

INVESTOR CHAT WITH KGHM POLSKA MIEDŹ S.A.



INVESTOR CHAT

Piotr Krzyżewski

Vice President of the Management Board (Finance)












12:00 CEST











Link to the original chat (in Polish): [Wyniki finansowe Grupy KGHM za I półrocze 2025 roku – czat z Piotrem Krzyżewskim, Wiceprezesem Zarządu ds. Finansowych](#)


On Thursday, 21 August 2025 an investor chat was held with the CFO of KGHM Polska Miedź S.A., Mr. Piotr Krzyżewski. During the chat we talked about the financial results for the first half of 2025 and further development plans, and the CFO, Piotr Krzyżewski responded to nearly 25 questions.












Please feel free to read through the chat - following is the transcript of the chat.










	<p>Janusz Maruszewski</p> <p>Hello and welcome to our investor chat with the CFO of KGHM Polska Miedź S.A., Mr. Piotr Krzyżewski. The chat is open, we invite you to follow the discussion and to ask questions!</p>
	<p>Piotr Krzyżewski</p> <p>Good afternoon, welcome to our investor chat related to the financial results for the first half of 2025. To summarise the most important parameters: the KGHM Group in the first half of 2025 recorded an operating profit (EBITDA) of PLN 4.9 billion on revenues of PLN 17.5 billion, or an increase respectively by 16% and 0.4% compared to the amounts recorded in the corresponding prior-year period. Net profit of the Group for the first half of 2025 amounted to PLN 580 million. In terms of production, in the first half of 2025 payable copper production amounted to 343.8 thousand tonnes. During our meeting today, I will respond to the issues you are interested in and possibly provide more details. Please feel free to ask questions.</p>
	<p>Gość: Darek,gw</p> <p>Are KGHM's shares worth buying?</p>

	<p>Piotr Krzyżewski</p> <p>I would like to stress that KGHM, as a company listed on the Warsaw Stock Exchange, and in accordance with Best Practice, should not recommend or have an impact on investment decisions, either of current or potential shareholders of a listed company. I can only suggest some external factors which we have noticed in the recent period, or which may be found in analysts' reports and the comments of market watchers available on the market. Amongst these I can name for example the Company's strong position on the copper and silver markets, potential benefits related to the expected deficit in copper, recent metals prices, as well as the good operating results and investments carried out which ensure the Company of secure operations for years to come. We also see an opportunity in the ongoing work to change the so-called minerals extraction tax formula.</p>
	<p>Gość: Henryk</p> <p>What is happening with the money that every year remains in the company from the dividend write-off? Why was there no annual dividend for KGHM's shareholders, amongst whom are also retired employees?</p>
	<p>Piotr Krzyżewski</p> <p>The General Meeting's decision to leave profit in the Company took into consideration the financial needs of the KGHM Group as regards the advancement of its short- and long-term investment plans.</p>
	<p>Gość: Dariusz</p> <p>Hi, when will KGHM pay a dividend?</p>
	<p>Piotr Krzyżewski</p> <p>We are in the course of the financial year, and following its conclusion and the evaluation of the Company's financial possibilities, we will start the decision-making process.</p>
	<p>Gość: MBudziński</p> <p>Hello. Does KGHM in the near future intend to change its dividend policy? Is there any work planned to increase the structuring of this issue, such as in the case of Orlen's dividend policy?</p>
	<p>Piotr Krzyżewski</p> <p>The dividend policy of KGHM remains unchanged and foresees a maximum proposed dividend of up to one-third of the Issuer's net profit. Moreover, in each case, in making its recommendation regarding the allocation of KGHM's profit for a given reporting year, the Management Board of KGHM takes into account the financial situation and the capital needs of the Parent Entity and of the entire KGHM Group.</p>
	<p>Gość: Inwestor33</p> <p>Hello! At last we see the production of bars by KGHM! Super! Can you give more details – where can we buy them?</p>
	<p>Piotr Krzyżewski</p> <p>Yes, that's right, the investment bars produced by KGHM Polska Miedź S.A. are now available through renowned entities. Private buyers may purchase the bars of gold and silver in sizes of from 1 ounce to 1 kg. Until now, the precious metals produced by KGHM were only available to business clients. Now, KGHM has expanded its offer, providing six new types of bars in the following sizes: 1 oz (around 31.1 g), 50 g, 100 g, 250 g, 500 g and 1000 g. The gold and silver bars are produced by the Precious Metals Plant at the Głogów Copper Smelter and Refinery. KGHM is not engaged in the direct sale of the gold and silver bars – instead, they are available for purchase through renowned entities.</p>

	Gość: Bogdan Latanowicz When will there be information on a change in the tax imposed on KGHM?
	Piotr Krzyżewski The legislative process is underway, the project is at the consultation stage, and KGHM has expressed its concerns. At this stage it is difficult to exactly when the amended minerals extraction tax will be enacted into law and what the final scope of the changes will encompass.
	Gość: Inwestor33 There has appeared information on the building of new shafts. How much will this cost? How long will the construction take?
	Piotr Krzyżewski In June 2025 we made the decision to commence geological-hydrogeological reconnaissance work on the projects Retków, Gaworzyce and GG-2 „Odra”. This stage will enable the precise identification of the target locations for the shafts, selection of the best shaft sinking technology, as well as determination of how to what depth the rockmass needs to be frozen. The completion of all drilling is planned in 2028. The shaft sinking process will take 5-7 years. The estimated cost of the entire investment is a minimum PLN 9 billion.
	Gość: Daniel Perez Hello, what is the Company's strategy as regards dividends?
	Piotr Krzyżewski As I previously mentioned, the dividend policy of KGHM remains unchanged, while the Management Board, in making its recommendation to the General Meeting regarding the allocation of KGHM's profit for a given reporting year, takes into account the financial situation and the capital needs of the Company and of the entire KGHM Group. At the moment it is too early to make a decision in this regard.
	Gość: C. Thomson How big of an impact on the net profit of the Group in the first half of 2025, which amounted to PLN 580 million, did exchange differences have? And how much came from other factors, because there is a clear difference between this amount and profit on sales.
	Piotr Krzyżewski Exchange differences had a substantial impact on reducing the financial result compared to the first half of 2025. Around -PLN 1.7 billion was the result on exchange differences presented in other operating income and costs (mainly due to loans within the Group), while +PLN 362 million was the result on exchange differences from the measurement and realisation of liabilities due to debt presented in financial income and costs (mainly exchange differences on debt in KGHM Polska Miedź S.A.), and so the balance gives us a PLN 1.35 billion negative impact of exchange differences on the consolidated profit for the first half of 2025.
	Gość: Daniel K. Please give more information on the subject of the new drillings.
	Piotr Krzyżewski As we announced during yesterday's results conference, we have intensified geological work. We made the decision to commence geological-hydrogeological reconnaissance work on the projects Retków, Gaworzyce and GG-2 „Odra”. In this stage we want to

	<p>precisely identify the target locations for the shafts and the best shaft sinking technology. Drilling at the site of the future Retków shaft will commence at the latest in September 2025. Meanwhile, geological-hydrogeological reconnaissance work on the Gaworzyce shaft is planned for the end of 2025, and for the GG-2 shaft at the start of 2026. The timeline for additional drilling depends to a large extent on the intermediate results of the geological reconnaissance. The main contractors for this work are the Group companies PeBeKa S.A. and Cuprum sp. z o.o. Centrum Badawczo-Rozwojowe.</p>
	<p>Gość: Daniel K. What's going on with the tariffs on copper in the USA and what's the long term financial impact on KGHM?</p>
	<p>Piotr Krzyżewski For KGHM the American market (though important) does not have a direct significant share in the geographic sales structure of the products produced by the Group beyond the USA, which means that the direct impact of the tariffs will be very limited. In accordance with the main assumptions of the sales policy, the Company has geographically diversified sales of its copper cathodes – in the case of this product one element of KGHM's strategy includes the process, completed in May of this year, of registering the copper cathodes produced by the Głogów Copper Smelter and Refinery on the CME exchange in the United States. As regards the potential import of copper products produced by KGHM, they were not subjected to import tariffs. President Donald Trump, at the start of August, introduced a 50-percent import tariff on copper, but this excluded refined metal, which is the basis of international commerce. In accordance with the statement made by the White House on 30 July 2025, „input” materials made from copper (such as copper ore, concentrates, copper matte, cathodes and anodes) and copper scrap are not subject to customs duties under the 232 procedure or to associated tariffs, and therefore copper cathodes should not be subjected to the 15% tariffs on goods from the EU supplied to the USA. In our opinion, the intensification of the global tariffs war has long-term negative consequences. We have no impact on the actions of individual governments, and so we have to actively adapt to changes in the operating environment.</p>
	<p>Gość: Hello, what is the situation with the initiatives announced in previous quarters to improve energy efficiency – can we see the effects of such actions in the results for Q2?</p>
	<p>Piotr Krzyżewski Actions as regards the management of energy carriers with respect to natural gas may be split into two areas: the first involves the effective purchase of electricity and natural gas, and we have been doing this for several quarters, constantly improving the costs structure, while the second involves so-called recipients, meaning elements which consume energy during the production process. In this regard we are focused both on reducing energy consumption, by using less energy-intensive technology, as well as on utilising individual sub-units during times when electricity prices are lower. To put it somewhat colloquially, it is following the energy price chart, in jargon - the "duck" curve.</p>
	<p>Gość: Stefan How are you able to keep the selling premium for your products for such a long time? Will it continue?</p>
	<p>Piotr Krzyżewski Usually companies do not comment on the specific premiums attached to the sale of their products, as this is information which has a direct impact on their competitiveness. In general, the sale of copper in its various forms is carried out on the basis of the individual terms agreed to by the parties, based on the average copper price for a given</p>

	<p>quotational period. Other elements of the final price paid by the customer may include discounts and transport basis (INCOTERMS) and costs.</p>
	<p>Gość: Aleksey</p> <p>When should we expect the revision of your annual strategy? As you mentioned previously it will be after the final draft of MET tax, so do you know the timeline for it?</p>
	<p>Piotr Krzyżewski</p> <p>At the moment we cannot be sure of the timeline for completion of the legislative work on changing the MET formula. As this factor has an important impact on the shape of the long-term strategy, this is something we need to take into account for the new updated strategy. The work on the strategy is close to completion, but again it may be substantially affected depending on the final wording of the proposed change to the MET.</p>
	<p>Gość: Edvin</p> <p>Could you provide a bit more information on EBITDA? Thanks.</p>
	<p>Piotr Krzyżewski</p> <p>As regards EBITDA of the KGHM Group, the increase by PLN 655 million was with respect to the international segments, while the main driver was the higher copper sales volumes, both in KGHM INTERNATIONAL LTD. and in Sierra Gorda S.C.M. as well as the increase in metals prices.</p>
	<p>Gość: Piotr</p> <p>The Sudbury mine was sold at the start of this year, but is still supplying copper and nickel, how do you explain this?</p>
	<p>Piotr Krzyżewski</p> <p>Due to the sale of the production assets of the Sudbury Basin to Magna Mining Inc. in February 2025, the production of the McCreedy West mine (the only operating mine in this regard) has not been reported since March 2025, apart from minor adjustments connected with the settlement of production in prior periods.</p>
	<p>Gość: Michał</p> <p>What about the advance on the annual bonus for employees?</p>
	<p>Piotr Krzyżewski</p> <p>Today the Management Board of KGHM decided to create a provision (in accordance with the Collective Labour Agreement) to pay out an advance on the annual bonus. The advance will be paid in the amount of 2% of wages for the first half of 2025, which in practice amounts to around 14% of the monthly wage.</p>
	<p>Gość: Piotr</p> <p>How was KGHM able in the past to sell metal above the market price and will this happen again in the future?</p>
	<p>Piotr Krzyżewski</p> <p>I understand that the question refers to a copper price achieved by KGHM which was higher than the market price. The Company took advantage of the turbulence in international trade which was evident in the first half of 2025 to achieve a higher result on sales.</p>
	<p>Gość: Piotr</p> <p>Is it possible to have a face-to-face meeting with management for institutional investors despite the announced results?</p>

	Piotr Krzyżewski We regularly organise such events, informing the market through announcements in our published materials.
	Gość: Piotr Should we expect currency losses in the second half of this year?
	Piotr Krzyżewski That depends on the metals and currency prices, and also on transactions to hedge such risk, at the end of June they were measured at +PLN 300 million.
	Gość: Piotr As I understand, after the sale of Sudbury in February after 2Q the production of copper and nickel [from that mine] will no longer be reported except for small adjustments?
	Piotr Krzyżewski Yes, that's right.
	Gość: Piotr Will the copper tax be reduced for a longer period of time past 2028?
	Piotr Krzyżewski In accordance with the project, the change has a long-term nature, and after 2028 there will be investment relief.
	Piotr Krzyżewski Thank you very much for participating in the chat and for all questions asked. I also invite you to follow the Company's information and contact us via our website Investors KGHM Corporate website
	Janusz Maruszewski We would like to thank everyone for participating in the chat and for the questions asked, and to our guest for answering them. Best regards, and have a nice afternoon!