

Metals for Progress:

# Driving *Sustainable* Growth

Quarterly Report

**FIRST 3 MONTHS 2021/22**

October 1, 2021 to December 31, 2021

# Aurubis Group at a Glance

Key Aurubis Group figures Operating		Q1		
		2021/22	2020/21	Change
Revenues	€m	4,406	3,463	27 %
Gross profit	€m	407	334	22 %
Depreciation and amortization	€m	47	46	2 %
EBITDA	€m	198	131	51 %
EBIT	€m	151	85	78 %
<b>EBT<sup>1</sup></b>	€m	<b>152</b>	<b>82</b>	<b>85 %</b>
Consolidated net income	€m	118	63	87 %
Earnings per share	€	2.70	1.44	87 %
Net cash flow	€m	-85	-273	69 %
Capital expenditure	€m	59	36	63 %
Net financial position (reporting date)	€m	238	-436	> 100 %
<b>ROCE<sup>1</sup></b>	%	<b>16.6</b>	<b>9.6</b>	<b>-</b>
<b>Multimetal Recycling segment</b>				
Revenues	€m	1,451	1,148	26 %
EBIT	€m	78	48	63 %
EBT	€m	77	47	64 %
ROCE	%	38.9	24.4	-
Capital employed	€m	786	610	29 %
<b>Custom Smelting &amp; Products segment</b>				
Revenues	€m	4,517	3,499	29 %
EBIT	€m	87	50	74 %
EBT	€m	88	48	83 %
ROCE	%	9.5	10.0	-
Capital employed	€m	1,925	1,932	0 %

Key Aurubis Group figures IFRS		Q1		
		2021/22	2020/21	Change
Revenues	€m	4,406	3,463	27 %
Gross profit	€m	656	476	38 %
Personnel expenses	€m	138	139	-1 %
Depreciation and amortization	€m	47	46	3 %
EBITDA	€m	447	273	64 %
EBIT	€m	399	227	76 %
EBT	€m	405	226	79 %
Consolidated net income	€m	301	173	74 %
Earnings per share	€	6.89	3.96	73 %
Number of employees (average)		7,148	7,230	-1 %

<sup>1</sup> Corporate control parameters.

**i** This report may include slight deviations in disclosed totals due to rounding.

Aurubis Group production figures		Q1		
		2021/22	2020/21	Change
<b>Multimetal Recycling segment</b>				
Copper scrap/blister copper input	1,000 t	71	79	-10 %
Other recycling materials	1,000 t	125	122	2 %
Cathode output	1,000 t	130	126	3 %
Beerse	1,000 t	6	6	0 %
Lünen	1,000 t	37	36	3 %
Olen	1,000 t	87	84	4 %
<b>Custom Smelting &amp; Products segment</b>				
Concentrate throughput	1,000 t	679	607	12 %
Hamburg	1,000 t	308	280	10 %
Pirdop	1,000 t	371	327	14 %
Copper scrap/blister copper input	1,000 t	50	50	0 %
Other recycling materials	1,000 t	39	47	-17 %
Sulfuric acid output	1,000 t	639	550	16 %
Hamburg	1,000 t	267	218	23 %
Pirdop	1,000 t	372	332	12 %
Cathode output	1,000 t	149	152	-2 %
Hamburg	1,000 t	95	95	0 %
Pirdop	1,000 t	54	57	-5 %
Wire rod output	1,000 t	200	200	0 %
Shapes output	1,000 t	53	40	33 %
Flat rolled products and specialty wire output	1,000 t	39	47	-17 %

Aurubis Group sales volumes		Q1		
		2021/22	2020/21	Change
Gold	t	12	12	-
Silver	t	218	235	-7 %
Lead	t	9,884	9,815	1 %
Nickel	t	1,012	719	41 %
Tin	t	2,507	2,954	-15 %
Zinc <sup>1</sup>	t	4,257	5,102	-17 %
Minor metals	t	251	409	-39 %
Platinum group metals (PGMs)	kg	2,828	2,134	33 %

<sup>1</sup> Prior-year figures adjusted.

Selected metal prices		Q1		
		2021/22	2020/21	Change
Copper price (average)	US\$/t	9,694	7,166	35 %
	€/t	8,479	6,006	41 %
Copper price (period end date)	US\$/t	9,692	7,742	25 %
Gold price (average)	US\$/kg	57,719	60,286	-4 %
	€/kg	50,470	50,575	-
Silver price (average)	US\$/kg	750	784	-4 %
	€/kg	656	658	-



*“In Q1 of the current fiscal year, we once again benefited from the very good market conditions, both for sulfuric acid and on the markets for the industrial metals copper, tin, nickel, and zinc. This was reinforced by the very good operating performance from our plants at the sites of the Aurubis smelter network.”*

ROLAND HARINGS, Chief Executive Officer

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# Economic Development

## First 3 Months 2021/22

The Aurubis Group increased its **operating earnings before taxes** (EBT) by 85 % to € 152 million in the first three months of fiscal year 2021/22 (previous year: € 82 million). Key factors influencing the result included significantly higher sulfuric acid revenues, an improved metal gain with increased prices of industrial metals, and a very good performance in all of our plants. **Operating return on capital employed** (ROCE) was 16.6 % (previous year: 9.6 %). IFRS earnings before taxes (EBT) amounted to € 405 million (previous year: € 226 million). Because of the very good earnings trend, the forecast range for operating EBT in fiscal year 2021/22 was increased to € 400–500 million (previously € 320–380 million).

The Aurubis Group generated revenues of € 4,406 million during Q1 2021/22 (previous year: € 3,463 million). This development was primarily due to substantially increased copper prices compared to Q1 of the previous year. Stronger demand for copper products, considerably higher sulfuric acid revenues, and increased prices for industrial metals had an impact as well.

Please refer to page 15 for explanations regarding the derivation of the operating result from the IFRS result.

Operating ROCE (taking the operating EBIT of the last four quarters into consideration) improved to 16.6 % (previous year: 9.6 %), especially as a result of the very good earnings performance.

Operating EBT was € 152 million (previous year: € 82 million) and, compared to Q1 of the previous year, was influenced by:

- » A very good operating performance at our Hamburg and Pirdop sites, with considerably increased concentrate throughputs,
- » Higher sulfuric acid output connected with the increased concentrate throughputs, with significantly higher sales prices,
- » A substantially higher metal result with increased metal prices, especially for industrial metals (copper, tin, nickel, zinc),
- » Higher refining charges for other recycling materials, with throughput slightly exceeding prior-year level,
- » Higher demand for copper products,
- » Positive contributions to earnings from our Performance Improvement Program (PIP),
- » Significantly higher energy costs, particularly for electricity and gas.

The derivation of the ROCE is shown on page 10.

At € -85 million, the net cash flow was significantly above the prior-year level (€ -273 million) due to the build-up of inventories in particular. Net cash flow is subject to fluctuations in the course of the fiscal year, which balance out again as the year goes on. Additional explanations regarding the cash flow are provided in “Assets, liabilities, and financial position” on page 9.



## Multimetal Recycling

### Segments & markets

In the course of developing the Aurubis Group's strategy, the segmentation was adjusted as of October 1, 2021. With the new fiscal year 2021/22, the two segments **Multimetal Recycling** and **Custom Smelting & Products** will form the structure and the foundation for segment reporting in accordance with IFRS 8.

The **Multimetal Recycling (MMR)** segment comprises the recycling activities in the Group and thus the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment includes the recycling activities of the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain).

The MMR segment boosted its operating EBT by 64 % in the reporting period, to € 77 million (previous year: € 47 million). The increase primarily resulted from higher refining charges for other recycling materials and a significantly higher metal result with increased metal prices, especially for industrial metals (copper, tin, nickel, and zinc). The segment's operating ROCE developed very positively as a result, to 38.9 % (previous year: 24.4 %).

Throughput at our recycling sites was at a stable level in the first three months of fiscal year 2021/22. Our production sites benefited from a satisfactory supply of copper scrap, blister copper, and other recycling materials.

The input of other recycling materials such as industrial residues, slimes, shredder materials, and electrical and electronic scrap was 125,000 t during the reporting period (previous year: 122,000 t), slightly above prior-year level.

The input of copper scrap and blister copper, at 71,000 t (previous year: 79,000 t), decreased considerably during the reporting period compared to the same quarter of the previous year, due in part to the planned maintenance shutdown in Lünen.

Cathode output in the MMR segment increased compared to the prior-year period, to 130,000 t (previous year: 126,000 t). Our production site in Lünen continues to work on modernization and capacity expansion in the tankhouse.

The supply of recycling materials was satisfactory in the reporting period. Aurubis benefited from very good refining charges for complex recycling materials in Q1. Refining charges for copper scrap rose slightly in Q1 compared to the previous year. The significant oversupply of copper scrap with a high copper content at the end of fiscal year 2020/21 normalized and led to reduced refining charges. Refining charges for complex recycling materials remained at a high level in Q1 2021/22.

The copper price moved at a high, constant level between US\$ 9,000/t and US\$ 10,000/t in Q1 of the fiscal year, positively impacting the MMR segment's metal result. Significantly increased prices for industrial metals such as tin, nickel, and zinc had a positive impact as well. For example, the



### Custom Smelting & Products

tin price rose considerably to an average of € 34,000/t, doubling compared to Q1 of the previous year.

The cathode market recorded stable, high demand in the first three months of 2021/22. Spot premiums in Europe and Asia remained at a constant level during the reporting period, partially due to continued low inventories. The Aurubis copper premium was set at US\$ 123/t for calendar year 2022 (previous year: US\$ 96/t).

Capital expenditure in the MMR segment amounted to € 31 million (previous year: € 10 million). The increase mainly resulted from investments for the new recycling plant in Richmond County, USA.

The **Custom Smelting & Products (CSP)** segment comprises the production facilities for processing concentrates and for manufacturing and marketing standard and specialty products such as cathodes, wire rod, shapes, strip products, sulfuric acid, and iron silicate. The CSP segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes, which are processed further into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US), Stolberg (Germany), and Pori (Finland) sites produce flat rolled products and specialty wire products.

The CSP segment increased its operating EBT during the reporting period by 83 %, to € 88 million (previous year: € 48 million). The positive development in the segment mainly resulted from higher revenues from sulfuric acid sales at significantly higher sales prices, a substantially higher metal gain with increased metal prices, higher demand for copper products, and the very good operating performance at the Hamburg and Pirdop sites, with higher concentrate throughput accordingly. Operating ROCE (taking the operating EBIT of the last four quarters into consideration) remained stable at 9.5 % (previous year: 10.0 %).

At 679,000 t, concentrate throughput in the reporting period was considerably higher than the prior-year level (607,000 t).



Copper cathode output in the CSP segment, at 149,000 t, was slightly below the previous year (153,000 t) in Q1 2021/22, though at a high level overall.

At 200,000 t, wire rod output was exactly at prior-year level (200,000 t). High, stable demand was evident from all customer segments. Shapes output came to 53,000 t, significantly exceeding Q1 of the previous year (40,000 t) due to demand.

At 39,000 t, flat rolled product output decreased considerably compared to the previous year (47,000 t). Following the flooding in Stolberg, production has been running again since November 2021, though at a reduced level still.

On the international copper concentrate market, in mid-December 2021 a US mining company and Chinese smelters entered into a contract agreeing to a treatment and refining charge (TC/RC) of US\$ 65/t / 6.5 cents/lb (2021: US\$ 59.5/t / 5.95 cents/lb). This level has been established as a benchmark for clean concentrate qualities for the smelter industry in calendar year 2022. For Q1 2022, the China Smelters Purchase Team (CSPT) set the so-called buying floor at a level of US\$ 70/t / 7.0 cents/lb, above this year's benchmark.

Corresponding to the increased concentrate throughput, the sulfuric acid output was 639,000 t, considerably higher than the prior-year production level (550,000 t). The global sulfuric acid market was impacted by very high ongoing demand with a low supply in Q1 2021/22. The supply in Europe tightened further due to temporarily lower production capacities in Europe. Aurubis benefited from a strong boost in sulfuric acid revenues during the reporting period thanks to significant price increases. Due to the good operating performance, free volumes were sold at very good spot conditions.

Capital expenditure in the CSP segment amounted to € 28 million (previous year: € 26 million).



## Assets, liabilities, and financial position

**Total assets (operating)** increased from € 5,493 million as at September 30, 2021 to € 5,686 million as at December 31, 2021.

This was due in particular to the € 309 million increase in inventories, from € 1,770 million as at September 30, 2021 to € 2,079 million as at December 31, 2021. The build-up affected input materials for the Multimetal Recycling segment especially, as well as intermediate products. With the surge in copper prices and high copper product sales, trade accounts receivable built up substantially as well. Current liabilities from trade accounts payable also increased significantly by € 259 million, from € 1,406 million to € 1,665 million, in line with the higher inventories of input materials.

The Group's equity rose by € 118 million, from € 2,648 million as at the end of the last fiscal year to € 2,766 million as at December 31, 2021. The increase results from an operating consolidated total comprehensive income of € 118 million.

Overall, the operating equity ratio (the ratio of equity to total assets) was therefore 48.6 %, compared to 48.2 % as at the end of the previous fiscal year.

At € 425 million as at December 31, 2021, borrowings were below the level of the previous fiscal year-end (€ 582 million). In December 2021, all variable interest rate tranches of the Schuldschein loan, totaling € 152.5 million, were redeemed ahead of schedule. These Schuldschein loans were accounted for as a non-current liability in the statement of financial position as at September 30, 2021 due to their legal contractual period. A Schuldschein loan of € 103 million is due as scheduled in February 2022, so this is disclosed under current financial liabilities as at the reporting date.

The following table shows the development of borrowings:

in € million	12/31/2021	9/30/2021
Non-current bank borrowings	247	400
Non-current liabilities under finance leases	45	45
<b>Non-current borrowings</b>	<b>292</b>	<b>445</b>
Current bank borrowings	120	127
Current liabilities under finance leases	14	11
<b>Current borrowings</b>	<b>134</b>	<b>138</b>
<b>Total borrowings</b>	<b>425</b>	<b>582</b>

Cash and cash equivalents of € 663 million were available to the Group as at December 31, 2021 (September 30, 2021: € 965 million). The net financial position as at December 31, 2021 was therefore € 238 million (September 30, 2021: € 383 million).

in € million	12/31/2021	9/30/2021
Cash and cash equivalents	663	965
– Borrowings	425	582
<b>Net financial position</b>	<b>238</b>	<b>383</b>

At € -85 million, the net cash flow was significantly above the prior-year level (€ -273 million) due to the build-up of inventories in particular.

The cash outflow from investing activities totaled € -51 million (previous year: € -36 million) and primarily includes, as in the previous year, payments for investments in property, plant, and equipment.

After taking interest payments totaling € -4 million into account, the free cash flow amounts to € -140 million (previous year: € -332 million).

in € million	3M 2021/22	3M 2020/21
Cash outflow from operating activities (net cash flow)	-85	-273
Cash outflow from investing activities	-51	-36
Acquisition of treasury shares	0	-19
Interest paid	-4	-4
Dividend payment	0	0
<b>Free cash flow</b>	<b>-140</b>	<b>-332</b>
Proceeds and payments deriving from financial liabilities	-162	-9
<b>Net change in cash and cash equivalents</b>	<b>-302</b>	<b>-341</b>
<b>Cash and cash equivalents as at the reporting date</b>	<b>663</b>	<b>140</b>

The **return on capital employed (ROCE)** shows the return on the capital employed in the operating business or for an investment. It is determined taking the operating EBIT of the last four quarters into consideration.

Operating ROCE improved to 16.6% owing to the very good financial performance of the last four quarters with relatively low capital employed, compared to 9.6% in the previous year.

in € million	12/31/2021	12/31/2020
Fixed assets, excluding financial fixed assets	1,892	1,824
Inventories	2,079	2,306
Trade accounts receivable	750	648
Other receivables and assets	233	193
– Trade accounts payable	-1,665	-1,359
– Provisions and other liabilities	-615	-491
<b>Capital employed as at the reporting date</b>	<b>2,673</b>	<b>3,120</b>
Earnings before taxes (EBT)	422	272
Financial result	9	3
<b>Earnings before interest and taxes (EBIT)</b>	<b>432</b>	<b>275</b>
Pro forma EBIT of Metallo <sup>1</sup>	0	13
Investments accounted for using the equity method	12	11
<b>Earnings before interest and taxes (EBIT) – adjusted</b>	<b>444</b>	<b>299</b>
<b>Return on capital employed (operating ROCE)</b>	<b>16.6%</b>	<b>9.6%</b>

<sup>1</sup> Pro forma result for five months in the previous year.

## Corporate governance

The invitation to the Annual General Meeting, which will be held on February 17, 2022, was published on schedule in the German Federal Gazette (Bundesanzeiger) on December 20, 2021.

We informed the capital markets about certain developments with ad hoc notifications. On October 28, 2021, we announced that the Aurubis Group's operating EBT for the past fiscal year 2020/21 was € 353 million according to preliminary figures, exceeding the forecast range of € 270 to 330 million.

In an ad hoc release on November 10, 2021, we provided information about the Supervisory Board's approval of the construction of a new recycling plant in the US.

On January 19, 2022, Aurubis AG published an ad hoc release regarding its Q1 2021/22 results and its increase in the full-year forecast for 2021/22. The Aurubis Group now expects an operating EBT between € 400 and 500 million for fiscal year 2021/22 (previously: € 320–380 million). The Group's ROCE is now expected to be 15–19 % (previously: 12–16 %).

In the Multimetal Recycling segment, we now expect an operating EBT between € 190 and 250 million (previously: € 140–200 million) and an operating ROCE between 22 and 26 % (previously: 16–20%) for fiscal year 2021/22.

In the Custom Smelting & Products segment, we now expect an operating EBT between € 280 and 340 million (previously: € 210–270 million) and an operating ROCE between 14 and 18 % (previously: 10–14 %) for fiscal year 2021/22.

According to a voting rights notification dated January 13, 2022, Black Rock Inc. located in Wilmington held a 3.05 % stake in Aurubis AG (previously: 2.99 %).

At the end of fiscal year 2021/22, Aurubis AG will fulfill new disclosure requirements in non-financial reporting resulting from European regulations for the first time. The EU taxonomy results in new reporting obligations. The political decision-making process for developing the reporting obligations related to the six planned environmental targets hasn't been concluded yet at the time of this report.

Please refer to the Annual Report 2020/21 for additional information.

## Risk and opportunity management

The risks and opportunities outlined in the Annual Report 2020/21 did not fundamentally change in Q1 2021/22. Risks that could arise from the impact of COVID-19 on the company's production and product sales or from energy price developments should be highlighted in particular.

## Strategic direction

For extensive explanations of our updated strategy, please refer to the Annual Report 2020/21.

[annualreport2020-21.aurubis.com](https://annualreport2020-21.aurubis.com)

## Sustainability

To be able to integrate the complex and dynamic sustainability developments into business activities even better in the future, the Aurubis sustainability organization was strengthened during the reporting period, effective January 1, 2022. Accordingly, the central issue of sustainability in our corporate strategy “Driving Sustainable Growth” is now reflected in the organization in order to continue expanding Aurubis’ industrial leadership in this area.

The Sustainability division was separated from the Communications, Investor Relations, and Event Management & Social Engagement division and reports directly to the CEO as an independent organizational unit with a new division head. Among other things, the division is responsible for coordinating the implementation of our ambitious 2030 sustainability targets across the Group and for further developing the Sustainability Strategy. This also includes the European climate protection targets, which are reflected in the Sustainable Finance Action Plan, for example, as well as active participation in initiatives like The Copper Mark.

## Outlook

### Raw material markets

The **copper concentrate** market is growing on both the demand side and the supply side. A recovery in output from existing mines, expansion projects, and the ramp-up of new projects will contribute significantly to production increases. Wood Mackenzie predicts that global mine output will rise by about 7 % in 2022. On the demand side, growth in smelter capacities is anticipated at around 2 %.

The new benchmark for processing pure copper concentrates for calendar year 2022 has been established at US\$ 65/t / 6.5 cents/lb. This is a 9 % increase compared to the prior-year benchmark. The spot price is currently at benchmark level. Thanks to our core expertise in processing complex concentrates, we expect Aurubis to achieve TC/RCs above the benchmark. Overall, we anticipate an increasing supply of copper concentrates in 2022.

Due to our position on the market, our long-term contract structure, and our supplier diversification, we are confident that we will once again secure a good copper concentrate supply. We are already supplied with concentrates at good treatment and refining charges beyond Q2 of fiscal year 2021/22.

The availability of **recycling material** is expected to be at a stable level for the rest of the fiscal year. The situation on the copper scrap market normalized following the oversupply in the past fiscal year. In this area, Aurubis expects a satisfactory supply situation with refining charges at a good level. Business in this area, particularly for copper scrap, is conducted with short timelines and is therefore dependent on a variety of influences that are difficult to forecast.

The availability of complex recycling materials is subject to less volatility. The market environment is expected to be stable for the rest of the fiscal year.

The global focus on sustainability and rising expectations for recycling rates in Europe will further boost the supply of recycling materials in the long term.

Overall, Aurubis expects a stable supply situation for recycling raw materials with good refining charges. We are already supplied with recycling materials at good refining charges until the end of Q2 2021/22 to a large extent. Our broad market position absorbs supply risks.

## Product markets

### Copper products

As at the reporting date, continued high demand for copper products is apparent for the rest of fiscal year 2021/22.

One factor that is already clear is the copper premium Aurubis has established for European customers for calendar year 2022. Aurubis increased this premium compared to the previous year, to US\$ 123/t (2021: US\$ 96/t). The increase in the copper premium reflects the good unchanged market demand in Europe in 2022 and partially compensates for the sharp increases in freight and energy costs.

When it comes to **copper wire rod**, the positive trend continued in Q1 2021/22. In Europe – as in other parts of the world – demand remains at a good level. Aurubis continues to expect high demand from the electrical industry, the automotive industry, and the construction and infrastructure sector in calendar year 2022.

Demand for **shapes** is expected to be at a high level in the coming fiscal year as well.

On the European market for flat rolled products, we expect stable demand for the fiscal year. The Group anticipates a slightly lower level of flat rolled products output due to the reduced production capacity of Aurubis Stolberg.

### Sulfuric acid

In northwestern Europe, ICIS still expects a short supply of sulfuric acid for the rest of the fiscal year, in conjunction with price increases for new contracts. In the US, too, rising prices are expected due to the current supply shortage.

Based on the high current demand on the sulfuric acid market and the low sulfuric acid availability, we anticipate a very positive trend in sulfuric acid revenues for the rest of the fiscal year.

### Copper production

We expect plant availability for the current fiscal year 2021/22 to be slightly above that of the previous year overall, especially because of the investments we have made in plant optimizations at our sites within the scope of planned maintenance shutdowns.

In May/June 2022, we will carry out a planned maintenance shutdown at our site in Hamburg. According to our current plans, this will have a roughly € 28 million impact on our operating EBT.

### Earnings expectations

Our earnings are subject to quarterly fluctuations because of the nature of our business model. This is due to seasonal factors but may also be caused by disruptions in equipment or operating processes.

The outlook for fiscal year 2021/22 is based on the following premises:

- » Based on industry forecasts, we expect copper demand to continue growing.
- » Due to the substantial increase in the 2022 benchmark for copper concentrates compared to the previous year, we expect higher treatment and refining charges per ton accordingly. Because of our metallurgical expertise and our diversified supplier portfolio, we will attain TC/RCS exceeding the benchmark.

- » For copper scrap, we expect a stable supply with a good level of refining charges in the coming quarters.
- » The current market situation for sulfuric acid leads us to anticipate a very positive earnings trend.
- » The Aurubis copper premium for 2022 has been set at US\$ 123/t (previous year: US\$ 96/t).
- » We expect energy costs to increase considerably based on current energy price developments. Active energy management and the CO<sub>2</sub> electricity price compensation, which takes effect with a time lag, have significantly absorbed the price increases.
- » A significant portion of our revenues is based on the US dollar. We have reduced the resulting risks with our hedging strategy for the most part.
- » From the Performance Improvement Program (PIP), we expect a € 90 million improvement in earnings compared to the reference year 2018/19 through cost reduction and an improvement in throughput.
- » We expect stable plant availability overall for fiscal year 2021/22.

Overall, we expect an operating EBT between € 400 million and € 500 million and an operating ROCE between 15 % and 19 % for the **Aurubis Group** for fiscal year 2021/22.

In the **Multimetal Recycling segment**, we expect an operating EBT between € 190 million and € 250 million and an operating ROCE between 22 % and 26 % for fiscal year 2021/22.

In the **Custom Smelting & Products segment**, we expect an operating EBT between € 280 million and € 340 million and an operating ROCE between 14 % and 18 % for fiscal year 2021/22.

#### Interval forecast for 2021/22 according to Aurubis' definition

in € million	Operating EBT in € million	Operating ROCE in %
Group <sup>1</sup>	400 – 500	15 – 19
Multimetal Recycling segment	190 – 250	22 – 26
Custom Smelting & Products segment	280 – 340	14 – 18

<sup>1</sup> The Group forecast includes the segments as well as the category "Other" and isn't the sum of the two segments alone.

# Selected Financial Information

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The internal reporting and management of the Group are carried out on the basis of the operating result in order to present the Aurubis Group's success independently of measurement effects for internal management purposes. The operating result is derived from the IFRS-based financial performance by:

- » Adjusting for measurement results deriving from the application of IAS 2. In this context, the metal price fluctuations resulting from the application of the average cost method are eliminated. Likewise, non-permanent write-downs or write-ups of metal inventory values as at the reporting date are eliminated
- » Adjusting for reporting date-related effects deriving from market valuations of metal derivatives that haven't been realized, which concern the main metal inventories at our smelter sites
- » Eliminating any non-cash effects deriving from purchase price allocations
- » Adjusting for effects deriving from the application of IFRS 5

The **IFRS EBT** of € 405 million (previous year: € 226 million) significantly exceeded the previous year. In addition to the effects on earnings already described in the explanation of the operating financial performance, the change was also due to metal price developments in particular. Use of the average cost method leads to metal price valuations that are close to market prices. Metal price volatility therefore has direct effects on changes in inventories/the cost of materials and hence on the IFRS gross profit. In the first three months of fiscal year 2021/22, IFRS gross profit includes valuation effects of € 249 million in inventories (previous year: € 142 million). The depiction of this volatility is not relevant to the cash flow and does not reflect Aurubis' operating performance.

The following table shows how the operating results for the first three months of fiscal year 2021/22 and for the comparative prior-year period were derived from the IFRS income statement.

### Reconciliation of the consolidated income statement

in € million	3M 2021/22			3M 2020/21		
	IFRS	Adjustment effects	Operating	IFRS	Adjustment effects	Operating
		Inventories/ fixed assets			Inventories/ fixed assets	
<b>Revenues</b>	<b>4,406</b>	<b>0</b>	<b>4,406</b>	<b>3,463</b>	<b>0</b>	<b>3,463</b>
Changes in inventories of finished goods and work in process	290	-115	175	291	-76	215
Own work capitalized	3	0	3	8	0	8
Other operating income	49	0	49	12	0	12
Cost of materials	-4,092	-134	-4,226	-3,298	-66	-3,364
<b>Gross profit</b>	<b>656</b>	<b>-249</b>	<b>407</b>	<b>476</b>	<b>-142</b>	<b>334</b>
Personnel expenses	-138	0	-138	-139	0	-139
Depreciation of property, plant, and equipment and amortization of intangible assets	-47	0	-47	-46	0	-46
Other operating expenses	-71	0	-71	-64	0	-64
<b>Operational result (EBIT)</b>	<b>400</b>	<b>-249</b>	<b>151</b>	<b>227</b>	<b>-142</b>	<b>85</b>
Result from investments measured using the equity method	7	-4	3	3	-2	1
Interest income	3	0	3	1	0	1
Interest expense	-5	0	-5	-5	0	-5
<b>Earnings before taxes (EBT)</b>	<b>405</b>	<b>-253</b>	<b>152</b>	<b>226</b>	<b>-144</b>	<b>82</b>
Income taxes	-104	70	-34	-53	35	-19
<b>Consolidated net income</b>	<b>301</b>	<b>-183</b>	<b>118</b>	<b>173</b>	<b>-109</b>	<b>63</b>



**Total assets (IFRS)** increased from € 6,613 million as at September 30, 2021 to € 7,060 million as at December 31, 2021. The substantial increase was due to the € 552 million increase in inventories, from € 2,804 million as at September 30, 2021 to € 3,356 million as at December 31, 2021, which was higher compared to the operating statement of financial position. The high copper prices in the first three months of the fiscal year were a decisive factor. The Group's equity rose by € 301 million, from € 3,443 million as at the end of the last fiscal year to € 3,744 million as at December 31, 2021. The

increase resulted from the consolidated total comprehensive income of € 301 million, which was higher compared to the operating statement of financial position. Overall, the IFRS equity ratio was 53.0 % as at December 31, 2021, compared to 52.1 % as at the end of the previous fiscal year.

The following table shows the derivation of the operating statement of financial position as at December 31, 2021 and as at September 30, 2021:

### Reconciliation of the consolidated statement of financial position

in € million	12/31/2021				9/30/2021			
	IFRS	Adjustment effects			IFRS	Adjustment effects		
		IFRS 5	Inventories/ fixed assets	Operating		IFRS 5	Inventories/ fixed assets	Operating
<b>Assets</b>								
Fixed assets	1,980	10	-29	1,961	1,958	9	-24	1,943
Deferred tax assets	18	0	0	18	18	0	0	18
Non-current receivables and other assets	42	0	0	42	37	0	0	37
Inventories	3,356	68	-1,345	2,079	2,804	62	-1,096	1,770
Current receivables and other assets	882	41	0	923	716	44	0	760
Cash and cash equivalents	656	7	0	663	942	23	0	965
Assets held for sale	126	-126	0	0	138	-138	0	0
<b>Total assets</b>	<b>7,060</b>	<b>0</b>	<b>-1,374</b>	<b>5,686</b>	<b>6,613</b>	<b>0</b>	<b>-1,120</b>	<b>5,493</b>
<b>Equity and liabilities</b>								
Equity	3,744	0	-978	2,766	3,443	0	-795	2,648
Deferred tax liabilities	518	0	-396	122	443	0	-325	118
Non-current provisions	292	2	0	294	291	2	0	293
Non-current liabilities	350	1	0	351	503	1	0	504
Current provisions	67	3	0	70	67	2	0	69
Current liabilities	2,055	28	0	2,083	1,828	33	0	1,861
Liabilities deriving from assets held for sale	34	-34	0	0	38	-38	0	0
<b>Total equity and liabilities</b>	<b>7,060</b>	<b>0</b>	<b>-1,374</b>	<b>5,686</b>	<b>6,613</b>	<b>0</b>	<b>-1,120</b>	<b>5,493</b>

## Consolidated cash flow statement

IFRS

in € million	3M 2021/22	3M 2020/21
<b>Earnings before taxes</b>	<b>405</b>	<b>226</b>
Depreciation and amortization of fixed assets	47	46
Change in non-current provisions	-1	1
Measurement of derivatives	-30	5
Other non-cash items	1	1
Expenses and income included in the financial result	-5	1
Income taxes paid	-11	-20
<b>Gross cash flow</b>	<b>406</b>	<b>260</b>
Change in receivables and other assets	-195	-156
Change in inventories (including measurement effects)	-555	-596
Change in current provisions	0	2
Change in liabilities (excluding financial liabilities)	258	216
<b>Cash outflow from operating activities (net cash flow)</b>	<b>-85</b>	<b>-273</b>
Payments for investments in fixed assets	-54	-36
Payments from the granting of loans to affiliated companies	0	-2
Proceeds from the disposal of fixed assets	0	1
Interest received	3	1
<b>Cash outflow from investing activities</b>	<b>-51</b>	<b>-36</b>
Proceeds deriving from the take-up of financial liabilities	13	3
Payments for the redemption of bonds and financial liabilities	-175	-12
Acquisition of treasury shares	0	-19
Interest paid	-4	-4
<b>Cash outflow from financing activities</b>	<b>-167</b>	<b>-32</b>
Net change in cash and cash equivalents	-303	-341
Cash and cash equivalents at beginning of period	965	481
<b>Cash and cash equivalents at end of period</b>	<b>663</b>	<b>140</b>

## Consolidated statement of changes in equity

IFRS

in € million	Subscribed capital	Additional paid-in capital	Treasury shares	Generated Group equity	Accumulated other comprehensive income components						Equity attributable to Aurubis AG shareholders	Non-controlling interests	Total equity
					Measurement at market of cash flow hedges	Hedging costs	Measurement at market of financial investments	Currency translation differences	Income taxes				
<b>Balance as at 10/1/2020</b>	<b>115</b>	<b>343</b>	<b>-41</b>	<b>2,435</b>	<b>26</b>	<b>2</b>	<b>-32</b>	<b>11</b>	<b>-8</b>	<b>2,850</b>	<b>1</b>	<b>2,851</b>	
Acquisition of treasury shares	0	0	-19	0	0	0	0	0	0	-19	0	-19	
Consolidated total comprehensive income/loss	0	0	0	173	16	-1	14	-1	-3	197	0	198	
of which consolidated net income	0	0	0	173	0	0	0	0	0	173	0	173	
of which other comprehensive income/loss	0	0	0	0	16	-1	14	-1	-3	24	0	24	
<b>Balance as at 12/31/2020</b>	<b>115</b>	<b>343</b>	<b>-60</b>	<b>2,608</b>	<b>43</b>	<b>0</b>	<b>-18</b>	<b>10</b>	<b>-11</b>	<b>3,029</b>	<b>1</b>	<b>3,030</b>	
<b>Balance as at 10/1/2021</b>	<b>115</b>	<b>343</b>	<b>-60</b>	<b>3,025</b>	<b>18</b>	<b>0</b>	<b>-5</b>	<b>13</b>	<b>-7</b>	<b>3,442</b>	<b>1</b>	<b>3,443</b>	
Consolidated total comprehensive income/loss	0	0	0	301	-5	0	4	1	0	301	0	301	
of which consolidated net income	0	0	0	301	0	0	0	0	0	301	0	301	
of which other comprehensive income/loss	0	0	0	0	-5	0	4	1	0	0	0	0	
<b>Balance as at 12/31/2021</b>	<b>115</b>	<b>343</b>	<b>-60</b>	<b>3,326</b>	<b>14</b>	<b>0</b>	<b>-1</b>	<b>14</b>	<b>-7</b>	<b>3,743</b>	<b>1</b>	<b>3,744</b>	

## Consolidated segment reporting

3M 2021/22

in € million	Multimetal Recycling segment	Custom Smelting & Products segment	Other	Total	Reconciliation/consolidation	Group total
	Operating	Operating	Operating	Operating	IFRS	IFRS
Revenues						
Total revenues	1,451	4,517	0			
Inter-segment revenues	1,276	287	0			
Revenues with third parties	175	4,231	0	4,406	0	4,406
EBIT	78	87	-13	151	248	399
EBT	77	88	-13	152	252	405
ROCE (%)	38.9	9.5				

3M 2020/21

in € million	Multimetal Recycling segment	Custom Smelting & Products segment	Other	Total	Reconciliation/consolidation	Group total
	Operating	Operating	Operating	Operating	IFRS	IFRS
Revenues						
Total revenues	1,148	3,499	0			
Inter-segment revenues	1,007	177	0			
Revenues with third parties	140	3,323	0	3,463	0	3,463
EBIT	48	50	-12	85	142	227
EBT	47	48	-13	82	144	226
ROCE (%)	24.4	10.0				

A breakdown of revenues with third parties by product group is provided in the following table.

in € million	Multimetal Recycling segment		Custom Smelting & Products segment		Total	
	3M 2021/22	3M 2020/21	3M 2021/22	3M 2020/21	3M 2021/22	3M 2020/21
Wire rod	0	0	1,638	1,166	1,638	1,166
Copper cathodes	37	47	806	736	843	782
Precious metals	0	0	837	857	837	857
Shapes	0	0	425	192	425	192
Strip, bars, and profiles	0	1	363	292	363	294
Other	138	92	161	80	299	172
<b>Total</b>	<b>175</b>	<b>140</b>	<b>4,231</b>	<b>3,323</b>	<b>4,406</b>	<b>3,463</b>

## Subsequent events

There were no significant events after the balance sheet date.

## Driving Sustainable Growth

The future is made from metals. With this knowledge, we set global standards. The Aurubis strategy "Metals for Progress: Driving Sustainable Growth" is our clearly defined roadmap for shaping the future – and responsibly transforming raw materials into metals for an innovative and sustainable world.



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The Quarterly Report on the First 3 Months 2021/22 and the live webcast on the release are available online at

[www.aurubis.com/en/investor-relations/publications/Interimreports](http://www.aurubis.com/en/investor-relations/publications/Interimreports)

# Dates and Contacts

## Financial calendar

Virtual Annual General Meeting	February 17, 2022
Interim Report First 6 Months 2021/22	May 10, 2022
Quarterly Report First 9 Months 2021/22	August 5, 2022
Annual Report 2021/22	December 7, 2022

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