

Preliminary production and sales data of the KGHM Polska Miedź S.A. Group for January 2023

The following report contains preliminary monthly data – the final quarterly production and sales results will be published in the consolidated quarterly report for the first quarter of 2023. Data of the KGHM Polska Miedź S.A. Group contain the results of Sierra Gorda reflecting the 55% share held by KGHM Polska Miedź S.A.

Results of the KGHM Group in January 2023 - y/y:

Production and sales of the KGHM Group	January 2023	January 2022	monthly annualised change
Production			
Payable copper (kt)	59.3	67.4	-12%
- including KGHM Polska Miedź S.A.*	50.6	52.8	-4%
Payable silver (t)	128.0	122.3	+5%
TPM (koz t)	17.4	15.2	+15%
Molybdenum (mn lbs)	0.1	0.3	-67%
Sales			
Copper (kt)	58.2	59.0	-1%
Silver (t)	84.9	133.8	-37%
TPM (koz t)	22.6	11.9	+90%
Molybdenum (mn lbs)	0.1	0.5	-80%

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 59.3 thousand tonnes** - a decrease by 8.1 thousand tonnes (-12%) versus the corresponding month of 2022 in respect of all operating segments.
- **Production of payable silver amounted to 128.0 tonnes**, or by 5.7 tonnes (+5%) more than in the corresponding month of 2022 due to higher production by KGHM Polska Miedź S.A.
- **Production of TPM amounted to 17.4 thousand troy ounces**, or an increase by 2.2 thousand troy ounces (+15%), mainly due to higher gold production by KGHM Polska Miedź S.A.
- **Production of molybdenum amounted to 0.1 million pounds**, or a decrease by 0.2 million pounds (-67%) compared to January 2022 due to lower content and recovery of this metal by Sierra Gorda.

The production of copper and silver was above the levels set in the Group's budget for January 2023.

Sales of the KGHM Group:

- **Sales of copper amounted to 58.2 thousand tonnes** and were lower by 0.8 thousand tonnes (-1%) compared to sales in January 2022. Higher sales were recorded by KGHM Polska Miedź S.A., with lower sales recorded by KGHM INTERNATIONAL LTD. and by the Sierra Gorda mine.
- **Sales of silver amounted to 84.9 thousand tonnes** and were lower by 48.9 thousand tonnes (-37%) than sales in January 2022. The greatest impact on this result came from lower sales of silver by KGHM Polska Miedź S.A. in January 2023. Lower sales were also recorded by the Sierra Gorda mine, with slightly higher sales by KGHM INTERNATIONAL LTD.
- **Sales of TPM amounted to 22.6 thousand troy ounces** and were higher by 10.7 thousand troy ounces (+90%) than sales in January 2022. A substantial increase in TPM sales in January 2023 was recorded by KGHM Polska Miedź S.A., with higher TPM sales recorded also by the Sierra Gorda mine, while KGHM INTERNATIONAL LTD. recorded a slightly lower increase.
- **Sales of molybdenum amounted to 0.1 million pounds** and were lower by 0.4 million pounds (-80%) than in January 2022. The decrease in molybdenum sales concerned the Sierra Gorda mine.

Results of KGHM Polska Miedź S.A. in January 2023 - y/y:

Production and sales of KGHM Polska Miedź S.A.	January 2023	January 2022	monthly annualised change
Mine production:			
Copper in concentrate (kt)	33.5	33.1	+1%
Silver in concentrate (t)	110.1	108.4	+2%
Metallurgical production:			
Electrolytic copper (kt)	50.6	52.8	-4%
- including from own concentrate	35.1	34.9	+1%
Metallic silver (t)	126.0	119.8	+5%
TPM (koz t)	11.8	7.5	+57%
Sales			
Copper (kt)	47.8	45.2	+6%
Silver (t)	82.1	130.4	-37%
TPM (koz t)	15.8	5.6	+182%

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 33.5 thousand tonnes** and was higher by 0.4 thousand tonnes (+1%) compared to January 2022. The increase in production was due to higher extraction of ore.
- **Production of silver in concentrate amounted to 110.1 tonnes** and was higher by 1.7 tonnes (+2%) compared to January 2022 due to processing a larger amount of ore.
- **Production of electrolytic copper amounted to 50.6 thousand tonnes** and was lower by 2.2 thousand tonnes (-4%) compared to January 2022. The amount of electrolytic copper production in January 2023 was at the level set in the production plan for 2023.
- **Production of metallic silver amounted to 126.0 tonnes** and was higher by 6.2 tonnes (+5%) compared to January 2022. The increase in metallic silver production was due to the higher availability of charge materials.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 47.8 thousand tonnes** and were higher by 2.6 thousand tonnes (+6%) compared to sales in January 2022. The increase was due to the schedule of deliveries executed under 2023 contracts and to the decision to build up inventory in December 2022, as a result of which there was a possibility of realisation of customer orders in January and of a smooth start of sales in 2023.
- **Sales of silver amounted to 82.1 tonnes** and were lower by 48.3 tonnes (-37%) compared to sales in January 2022. The difference results from the agreed schedule of sales to customers.
- **Sales of TPM amounted to 15.8 thousand troy ounces** and were higher by 10.2 thousand troy ounces (+182%) compared to sales in January 2022. The difference results from the agreed schedule of sales to customers.

Results of KGHM INTERNATIONAL LTD. in January 2023 - y/y:

Production and sales of KGHM INTERNATIONAL LTD.	January 2023	January 2022	monthly annualised change
Production			
Payable copper (kt)	3.0	6.9	-57%
TPM (koz t)	2.8	5.5	-49%
Sales			
Copper (thousand tonnes)	3.7	5.5	-33%
TPM (thousand troy ounces)	3.7	4.0	-8%
Silver (tonnes)	0.9	0.7	+29%

Production of KGHM INTERNATIONAL LTD.:

- **Production of payable copper amounted to 3.0 thousand tonnes** and was lower by 3.9 thousand tonnes (-57%) compared to January 2022, mainly due to lower production by the Robinson mine by 3.6 thousand tonnes due to the extraction of lower-quality ore and to lower recovery and volume. The lower value of production in January 2023 was also due to the fact that it does not include the production by the Franke mine (a year-on-year difference of -0.86 thousand tonnes) due to the sale of this mine in the first half of 2022. Higher year-on-year copper production was also recorded by the Sudbury Basin (+0.64 thousand tonnes - high copper content in ore).
- **Production of TPM amounted to 2.8 thousand troy ounces** and was lower by 2.7 thousand troy ounces (-49%) compared to January 2022 due to lower gold production by the Robinson mine by 3.51 thousand troy ounces due to lower recovery, which was not offset by higher TPM production by the Sudbury Basin (+0.78 thousand troy ounces - higher precious metal content in ore).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 3.7 thousand tonnes** and were lower by 1.8 thousand tonnes (-33%) compared to sales in January 2022. The main cause of the lower sales volume in January 2023 was the exclusion of cathode sales from the Franke mine (the Franke mine was sold in the first half of 2022), as well as substantially lower copper content in concentrate from the Robinson mine. The result was also impacted by a larger amount of polymetallic ore shipments by the Sudbury Basin, resulting in higher copper sales, as well as lower copper cathode sales by the Carlota mine.
- **Sales of TPM amounted to 3.7 thousand troy ounces** and were lower by 0.3 thousand troy ounces (-8%) compared to January 2022. This was mainly due to lower gold content in concentrate sold by the Robinson mine in January 2023. Compared to prior-year data, sales of gold, platinum and palladium by the Sudbury Basin were higher.
- **Sales of silver amounted to 0.9 tonnes** and were higher by 0.2 tonnes (+29%) than sales in January 2022. This was mainly due to higher silver content in copper concentrate sold by the Robinson mine in January 2023. Data of the Sudbury Basin also indicate a higher level of silver sales.

Results of Sierra Gorda S.C.M. in January 2023 - y/y:

Production and sales of Sierra Gorda (on a 55% basis)	January 2023	January 2022	monthly annualised change
Production			
Payable copper (kt)	5.7	7.7	-26%
Molybdenum (mn lbs)	0.1	0.3	-67%
Payable silver (t)	1.7	2.4	-29%
TPM (koz t)	2.8	2.2	27%
Sales			
Copper (kt)	6.7	8.3	-19%
Molybdenum (mn lbs)	0.1	0.5	-80%
Silver (t)	1.9	2.7	-30%
TPM (koz t)	3.1	2.3	+35%

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 5.7 thousand tonnes** and was lower by 2.0 thousand tonnes (-26%) compared to January 2022. The decrease in payable copper production in January 2023 compared to January 2022 was due to lower metal content in extracted ore and lower recovery, despite a higher volume of ore processed.
- **Production of molybdenum amounted to 0.1 million pounds** and was lower by 0.2 million pounds (-67%) compared to January 2022. The decrease in molybdenum production in January 2023 compared to January 2022 was due to lower metal content in extracted ore and lower recovery, despite a higher volume of ore processed.

Sales of Sierra Gorda (55%):

- **Sales of copper amounted to 6.7 thousand tonnes** and were lower by 1.6 thousand tonnes (-19%) compared to sales in January 2022. This result was due to lower copper concentrate sales in January 2023 (by approx.13 thousand tonnes dry weight).
- **Sales of molybdenum amounted to 0.1 million pounds** and were lower by 0.4 million pounds (-80%) than in January 2022. The level of sales of molybdenum reflects the schedule of processing molybdenum concentrate and the return of molybdenum oxides designated for sale as well as the planned and achieved level of molybdenum production by the Sierra Gorda mine.
- **Sales of silver amounted to 1.9 tonnes** and were lower by 0.8 tonnes (-30%) compared to January 2022. This result is directly connected to the volume of sales of copper concentrate.
- **Sales of TPM amounted to 3.1 thousand troy ounces** and were higher by 0.8 thousand troy ounces (+35%) than sales in January 2022. This was mainly due to higher gold content in copper concentrate.