



Preliminary production and sales data of the KGHM Polska Miedź S.A. Group for August 2022

The following report contains preliminary monthly data – the final quarterly production and sales results will be published in the consolidated report for the third quarter of 2022. 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 August 2022 - y/y:

Production and sales of the KGHM Group	August 2022	August 2021	I - VIII 2022	I - VIII 2021
Production				
Payable copper (kt)	60.3	64.6	497.9	510.3
- including KGHM Polska Miedź S.A.*	48.7	49.9	394.4	392.9
Payable silver (t)	113.9	109.5	917.0	901.3
TPM (koz t)	13.5	14.5	116.3	106.5
Molybdenum (mn lbs)	0.2	1.0	2.4	6.1
Sales				
Copper (kt)	58.9	56.1	475.3	478.7
Silver (t)	99.2	105.6	948.3	861.8
TPM (koz t)	17.5	20.1	109.5	104.2
Molybdenum (mn lbs)	0.3	0.8	2.7	5.2

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 60.3 thousand tonnes** - a decrease compared to August 2021 by 4.3 thousand tonnes (-7%) and was in respect of KGHM Polska Miedź S.A. and KGHM INTERNATIONAL LTD., with production by Sierra Gorda S.C.M. at a comparable level to that achieved in August 2021.
- **Production of payable silver amounted to 113.9 tonnes**, or by 4.4 tonnes (+4%) more than in the corresponding month of 2021.
- **Production of TPM amounted to 13.5 thousand troy ounces** and was 1.0 thousand troy ounces (-7%) below the level recorded in the prior year, mainly due to lower gold production by KGHM INTERNATIONAL LTD. (the Robinson mine).
- **Production of molybdenum amounted to 0.2 million pounds**, or a decrease by 0.8 million pounds (-80%) compared to August 2021. The substantial decrease in production was mainly due to the planned extraction from mining zones (Sierra Gorda) with a lower content of this metal compared to 2021 as well as lower molybdenum recovery.

In the period January-August 2022 production of copper and silver by the Group was above the levels set in the budget.

Sales of the KGHM Group:

- **Sales of copper amounted to 58.9 thousand tonnes** and were higher by 2.8 thousand tonnes (+5%) compared to August 2021. The higher copper sales recorded in August 2022 by KGHM Polska Miedź S.A. and Sierra Gorda, combined with lower sales of copper by KGHM INTERNATIONAL LTD., led to the 5% increase in the results of the KGHM Group.
- **Sales of silver amounted to 99.2 tonnes** and were lower by 6.4 tonnes (-6%) than sales recorded in August 2021. The Group's international segments recorded higher silver sales, with lower sales by KGHM Polska Miedź S.A.
- **Sales of TPM amounted to 17.5 thousand troy ounces** and were lower by 2.6 thousand troy ounces (-13%) compared to sales in August 2021. This result was impacted by higher sales of gold by the Sierra Gorda mine and lower sales by KGHM Polska Miedź S.A and KGHM INTERNATIONAL LTD.
- **Sales of molybdenum amounted to 0.3 million pounds** and were lower by 0.5 million pounds (-63%) compared to August 2021. Higher molybdenum sales were recorded by the Sierra Gorda mine and by KGHM INTERNATIONAL LTD.

Results of KGHM Polska Miedź S.A. in August 2022 - y/y:

Production and sales of KGHM Polska Miedź S.A.	August 2022	August 2021	I - VIII 2022	I - VIII 2021
Mine production				
Copper in concentrate (kt)	32.6	33.4	263.8	262.5
Silver in concentrate (t)	110.1	109.9	881.2	861.9
Metallurgical production				
Electrolytic copper (kt)	48.7	49.9	394.4	392.9
- including from own concentrate	32.3	33.2	239.6	257.3
Metallic silver (t)	111.5	107.0	897.7	879.3
TPM (koz t)	6.6	7.4	53.5	52.2
Sales				
Copper (kt)	44.2	41.8	379.4	368.6
Silver (t)	95.5	103.0	923.8	840.6
TPM (koz t)	8.5	12.6	53.9	54.1

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 32.6 thousand tonnes** and was lower by 0.8 thousand tonnes (-2%) compared to August 2021. The decrease in production was due to the processing of lower-quality ore.
- **Production of silver in concentrate amounted to 110.1 tonnes** and was higher by 0.2 tonnes (+0.2%) compared to August 2021, due to higher silver content in processed feed.
- **Production of electrolytic copper amounted to 48.7 thousand tonnes** and was lower by 1.2 thousand tonnes (-2%) compared to August 2021. Cathode production in August 2022 results from the production targets adopted for 2022.
- **Production of metallic silver amounted to 111.5 tonnes** and was higher by 4.5 tonnes (+4%) compared to August 2021. The increase in production of metallic silver was due to the higher availability of feed in the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 44.2 thousand tonnes** and were higher by 2.4 thousand tonnes (+6%) than sales recorded in August 2021. The increase in sales was related to logistical issues: congestion in the loading ports in July 2022 led to delays in the sailing of ships, and at the same time the deferment of dates of sale from July to August 2022.
- **Sales of silver amounted to 95.5 tonnes** and were lower by 7.5 tonnes (-7%) compared to sales in August 2021. The difference results from the agreed schedule of sales to customers.
- **Sales of TPM amounted to 8.5 thousand troy ounces** and were lower by 4.1 thousand troy ounces (-33%) compared to sales in the corresponding period of 2021. The difference is due to lower production and to the agreed schedule of sales to customers.

Results of KGHM INTERNATIONAL LTD. in August 2022 - y/y:

Production and sales of KGHM INTERNATIONAL LTD.	August 2022	August 2021	I - VIII 2022	I - VIII 2021
Production				
Payable copper (kt)	3.2	6.4	43.8	48.6
TPM (koz t)	3.6	4.8	41.7	35.2
Sales				
Copper (kt)	4.9	6.1	35.4	42.7
TPM (koz t)	4.9	5.1	34.4	30.9
Silver (t)	0.9	0.5	5.8	1.3

Production of KGHM INTERNATIONAL LTD.:

- **Production of payable copper amounted to 3.2 thousand tonnes** and was lower by 3.2 thousand tonnes (-50%) compared to August 2021, mainly due to lower production by the Robinson mine (-2.19 thousand tonnes: lower recovery and lower copper content in ore) and due to the exclusion of production by the Franke mine (a year-on-year difference of -0.93 thousand tonnes) – this asset was sold on 26 April 2022.
- **Production of TPM amounted to 3.6 thousand troy ounces** and was lower by 1.2 thousand troy ounces (-25%) compared to August 2021, due to lower gold production by the Robinson mine (-1.18 thousand troy ounces – lower recovery), as well as to slightly lower TPM production by the Sudbury Basin (-0.03 thousand troy ounces – lower TPM content in ore).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 4.9 thousand tonnes** and were lower by 1.2 thousand tonnes (-20%) compared to sales in August 2021. The main reasons were: the exclusion of production by the Franke mine (in April 2022 an agreement was signed to sell the shares of the company which owns the Franke mine) and - to a lesser degree - lower cathode sales by the Carlota mine.
- **Sales of TPM amounted to 4.9 thousand troy ounces** and were lower by 0.2 thousand troy ounces (-4%) compared to sales in August 2021. The sales result was impacted by slightly lower content of gold in concentrate from the Robinson mine in August 2022.
- **Sales of silver amounted to 0.9 tonnes** and were higher by 0.4 tonnes (+80%) compared to August 2021, which was mainly due to its higher content in copper concentrate from the Robinson mine.

Results of Sierra Gorda S.C.M. in August 2022 - y/y:

Production and sales of Sierra Gorda (on a 55% basis)	August 2022	August 2021	I - VIII 2022	I - VIII 2021
Production				
Payable copper (kt)	8.4	8.3	59.7	68.8
Molybdenum (mn lbs)	0.2	1.0	2.3	5.9
Payable silver (t)	2.2	2.3	18.1	20.5
TPM (koz t)	3.3	2.4	21.1	19.1
Sales				
Copper (kt)	9.8	8.2	60.5	67.4
Molybdenum (mn lbs)	0.3	0.8	2.6	5.2
Silver (t)	2.8	2.1	18.7	19.9
TPM (koz t)	4.1	2.4	21.2	19.2

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 8.4 thousand tonnes** and was higher by 0.1 thousand tonnes (+1%) compared to August 2021. The increase in payable copper production in August 2022 compared to August 2021 was due to the higher volume of ore processed and to higher metal recovery despite its lower content in extracted ore. The decrease in payable copper production in the period January-August 2022 compared to the corresponding period of 2021 was due to lower copper content in extracted ore and lower metal recovery, which was partially offset by a higher volume of ore processed.
- **Production of molybdenum amounted to 0.2 million pounds** and was lower by 0.8 million pounds (-80%) compared to August 2021. The decrease in molybdenum production in August 2022 compared to the corresponding period of 2021 was due to lower metal content in mined ore and lower recovery, which was partially offset by a higher volume of ore processed. The decrease in molybdenum production in the period January-August 2022 compared to the corresponding period of 2021 was due to lower metal content in mined ore and lower metal recovery, which was partially offset by a higher volume of ore processed.

Sales of Sierra Gorda (55%):

- **Sales of copper amounted to 9.8 thousand tonnes** and were higher by 1.6 thousand tonnes (+20%) compared to the corresponding period of 2021. The higher copper sales were due to a higher amount of copper concentrate sold (by approx. 17 thousand tonnes dry weight) – in accordance with the agreed schedule of sales to customers.
- **Sales of molybdenum amounted to 0.3 million pounds** and were lower by 0.5 million pounds (-63%) compared to August 2021. 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 2.8 tonnes** and were higher by 0.7 tonnes (+33%) compared to sales recorded in August 2021.
- **Sales of TPM amounted to 4.1 thousand troy ounces** and were higher by 1.7 thousand troy ounces (+71%) than sales in August 2021.
- The main reason for the higher sales of silver and TPM was the higher volume of copper concentrate sold in August 2021.