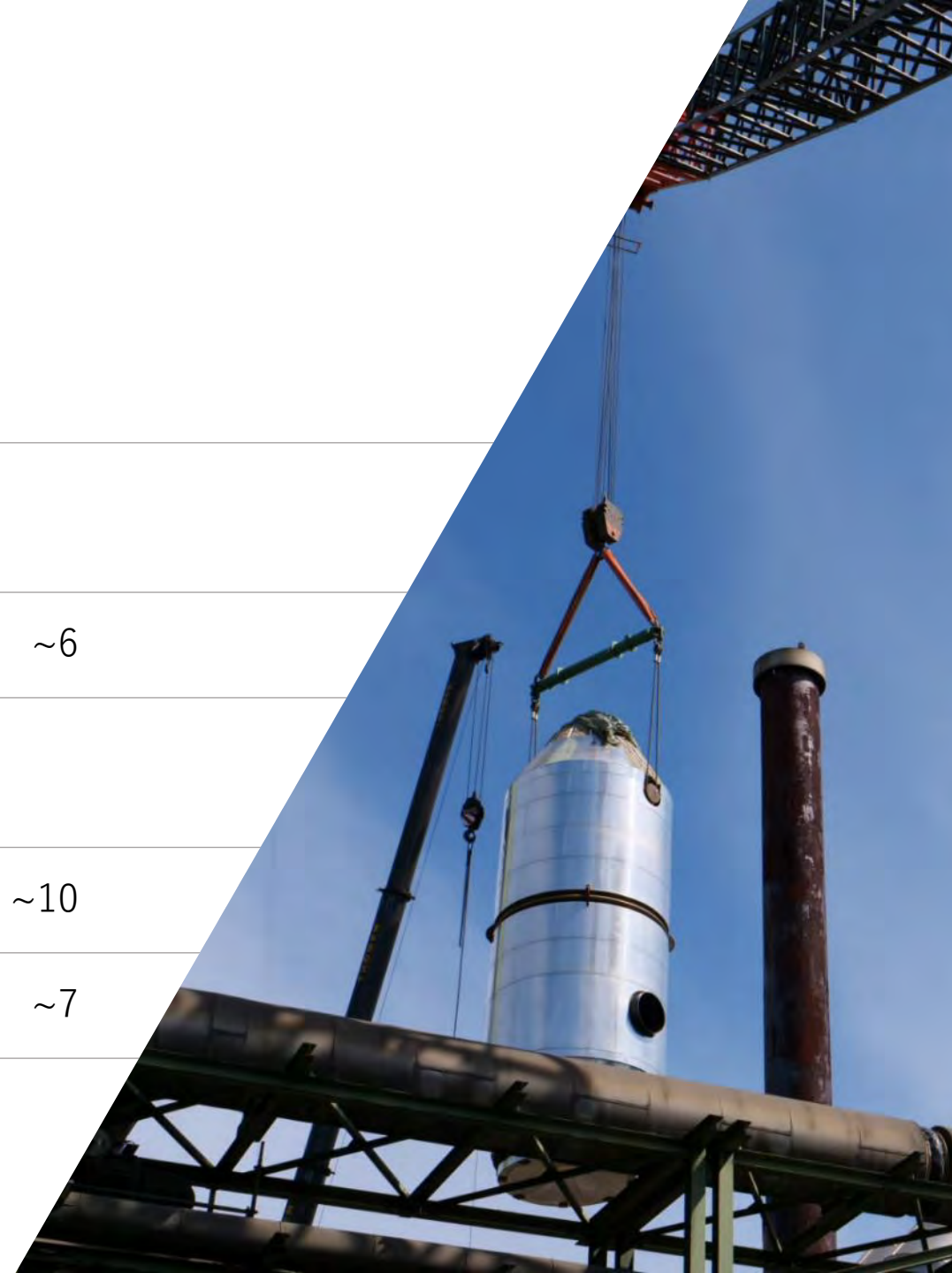


# Scheduled shutdowns in the next 3 years



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

	FY 2023/24		FY 2024/25		FY 2025/26	
Smelter maintenance Hamburg	May/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



# 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

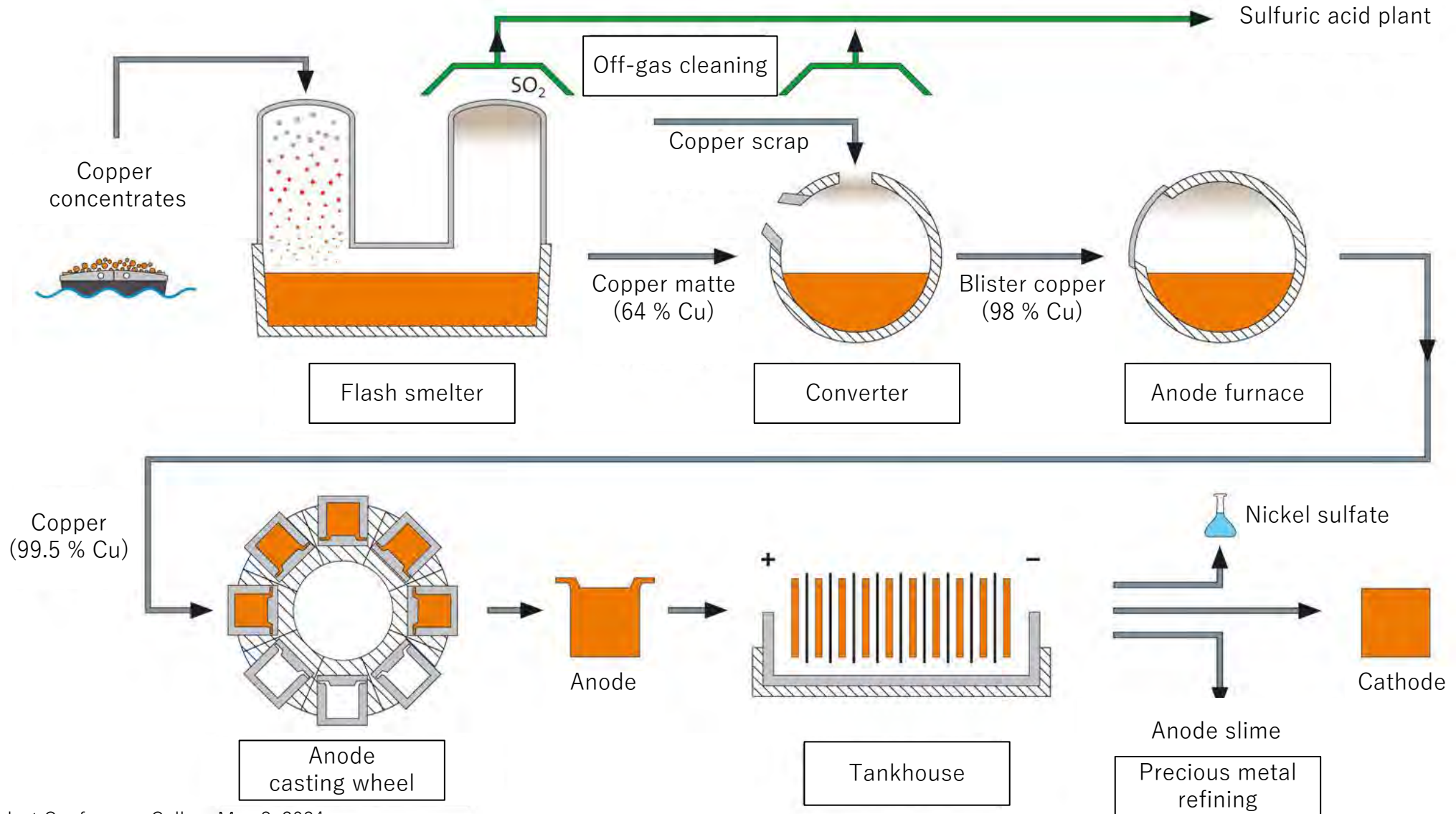


The Group is [active in more than 20 countries](#) and has production sites concentrated in [Europe](#) and [North America](#)



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

# Primary copper production process



# Disclaimer

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## 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.