

INVESTOR CHAT WITH KGHM POLSKA MIEDŹ S.A.

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KGHM
 Polska Miedź

INVESTOR CHAT

Piotr Krzyżewski
 Vice President of the Management Board
 (Finance)

27th March 2026

12:00 CET

www.kghm.com



Link to the original chat (in Polish): [Wyniki finansowe Grupy KGHM za IV kwartał i cały 2025 rok – czat z Piotrem Krzyżewskim, Wiceprezesem Zarządu ds. Finansowych](#)

On Friday, 27 March 2026 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 fourth quarter of 2025 and further development plans, and the CFO, Piotr Krzyżewski responded to over 20 questions.

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

	<p>Piotr Krzyżewski Good afternoon, welcome to our investor chat related to the financial results for the fourth quarter of 2025. To summarise the most important parameters: In 2025 the KGHM Group earned a profit for the period of PLN 3.7 billion, (+28% yoy), and an operating profit (EBITDA) of PLN 10.3 billion (+22% yoy), of which 48% was earned by the international assets, with Group revenues stable and amounting to over PLN 36 billion, and payable copper production of 710 thousand tonnes. During our meeting today, I will provide more details and will respond to the issues you are interested in. Please feel free to ask questions.</p>
	<p>Gość: Ryskro. Will there be a dividend and when and how much?</p>
	<p>Piotr Krzyżewski As we suggested during yesterday's conference, the Management Board sees room for, and the possibility of, recommending that the General Shareholders Meeting allocate a portion of the profit to a dividend for our shareholders. Notwithstanding this, we follow above all a responsible approach to capital allocation, and we make capital decisions dependent on market conditions and the need to finance our development program, as</p>

	<p>well as the financial position of KGHM. I think that in about a month's time, maybe a bit later, we will be able to communicate our proposal and submit it to the AGM.</p>
	<p>Gość: Tomasz. Recently the share price of KGHM fell by more than 30% from around PLN 330 to 250. Was this due to speculation, or the result of some investors having inside information on the Company's condition?</p>
	<p>Piotr Krzyżewski</p> <p>It should be remembered that the performance of KGHM's shares is closely connected with the prices of our main products, copper and silver. The revenues from these metals determine to a large extent the financial results, and consequently the Company's market valuation. This could be clearly seen starting in September of last year, when silver began its sharp bull run. The charting of this rise shows a rapid, almost vertical ascent, followed by an equally-rapid descent from the peak. Firstly, taking into account the aforementioned tight correlation between the prices of these metals and the share price of KGHM, and secondly, the impact of silver and copper prices on the Company's results since the start of the year (related to the change in the minerals extraction tax on copper and silver to a more favourable formula), it is not at all surprising that our share price has been reflecting the price of copper, and especially of silver. From 1 September 2025 to the peak in the prices of silver, copper and KGHM on 29 January 2026, the price of silver rose by 192% KGHM by 187%, and copper by only 41%.</p>
	<p>Gość: Audytor. Your partner in Sierra Gorda, South32, reports the resources and reserves of all its assets in accordance with the transparent, global standard JORC, which enables investors to precisely assess the value of a deposit. KGHM in Poland is still based on national geological documentation, which are very general and poorly legible for the capital market. Does the Management Board plan to unify the reporting of its resources for the entire Group (including the Polish assets) under the JORC or CRIRSCO standard?</p>
	<p>Piotr Krzyżewski</p> <p>Given the fact that the head office of the subsidiary KGHM INTERNATIONAL LTD. is located in Canada and historically, the previous owner of the assets of the current company KGHM INTERNATIONAL LTD., i.e. the Canadian company Quadra FNX, reported its resources in accordance with the Canadian standard NI 43-101, it was this standard that was chosen to report all of the mine resources in the KGHM Group.</p>
	<p>Gość: Audytor. South32 in its recent annual report declares full compliance with the Global Industry Standard on Tailings Management (GISTM), publishing detailed data on the safety of its tailings storage facilities (TSF). In the reports of KGHM the question of Żelazny Most is described mainly through the prism of administrative decisions, and not international safety standards. When will KGHM publish a full audit of the safety of Żelazny Most in accordance with GISTM, following the model of its Australian partner? In particular, given the fact that this facility is not in the middle of a desert like Sierra Gorda, but one that is highly populated and of increasing height.</p>
	<p>Piotr Krzyżewski</p> <p>As regards the GISTM, it is worth emphasizing that it was created primarily for use in countries where local legal regulations do not regulate the management of mining waste facilities or where these issues are not sufficiently regulated. In Europe and Poland there are restrictive legal regulations regulating the operation of mining waste facilities, such as:</p> <ul style="list-style-type: none"> ▪ Directive 2006/21/EC of the European Parliament and of the Council of 15 March 2006 on the management of waste from extractive industries;

	<ul style="list-style-type: none"> ▪ The Act on mining waste together with executive regulations (the act implements the provisions of the directive into Polish law). <p>At the same time, Żelazny Most uses solutions and techniques considered to be the Best Available Techniques - BAT according to the MWEI BREF1 and is a facility operated in compliance with the highest world-class standards. Its methods of operation and development are often presented and cited as an example of a well-managed TSF at the most important geotechnical conferences in the world. Żelazny Most also holds ISO certificates:</p> <ol style="list-style-type: none"> 1. Environmental management system (compliant with ISO 14001) 2. Occupational health and safety management system (compliant with ISO 45001) 3. Energy management system (compliant with ISO 50001) <p>Moreover, Żelazny Most is regularly reviewed by a team of world-renowned independent experts who have extensive scientific and professional experience, supported by references in the implementation of complex engineering projects, managing scientific institutions in the field of geotechnics, hydroengineering, hydrogeology, hydraulics, water and earth structures and environmental protection. Most of the GISTM rules are applied in the daily management practice of the Żelazny Most Tailings Storage Facility.</p>
	<p>Gość: Kiki8888. Are you planning to bring order to the supervisory boards in the Group's companies ????</p>
	<p>Piotr Krzyżewski The Company does not comment on personnel changes or on any intentions regarding such changes in the subsidiaries.</p>
	<p>Gość: Gość: Kiki8888: Is the mandate of the supervisory board of the football team Zagłębia Lubin and of other Group companies coming to an end?</p>
	<p>Piotr Krzyżewski The mandate of the supervisory board of Zagłębia Lubin S.A. ended with the end of the year, while the mandates expire at the latest at the date of adoption by the General Meeting of the resolutions confirming the financial statements.</p>
	<p>Gość: Inwestor33. When is the General Meeting for 2025? Do you expect more changes in the company's bodies?</p>
	<p>Piotr Krzyżewski At the moment we do not yet know the date of the General Meeting. Please watch our website, where in the form of regulatory filings we announce the planned dates of General Meetings.</p>
	<p>Gość: Inwestor33. Given the change in the Management Board are you planning to start work on the strategy from scratch?</p>
	<p>Piotr Krzyżewski During yesterday's conference, we mentioned that, during work on the strategy, some of its areas were reviewed in order to better adapt to a volatile environment, and several elements remain to be analysed. Our objective, as the President said, is to release the Strategy at the end of the first half of this year. The main goal is to improve the Company's and Group's operational and financial efficiency and to accelerate the rate of investments.</p>

	<p>Gość: Inwestor33. How do you assess the payments made by the international assets to KGHM?</p>
	<p>Piotr Krzyżewski We see the payments to KGHM Polska Miedź S.A. from loans, guarantees and other services as positive - the international assets paid USD 379.7 million to KGHM Polska Miedź S.A. in 2025. In 2026 we see the potential to increase payments from Sierra Gorda to KGHM Polska Miedź S.A.</p>
	<p>Gość: Akcjonariusz. I'm curious how the international assets contribute to the results of kghm?</p>
	<p>Piotr Krzyżewski The Group's international assets already contribute nearly 50% of the Group's adjusted EBITDA, with repayment of loans of USD 1.2 million in the years 2021-2025, and just in 2025 KGHM Polska Miedź S.A. received altogether from the repayment of loans, guarantees and other services approx. USD 380 million. The international companies no longer need the direct financial support of the Parent Entity, but only utilise loan guarantees, repaying debts to the parent entities and partners in projects, while maintaining safe and flexible methods of financing their operating and investing activities. At the end of 2025 Sierra Gorda covered all of its prior-years losses, with indications that there could be a substantial improvement in forecasted future cash flows. This enabled the preparation of a new valuation of the investment in Sierra Gorda in the amount of USD 504 million.</p>
	<p>Gość: Inwestor33. Is there hope for a dividend?</p>
	<p>Piotr Krzyżewski As we mentioned during yesterday's conference, we present a responsible approach to the payment of dividends. The Company has not changed its dividend policy, and capital decisions remain dependent on market conditions, capital needs and the financial position of KGHM. While the Management Board still needs some time to prepare its recommendation, its dividend recommendations usually take into account the the Company's anticipated requirements for capital to advance the Company's development program as well as a safe debt level for the Group. The recommendation is presented to the Supervisory Board for its assessment, while the final decision regarding the amount of dividends paid is made by the General Meeting of KGHM Polska Miedź S.A.</p>
	<p>Gość: Obserwator. What is the debt of kghm with a split between Poland and the foreign companies?</p>
	<p>Piotr Krzyżewski In the KGHM Group debt is aggregated at the Parent Entity level, which enables its effective management. An example of this is the bonds issuance program. Sierra Gorda already utilises a syndicated RCF (revolving credit facility), while the goals of KGHM INTERNATIONAL LTD. for the current year include obtaining financing in the form among others of loans and factoring, which is recognised in the balance sheet of the Parent Company as regards external financing (borrowing). The debt liabilities of the Group as at the end of 2025 amounted to PLN 5 849 million. The debt structure is based on diversified and long-term financing sources, ensuring financial stability over the long term. The Group's free cash and cash equivalents, which as at 31 December 2025</p>

	<p>amounted to PLN 425 million, represent a short-term buffer in terms of managing liquidity. We are working on a new transaction which will support the liquidity of KGHM INTERNATIONAL LTD. The detailed structure of the net debt of the KGHM Group and the Parent Entity may be found in the Management Board's Report on the activities of the Company and the Group in 2025, section 2.4 and in note 7 of the Financial Statements.</p>
	<p>Gość: Given the decision of the Supreme Court of the USA, what does the current situation look like as regards customs duties, and does it have any impact on, or might it have an impact on the Company, or on copper demand?</p>
	<p>Piotr Krzyżewski In accordance with the Company's main assumptions of its sales policy, the Company geographically diversifies its sales of copper cathodes – as regards this product, one of the elements of KGHM's strategy was the process of registering the copper cathodes produced by the Głogów Copper Smelter and Refinery on the CME in the United States, which we concluded in May of this year. As regards the potential import of the copper produced by KGHM, it still has not been subjected to import duties. President Trump, at the start of August 2025, introduced a 50-percent import duty on copper, but excluded refined metal, which represents the basis for international commerce. In the statement announced by the White House on 30 July 2025, copper „input” material (such as copper ore, concentrates, blister copper, cathodes and anodes) and copper scrap are not subject to import duties under procedure 232 or to associated duties, and therefore copper cathodes should not be charged with the 15% duty on goods from the EU sent to the USA. Although the USA has not yet decided whether or not to finally introduce additional, or higher, tariffs on copper, until now the markets have approached this question with equanimity. For KGHM, the American market (while important) does not have a direct, substantial share in the geographical sales structure of products produced by the Group outside the USA, which means that the direct impact of such duties will be very limited.</p>
	<p>Gość: Do you plan any more bond issuances? Maybe you might also consider issuing bonds to individual investors? In my opinion they could be very successful.</p>
	<p>Piotr Krzyżewski Yes, we are considering such a possibility although it is too early to say anything more. As KGHM's CFO I can say that additional bond issuances are being considered, but every decision we make depends on our financing needs, market conditions and the optimality of the debt structure. During the issuance of the Series C bonds I mentioned that in future, KGHM might return to the market with another bond issuance, but at that time there were no plans for an issuance directed solely to individual investors, and we will announce any such decisions. The most recent bond issuance, which refinanced the previous one, not only extended the maturity, but also had a positive impact on financing costs.</p>
	<p>Gość: Maj. Lumina metals mentioned that could use your smelter, once they have their own production of copper. Are you willing support them in any way for Lumina to reach production faster? What is your overall view on their projects?</p>
	<p>Piotr Krzyżewski We are always open to partnerships that align with our core interests in optimizing our assets and expanding our processing capabilities, but please keep in mind that Lumina hasn't started the construction phase yet, so we do not expect the first copper</p>

	concentrate to be soon (at least several years). Our smelters have significant capacity, and we can process third-party concentrates when it enhances efficiency.
	Gość: Bjorn. If current spot copper and silver prices are sustained for 2026, have you estimated any impact from the hedging losses for 2026? Thank you!
	Piotr Krzyżewski Obviously we cannot comment on theoreticals, especially given the extremely volatile macroeconomic and geopolitical situation which we have experienced since the new American administration came into office. We are actively focused on obtaining the best results from our hedging policy, which is aimed primarily at reducing volatility in our earned revenues. In May we will publish our results for the first quarter of 2026, and at that time we will be able to comment more on how we see the macro situation affecting our results – until then we can only state that prices generally in Q1 2026 have been very good and we are cautiously hopeful for good results to be reported.
	Gość: John. How should we think about Sierra Gorda molybdenum production? You beat 2025 budget by 22% but have lower production guidance for 2026? Is that on lower grades?
	Piotr Krzyżewski While we were delighted with the level of moly production by Sierra Gorda in 2025 (due to the very good moly grade of pushback 6, we will come back to pushback 6 in a few years), this level should not be taken as a historical standard. As we have reported regularly since commercial operations first began at Sierra Gorda in 2015, the highest level of molybdenum production was expected in the first five years, with a drastic drop-off thereafter. Clearly there will be years when the moly grade is higher than expected, but we should expect grades more in line with those expected in 2026 to be the long-term norm.
	Gość: Andrzej Malecki. Hi, what exactly do you plan to do with the Głogów II plant, closing it for 3 months, and how will it effect production at the yearly scale, to be able to sell 20 thousand tonnes more?
	Piotr Krzyżewski Every metallurgical facility in the world must undergo maintenance shutdowns (heavy maintenance). In Poland, our metallurgical facilities undergo such maintenance once every 4 years. At the same time, the Management Board's goal is to keep production at the same level as in those years when there is no such maintenance. As a result, we have to prepare anode inventories in order to carry out the production plans (financial leverage).
	Gość: Peter. You have exceeded Poland silver sales guidance by 6%. Was it on higher production of silver or on sales timing?
	Piotr Krzyżewski Correct, I'm pleased to report that our silver sales in 2025 exceeded the annual guidance by 6%. This outperformance was primarily driven by higher silver production, while sales timing played a minor role. Please note that the production of metallic silver amounted to 1 323.3 tonnes and was higher by 7.0 tonnes (+0.5%) compared with the 12 months of 2024. The increase in metallic silver production resulted from the availability of feed at the Precious Metals Plant of the Głogów Copper Smelter and Refinery.

	<p>Gość: Clev. In terms of commodity hedging, is it spread across quarters for 2026 equally? Because you have hedged quite a lot of copper and silver and I'm trying to understand when will that affect your profit line.</p>
	<p>Piotr Krzyżewski A full description of the hedged positions and the period of their impact is presented in the Consolidated financial statements for 2025, for example on page 90. The data in the financial report show a very detailed picture of the hedging position in the company. The data are presented in half-year periods, within which the position is evenly distributed across all months. The financial instruments, both for copper and silver, will be settled systematically in the subsequent months to which they relate.</p>
	<p>Gość: Zdzisław. Remigiusz mentioned that KGHM might start to pay a dividend, since the MET is lower this year. The resulting savings in the MET in 2026 will amount to about PLN 500 million. Is this the minimum dividend that we should expect? Thank you.</p>
	<p>Piotr Krzyżewski The Dividend Policy of KGHM Polska Miedź S.A. assumes that the Management Board will recommend allocation of up to one-third of the Company's net profit for the previous financial year as a dividend, while taking into account the current and anticipated financial situation of the Company and the Group. In particular, in making its recommendation the Management Board will take into account the Company's anticipated requirements for capital to complete the Company's development program as well as a safe debt level for the Group.</p>
	<p>Gość: How does the question of natural gas prices look and how much could the current cost pressure affect the results of future quarters? What is the share of this cost in metallurgy?</p>
	<p>Piotr Krzyżewski In the first quarter of 2026 we had, and still have, high prices of natural gas and electricity (mainly in January), at the same time it is hard to predict what the situation will look like in terms of costs for the entire year 2026. Our goal is for natural gas and electricity costs to be at a similar level as in 2025.</p>
	<p>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</p>
	<p>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 great afternoon!</p>