

# Annual Report Fiscal Year 2020/21

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Analyst Conference Call  
on December 3, 2021



# Executive summary of fiscal year 2020/21

Operating EBT of  
**€ 353 million**  
(PY: € 221 million)

Q4 2020/21  
**€ 85 million**  
(PY: € 88 million)

ROCE  
**15.6 %**  
(PY: 9.3 %)

Net cash flow  
**€ 812 million**  
(PY: € 459 million)

Executive and  
Supervisory Board  
recommend a  
**dividend of € 1.60**  
(PY € 1.30)

Aurubis closed fiscal year 2020/21 with the [best result in company history](#).

[Exceeding our forecast for FY 2020/21.](#)

Generally very positive development of all earnings drivers and good operating performance, counteracted by higher energy prices.









[Strategy review: future alignment of the Group to the three pillars “secure and strengthen core business,” “pursue growth options,” and “industry leadership in sustainability.”](#)

Approved short-term strategic investments of around € 350 million for projects such as Aurubis Richmond, USA, ASPA Beerse, and Industrial Heat II with expected EBITDA effect of around € 100 million starting 2025/26.

[Forecast range FY 2021/22: op. EBT between € 320 and € 380 million.](#)

**» Best fiscal year in the company's history and increased outlook for FY 2021/22**

# Strong recycling and product markets managed to translate into higher production numbers

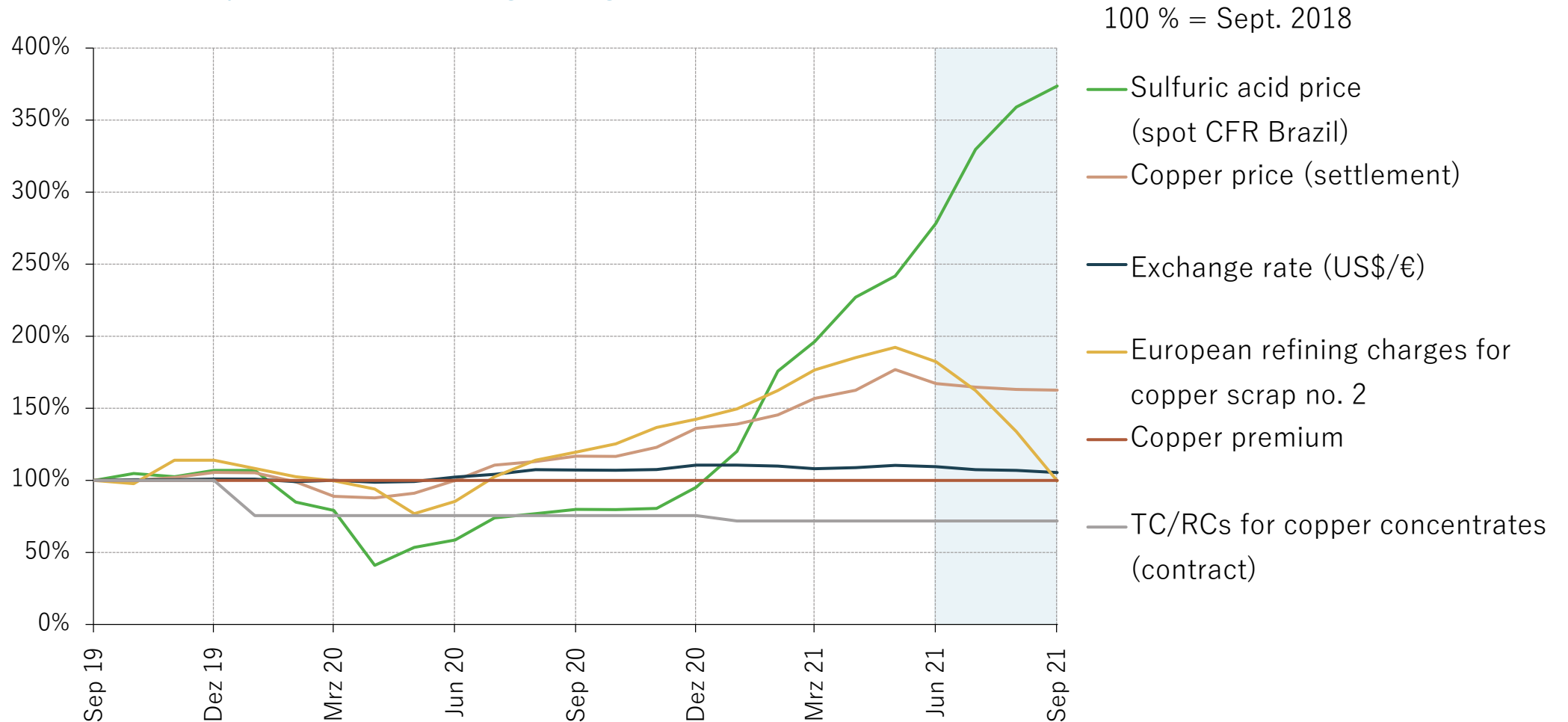
	FY 2020/21	Change vs. prior year
 Concentrate processing <sup>1</sup>	2,250,000 t	-5 %
 Copper scrap/blister copper input <sup>2</sup>	436,000 t	+18 %
 Other recycling materials <sup>2</sup>	566,000 t	+41 %
 Cathode output <sup>2</sup>	1,113,000 t	+8 %
 Continuous cast wire rod output	869,000 t	+15 %
 Copper shapes output	187,000 t	+21 %
 Flat rolled products + specialty wire output	191,000 t	+7 %
 Sulfuric acid output	2,107,000 t	-7 %

	FY 2020/21	Change vs. prior year
 Gold	51 t	+9 %
 Silver	949 t	-2 %
 Lead	40,717 t	+45 %
 Nickel	3,900 t	+15 %
 Tin	10,043 t	>100 %
 Zinc	8,809 t	>100 %
 Minor metals	977 t	+21 %
 Platinum group metals (PGMs)	8,722 kg	-2 %

<sup>1</sup> Custom smelter production <sup>2</sup> Beerse / Berango volumes in FY 19/20 included for 4 months, excl. FRP.

# Market conditions 2020/21: Strong recycling markets and sulfuric acid with strongly increased prices

## Trend in significant market prices and refining charges





# Aurubis achieved best annual result in company history

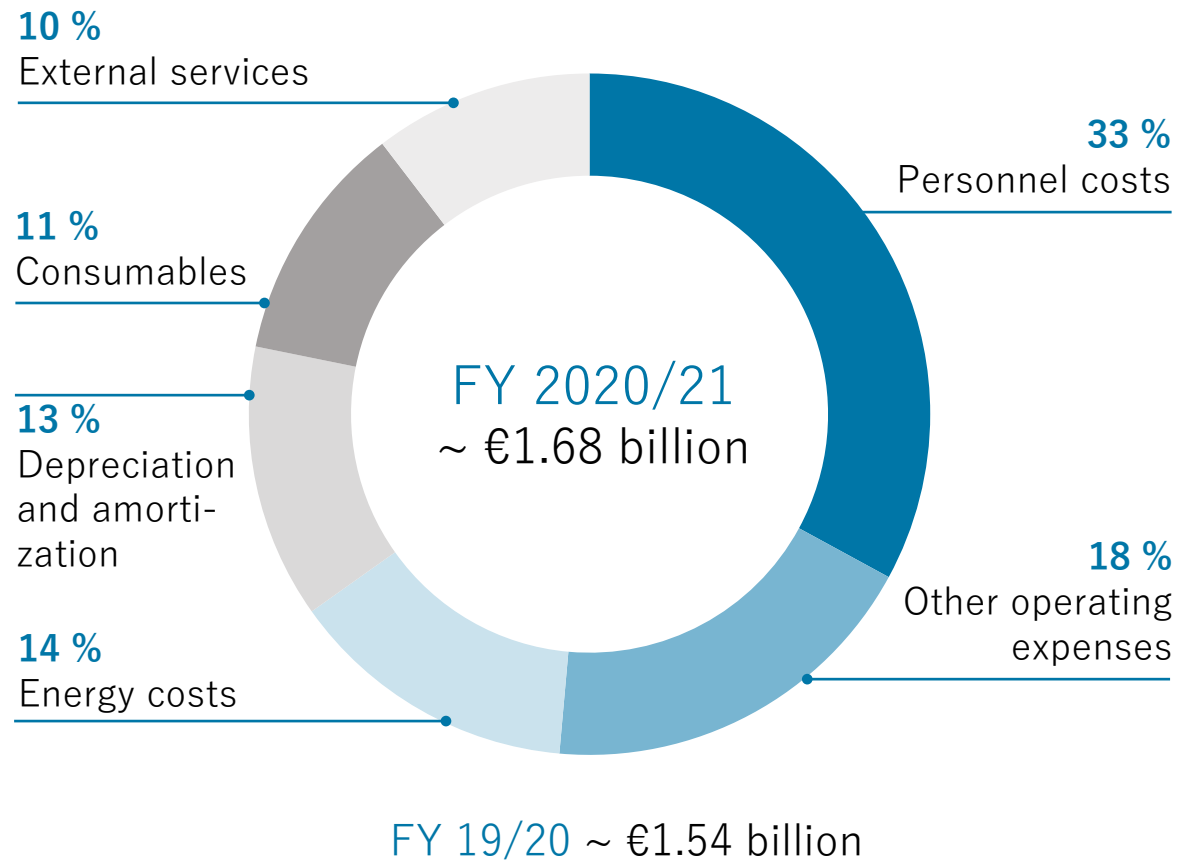
(operating IFRS)		12M 2020/21	12M 2019/20	Change vs. prior year
Revenues	€m	16,300	12,429	31 %
Gross profit	€m	1,430	1,233	16 %
EBITDA	€m	565	415	36 %
EBIT	€m	366	223	64 %
EBT	€m	353	221	60 %
Consolidated net income	€m	266	167	59 %
Operating ROCE (operating EBIT last 4 quarters)	(%)	15.6	9.3	-

Beerse / Berango sites included for 4 months in 2019/20.



# Energy costs in the context of total Group costs

Additional overview of cost/expense positions

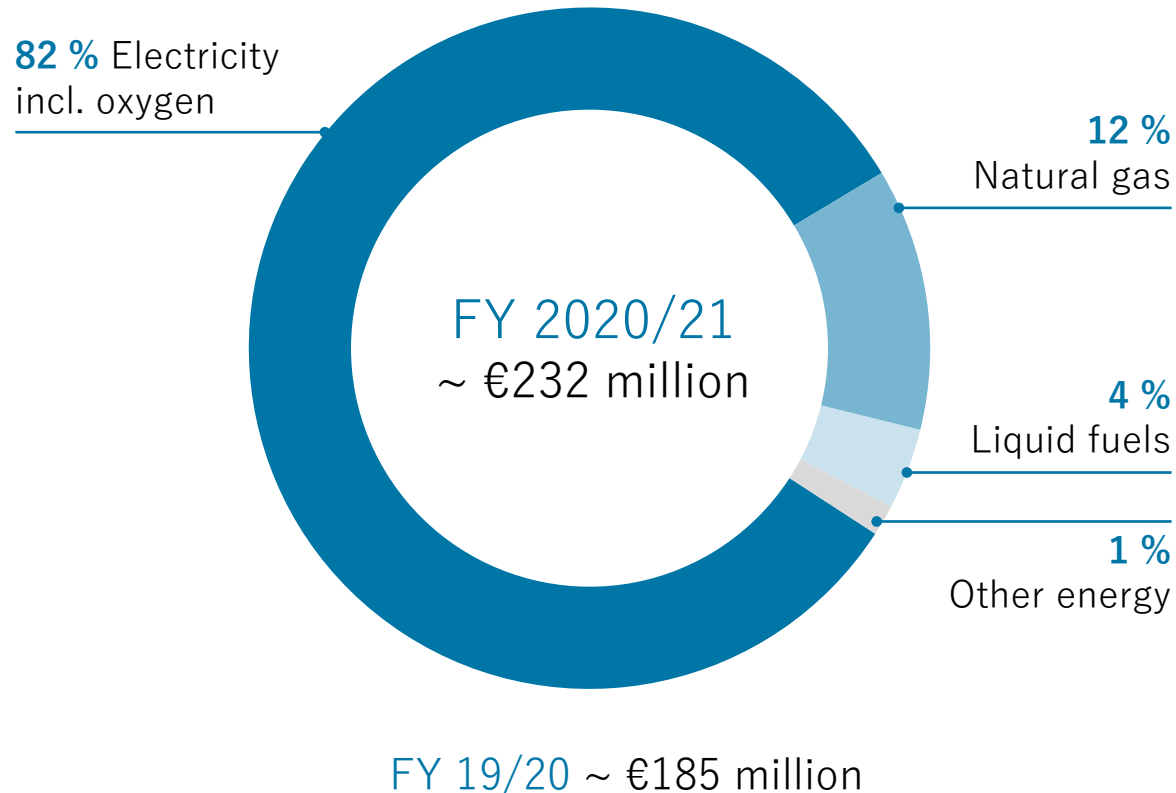


# Increase in CO<sub>2</sub> and coal prices weighed on electricity costs in second half of FY 20/21 – hedges partially mitigated risk



## Electricity consumption and CO<sub>2</sub> scopes

Breakdown of energy costs in the Aurubis Group



Electricity incl. oxygen consumption in the Aurubis Group: approx. 2.00 TWh (2020)

CO<sub>2</sub> emissions of 1.56 million t (2020)

- 0.54 million t of direct emissions (Scope 1)
- 1.02 million t of indirect emissions related to purchased electricity; market-based (Scope 2)

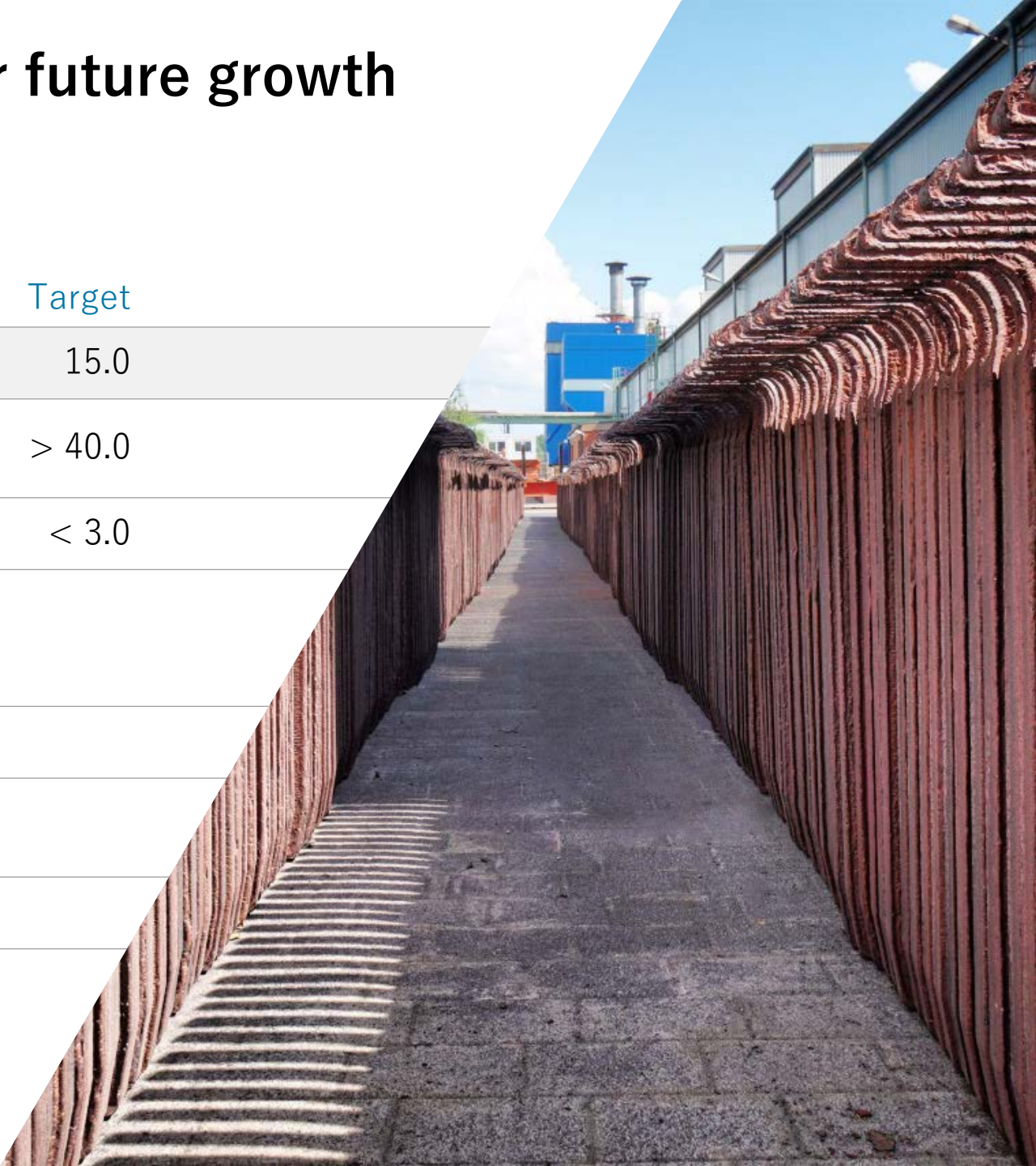


# Financial stability provides room for future growth projects

		12M 2020/21	12M 2019/20	Target
ROCE <sup>1</sup>	%	15.6	9.3	15.0
Equity ratio (equity / total assets)	%	48.2	49.1	> 40.0
Debt coverage <sup>2</sup>		-0.7	0.2	< 3.0
Additional KPIs				
		12M 2020/21	12M 2019/20	
Capital expenditure	€m	256	237	
Capital employed (balance sheet date)	€m	2,415	2,731	
Net cash flow	€m	812	459	

<sup>1</sup> Rolling EBIT last 4 quarters

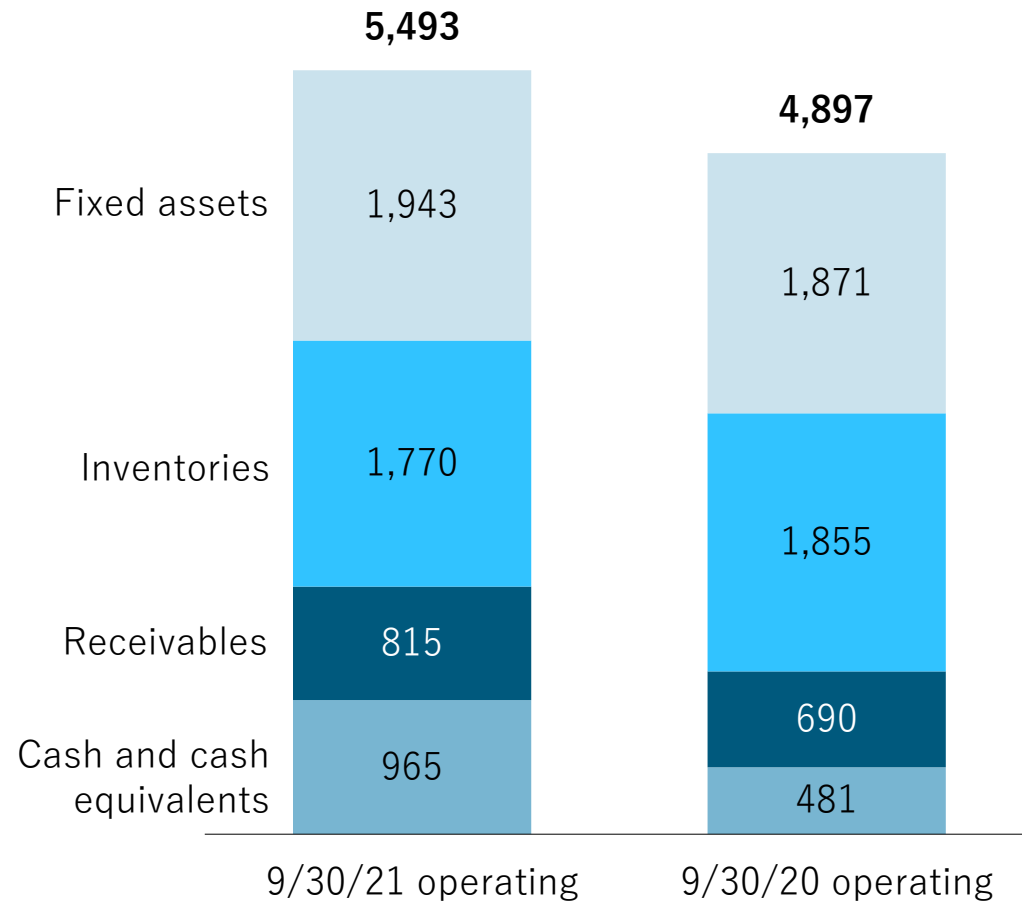
<sup>2</sup> Net financial liabilities / rolling EBITDA last 4 quarters



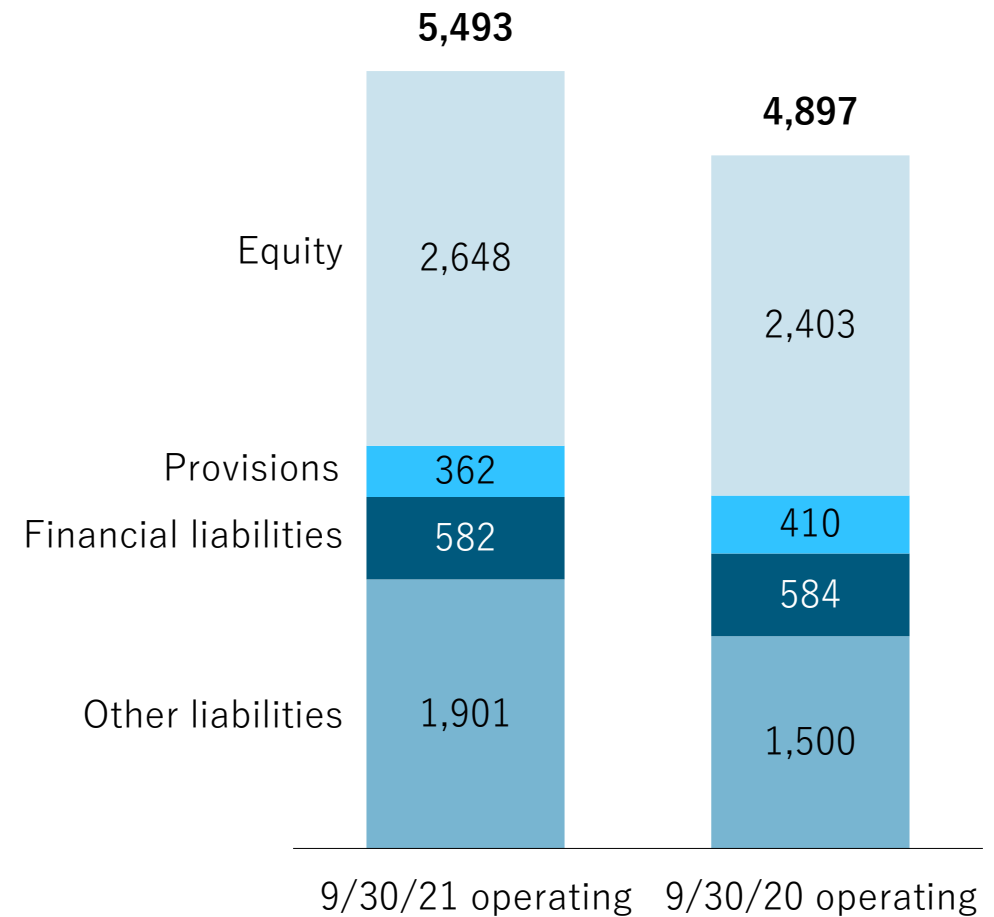


# Increase in total assets due to very good cash flow

Assets (in € million)



Equity and liabilities (in € million)



# Segment MRP: Excellent operating result due to good operating performance and leveraging of favorable market conditions

## Operating results for Segment Metal Refining & Processing (MRP)

		12M 2020/21	12M <sup>1</sup> 2019/20
EBIT (in €m)	€m	409	318
EBT (in €m)	€m	399	285
ROCE <sup>2</sup> (%)	%	18.9	12.6
<b>Quantities</b>			
Concentrates	mt	2,250	2,378
Copper scrap / blister copper	mt	436	368
Other recycling materials	mt	566	401
Cathodes	mt	1,113	1,031
Sulfuric acid	mt	2,107	2,272
Rod	mt	869	759
Shapes	mt	187	154

<sup>1</sup> PY figures adjusted

<sup>2</sup> Rolling EBIT last 4 quarters

- Scrap markets show significantly higher RCs for scrap and other recycling material compared to previous year
- Significantly increased throughput of copper scrap and other recycling materials, due in part to integration of Beerse and Berango
- Lower concentrate throughput, with weakened market conditions for concentrates
- Strong metal gains based on high metal prices over the course of FY
- Lower sulfuric acid production in line with concentrate, but price levels significantly above PY
- Very strong demand for rod and shapes, production levels well above FY 2019/20

# Segment FRP: Very good recovery of product demand, strong result despite Aurubis Stolberg shutdown

## Operating results for Segment Flat Rolled Products (FRP)

		12M 2020/21	12M 2019/20
EBIT (in €m)	€m	7	-3
EBT (in €m)	€m	13	1
ROCE <sup>1</sup> (%)	%	6.6	3.0
<b>Quantities</b>			
Flat rolled products and specialty wire	mt	191	178

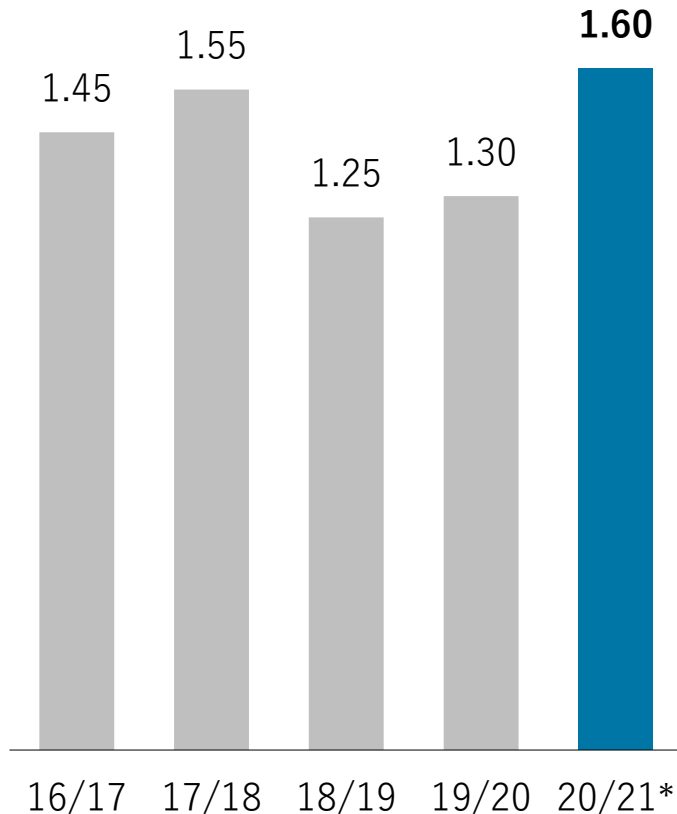
<sup>1</sup> Rolling EBIT last 4 quarters

- Strong demand from all customer segments of FRP products
- Production volumes well above previous year's figures (7 %)
- Positive development of ROCE despite Aurubis Stolberg shutdown
- Aurubis Stolberg GmbH & Co. KG declared force majeure due to flooding on July 16, 2021 – operations recommenced in November 2021

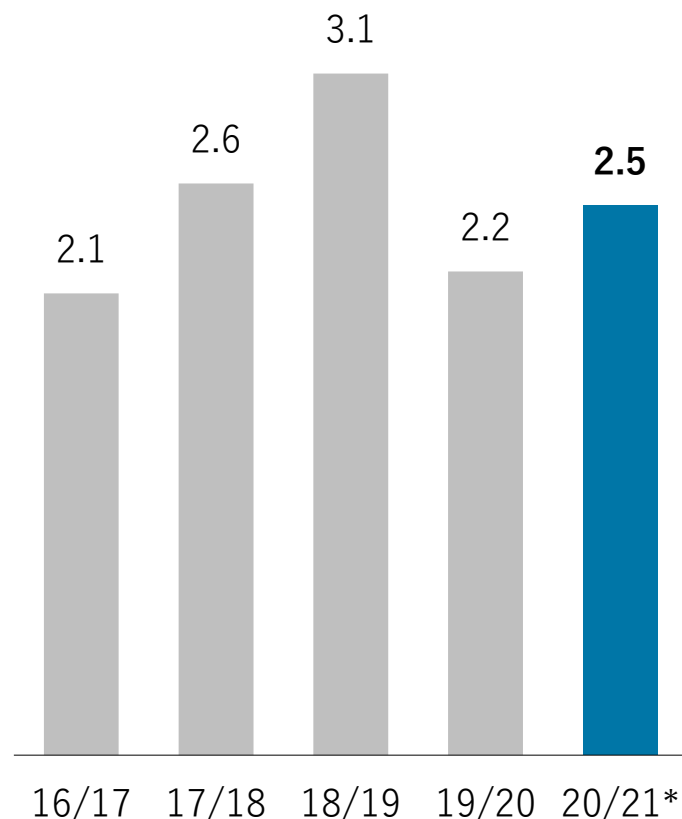


# Proposed dividend of € 1.60

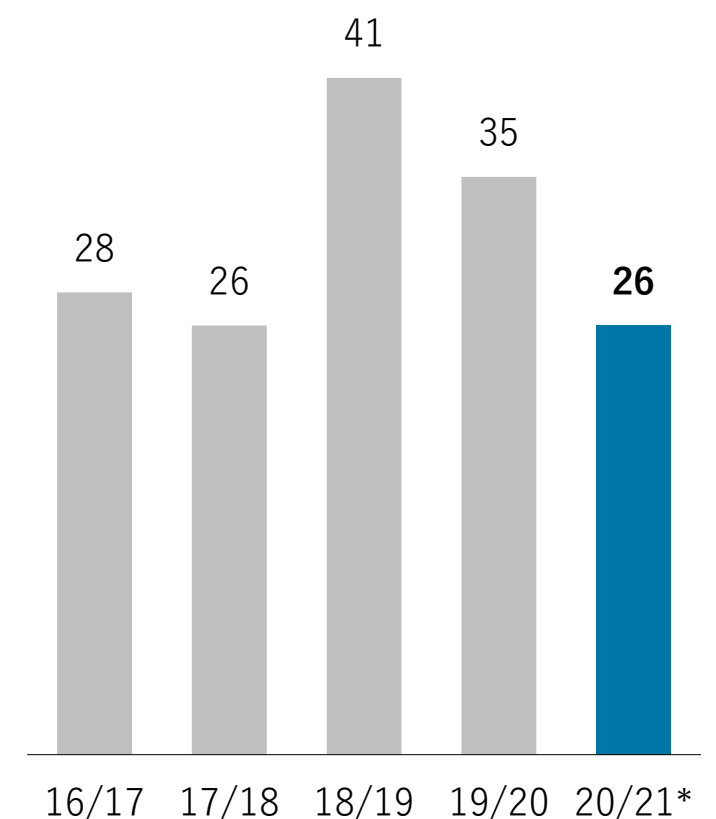
Aurubis dividend  
(in € per share)



Dividend yield  
(in %)



Payout ratio  
(in %, calculated based on operating IFRS consolidated net income)



\* Recommendation

# Market outlook for 2021/22

Copper concentrates	We anticipate an increasing concentrate supply from the mine side, incentivized by the high copper price. Our smelters are well supplied beyond the end of Q1 2021/22.
Recycling input materials	We expect at least a stable supply for FY 2021/22. The smelter network is supplied with scrap beyond the end of Q1 2021/22.
Sulfuric acid	Current outlook for Q1 remains positive: Markets in Europe and overseas show ongoing strong demand, meeting tight supply.
Aurubis Copper Premium	Has been set for 2022 at US\$ 123/t (2021: US\$ 96/t).
Other copper products	Outlook for FY 2021/22 remains positive; Q1 2021/22 shows continued strong demand from all customer segments.

# Scheduled shutdowns in the next 3 years



EBT effect from scheduled shutdowns (in € million)  
 Status: November 2021

	FY 2021/22		FY 2022/23		FY 2023/24	
Smelter maintenance Hamburg	May/June 2022	~25			May/June 2024	~25
Smelter maintenance Pirdop			Aug./Sept. 2023	~16		
Anode furnace Lünen	Nov./Dec. 2021	~10	Nov./Dec. 2022	~9	Nov./Dec. 2023	~7
KRS Lünen	May 2022	~6	May 2023	~6	May/June 2024	~6







# New segmentation

- Scrap/blister
- Slags/residues
- E-scrap
- Other recycling materials
- Concentrates
- Scrap/blister








## Multimetal Recycling

-  Cu cathodes
-  Other base metals
- Aurubis Modular Recycling System

**Recycling smelters:** Beerse (BE), Berango (ES), Lünen (DE), Olen (BE), Richmond (US)

**Earnings drivers:**  
RCs for recycling materials, cathode premium, free metal

## Custom Smelting & Products

-  Cu cathodes
-  Sulfuric acid
-  Precious metals
-  Base metals
-  Rod
-  Shapes
-  Strip, others

**Primary smelters:** Hamburg (DE), Pirdop (BG)

**Additional plants:** Avellino (IT), Buffalo (US), Emmerich (DE), Olen (BE), Pori (FI), Röthenbach (DE), Stolberg (DE)

**Earnings drivers:**  
TC/RCs for concentrate smelting, RCs for scrap and blister, free metal, sulfuric acid, cathode premium, surcharges for products

Further processing, for example for ...

- Renewable energy solutions
- E-mobility
- Digitalization

Aurubis' international, integrated smelter network

# New segmentation and transition based on the example of FY 2020/21

Old structure	Operating EBT (in € million)			Operating ROCE (in %)	
	FY 20/21	FY 19/20	Diff.	FY 20/21	FY 19/20
Metal Refining & Processing	399	285	114	18.9	12.6
Flat Rolled Products	13	1	12	6.6	3.0
Other/Cons.	-59	-66	7	-	-
<b>EBT</b>	<b>353</b>	<b>221</b>	<b>132</b>	<b>15.6</b>	<b>8.6</b>
New structure	Operating EBT (in € million)			Operating ROCE (in %)	
	FY 20/21	FY 19/20	Diff.	FY 20/21*	FY 19/20*
Multimetal Recycling	262	117	145	34.4	18.3
Custom Smelting & Products	151	170	-19	9.8	10.2
Other	-59	-66	7	-	-
<b>EBT</b>	<b>353</b>	<b>221</b>	<b>132</b>	<b>15.6</b>	<b>8.6</b>

\* preliminary, auditing in 2021/22

## Multimetal Recycling

Mainly comprises production facilities for processing **secondary raw materials** (e.g., copper and electrical scrap).

## Custom Smelting & Products

Includes production facilities for processing **primary raw materials** (copper concentrates), as well as the production and marketing of **standard and special products** (e.g., Cu cathodes, wire rod, shapes, strip products, sulfuric acid, and iron silicate).

# FY 2021/22 forecast – new segmentation

## Our forecast range

Operating **EBT**  
between € **320** million  
and € **380** million

Operating **ROCE**  
between **12** % and **16** %

	Operating EBT in € million	Operating ROCE in %
Group	320-380	12-16
Multimetal Recycling	140-200	16-20
Custom Smelting & Products	210-270	10-14



# We work for an innovative and sustainable world

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## MISSION

We responsibly transform raw materials into metals for an innovative and sustainable world.

## VALUES

**Performance** – means commitment!  
**Responsibility** – means decisions!  
**Integrity** – means maintaining trust!  
**Openness** – means curiosity!  
**Appreciation** – means real interest!

## STRATEGY



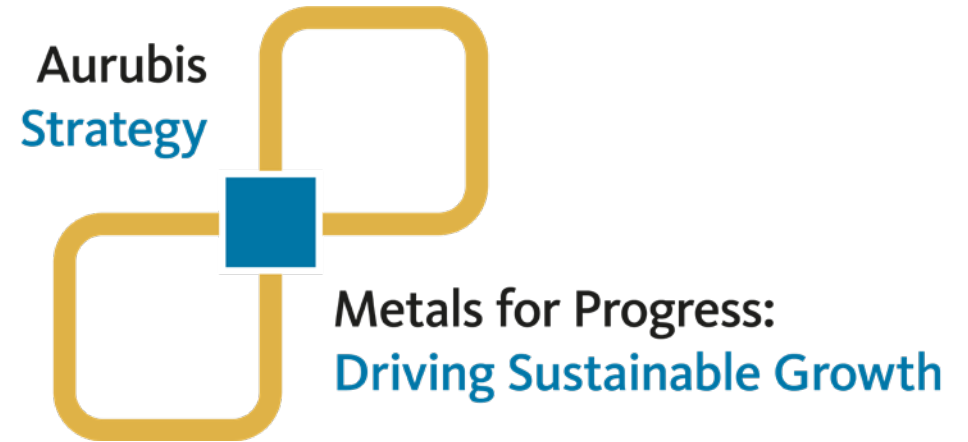
Metals for Progress:  
Driving Sustainable Growth

# Our strategy builds on the sound mission of Aurubis and covers all relevant aspects to drive sustainable growth



## Industry Leadership in Sustainability

- Enablers**
- Digitalization, automation, and “Plant of the Future”
  - Strategic resource management, talent and personnel development



» It is our mission to responsibly transform raw materials into metals for an innovative and sustainable world.

# Pursue growth options

## Aurubis recycling plant in Richmond, USA



### Pursue Growth Options

Investment  
~ € 300 million

EBITDA p.a.  
~ € 80 million  
(by 2025/26)

Start of production  
following ramp-up  
phase  
early CY 2024

~ 90,000 t  
input material  
~ 35,000 t  
blister copper output

Aurubis creates **frontrunner position** in highly attractive US recycling market with very limited competition and significant annual growth rates of 4-6 % (CAGR) through 2035.

Aurubis Richmond marks **milestone** to deliver on updated growth strategy, unlock new growth areas, and further strengthen earnings profile.

Strong project indicators: **ROCE >20 %** after full ramp-up in FY 2025/26 and **amortization period <10 years**.

Attractive location in **Richmond, Georgia**, and competitive advantage by capitalizing on existing know-how and proven technologies.

Expansion of multimetal portfolio with **new materials**.

Easily adjustable approach allows for **quick adaptation** to changing market demands.



**Project fully in line with Aurubis' sustainability targets and ambition to strengthen and expand our position as the most efficient integrated smelter network worldwide.**

# Secure & strengthen core business

## Advanced Sludge Processing by Aurubis (ASPA)

Investment  
~ **€ 27 million**

EBITDA p.a.  
~ **€ 7 million**  
(at full production)

Start of production  
following ramp-up  
phase  
**FY 2024/25**

~ **2,500 t p.a.**  
input material in form  
of anode sludges



**Secure**  
Core Business



**Strengthen**  
Core Business

Aurubis is **strengthening its core business** and taking the next step towards becoming the **most efficient and sustainable integrated** smelter network worldwide.

Construction of a state-of-the-art recycling facility at the **Beerse site (BE)**.

**ASPA**, a newly developed hydrometallurgical process, will extract **more** valuable metals such as Au, Ag, and Sn from anode sludge **faster**.

Prime example of the **synergies** created by the Metallo acquisition and how the whole company benefits in developing new **innovative solutions together**.

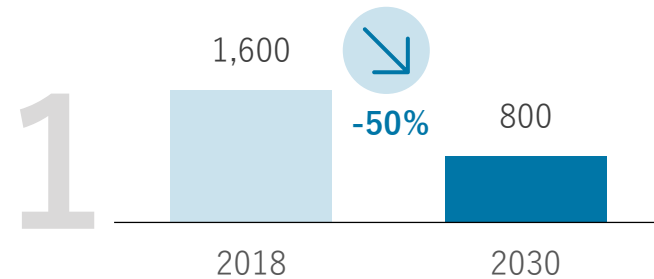


**Project capitalizes on synergies from the Metallo acquisition and contributes significantly to a well-functioning circular economy.**

# Six new, decisive KPIs underline Aurubis' ambitions in sustainability

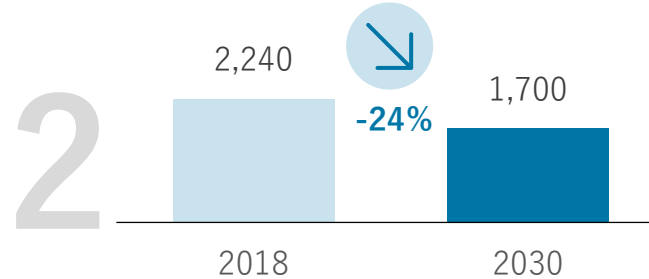
## CO<sub>2</sub> Emissions Scope 1+2

Absolute scope 1+2 CO<sub>2</sub> emissions (in kt)



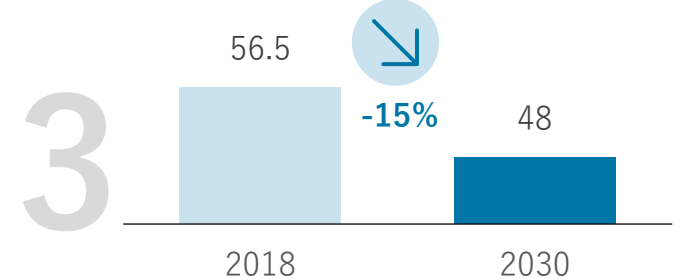
## CO<sub>2</sub> Emissions Scope 3

Scope 3 CO<sub>2</sub> emissions (in kt)<sup>1</sup>



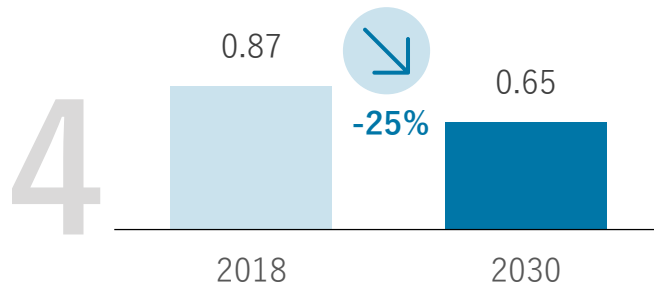
## Air Emissions (Dust)

Air emissions (in g per t of multimetal Cu equivalent)<sup>2</sup>



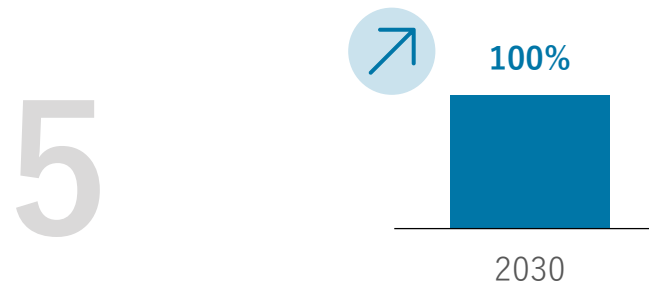
## Metal Emissions to Water

Metal emissions to water (in g per t of multimetal Cu equivalent)<sup>2</sup>



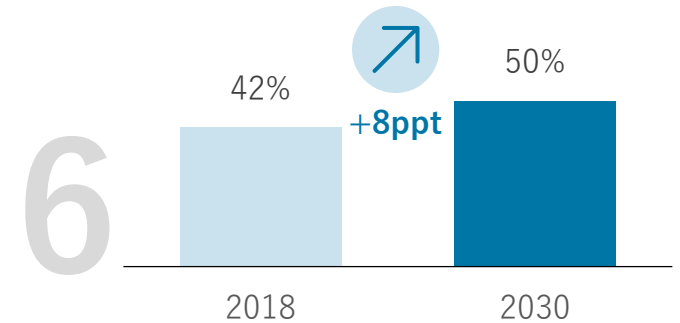
## Supply Chain Integrity

Share of compliant suppliers (in %)<sup>3</sup>



## Recycling Content (Cu)

Recycling share of Cu cathodes (in %)



<sup>1</sup> Assumed steady copper cathode production until target year (physical intensity target)

<sup>2</sup> Multimetal Cu equivalent: Total metal produced at Aurubis smelters (Cu, Zn, Ni, Pb, Sn, Au, Pd, Pt, Ag, Rh, Se, Te) x weight factors

<sup>3</sup> Aurubis plans to introduce a revised and uniform business partner screening system for the fiscal year 2021/22, in which we will bundle the requirements of the various regulations, standards, and initiatives



# Based on the strategic roadmap: Clear financial guidance

## Short term

2020/21ff.

- Capex ~€ 350 million approved
- EBITDA of ~€ 100 million starting 2025/26
- Most of the EBITDA comes from the growth project

## Medium term

2025/26

- Capex ~€ 250 million planned in addition
- EBITDA ~€ 70 million by 2029/30 in addition
- Additional strategic projects, e.g., the modular recycling system (~€ 250 million capex each) and battery recycling (~€ 200 million capex) not yet included

## Long term

2030

- Volume of our long-term growth and project pipeline significantly exceeds short- and medium-term investments
- All capex projects subjected to a sustainability review (particularly CO<sub>2</sub> contribution)
- Battery recycling is a high-priority growth area. Capex ~€ 200 million until the middle of this decade. A hydro-metallurgical pilot plant is underway. Patent application submitted.

# Financial Calendar

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- Virtual Capital Market Day      December 6, 2021
  - [Link for Listen only](#)
- Q1 2021/22      February 7, 2021
- AGM      February 17, 2021
- Q2 2021/22      May 10, 2021
- Q3 2021/22      August 5, 2021
- Annual Report 2021/22      December 7, 2021



# Thank you for your participation.

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For further questions, contact:  
[IR@aurubis.com](mailto:IR@aurubis.com)

 **Aurubis**





# Your IR Contacts

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Angela Seidler

VP Investor Relations,  
Corporate Communications  
& Sustainability

+49 40 7883-3178

[a.seidler@aurubis.com](mailto:a.seidler@aurubis.com)



Elke Brinkmann

Head of Investor Relations

+49 40 7883-2379

[e.brinkmann@aurubis.com](mailto:e.brinkmann@aurubis.com)



Ferdinand von Oertzen

Specialist Investor Relations

+49 40 7883-3179

[f.vonoertzen@aurubis.com](mailto:f.vonoertzen@aurubis.com)

# Aurubis at a glance

Based in [Hamburg](#), Aurubis AG develops its leading market position with a [responsible approach](#) to the [environment](#), [people](#), and [resources](#)



The company's main expertise is in optimally [processing concentrates](#) and [recycling raw materials](#) with complex qualities

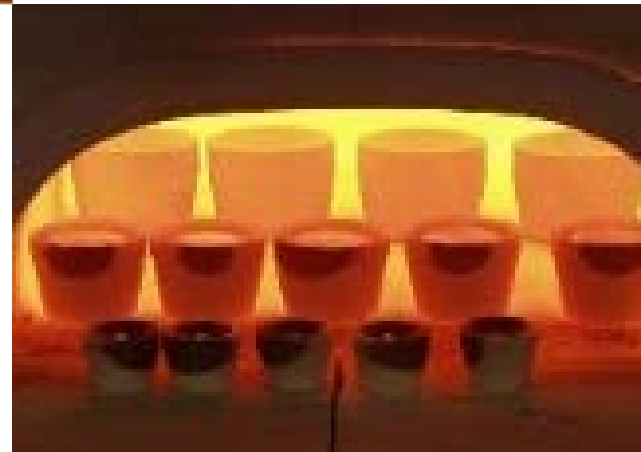
[Metallurgical know-how](#), [state-of-the-art plant facilities](#), and extraordinarily [high environmental standards](#) for the sector make Aurubis an attractive partner for raw material suppliers



The company, which was founded in 1866 as [Norddeutsche Affinerie AG](#), is listed in the [MDAX](#) and produces more than [1 million t of copper cathodes](#) and various copper products from them with about [7,200 employees](#) worldwide



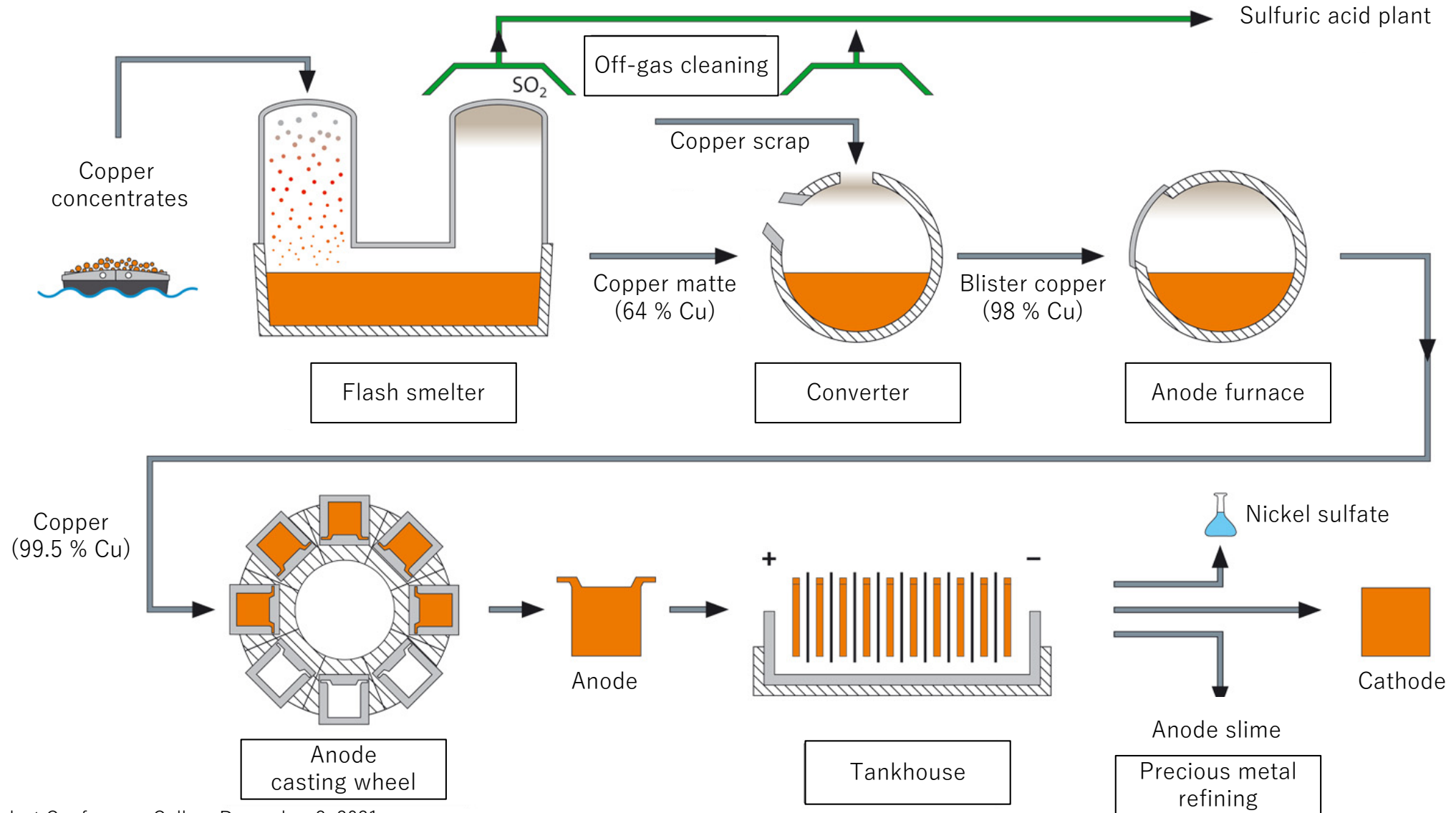
The Group is [active in more than 20 countries](#) and has production sites concentrated in [Europe](#) and [North America](#)



Aurubis is one of the world's leading producers of cathodes, rod, and flat rolled copper products



# Primary copper production process



# Disclaimer

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## Forward-looking statements

This document contains forward-looking statements that involve risks and uncertainties, including statements about Aurubis' plans, objectives, expectations, and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond the control of Aurubis. Should one or more of these risks, uncertainties, or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated, or projected.