Consolidated Financial Statements

Consolidated Income Statement

for the period from October 1 to September 30 (IFRS)

in € thousand	Note	12 months 2022/23	12 months 2021/22
Revenues	1	**17,063,708**	**18,520,522**
Changes in inventories of finished goods and work in process	2	84,942	321,377
Own work capitalized	3	44,932	27,042
Other operating income	4	205,681	235,410
Cost of materials	5	-16,107,018	-17,063,419
Gross profit		**1,292,245**	**2,040,932**
Personnel expenses	6	-558,235	-570,889
Depreciation of property, plant, and equipment and amortization of intangible assets	7	-218,972	-220,306
Other operating expenses	8	-354,544	-322,084
Operational result (EBIT)		**160,494**	**927,653**
Result from investments measured using the equity method	9	16,692	18,444
Interest income	10	11,466	7,191
Interest expense	10	-23,743	-17,146
Other financial income	11	0	250
Other financial expenses	11	-4	-1,137
Earnings before taxes (EBT)		**164,905**	**935,255**
Income taxes	12	-23,763	-220,263
Consolidated net income		**141,142**	**714,992**
Consolidated net income attributable to Aurubis AG shareholders	13	140,934	714,669
Consolidated net income attributable to non-controlling interests	13	208	323
Basic earnings per share (in €)	14	3.23	16.37
Diluted earnings per share (in €)	14	3.23	16.37

Consolidated Statement of Comprehensive Income

for the period from October 1 to September 30 (IFRS)

in € thousand	**12 months 2022/23**	12 months 2021/22
Consolidated net income	**141,142**	**714,992**
Items that will be reclassified to profit or loss in the future		
Measurement at market of cash flow hedges	-28,256	18,160
Hedging costs	277	-674
Changes deriving from translation of foreign currencies	-11,744	23,321
Income taxes	13,425	-7,231
Financial fixed assets accounted for using the equity method — share of other comprehensive income, after taxes	-14,854	7,018
Items that will not be reclassified to profit or loss		
Measurement at market of financial investments	4,588	17,847
Remeasurement of the net liability deriving from defined benefit obligations	-58,364	161,754
Income taxes	19,182	-50,497
Financial fixed assets accounted for using the equity method — remeasurement of the net liability deriving from defined benefit obligations, after taxes	87	841
Other comprehensive income/loss	**-75,659**	**170,539**
Consolidated total comprehensive income	**65,483**	**885,531**
Consolidated total comprehensive income attributable to Aurubis AG shareholders	65,279	885,206
Consolidated total comprehensive income attributable to non-controlling interests	204	325

Consolidated Statement of Financial Position

(IFRS)

Assets

in € thousand	Note	9/30/2023	9/30/2022
Intangible assets	15	143,196	143,415
Property, plant and equipment	16	2,208,585	1,813,611
Financial fixed assets	17	20,070	15,980
Investments measured using the equity method	18	98,484	96,007
Deferred tax assets	24	17,768	18,446
Non-current financial assets	21	39,266	168,079
Other non-current non-financial assets	21	804	3,579
Non-current assets		**2,528,173**	**2,259,117**
Inventories	19	3,399,398	3,552,922
Trade accounts receivable	20	562,834	622,621
Other current financial assets	21	181,635	210,561
Other current non-financial assets	21	93,850	96,061
Cash and cash equivalents	22	493,741	706,048
Current assets		**4,731,458**	**5,188,213**
Total assets		**7,259,631**	**7,447,330**

Equity and liabilities

in € thousand	Note	9/30/2023	9/30/2022
Subscribed capital	23	115,089	115,089
Additional paid-in capital	23	343,032	343,032
Treasury shares		-60,248	-60,248
Generated Group equity	23	3,823,098	3,794,071
Accumulated other comprehensive income components	23	23,254	65,588
Equity attributable to Aurubis AG shareholders		4,244,225	4,257,532
Non-controlling interests	23	787	653
Equity		**4,245,012**	**4,258,185**
Pension provisions and similar obligations	25	114,268	57,605
Other non-current provisions	26	54,648	63,347
Deferred tax liabilities	24	545,336	638,087
Non-current borrowings	27	204,391	209,107
Other non-current financial liabilities	27	103,282	11,475
Non-current non-financial liabilities	27	943	5,131
Non-current liabilities		**1,022,868**	**984,752**
Current provisions	26	63,150	67,605
Trade accounts payable	27	1,566,190	1,582,695
Income tax liabilities	27	23,716	32,331
Current borrowings	27	58,281	118,398
Other current financial liabilities	27	190,819	295,634
Other current non-financial liabilities	27	89,595	107,730
Current liabilities		**1,991,751**	**2,204,393**
Total equity and liabilities		**7,259,631**	**7,447,330**

Consolidated Cash Flow Statement

for the period from October 1 to September 30 (IFRS)

in € thousand	**12 months 2022/23**	12 months 2021/22[1]
Earnings before taxes	**164,905**	**935,255**
Depreciation and amortization of fixed assets (including impairment losses or reversals)	218,972	220,212
Change in allowances on receivables and other assets	3,443	206
Change in non-current provisions	-10,678	-11,056
Net gains/losses on disposal of fixed assets	2,204	-3,499
Measurement of derivatives	196,268	-176,494
Other non-cash items	4,984	4,984
Expenses and income included in the financial result	-4,412	-7,602
Interest received	11,466	7,192
Income taxes received/paid	-86,021	-103,752
Gross cash flow	**501,132**	**865,445**
Change in receivables and other assets	-8,686	-147,757
Change in inventories (including measurement effects)	143,673	-729,968
Change in current provisions	-4,456	827
Change in liabilities (excluding financial liabilities)	-58,959	306,461
Cash inflow from operating activities (net cash flow)	**572,705**	**295,008**
Payments for investments in fixed assets	-624,987	-347,048
Payments from the granting of loans to related entities	-456	-3,469
Proceeds from the disposal of fixed assets	334	494
Proceeds from the disposal of equity instruments held as financial assets	9,612	65,525
Proceeds from the disposal of subsidiaries and other business units (net of cash and cash equivalents disposed of)	0	66,484
Proceeds from the redemption of loans granted to related entities	1	506
Dividends received	5,800	9,050
Cash outflow from investing activities	**-609,695**	**-208,457**
Proceeds deriving from the take-up of financial liabilities	49,178	40,180
Payments for the redemption of bonds and financial liabilities	-123,169	-302,507
Interest paid	-21,872	-14,778
Dividends paid	-78,656	-70,063
Cash outflow from financing activities	**-174,518**	**-347,168**
Net change in cash and cash equivalents	-211,509	-260,617
Changes resulting from movements in exchange rates	-799	1,379
Cash and cash equivalents at beginning of period	706,048	965,287
Cash and cash equivalents at end of period	**493,741**	**706,048**

[1] Interest received has been disclosed under net cash flow since Q2. Prior-year figures have been adjusted accordingly.

Consolidated Statement of Changes in Equity

					Accumulated other comprehensive income components							
in € thousand	Subscribed capital	Additional paid-in capital	Treasury shares	Generated Group equity	Measurement at market of cash flow hedges	Hedging costs	Measurement at market of financial investments	Currency translation differences	Income tax	Equity attributable to Aurubis AG shareholders	Non-controlling interests	**Total equity**
Balance as at 10/1/2021	**115,089**	**343,032**	**-60,248**	**3,025,019**	**18,326**	**161**	**-4,520**	**12,712**	**-7,390**	**3,442,180**	**537**	**3,442,717**
Acquisition of treasury shares	0	0	0	12,141	0	0	-12,141	0	0	0	0	0
Dividends paid	0	0	0	-69,854	0	0	0	0	0	-69,854	-209	-70,063
Consolidated total comprehensive income/loss	0	0	0	826,765	28,657	-674	17,847	23,321	-10,711	885,206	325	885,531
of which consolidated net income	0	0	0	714,669	0	0	0	0	0	714,669	323	714,992
of which other comprehensive income/loss	0	0	0	112,097	28,657	-674	17,847	23,321	-10,711	170,537	2	170,539
Balance as at 9/30/2022	**115,089**	**343,032**	**-60,248**	**3,794,071**	**46,983**	**-513**	**1,186**	**36,033**	**-18,101**	**4,257,532**	**653**	**4,258,185**
Balance as at 10/1/2022	**115,089**	**343,032**	**-60,248**	**3,794,071**	**46,983**	**-513**	**1,186**	**36,033**	**-18,101**	**4,257,532**	**653**	**4,258,185**
Sale of financial investments	0	0	0	5,774	0	0	-5,774	0	0	0	0	0
Dividend payment	0	0	0	-78,586	0	0	0	0	0	-78,586	-70	-78,656
Consolidated total comprehensive income/loss	0	0	0	101,839	-43,106	277	4,588	-11,744	13,425	65,279	204	65,483
of which consolidated net income	0	0	0	140,934	0	0	0	0	0	140,934	208	141,142
of which other comprehensive income/loss	0	0	0	-39,095	-43,106	277	4,588	-11,744	13,425	-75,655	-4	-75,659
Balance as at 9/30/2023	**115,089**	**343,032**	**-60,248**	**3,823,098**	**3,877**	**-236**	**0**	**24,289**	**-4,676**	**4,244,225**	**787**	**4,245,012**

Notes to the Consolidated Financial Statements

General disclosures

Aurubis AG, headquartered in Hamburg, Germany, is a quoted corporate entity registered with the District Court of Hamburg under Commercial Register number HR B 1775. The address is Aurubis AG, Hovestrasse 50, 20539 Hamburg, Germany.

As required by Regulation (EC) No. 1606/2002 of the European Parliament and the Council dated July 19, 2002 on the application of international accounting standards, in conjunction with Section 315e (1) of the German Commercial Code (HGB), the accompanying consolidated financial statements as at September 30, 2023 are prepared in accordance with the International Financial Reporting Standards (IFRS) approved and published by the International Accounting Standards Board (IASB), as adopted by the European Union. The interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS-IC) have been taken into account.

The consolidated financial statements were released for publication after they were approved on December 19, 2023.

The consolidated financial statements have been prepared in euros. If nothing to the contrary is indicated, all amounts are shown in thousands of currency units.

Current and non-current assets and liabilities are presented as separate categories in the statement of financial position. In this context, current assets and current liabilities are expected to be realized within twelve months of the year-end reporting date or are held primarily for trading purposes.

The preparation of consolidated financial statements in accordance with IFRS furthermore requires the Executive Board and authorized employees to make estimates and assumptions in certain significant areas. These have an impact on the measurement and presentation of the assets and liabilities in the statement of financial position, and on related income and expenses.

Sectors that particularly require the application of estimates and assumptions are presented under Significant estimates and assumptions.

This report may include slight deviations in disclosed totals due to rounding.

Compared to the previous year, fiscal year 2022/23 for the Aurubis Group was influenced by the criminal acts directed against Aurubis. The current findings and impact on the consolidated financial statements are described in detail in Economic Development within the Aurubis Group. In the notes regarding the corresponding balance sheet and P & L items, for which comparison with the previous year's figures is only possible to a limited extent due to these events, reference is accordingly made to these additional notes.

Significant accounting principles

SCOPE OF CONSOLIDATION

In addition to the parent company, Aurubis AG, Hamburg, 19 further companies in which Aurubis AG, Hamburg, holds the majority of the voting rights either directly or indirectly, and thus has control, were included in the consolidated financial statements as at the reporting date by way of full consolidation. The reporting date for the consolidated financial statements corresponds to the year-end reporting date of Aurubis AG, Hamburg, and all consolidated subsidiaries, with the exception of three consolidated companies. The reporting date of these subsidiaries is December 31. These companies prepared interim financial statements for consolidation purposes as at the reporting date of the consolidated financial statements.

Accordingly, the financial statements of all significant subsidiaries which Aurubis AG controls are included in these consolidated financial statements.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, a producer of pre-rolled strip in which a 50 % share interest is held, and Cablo GmbH, Gelsenkirchen, in which a 40 % share interest is held, are accounted for using the equity method. Both companies are managed jointly (based on the respective contractual relationship) and mutually (with respect to significant activities) with an additional partner (joint ventures).

CONSOLIDATION PRINCIPLES

The separate financial statements of all companies included in the consolidation are prepared in accordance with the uniform accounting policies that are applied within the Aurubis Group. The financial statements of the main companies included in the consolidated financial statements have been audited by independent auditors.

Capital consolidation is performed as at the acquisition date using the acquisition method, whereby the acquisition cost of the acquired interest is offset against the fair values of acquired assets and liabilities of the subsidiary at that time. Any unallocated difference on the asset side is recognized as goodwill and tested at least annually for impairment. In accordance with IAS 36, goodwill is not amortized on a scheduled basis. Negative goodwill is recognized immediately in profit or loss following a reassessment of the fair values.

Intercompany receivables, liabilities, and contingent liabilities, as well as revenues, other income, and expenses between Group companies are eliminated. Profits resulting from transactions between Group companies are eliminated, if material.

In addition to eight German companies, twelve foreign companies are included in the consolidated financial statements. In accordance with the functional currency concept, the financial statements of subsidiaries prepared in foreign currencies were translated into euros, as the euro is Aurubis AG's reporting currency. Transactions in foreign currencies are converted into the functional currency at the exchange rate at the time of the transaction or, in the case of subsequent measurement, at the time of such measurement. Foreign currency transactions are conducted particularly in US dollars. The average US dollar exchange rate during fiscal year 2022/23 was 1.06740 US$/€. The exchange rate as at September 30, 2023 was 1.05940 US$/€. Gains and losses resulting from the fulfillment of such foreign currency transactions, as well as from the conversion of monetary assets and liabilities designated in a foreign currency as at the reporting date, are recorded in profit and loss in the cost of materials unless they have to be accounted for in equity as qualified cash flow hedges or net investments in foreign business operations. In fiscal year 2022/23, foreign currency conversion differences totaling € 3.6 million (previous year € 2.3 million) were recognized in profit or loss. In accordance with IAS 21, assets and liabilities in the statements of financial position of subsidiaries reporting in a foreign currency are translated at the mid-market rates applicable at the reporting date and the income statement is translated at the average rates for the fiscal year. Any resultant translation differences are recognized directly in equity until the possible disposal of the subsidiary.

Joint ventures are accounted for in accordance with IFRS 11 using the equity method. Profits deriving from upstream/downstream transactions with Group companies are eliminated proportionally.

RECOGNITION OF REVENUES

Revenues are mainly generated from the sale of metals and copper products and are measured in the amount of the consideration that the Group expects to receive from a contract with a customer. The Group recognizes revenues when the authority to exercise control over a product or a service has been transferred to the customer. Bonuses granted in the fiscal year are deducted from revenues. In the case of transport services that generally relate to a specific time period and represent a separate performance obligation, no separation is made on grounds of materiality. Some contracts include rebates and price reductions that are factored into the transaction price.

SHARE-BASED PAYMENT

The recognition and measurement standards of IFRS 2 are to be applied to this compensation component. The component relates to virtual deferred stock with a three-year, forward-looking assessment basis, which is dependent upon the achievement of targets for the operating EBT component and is also based on individual performance. The virtual deferred stock compensation plan does not include dividend payments, and the payout is limited to 150 % of the initial value. To determine the fair value of the limitation of the share price development, the value of a European call option is calculated by applying the Black Scholes formula.

FINANCIAL INSTRUMENTS

A **financial instrument** is a contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In this connection, financial assets particularly comprise cash and cash equivalents, equity instruments held in other entities (e.g., investments or share portfolios), trade accounts receivable, other loans and receivables granted, as well as primary and derivative financial instruments that are held for trading. Financial liabilities generally establish a contractual obligation to deliver cash or other financial assets. These include in particular bonds and other securitized liabilities, liabilities to banks, trade accounts payable, lease liabilities, and derivative financial instruments. Within the Group, regular way purchases and sales of primary financial instruments are generally recorded as at settlement, i.e., at the date of delivery and transfer of control. Derivative financial instruments are recognized as at the trade date. Financial assets and financial liabilities are generally reported gross (i.e., without being netted).

In accordance with IFRS 9, financial instruments are classified as either measured "at amortized cost" (AC), "at fair value through other comprehensive income" (FV OCI), or "at fair value through profit or loss" (FV P&L).

A debt instrument is measured at amortized cost if both of the following conditions are fulfilled:

» It is held as part of a business model whose objective is to hold assets to collect contractual cash flows.
» The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are fulfilled:

» It is held as part of a mixed business model for which both contractual cash flows are collected and the debt instruments are sold.
» The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

If the criteria mentioned above for classification as AC or FV OCI have not been fulfilled, the debt instruments are measured at fair value through profit or loss (FV P&L).

Notwithstanding the above criteria for classification of debt instruments in the categories AC or FV OCI, a company can irrevocably classify its financial assets as “measured at fair value through profit or loss” upon initial recognition if doing so helps prevent or significantly reduce an accounting anomaly (FV option). The Aurubis Group makes use of the FV option for receivables from supply contracts that are not price-fixed (hybrid contracts).

Equity instruments are normally classified and measured at fair value through profit or loss. Deviating from this, there is an irrevocable option, upon initial recognition of primary equity instruments that are not held for trading, to recognize fair value changes in other comprehensive income (OCI option). Aurubis uses the OCI option and classifies equity instruments that are not classified as “held for trading” in the category “fair value through OCI” (FV OCI).

Primary financial liabilities are either measured at amortized cost or at fair value through profit or loss. They are measured at fair value through profit or loss when they are held for trading or have been designated as “fair value through profit or loss” (FV option) — under certain conditions — upon initial recognition. Aurubis makes use of the FV option and irrevocably designates liabilities from supply contracts that are not price-fixed (hybrid contracts) at “fair value through profit or loss.”

No financial instruments were reclassified into other measurement categories either in fiscal year 2022/23 or in fiscal year 2021/22.

Financial assets are recognized if Aurubis has a contractual right to receive cash and cash equivalents or other financial assets from another company. Financial assets are initially recognized at fair value. Thereby, in the case of financial assets that will not be measured subsequently at fair value through profit or loss, the transaction costs directly attributable to the purchase have to be taken into account. Trade accounts receivable with no significant financing component are measured at the transaction price upon initial recognition. As a general rule, this corresponds to the fair value. The fair values recognized in the statement of financial position represent the market prices of the financial assets to the extent that these can be determined directly by reference to an active market. Otherwise, they are measured using normal market procedures (valuation models), applying the market parameters specific to the instrument. Non-interest-bearing financial assets with a term exceeding one year are discounted. For financial assets with a residual term of less than one year, it is assumed that the fair value corresponds to the nominal value. Financial assets designated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate. Financial assets are derecognized if the contractual rights to payments from the financial assets no longer exist or all opportunities and risks are essentially transferred. Any financial assets sold without recourse are derecognized.

The **share interests in affiliated companies** and **investments** that are reported under financial fixed assets are measured at fair value through profit or loss. They are generally measured at fair value, which is derived from the stock market price, provided a price quoted in an active market is available. Subsequent gains and losses resulting from measurement at fair value are recognized as other financial income/expenses in the income statement.

Aurubis makes use of the OCI option for equity instruments and accounts for securities classified as **fixed assets** at fair value through other comprehensive income. When these equity instruments are sold, the profits and losses that are unrealized up to this point in other comprehensive income are transferred to revenue reserves and are not disclosed in the income statement.

The non-current receivables reported as **other financial fixed assets** are measured, if significant, at amortized cost for subsequent measurement purposes, applying the effective interest method.

Within the Aurubis Group, **trade accounts receivable** resulting from supply contracts that are not price-fixed are measured at fair value through profit or loss for subsequent measurement purposes. Receivables held for sale within the context of factoring arrangements are measured at fair value through other comprehensive income. On account of their short terms to maturity, remaining trade accounts receivable are measured at nominal value, less any expected credit losses.

Aurubis makes use of the sale of receivables as a financial instrument within the context of factoring agreement arrangements.

Expected credit losses on financial assets measured at amortized cost or at fair value through other comprehensive income are recorded as allowances, i.e., as part of the measurement of these assets in the statement of financial position. A simplified approach for the recognition of impairment losses is applied for trade accounts receivable. Under this approach, the expected credit losses are calculated using a so-called cohort model, which is based on the data for the past three fiscal years. The measurement of the outstanding receivables takes actual historical bad debt losses into account, giving consideration to forward-looking information.

Actual defaults result in derecognition of the receivables affected. A financial asset is considered to be in default if contractual payments cannot be collected and are assumed to be irrecoverable. Any adjustments to the balance of allowances due to an increase or decrease in the amount of expected credit losses are recorded in an allowance account. The default risk for trade accounts receivable is in particular limited by the Aurubis Group's existing commercial credit insurance programs.

Derivative financial instruments that are not included in an effective hedging relationship in accordance with IFRS 9 (hedge accounting) and are therefore "held for trading" must be classified as "measured at fair value through profit or loss."

In addition, delivery contracts are concluded in the Aurubis Group for non-ferrous metals to cover the expected requirement for raw materials and also for the sale of finished products. In the process, physical delivery contracts may be terminated by making compensation payments due to changes in demand. Fixed-price metal delivery contracts are therefore also recognized as derivative financial instruments. Since these are not included in an effective hedging relationship in accordance with IFRS 9, they are similarly classified as "measured at fair value through profit or loss."

To the extent that they are non-current, a large proportion of the **other financial assets** are measured at amortized cost for subsequent measurement purposes, applying the effective interest method.

Cash and cash equivalents have a remaining term on initial recognition of up to three months and are measured at nominal value.

For financial assets that are not accounted for at fair value through profit or loss, **allowances for impairment generally** need to be recognized on the basis of the expected losses. To calculate these allowances, IFRS 9 provides a three-stage model (general approach). Depending on the counterparty's credit default risk, the model requires different levels of impairment assessment at these various stages.

For cash and cash equivalents and other financial assets that fall within the scope of impairment assessment under IFRS 9, the expected credit loss is primarily determined at the time of their acquisition on the basis of credit default swaps for which losses are calculated that are expected from defaults in the next twelve months. In the case of a significant increase in the default risk, the credit losses expected over the asset's respective term are considered. Because of the short-term nature and the counterparties' high level of creditworthiness, the default risk for the financial assets was low as at the reporting date.

When the company buys back its own shares, these are directly deducted from equity. Neither the purchase nor sale of treasury shares is recorded in profit or loss.

Financial liabilities are recognized if there is a contractual obligation to transfer cash and cash equivalents or other financial assets to another company. Financial liabilities are always initially recognized at fair value. Any directly attributable transaction costs are deducted for all financial liabilities that are not subsequently measured at fair value and are amortized over the term of the liability applying the effective interest method. Financial liabilities denominated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate.

Primary financial liabilities, which include borrowings, trade accounts payable, and other primary financial liabilities, are generally measured at amortized cost. If the interest effect is not insignificant, non-interest-bearing liabilities, or liabilities bearing low interest rates, with a residual term exceeding one year, are discounted. In the case of liabilities with a residual term of less than a year, it is assumed that the fair value corresponds to the settlement amount. Trade accounts payable resulting from supply contracts that are not price-fixed provide an exception. These are measured at fair value through profit or loss (FV option) for subsequent measurement purposes. The fair value changes resulting from the company's own credit risk are recognized in other comprehensive income.

The Aurubis Group uses **derivative financial instruments** to hedge interest rate and foreign currency risks and to hedge commodity price risks.

Derivative financial instruments are measured at fair value. This represents the market value and can be both positive and negative. If the market value is not available, the fair value is calculated utilizing present value and option price models. As far as possible, relevant market prices and interest rates observed at the reporting date, which are derived from recognized sources, are used as the input parameters for these models.

Changes in the fair values of derivative financial instruments are recognized either through profit or loss in the income statement or in equity as a component of other comprehensive income. The decisive factor hereby is whether or not the derivative financial instrument is included in an effective hedging relationship. If no **cash flow hedge accounting** relationship exists, the changes in fair values are to be recognized immediately in profit or loss. If, on the other hand, an effective cash flow hedging relationship exists, such changes will be recognized in equity as a component of other comprehensive income.

In order to avoid fluctuations in the income statement due to the different measurement of hedged items and hedging instruments, IFRS 9 includes special regulations relating to hedge accounting. The aim of these hedge accounting regulations is to record gains and losses on hedging instruments and hedged items so that they compensate one another as far as possible.

In addition to documentation, as a prerequisite for the application of the regulations of hedge accounting, IFRS 9 requires proof of an effective hedging relationship. Hedge effectiveness means that changes in fair value (for fair value hedges) or changes in cash flow (for cash flow hedges) of the hedged items are compensated by counteracting changes in the fair value or the cash flows of the hedging instruments, in each case relating to the hedged risk.

The purpose of derivatives that are used as hedging instruments in conjunction with a **cash flow hedge** is to hedge future cash flows. A risk with regard to the amount of future cash flows exists in particular for planned transactions that are highly likely to occur. Derivative financial instruments used in conjunction with cash flow hedge accounting are recognized at fair value. The gain or loss on measurement is split between an effective and an ineffective portion. The effective portion is the portion of the gain or loss on measurement that represents an effective hedge of the cash flow risk. This is recognized directly in equity under a special heading (cash flow hedge reserve), after taking deferred taxes into account. The ineffective portion deriving from measurement is recognized on the other hand in profit or loss in the income statement. The non-designated portion of the derivative is recorded in a separate reserve for hedging costs in other comprehensive income. Within the Aurubis Group, any changes in fair values of foreign currency options are excluded from the hedging relationship. The accounting treatment of the transactions underlying the hedged cash flows remain unchanged. Following the termination of the hedging relationship, the amounts recorded in the reserve are always transferred to the income statement when gains or losses made in connection with the hedged item are recognized in profit or loss or when the underlying transaction is not actually expected to occur anymore.

The Aurubis Group furthermore enters into hedging relationships that do not satisfy the strict requirements of IFRS 9 and cannot therefore be accounted for in accordance with the hedge accounting regulations. Nevertheless, from an economic point of view, these hedging relationships comply with the principles of risk management. Moreover, hedge accounting is also not applied in the case of the monetary assets and liabilities recognized in connection with foreign currency hedging, because the foreign currency translation gains and losses on the hedged items that need to be realized in profit or loss in accordance with IAS 21 are accompanied by gains and losses on the derivative hedging instruments and more or less compensate one another in the income statement.

The **fair value** of financial instruments is determined pursuant to the regulations of IFRS 13 covering measurement at fair value. The fair value of financial instruments quoted in active markets is calculated based on price quotations insofar as these are prices used in routine and current transactions. Where no prices quoted in active markets are available, the Aurubis Group uses measurement procedures to determine the fair value of financial instruments. Consequently, the input parameters applied in measurement procedures are based where possible on observable data derived from the prices of relevant financial instruments traded in active markets. The use of these measurement procedures requires estimates and assumptions on the part of the Aurubis Group, the scope of which depends on the price transparency of the financial instrument and its market. Management regularly analyzes the methods and influencing factors used to determine the fair value to ensure that they are appropriate. Additional information about the main estimates and assumptions used to determine the fair value can be found in the section Financial instruments.

INTANGIBLE ASSETS

If intangible assets are acquired, they are recognized at acquisition cost. Internally generated intangible assets that provide future economic benefits are recognized at their cost of generation if the criteria for their recognition as an asset are fulfilled. They are amortized on a scheduled, straight-line basis over their expected useful lives of between three and eight years. As an exception, scheduled amortization charges relating to investments made in connection with a long-term electricity supply contract are recorded under cost of materials over the term of the contract. An additional license acquired for a consideration exists, which will be amortized on a scheduled basis in the future. Furthermore, intangible assets were recognized as part of the purchase price allocation resulting from the acquisition of the Metallo Group in fiscal year 2019/20. These are amortized on a scheduled, straight-line basis over their expected useful lives of 9 and 18 years. With the exception of goodwill, the consolidated financial statements do not include any intangible assets with indefinite useful lives.

Carbon dioxide emission rights are recognized under intangible assets, as both free allocations and purchases through the market are foreseen for production purposes. Initial allocations of emission rights acquired free of charge are recognized at an acquisition cost of € 0. Emission rights acquired for consideration are recognized at acquisition cost. Expenses incurred in connection with the disposal of emission rights acquired for consideration are recognized under other operating expenses. Income arising from the sale of emission rights is disclosed under other operating income.

PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are recognized as fixed assets if they are used in the business operations for more than one year. These assets are measured at their costs of acquisition or construction less scheduled depreciation. Such assets also include spare parts and maintenance equipment used for more than one period. Technical minimum stocks are recognized as components of the respective technical equipment and machinery. These stocks are quantities of materials that contain metals and are necessary to establish and ensure a production facility's future functionality for its intended use. Minimum stocks are not subject to scheduled depreciation, as they do not deteriorate or age.

Construction costs include all costs that can be directly attributed to the asset. Borrowing costs that can be directly allocated to the purchase, construction, or production of a qualifying asset are capitalized. No borrowing costs were capitalized in the fiscal year reported Scheduled depreciation is charged using the straight-line method. In this context, depreciation periods used correspond to the expected economic useful lives of the respective assets, as applicable within the Group. The following useful lives were mainly applied:

Buildings	25 to 40 years
Site installations	10 to 25 years
Technical equipment and machinery	5 to 20 years
Technical minimum stock	unlimited useful life
Other equipment, factory and office equipment	3 to 20 years

General overhauls or maintenance measures resulting in the replacement of components are recognized as an asset if it is probable that future economic benefits will flow to the Group and the costs can be measured reliably.

LEASING

When a contract is entered into, Aurubis assess whether it is, or includes, a lease. As a general rule, all leases have been recognized by the lessees as a right-of-use asset and a lease liability.

The lease liabilities disclosed as financial liabilities are basically recognized at the present value of future fixed lease payments. Furthermore, any variable payments that are linked to an index and any expected residual value guarantees are taken into account. If there is reasonable assurance that an existing purchase or extension option will be exercised, then the purchase price and/or any related lease payments are included when determining the lease liability. Compensation for premature termination of the lease is taken into account if there is reasonable assurance that the claim will be exercised. The lease payments are discounted using the interest rate defined in the lease contract or, if this cannot be determined, using the lessee's incremental borrowing rate. Risk-free interbank interest rates for corresponding terms to maturity in different currencies are used to determine the incremental borrowing rate and are increased to include credit and country risk premiums. For subsequent measurement purposes, the carrying amount is increased by the interest on the lease liability and reduced by the lease payments made. The interest deriving from the winding back of the discount on the lease liability is recorded as interest expense in the financial result. If there is a change in the lease payments, the lease liabilities are remeasured. The remeasurement of the lease liability generally leads to an adjustment to the value of the right-of-use asset. Changes in lease payments arise, for example, in connection with adjustments to the term of the lease or though reassessment of extension or termination options.

The right-of-use assets disclosed under property, plant, and equipment are accounted for at cost less scheduled depreciation on a straight-line basis and, where applicable, less any necessary impairment losses recognized in accordance with IAS 36. The cost includes the present value of the future lease payments plus any advance lease payments made, plus any preliminary direct costs and restoration obligations. Any lease incentives received are deducted. The right-of-use assets are generally depreciated over the term of the lease. If the exercise of an existing purchase option can be assumed with reasonable assurance and the purchase price is included in the calculation of the future lease payments, the right-of-use assets are depreciated over the economic useful life of the leased asset.

Lease payments connected with short-term leases, expenses for leases of low-value assets, and variable lease payments that are not linked to an index are recorded in the income statement as current expenses. Moreover, the standards governing leases are not applied to leases of intangible assets. A separation is made into lease and non-lease components to the extent that these can be clearly identified and differentiated.

Leased-out leased assets are recognized at amortized cost under property, plant and equipment. Any resulting income is disclosed as revenues. In the case of a finance lease agreement, the leased asset is derecognized, and a lease receivable is shown under other financial assets. Aurubis did not act as a lessor in any business relationships in either fiscal year 2022/23 nor in the previous year.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life, such as goodwill, are not amortized on a scheduled basis but are subjected to an annual impairment test. Furthermore, an assessment is made at every reporting date to determine whether there are any indications that the asset could be impaired. In the same way, items of property, plant and equipment are tested for impairment if there are any indications of such impairment.

Since the metals contained in the minimum stock can be recovered and the utilization potential of the minimum stock is not subject to wear and tear as it is not used in the production process, an unlimited useful life is assumed. The minimum stocks are therefore not depreciated on a scheduled basis but are instead tested for impairment in conjunction with the respective production facilities if there are any indications of such impairment.

Assets that are amortized or depreciated on a scheduled basis are tested for impairment if events or changes in circumstances indicate that the carrying amount might not be recoverable. Impairment losses are recorded in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. For impairment testing purposes, assets are combined at the lowest level for which cash flows can be separately identified (cash-generating units or CGUs). With the exception of goodwill, non-monetary assets on which impairment losses were recognized in the past are reviewed as at each reporting date to ascertain whether the impairment losses possibly need to be reversed.

INVENTORIES

Inventories are measured at acquisition or production cost on initial recognition. Production cost includes all direct costs attributable to the production process, as well as a systematically allocated share of the production-related overheads.

The acquisition costs of copper concentrates and raw materials for recycling are determined by deducting the treatment and refining charges negotiated with the supplier from the purchase value of the metal. Treatment and refining charges are deductions that are made due to the processing of ore concentrates and raw materials for recycling into copper and precious metals. In the smelters, work in process is measured by initially measuring the metal content. The equivalent cost of the processing that is still required for production of the fine metal is deducted from this figure. In this manner, the costs incurred during the production process are successively recognized as a component of the production cost. This procedure applies to the production of copper, precious metals, and minor metals.

When it comes to the production of copper products, in addition to the metal components, the incurred costs of further processing copper into special formats such as wire rod, shapes, and rolled products are taken into consideration for the measurement of finished goods by way of a calculation surcharge.

Inventories are measured using the average cost method in accordance with IAS 2. In this context, the amount recognized as at the reporting date is measured at the lower of cost and net realizable value. Net realizable value is determined on the basis of quoted commodity exchange or market prices as at the reporting date.

OTHER NON-FINANCIAL ASSETS

Other non-financial assets are recognized at amortized cost. Write-downs are made to the extent that the assets are at risk.

INCOME TAXES

Income taxes comprise both current and deferred taxes. The tax expense and/or tax credit is recorded in profit or loss. If, however, the related source transactions are recognized directly in equity or in other comprehensive income, then the income taxes attributed to them are also directly accounted for in equity or in other comprehensive income.

The Aurubis Group companies are subject to income taxes in many countries around the world. The tax expense and/or tax credit is calculated by applying the tax regulations of the individual countries that are applicable as at the reporting date.

Deferred tax assets and liabilities result from temporary differences between the tax-based carrying amounts of assets and liabilities and those taken into account in the IFRS financial statements or from tax loss carryforwards and tax credits not yet utilized. The calculation of deferred taxes is based on the tax rates expected in the individual countries at the time of realization. These tax rates are generally based on legislation that is valid, or has been enacted, as at the reporting date.

Deferred tax assets deriving from temporary differences, tax loss carryforwards, and tax credits are recognized by the respective company entities to the extent that deferred tax liabilities exist. If deferred tax assets exceed deferred tax liabilities, they are recognized to the extent that it is probable that sufficient taxable income will be available in the future to ensure the utilization of these tax assets. The recoverability of the recognized deferred tax assets is reviewed on an individual basis each year.

Deferred tax liabilities that arise due to temporary differences in connection with investments in subsidiaries and associated companies are recognized unless the point in time for the reversal of the temporary differences can be determined by the Group and it is likely that the temporary differences will not reverse in the foreseeable future due to this determining influence.

Deferred tax assets and liabilities are offset against one another in cases where a legal right of set-off exists and if they relate to income taxes levied on the same company by the same taxation authority.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations are disclosed as soon as part of a company is classified as held for sale, the business area is a separate, significant line of business, and it is for sale as part of a coordinated overall plan.

In accordance with IFRS 5, assets held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

The consolidated result from discontinued operations is reported in the consolidated income statement separately from expenses and income from continued operations; prior-year figures are shown on a comparable basis. In the consolidated cash flow statement, discontinued operations are included in the cash inflows/outflows from operating, investing, and financing activities. Cash flows from operating, investing, and financing activities for the discontinued business area are presented separately in the Notes to the Financial Statements. Furthermore, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form.

If, however, a discontinued business area does not fulfill the requirements of IFRS 5.32, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form. No adjustment is made to prior-year figures. The assets and liabilities disclosed in aggregated form in the statement of financial position are explained in more detail in the Notes to the Financial Statements, broken down by key groups. In this case, no separate disclosure is made in the consolidated income statement.

No discontinued operations or assets held for sale have been disclosed in fiscal year 2022/23.

PROVISIONS

Provisions for pensions and similar obligations are determined in accordance with the projected unit credit method prescribed by IAS 19, based on actuarial reports, applying the “Heubeck-Richttafeln 2018 G” mortality tables. In this connection, the demographic assumptions applied, as well as expected salary and pension trends and the interest rate to be used, are determined on the basis of current estimates as at the reporting date. Accordingly, actuarial gains and losses can result from deviations between the actual parameters as at the reporting date and the assumptions used for the calculation. These actuarial gains and losses — as well as income deriving from plan assets that are not included in net interest — are recognized immediately and completely as they arise and are disclosed as generated Group equity. Past service cost is recognized immediately as an expense in profit or loss.

To determine the net obligation deriving from defined benefit plans, the fair value of the plan assets is deducted from the present value of the pension obligations.

Other provisions are set up for all other uncertain obligations and risks of the Aurubis Group provided that a related obligation to third parties results from a past event, the settlement of which is expected to result in an outflow of cash resources, and the respective amount can be reliably estimated. If the effect of the time value of money is material, non-current provisions are recognized at their present value.

OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are recognized at amortized cost.

Contractual liabilities are recorded when one of the parties has fulfilled its contractual obligation. This primarily applies to advance payments received in respect of customer orders that are recognized under other non-financial liabilities.

Significant estimates and assumptions

Accounting treatment and measurement in the consolidated financial statements are influenced by a large number of estimates and assumptions, which are based on past experience as well as additional factors, including expectations about future events. All estimates and assessments are subject to continuous review and re-evaluation. The use of estimates and assumptions is especially necessary in the following areas:

IMPAIRMENT OF GOODWILL AND OF A LICENSE ACQUIRED FOR A CONSIDERATION

An impairment test is carried out at least annually in line with the accounting policies. In this context, the recoverable amount is calculated on the basis of the value in use — refer to the section Intangible assets. The calculation of the value in use in particular requires estimates of future cash flows on the basis of calculations made for planning purposes.

No impairment loss was recognized for other goodwill amounts or for the licenses acquired for a consideration.

FAIR VALUES IN CONJUNCTION WITH BUSINESS COMBINATIONS

Acquired assets, liabilities, and contingent liabilities are recognized at their fair values when accounting for business combinations. Discounted cash flow (DCF)-based procedures, the results of which depend on assumed future cash flows and other assumptions, are often used in this context. The measurement of contingent liabilities depends significantly on the assumptions with respect to the future resource outflows and the probability of their occurrence.

FAIR VALUES OF DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The fair values of financial instruments for which there are no quoted prices in an active market are determined on the basis of financial calculation procedures and are influenced by assumptions specific to the instrument. Estimates have a particularly significant influence when the fair value needs to be determined for financial instruments for which at least one significant parameter is not based on observable market data (Level 3 of the fair value hierarchy). The selection and application of suitable parameters and assumptions require an assessment by management. Extrapolation and interpolation procedures have to be applied in particular when data is derived from uncommon market transactions. Detailed information about this can be found in the section Financial instruments.

ACCOUNTING FOR INVENTORIES

Various estimates have to be made in connection with the accounting treatment of inventories. For example, estimation procedures are applied when quantifying inventories as well as in the determination of the metal yield content.

PENSION PROVISIONS AND OTHER PROVISIONS

Within the Aurubis Group, retirement benefits for employees are provided on the basis of both defined benefit plans and defined contribution plans.

Obligations deriving from defined benefit pension plans are measured in accordance with actuarial procedures. These procedures are based on several actuarial assumptions, such as, for example, the assumed interest rate, expected salary and pension developments, employee fluctuations, and life expectancy. For the purposes of determining the assumed interest rate, high-quality corporate bonds with commensurate terms and currencies are used as a source of reference. Deviations of the actual development from the assumptions at the beginning of the reporting period lead to remeasurement of the net liability.

When recognizing other provisions, assumptions are made with regard to the probability of the occurrence and the amount and timing of the outflow of resources, which by their nature are subject to uncertainty.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

In accordance with IFRS 5, discontinued operations are measured at the lower of their carrying amount and their fair value less costs to sell.

OTHER ESTIMATES

Other significant estimates relate to the determination of the useful lives of intangible assets and items of property, plant and equipment, the collectability of receivables, and the measurement of inventory risks within inventories.

Changes in accounting and measurement methods due to new standards and interpretations

The following standards were applied for the first time in fiscal year 2022/23 .

Standards and interpretations applied for the first time

	Standard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impacts
IFRS 17	Accounting for insurance contracts Date of application postponed to January 1, 2023	1/1/2023	11/19/2021	No impacts
IAS 1	Amendments: Disclosure of Accounting Policies	1/1/2023	3/2/2022	No impacts
IAS 8	Changes in Accounting Estimates and Errors	1/1/2023	3/2/2022	No impacts
IAS 12	Amendments: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1/1/2023	8/11/2022	No impacts
IFRS 17	Amendments: Initial Application of IFRS 17 and IFRS 9—Comparative Information	1/1/2023	9/8/2022	No impacts
IAS 12	Amendments: Temporary exception with respect to the accounting for deferred taxes in the course of the implementation of global minimum taxation	1/1/2023	11/8/2023	Exception applied

Standards and interpretations for which early adoption has not been applied

	dard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impacts
IAS 1	Classification of Liabilities as Current or Non-current	1/1/2024	open	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 16	Lease Liability in a Sale and Leaseback Transaction	1/1/2024	11/20/2023	Based on our current understanding, Aurubis does not expect any material effects.
IAS 1	Classification of Liabilities as Current or Non-current: Date of application postponed to January 1, 2024	1/1/2024	open	Based on our current understanding, Aurubis does not expect any material effects.
IAS 7 / IFRS 7	Amendments: Supplier Finance Arrangements	1/1/2024	open	Based on our current understanding, Aurubis does not expect any material effects.
IAS 21	Clarification of accounting in the event of a lack of exchangeability of a currency	1/1/2025	open	Based on our current understanding, Aurubis does not expect any material effects.

Notes to the income statement

1. REVENUES

Analysis by product group in € thousand	2022/23	2021/22
Wire rod	6,424,052	7,439,630
Precious metals	3,590,276	3,528,910
Copper cathodes	3,470,792	2,868,443
Shapes	1,194,387	1,741,202
Strip, bars, and profiles	1,318,283	1,669,685
Other	1,065,918	1,272,652
	17,063,708	**18,520,522**

A further breakdown of Aurubis Group revenues by Group segments is provided in the context of Segment Reporting.

As at September 30, 2023, the value attributable to (partially) unfulfilled performance obligations was € 853,351 thousand (previous year: € 1,268,132 thousand). This amount is expected to be recorded as revenue within the next two fiscal years.

A remeasurement effect of € -68,359 thousand in fiscal year 2022/23 derived from supply contracts for which prices had not been fixed (previous year: € -67,438 thousand).

With regard to performance obligations in the Aurubis Group, these include no significant financing components since the payment terms agreed in the respective markets are mainly of a short-term nature.

2. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS

in € thousand	2022/23	2021/22
Finished goods	-60,663	93,782
Work in process	145,605	227,595
	84,942	**321,377**

The change in inventories of finished goods and work in progress resulted mainly from the build-up of metal-bearing intermediate products. The reduction in finished copper goods, on the other hand, had a negative impact on inventories. The previous year was characterized by the strong build-up of intermediate products and finished goods at both our smelter sites in the Custom Smelting & Products segment, Hamburg and Pirdop.

The negative financial impact detailed in Economic Development within the Aurubis Group of the criminal acts directed against Aurubis relate to changes in inventories during the fiscal year and thus severely limit comparability with the previous year.

3. OWN WORK CAPITALIZED

Own work capitalized of € 44,932 thousand (previous year: € 27,042 thousand) primarily includes production costs and purchased materials and services. Own work capitalized in the fiscal year resulted to a large extent from activities in connection with the routine maintenance shutdowns at the Pirdop site, as well as the expansion of the Industrial Heat project, stage 2, at the Hamburg site.

4. OTHER OPERATING INCOME

in € thousand	2022/23	2021/22
Income deriving from the sale of emission rights	57,195	26,085
Compensation and damages	54,843	63,084
Cost reimbursements	50,176	67,990
Income deriving from subsidies and other government grants for energy costs	24,423	46,066
Income deriving from the reversal of provisions	3,418	5,379
Gains on disposal of fixed assets	87	159
Income deriving from the disposal of subsidiaries	2	12,315
Income deriving from reversals of impairment losses	0	94
Other income	15,539	14,238
	205,681	**235,410**

Other operating income reduced in comparison to the previous year by € 29,729 thousand to 205,681 thousand and included, amongst other items, insurance reimbursements recognized in the amount of € 30,000 thousand linked to the criminal activities directed against Aurubis detailed in chapter Economic Development with the Aurubis Group and in the amount of € 23,361 thousand (previous year: € 61,220 thousand) resulting from the severe flooding at the Stolberg site. Other operating income was also influenced by the decrease in cost reimbursements resulting primarily from lower prices for energy sources that were passed on. In addition, decreased government grants of € 24,423 thousand (previous year: € 46,066 thousand) were recognized in the fiscal year in conjunction with decreased energy costs. Here, Aurubis profited particularly from a government regulation in Bulgaria that allows electricity costs for industrial consumers above a certain threshold to be assumed by the government. Income from the sale of emission rights of € 57,195 thousand (previous year: € 26,085 thousand) had a counteracting effect.

5. COST OF MATERIALS

in € thousand	2022/23	2021/22
Raw materials, supplies, and merchandise	15,428,998	16,332,058
Purchased services	678,020	731,361
	16,107,018	**17,063,419**

The cost of materials ratio, represented by the ratio of the cost of materials to revenues and changes in inventories, was 93.9 % (previous year: 90.6 %). The decrease in the cost of materials from raw materials, operating supplies and materials, and merchandise was primarily due to lower average prices for industrial metals in the fiscal year. In contrast, the development in purchased services was mainly due to lower energy prices and the resulting reduction in energy costs from € 499,033 thousand in the previous year to € 418,962 thousand in the fiscal year reported.

The negative financial impact detailed in Economic Development within the Aurubis Group of the criminal acts directed against Aurubis relate to the cost of materials in the fiscal year and thus severely limit comparability with the previous year.

6. PERSONNEL EXPENSES AND EMPLOYEE NUMBERS

in € thousand	2022/23	2021/22
Wages and salaries	437,044	446,718
Social security contributions, pension and other benefit expenses	121,191	124,171
	558,235	**570,889**

Pension expenses include allocations to the provisions for pensions amounting to € 12,446 thousand (previous year: € 16,959 thousand).

The average number of employees in the Group during the year was as follows:

	2022/23	2021/22
Blue collar	4,111	4,233
White collar	2,659	2,553
Apprentices	288	303
	7,058	**7,089**

The reduction in the number of employees is mainly related to the sale of four companies of the former Aurubis flat rolled products segment to KME SE. As the sale took effect on July 29, 2022, the employees of those companies are only included on a pro rata basis in the previous year.

Among other components, the total compensation of the Aurubis AG Executive Board members who were newly appointed from fiscal year 2017/18 onwards includes a share-based compensation component with a cash settlement.

The following parameters were taken as a basis for the calculation of the fair value of the virtual deferred stock compensation plan:

	9/30/2023
Share price (in €)	70.14
Max. exercise price (in €)	105.69
Expected volatility (weighed average, in %)	37.00
Expected term (weighed average, in years)	2.00
Expected dividend (in %)	2.00
Risk-free interest rate (based on government bonds, in %)	2.90
Fair value (in € thousand)	1,502

The expected volatility is based on an assessment of the historic volatility of the company's share price, especially in the period that corresponds to the expected term.

The personnel expenses deriving from the deferred stock compensation plan amounted to € 635 thousand in the fiscal year reported (previous year: € 259 thousand) and are included in the same amount as provisions at the reporting date.

7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

in € thousand	2022/23	2021/22
Intangible assets	10,351	23,238
of which impairment losses on goodwill	0	8,656
of which other impairment losses	0	5,036
Property, plant and equipment	208,621	197,068
of which impairment losses	16,965	14,597
	218,972	**220,306**

The total figure of € 223,957 thousand (previous year: € 225,291 thousand) that is reported for depreciation of property, plant and equipment and amortization of intangible assets in the tables showing changes in assets includes depreciation on investments in connection with an electricity supply contract of € 4,984 thousand (previous year: € 4,984 thousand), which is disclosed under cost of materials.

A breakdown of the amortization of intangible assets and the depreciation of property, plant and equipment is provided in the summary of changes in the Group's intangible assets and property, plant and equipment Intangible assets, and Property, plant and equipment.

8. OTHER OPERATING EXPENSES

in € thousand	2022/23	2021/22
Administrative expenses	140,100	112,940
Selling expenses	137,038	144,624
Other taxes (operating)	3,840	3,851
Allocations to provisions	906	1,573
Sundry operating expenses	72,660	59,096
	354,544	**322,084**

The increase in administrative expenses compared to the previous year is mainly due to the increase in consulting costs, from € 33,122 thousand in the previous year to € 48,168 thousand in the fiscal year reported. Additionally, insurance costs and travel and entertainment expenses increased by a total of € 6,742 thousand compared to the previous year. The selling expenses mainly comprise freight costs.

Sundry operating expenses include expenses for temporary work, research and development, and the operation of the IT systems.

9. RESULT FROM INVESTMENTS MEASURED USING THE EQUITY METHOD

The result from investments measured using the equity method of € 16,692 thousand (previous year: € 18,444 thousand) comprises the shareholdings in Schwermetall Halbzeugwerk GmbH & Co. KG and Cablo GmbH. The fiscal year results include impairment losses recognized against the amount of the investment in Cablo GmbH, determined by applying the equity method, amounting to € 1,758 thousand, as well as against the carrying amount of financing receivables owed by the company in the amount of € 3,800 thousand, due, amongst other reasons, to the deterioration in its earnings situation caused by higher energy prices.

10. INTEREST

in € thousand	2022/23	2021/22
Interest income	11,466	7,191
Interest expense	-23,743	-17,146
	-12,277	**-9,955**

The interest income in the fiscal year mainly derives from interest-bearing customer receivables in the amount of € 9,499 thousand (previous year: € 4,072 thousand).

The interest expense primarily results from borrowings. Among other items, the interest expense includes the net interest deriving from defined benefit plans, amounting to € 1,871 thousand (previous year: € 2,441 thousand).

11. OTHER FINANCIAL RESULT

in € thousand	2022/23	2021/22
Other financial income	0	250
Other financial expenses	-4	-1,137
	-4	**-887**

Other financial expenses in the previous year resulted from the change in the fair value of a non-consolidated subsidiary and from the disposal of the investment in Aurubis Middle East, FZE, Dubai.

12. INCOME TAXES

Income taxes comprise both current income taxes as well as deferred taxes. Tax liabilities and receivables include obligations or claims deriving from domestic and foreign income taxes for previous years and for the current year. Income taxes were made up as follows:

in € thousand	2022/23	2021/22
Current tax expenses/credits	86,334	85,052
Deferred tax expenses/credits	-62,571	135,211
Income taxes	**23,763**	**220,263**

Current taxes include tax expenses of € 16,053 thousand (previous year: € 2,660 thousand) and deferred taxes include tax credits of € 3,075 thousand (previous year: € 6,199 thousand) deriving from earlier fiscal years.

Applicable German tax legislation for fiscal year 2022/23 foresees a corporate income tax rate of 15 %, plus a solidarity surcharge of 5.5 %. The trade tax rate applicable for Aurubis AG amounts to 16.58 % (previous year: 16.59 %). For the other German Group companies, trade tax rates between 12.25 % and 17.33 % are applicable. The tax rates are unchanged from those of the previous year. The foreign companies are subject to their respective national income tax rates, which vary between 10 % and 28.97 % (previous year: 10 % and 28.97 %).

The tax rate of 32.40 % (previous year 32.41 %) applicable to the German parent company has been used to calculate the expected income tax charge for purposes of the reconciliation shown below.

The change in the tax rate of the German parent company rather than the Group-wide mixed tax rate was made necessary by the fact that the results (profits/losses) and the weighted tax rate determined from them no longer added up to a meaningful variable.

The main contributions to earnings were from Aurubis AG, Aurubis Bulgaria, Aurubis Olen and Aurubis Beerse.

The actual income taxes of € 23,763 thousand (previous year: € 220,263 thousand) were € 29,666 thousand lower (previous year: € 82,853 thousand lower) than the expected income tax expense of € 53,429 thousand (previous year: € 303,116 thousand). The difference between the expected tax charge and the actual income tax expense is due to the reasons outlined in the following tax reconciliation:

Reconciliation

in € thousand	2022/23	2021/22*
Earnings before taxes	**164,905**	**935,255**
Expected tax charge at 32.40 % (previous year: 32.41 %*)	**53,429**	**303,116**
Reconciliation effects to derive the actual tax charge		
— changes in tax rates	-213	124
— non-recognition and correction of deferred taxes	45	-536
— taxes for previous years	12,978	-3,539
— non-deductible expenses	6,907	5,550
— non-taxable income/trade tax reductions	-5,122	-10,192
— outside basis differences	1,029	601
— permanent differences	5,145	-938
— measurement at equity	-3,423	-2.159
— impairment of goodwill	0	2,806
- — divergent tax rates	-47,016	-74.616
— other	4	46
Income taxes	**23,763**	**220,263**

* The German parent company's tax rate has been applied in the calculation of the expected tax charge for the first time from FY 2022/23 onwards. The previous year column in the reconciliation was adjusted accordingly.

There were no significant effects from actual tax rate changes in the 2022/23 fiscal year.

Effects deriving from the non-recognition and correction of deferred taxes primarily result from the fact that deferred tax assets on loss carryforwards were not recognized. Overall, there is a reconciliation effect of € 45 thousand (previous year: € -536 thousand).

The effect of € 12,978 thousand deriving from taxes for previous years (previous year: € -3,539 thousand) result mainly from tax field audits.

The non-deductible expenses mainly include the non-deductible portion of the dividend income.

Effects deriving from permanent differences result from different measurement approaches used for non-consolidated subsidiaries and from the manner in which non-corporate entities are presented.

The impact of domestic and foreign tax rates on income taxes that deviate from the parent company's tax rate are disclosed under the "divergent tax rates" item in the reconciliation. The result achieved by Aurubis Bulgaria with a nominal tax rate of 10 % is a material component of this item.

The recognized deferred tax assets and deferred tax liabilities result from the following recognition and measurement differences in individual items in the statement of financial position, from tax loss carryforwards, and from outside basis differences (OBD):

in € thousand	9/30/2023 Deferred tax assets	Deferred tax liabilities	Deferred tax income (+)/ expense (-)	9/30/2022 Deferred tax assets	Deferred tax liabilities
Intangible assets	1,275	11,709	-1,067	3,765	13,132
Property, plant and equipment	9,335	164,070	-341	8,196	163,141
Investments measured using the equity method	0	4,509	2,232	0	6,741
Inventories	18,493	420,451	19,711	12,502	429,908
Receivables and other assets	12,012	36,532	55,648	17,891	117,794
Pension provisions	11,459	2	-3,429	6,147	12,688
Other provisions	6,990	8,259	4,958	4,637	10,751
Liabilities	81,547	23,577	-9,571	86,176	11,149
Tax loss carryforwards	3,414	0	-4,515	8,278	0
Tax credits	0	0	-26	26	0
Outside basis differences	0	2,984	-1,029	0	1,955
Total	144,525	672,093	62,571	147,618	767,259
Offsetting	-126,757	-126,757		-129,172	-129,172
Consolidated Statement of Financial Position	**17,768**	**545,336**		**18,446**	**638,087**

€ 78,110 thousand (previous year: € 110,093 thousand) of the deferred tax assets and € 482,606 thousand (previous year: € 524,045 thousand) of the deferred tax liabilities will be realized within the next twelve months. Deferred tax assets of € 66,415 thousand (previous year: € 37,525 thousand) and deferred tax liabilities of € 189,487 thousand (previous year: € 243,214 thousand) will be realized after more than twelve months. These figures represent the amounts prior to offsetting.

The income taxes to be accounted for in other comprehensive income (OCI) are distributed among the following areas:

in € thousand	9/30/2023 Balance	Change	9/30/2022 Balance	Change
Deferred tax liabilities				
Derivatives	-2,164	11,296	-13,460	-7,929
Pension provisions	-33,337	20,652	-53,989	-52,376
Total	**-35,501**	**31,948**	**-67,449**	**-60,305**
Current taxes	-2,512	667	-3,179	-1,320

With respect to the change in OCI, please refer to details in Pension provisions and similar obligations.

The realization of deferred tax assets is considered to be sufficiently probable after taking the Group's forecast development plans and the profit expectations of the subsidiaries into account. Deferred tax assets are recognized in respect of loss carryforwards to the extent that deferred tax liabilities were available or if the companies concerned had positive future earnings forecasts.

Loss carryforwards existed totaling € 31,744 thousand (previous year: € 56,287 thousand). Deferred tax assets of € 3,414 thousand (previous year: € 8,278 thousand) were recognized in respect of income tax losses of € 19,605 thousand (previous year: € 44,407 thousand). No deferred tax assets were set up during the year reported in respect of tax credits (previous year: € 26 thousand).

No deferred tax assets were set up with respect to loss carryforwards of € 12,139 thousand (previous year: € 11,880 thousand), as the possibility of utilizing them is believed to be unlikely from a current perspective. Of the tax loss carryforwards deemed not to be utilizable, an amount of € 12,139 thousand (previous year: € 11,880 thousand) can be carried forward indefinitely.

Deferred tax liabilities of € 2,984 thousand (previous year: € 1,955 thousand) were set up with respect to the differences between the proportional equity of subsidiaries recognized in the consolidated statement of financial position and the investment carrying amounts for these subsidiaries shown in the tax-based records of the respective parent company (so-called outside basis differences) as at the reporting date. No deferred tax liabilities were set up for outside basis differences deriving from undistributed earnings of subsidiaries amounting to € 27,761 thousand (previous year: € 20,509 thousand), since the reversal of these differences is unlikely in the foreseeable future.

The Aurubis Group is subject to the OECD's global minimum taxation rules (Pillar Two model). In 2021, more than 130 countries agreed to implement the Pillar Two model for multinational enterprises with consolidated revenues of over € 750 million. The goal is to have the companies concerned pay a 15 % minimum effective tax rate.

Pillar Two legislation had not yet entered into force at the reporting date. In connection with the introduction of a global minimum taxation rate, the IABS published amendments to IAS 12 on May 23, 2023 that provide for a mandatory exemption for the accounting of deferred tax assets and liabilities arising from the implementation of the Pillar Two model. The Aurubis Group has applied this exception.

The Aurubis Group may be subject to the minimum tax as soon as the changes to the tax legislation are valid for the countries in which the Aurubis Group operates. At the time of the approval of the consolidated financial statements, national legislation on the introduction of the minimum taxation guidelines have not been implemented in any of the jurisdictions in which Aurubis Group subsidiaries are active.

The Aurubis Group is currently analyzing and evaluating the tax impacts.

In accordance with the Pillar Two model, the Aurubis Group will be required to pay a top-up tax for the difference between the effective tax rate per country and the minimum tax rate of 15 %. As at September 30, 2023, all Aurubis Group subsidiaries are subject to an effective tax rate of over 15 % with the exception of Aurubis Bulgaria with a rate of 10 %. The Bulgarian government is expected to pass legislation for a national minimum tax (qualified domestic minimum top-up tax) by the end of 2023, which should take effect from January 1, 2024 onwards.

13. CONSOLIDATED NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Of the reported consolidated net income for 2022/23 of € 141,142 thousand (previous year: € 714,992 thousand), a share of income of € 208 thousand (previous year: € 323 thousand) is attributable to shareholders other than the shareholders of Aurubis AG, Hamburg. This relates to the non-controlling interests in Aurubis Bulgaria AD, Pirdop.

14. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the consolidated net earnings excluding the non-controlling interests by the weighted average number of shares outstanding during the fiscal year. In fiscal year 2022/23, the weighted number of shares corresponds to the number of shares outstanding as of September 30, 2023.

in € thousand	**2022/23**	2021/22
Consolidated net income attributable to Aurubis AG shareholders	140,934	714,669
Weighted average number of shares (in thousand units)	43,659	43,659
Basic earnings per share in €	**3.23**	**16.37**
Diluted earnings per share in €	**3.23**	**16.37**

Diluted earnings per share are determined by augmenting the average number of the shares outstanding during the fiscal year to include the maximum number of potential shares. Potential shares are the maximum number of stock options or shares that could be issued if all conversion rights on convertible bonds, or other contractual rights that give the shareholder the right to purchase shares were exercised. Where applicable, the consolidated net income is increased at the same time by the interest expense incurred on convertible bonds less the corresponding taxes.

Since such financial instruments and other rights existed neither in the reporting year nor in the previous year, the diluted earnings per share for the Aurubis Group correspond to the basic earnings per share.

Notes to the statement of financial position

15. INTANGIBLE ASSETS

The development of the costs of acquisition or generation and the accumulated amortization and impairment-related write-downs of the intangible assets are as follows:

Costs of acquisition or construction

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2022	241,647	51,826	6,372	299,845
Currency exchange rate differences	2	0	0	2
Additions	2,714	0	12,435	15,149
Disposals	-1,161	0	-42	-1,203
Transfers	1,191	0	-1,107	84
9/30/2023	**244,393**	**51,826**	**17,658**	**313,877**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2022	-105,814	-50,617	0	-156,430
Currency exchange rate differences	-1	0	0	-1
Amortization and impairment losses for the fiscal year	-15,336	0	0	-15,336
Disposals	1,086	0	0	1,086
9/30/2023	**-120,065**	**-50,617**	**0**	**-170,681**

Carrying amount

in € thousand	**9/30/2023**	9/30/2022
Intangible assets		
Franchises, industrial property rights, and licenses	124,327	135,833
Goodwill	1,209	1,209
Payments on account for intangible assets	17,659	6,373
	143,196	**143,415**

Costs of acquisition or construction

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2021	233,665	51,826	1,848	287,339
Additions	6,707	0	6,201	12,908
Disposals	-402	0	0	-402
Transfers	1,677	0	-1,677	0
9/30/2022	**241,647**	**51,826**	**6,372**	**299,845**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2021	-86,645	-41,961	0	-128,606
Amortization and impairment losses for the fiscal year	-19,568	-8,656	0	-28,223
Disposals	399	0	0	399
9/30/2022	**-105,814**	**-50,617**	**0**	**-156,430**

Carrying amount

in € thousand	9/30/2022	9/30/2021
Intangible assets		
Franchises, industrial property rights, and licenses	135,833	147,020
Goodwill	1,209	9,865
Payments on account for intangible assets	6,373	1,848
	143,415	**158,733**

Intangible assets comprise licenses acquired for a consideration, primarily in connection with a long-term electricity supply contract.

In the fiscal year reported, no impairment loss was recognized against goodwill.

As at September 30, 2022, the impairment test led to an impairment loss in its entirety of € 8,655 thousand, comprising the full amount of goodwill for the Beerse/Berango cash-generating unit (CGU). The impacted CGU is made up of two MMR segment sites linked through supply relationships.

Aurubis carries out an impairment test on goodwill at least annually. For the impairment test on goodwill, the goodwill acquired in conjunction with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination. If the carrying amount of the CGU to which the goodwill was allocated exceeds its recoverable amount, a commensurate impairment loss is recognized against the allocated goodwill.

The recoverable amount is the higher of the fair value less costs to sell and value in use. The value in use is determined by means of discounting future cash flows after taxes with a risk-adjusted discount rate (WACC) after taxes (discounted cash flow method). As the cash flows are calculated after taxes, then the applied cost of capital is also determined after taking taxes into account.

The cash flow estimates cover a planning horizon of four years before transferring to perpetuity. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management's assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1%. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets.

The WACC used for discounting purposes amounted to:

	Germany		Belgium		US	
	9/30/2023	9/30/2022	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022
WACC before taxes in %	13.4	13.0	12.7	13.2	13.7	11.5
WACC after taxes in %	9.4	9.1	9.5	9.9	10.0	9.1

There was no requirement to recognize impairment losses on intangible assets with a limited useful life in the fiscal year reported. In the previous year, a total impairment loss for goodwill of € 5,036 thousand was recognized against intangible assets in respect of the Beerse/Berango CGU.

Development costs of € 2,771 thousand (previous year: € 280 thousand) were capitalized during the fiscal year reported. Research costs are recognized in profit or loss for the respective periods Research & Development.

16. PROPERTY, PLANT AND EQUIPMENT

The costs of acquisition or construction and the accumulated depreciation and impairment losses on property, plant and equipment are as follows:

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2022	866,928	2,732,166	152,633	243,252	3,994,979
Currency exchange rate differences	-1,499	-7,581	-1,061	-1,432	-11,573
Additions	12,239	108,116	16,938	471,078	608,372
Disposals	-3,113	-42,036	-3,219	0	-48,368
Transfers	32,789	102,485	3,536	-138,895	-84
9/30/2023	**907,345**	**2,893,151**	**168,828**	**574,003**	**4,543,326**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2022	-461,454	-1,617,617	-97,076	-5,220	-2,181,367
Currency exchange rate differences	298	5,173	845	342	6,658
Reversal of impairment losses in the fiscal year	200	2,442	0	0	2,642
Depreciation and impairment losses for the fiscal year	-28,229	-163,241	-16,632	-519	-208,621
Disposals	2,929	39,920	3,099	0	45,947
9/30/2023	**-486,256**	**-1,733,324**	**-109,764**	**-5,398**	**-2,334,741**

Carrying amount

in € thousand	**9/30/2023**	9/30/2022
Property, plant and equipment		
Land and buildings	421,090	405,475
Technical equipment and machinery	1,159,827	1,114,549
Other equipment, factory and office equipment	59,064	55,556
Payments on account for assets under construction	568,605	238,032
	2,208,585	**1,813,611**

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2021	826,146	2,584,513	137,289	153,161	3,701,109
Currency exchange rate differences	2,765	14,757	2,078	4,226	23,825
Changes due to the initial application of IFRS 16	0	0	18	0	18
Additions	24,758	113,153	17,211	192,240	347,362
Disposals	-5,265	-65,691	-6,370	-8	-77,334
Transfers	18,524	85,434	2,407	-106,367	0
9/30/2022	**866,928**	**2,732,166**	**152,633**	**243,252**	**3,994,979**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment trade fair supplies	Payments on account for assets under construction	Total
10/1/2021	-432,664	-1,522,560	-85,346	-3,613	-2,044,183
Currency exchange rate differences	-572	-10,249	-1,629	-621	-13,071
Reversal of impairment losses in the fiscal year	0	0	94	0	94
Depreciation and impairment losses for the fiscal year	-32,203	-147,634	-16,243	-987	-197,068
Disposals	3,985	62,827	6,048	0	72,860
9/30/2022	**-461,454**	**-1,617,617**	**-97,076**	**-5,220**	**-2,181,367**

Carrying amount

in € thousand	9/30/2022	9/30/2021
Property, plant and equipment		
Land and buildings	405,475	393,481
Technical equipment and machinery	1,114,549	1,061,954
Other equipment, factory and office equipment	55,556	51,942
Payments on account for assets under construction	238,032	149,549
	1,813,611	**1,656,927**

In addition to scheduled depreciation, charges in the year reported include impairment losses of € 16,965 thousand (previous year: € 14,597 thousand), which are recognized against consolidated net income in the line “Depreciation of property, plant and equipment and amortization of intangible assets.” An impairment test carried out due to the decline in the Aurubis Group's market capitalization below the net assets as at reporting date resulted in an impairment loss of € 15,828 thousand for the Buffalo CGU. These impairment losses mostly relate to technical equipment and machinery (€ 15,495 thousand).

In the impairment test process, the total carrying amounts for a CGU are compared to the respective recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. The recoverable amount was determined based on the value in use for purposes of the impairment test.

The value in use was calculated by determining the present value of the expected cash flows (discounted cash flow). The planning process for the expected cash flows covers a planning period of four years. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management's assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1 %. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets. The discount rate used for the Buffalo CGU amounted to 10.0 % as at September 30, 2023.

The required impairment loss was allocated in accordance with IAS 36,105, whereby external appraisals were used as a basis for the derivation of the fair value less costs of disposal of the main items of property, plant and equipment. The measurement process for land is based on the comparable value method. The capitalized earnings method was applied to measure the value of the buildings, whereby the asset value method was taken into account for plausibility purposes. The machinery and equipment were measured applying the asset value method. The total fair value of the assets less costs to sell determined for the property, plant and equipment of the Buffalo CGU amounted to € 52,976 thousand.

Disclosures concerning leases are provided in the section "Leases" in note 28 Leases.

No property, plant and equipment was pledged as security for loans within the Group as at September 30, 2023 and September 30, 2022. Purchase commitments for fixed assets amounted to € 620,263 thousand as at September 30, 2023 (previous year: € 315,505 thousand).

Minimum stocks are recognized in technical equipment and machinery as components of the respective technical equipment and machinery. Minimum stocks are quantities of materials that are necessary to establish and ensure a production facility's continuing functionality for its intended use. A total of € 311,211 thousand was attributable to the technical minimum stock as at September 30, 2023 (previous year: € 311,211 thousand).

17. FINANCIAL FIXED ASSETS

in € thousand	**9/30/23**	9/30/22
Share interests in affiliated companies	10,458	10,462
Investments	9,226	116
Other financial fixed assets	386	5,402
	20,070	**15,980**

The share interests in affiliated companies and investments included in the financial fixed assets in the amount of € 19,684 thousand (previous year: € 10,578 thousand) are classified as "at fair value through profit or loss" pursuant to IFRS 9. The shares are not quoted and there is no active market for them. There is no current intention to sell the share interests. The increase in investments was in particular due to the acquisition of shares in Librec AG, amounting to € 9,109 thousand.

An overview of the investments included in the financial assets of Aurubis AG, Hamburg, is presented in the section Investments.

As at September 30, 2022, other financial fixed assets primarily included securities classified as fixed assets, which mainly comprised a share interest in Salzgitter AG, Salzgitter. For these share interests, Aurubis had made use of the option under IFRS 9 to classify equity instruments as at fair value through other comprehensive income, as there had been a long-term intention to hold them. All the shares were sold in the fiscal year. Proceeds from the sale of shares during the fiscal year amounted to € 9,591 thousand. The related reclassification of the accumulated gains to generated Group equity amounted to € 5,774 thousand.

18. INVESTMENTS MEASURED USING THE EQUITY METHOD

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, is a joint venture in which Aurubis holds a 50 % interest. It is operated as a joint venture with a partner and has been assigned to Segment CSP. The business purpose of the company is the production and marketing of pre-rolled strip made of copper and copper alloys.

Additionally, Cablo GmbH has been included in the consolidated financial statements as an additional joint venture. Aurubis holds a 40 % share interest in Cablo GmbH. It is operated as a joint venture with a partner and has been assigned to Segment MMR. The purpose of the business is to recover copper granules and plastics from scrapped cables.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG and Cablo GmbH are accounted for using the equity method.

The following two tables summarize the financial information prepared in accordance with IFRS, and provide a reconciliation to the investment value that has been recognized. The financial information provided in the table represents the total figures for the company (i.e. 100 %).

SUMMARIZED STATEMENT OF FINANCIAL POSITION AND STATEMENT OF COMPREHENSIVE INCOME

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
(in € thousand)	**2022/23**	2021/22	**2022/23**	2021/22	**2022/23**	2021/22
Assets	**278,256**	**289,746**	**55,159**	**55,239**	**333,415**	**344,985**
Fixed assets	53,354	49,321	23,119	20,262	76,473	69,583
Deferred tax assets	0	0	472	664	472	664
Inventories	135,492	154,211	7,308	10,022	142,800	164,234
Current receivables and other assets	71,112	85,883	22,324	20,107	93,436	105,990
Cash and cash equivalents	18,297	331	1,937	4,183	20,234	4,514
Equity and liabilities	**278,256**	**289,746**	**55,159**	**55,239**	**333,415**	**344,985**
Net assets	196,968	188,972	9,440	8,474	206,408	197,446
Deferred tax liabilities	10,210	15,098	0	0	10,210	15,098
Non-current provisions	5,300	5,175	273	251	5,573	5,426
Non-current liabilities	19,385	22,738	32,000	32,000	51,385	54,738
Current provisions	9,901	10,612	693	112	10,595	10,724
Current liabilities	36,491	47,151	12,754	14,402	49,244	61,553
Income statement						
Revenues	610,967	673,545	129,850	136,833	740,817	810,378
Gross profit	111,348	91,847	11,948	13,361	123,296	105,207
Depreciation of property, plant and equipment and amortization of intangible assets	5,306	4,798	1,699	1,720	7,005	6,517
Interest income	0	0	0	0	0	0
Interest expense	808	451	544	425	1,353	876
Earnings before taxes (EBT)	53,744	43,216	668	793	54,412	44,009
less income taxes	9,718	10,882	-297	191	9,420	11,073
Profit/loss of the period	44,026	32,333	965	602	44,991	32,936

RECONCILIATION OF THE COMBINED FINANCIAL INFORMATION

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
in € thousand	**2022/23**	2021/22	**2022/23**	2021/22	**2022/23**	2021/22
Net assets as at October 1	**188,972**	**150,727**	**8,474**	**7,872**	**197,446**	**158,599**
Profit/loss of the period	44,026	32,333	965	602	44,991	32,936
Other comprehensive income/loss	-24,430	23,511	0	0	-24,430	23,511
Distribution	-11,600	-17,600	0	0	-11,600	-17,600
Net assets as at September 30	**196,968**	**188,972**	**9,440**	**8,474**	**206,408**	**197,446**
Share of joint venture	98,484	94,486	3,776	3,390	102,260	97,876
Elimination of intra-group profits	0	149	-2,018	-2,018	-2,018	-1,869
Impairment losses	0	0	-1,758	0	-1,758	0
Carrying amount	**98,484**	**94,635**	**0**	**1,372**	**98,484**	**96,007**

19. INVENTORIES

in € thousand	9/30/2023	9/30/2022
Raw materials and supplies	1,476,673	1,705,892
Work in process	1,235,718	1,094,854
Finished goods, merchandise	687,007	752,176
	3,399,398	**3,552,922**

The decrease in inventories compared to the previous year was due to the reduction of raw materials, in part caused by longer transit times resulting from the low water levels in the Panama Canal. Finished copper product inventories were also lower as at the reporting date.

The negative financial impact detailed in Economic Development within the Aurubis Group the criminal acts directed against Aurubis relate to inventories during the fiscal year and thus severely limit comparability with the previous year.

As at the reporting date, write-downs of € 81,354 thousand were recorded against inventories (previous year: € 116,358 thousand). These resulted primarily from metal price fluctuations.

20. TRADE ACCOUNTS RECEIVABLE

The trade accounts receivable as at September 30, 2023 and as at September 30, 2022 were due within one year.

The age structure of the trade accounts receivable, after deducting allowances, is as follows:

in € thousand	Carrying amount	of which: not overdue as at the reporting date	less than 30 days	between 30 and 180 days	more than 180 days
As at 9/30/2023 Trade accounts receivable	562,834	478,381	73,121	7,691	3,641
As at 9/30/2022 Trade accounts receivable	622,621	577,936	41,595	1,223	1,867

Movements on the allowances for trade accounts receivable that were not covered by commercial credit insurance were as follows:

in € thousand	9/30/2023	9/30/2022
Specific allowances **Balance as at October 1**	**2,724**	**2,724**
Changes in allowances during the period	40	0
Additions	40	0
Balance as at September 30	**2,764**	**2,724**

All expenses and income deriving from allowances against trade accounts receivable are shown respectively under other operating expenses or other operating income.

As regards the balances of trade accounts receivable that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

Default risks deriving from trade accounts receivable were largely secured by commercial credit insurances, which we also consider when calculating allowances.

21. OTHER RECEIVABLES AND OTHER ASSETS

Other receivables and other assets comprise both other financial and other non-financial assets.

Non-current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2023	9/30/2022
Non-current (with a residual term of more than 1 year)		
Derivative financial instruments belonging to the category “FV P&L”	459	113,231
Derivative financial instruments held as hedging instruments in the context of hedge accounting	13,748	27,463
Receivables from related parties	9,000	12,800
Other non-current financial assets	16,059	14,585
Non-current financial assets	**39,266**	**168,079**
Other non-current non-financial assets	804	1,964
Non-current income tax receivables	0	1,615
Other non-current non-financial assets	**804**	**3,579**

Current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2023	9/30/2022
Current (with a residual term of less than 1 year)		
Derivative financial instruments belonging to the category “FV P&L”	52,049	97,411
Derivative financial instruments held as hedging instruments in the context of hedge accounting	6,287	49,263
Receivables from related parties	7,317	3,568
Sundry other current financial assets	115,982	60,319
Other current financial assets	**181,635**	**210,561**
Income tax receivables	28,403	35,636
Sundry other current non-financial assets	65,447	60,425
Other current non-financial assets	**93,850**	**96,061**

The decrease in derivative financial instruments belonging to the FV P&L category resulted from the measurement of other transactions due to lower energy prices, mainly in connection with a long-term electricity supply contract.

The increase in other current financial assets is mainly due to a € 39,600 thousand increase in advance payments in connection with concentrate purchases, which were made directly before the reporting date. In addition, receivables of € 30,000 thousand existed in connection with the fidelity damage claim that was submitted.

As in the previous year, the sundry other current non-financial assets mainly comprise VAT receivables.

The sundry other current financial assets include a continuing involvement arising from del credere risks with factoring companies and late payment and currency risks deriving from current trade accounts receivable in the amount of € 2,118 thousand (previous year: € 8,310 thousand). The level of continuing involvement corresponds to the maximum risk of loss, mainly based on the assumption that all receivables open on the reporting date that were sold remain outstanding for the entire period for which Aurubis can be held responsible for the late payment risk. Aurubis maintains contractual relationships with five factoring companies, which retain a purchase price discount of up to 13 % of the purchase price.

A liability of € 2,136 thousand was recorded in connection with the continuing involvement (previous year: € 8,287 thousand). All trade accounts receivable sold to factoring companies have a term of less than one year, meaning that the fair value of the continuing involvement and the associated liability each correspond to the carrying amount.

There are receivables covered by four factoring contracts for which the main opportunities and risks from the receivables sold were transferred to the purchaser of the receivables. These were accordingly completely derecognized.

In total, outstanding receivables, excluding a continuing involvement, of € 491,872 thousand (previous year: € 353,522 thousand) had been sold to factoring companies as at the reporting date.

As in the previous year, no significant allowances for expected credit losses were recognized in the reporting year.

As regards the balance for other financial assets that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

22. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of current account balances with banks and short-term deposits. Cash at banks mainly comprises euro balances.

23. EQUITY

The share capital amounts to € 115,089,210.88 and is divided into 44,956,723 no-par-value bearer shares, each with a notional value of € 2.56. Each share includes a voting right and is entitled to dividends. The share capital is fully paid in.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to increase the company's share capital by February 16, 2027, by up to € 23,017,840.64 once or in several installments (Authorized Capital 2022).

The share capital has been conditionally increased by up to € 11,508,920.32 by issuing up to 4,495,672 new no-par-value bearer shares with a proportionate notional amount per share of € 2.56 of the share capital (conditional capital increase). It will be used to grant shares to the holders or creditors of conversion and/or option rights from convertible bonds and/or bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments), which can be issued with the approval of the Supervisory Board in the period up to July 16, 2027.

Based on a resolution passed at the Annual General Meeting on February 16, 2023, the company was authorized for the period up until February 15, 2026 to repurchase its own shares with a volume of up to 10 % of the share capital. The company held 1,297,693 treasury shares as at September 30, 2023, unchanged from the previous year.

Pursuant to the resolution passed at the Annual General Meeting on February 16, 2023, a dividend of € 1.80 per share was distributed in the reporting year, totaling € 78,586,254.

Generated Group equity comprises consolidated net income, the revenue reserves of all Group companies, the accumulated unappropriated earnings of the subsidiaries since their initial consolidation, and the accumulated amounts resulting from consolidation adjustments recognized in profit or loss. In addition, the effects deriving from the remeasurement of the net liability resulting from the defined benefit pension plans (after taxes), which are recorded directly in equity, are also included.

Aurubis AG's legal reserve of € 6,391 thousand, which is not available for distribution, is also included in this amount. The change in generated Group equity from € 3,794,071 thousand as at September 30, 2022, to € 3,823,098 thousand as at September 30, 2023, includes the dividend payment of € 78,586,254 thousand, effects of € -39,095 thousand (after taxes) recognized in equity deriving from the remeasurement of the net liability resulting from the defined benefit pension plans, and the consolidated net income for fiscal year 2022/23 of € 140,934 thousand. In addition, the sale of equity instruments classified as at fair value through other comprehensive income under IFRS 9 resulted in reclassifications from accumulated other comprehensive income to generated Group equity in the amount of € 5,774 thousand. Changes in accumulated other comprehensive income totaling € -36,560 thousand (previous year: € 58,440 thousand) mainly comprise gains and losses of € -43,106 thousand (previous year: € 28,657 thousand) deriving from the measurement at market of cash flow hedges, income taxes of € 13,425 thousand (previous year: € -10,711 thousand), and € 4,588 thousand (previous year: € 17,847 thousand) deriving from measurement at market of financial investments.

An amount of € 44,070 thousand (previous year: € 21,546 thousand) was transferred during the period from other comprehensive income to the consolidated income statement in conjunction with cash flow hedge accounting and is primarily reflected in the cost of materials.

The non-controlling interests amounting to € 787 thousand (previous year: € 653 thousand) comprise the interests of non-Group shareholders in the equity of a company that is fully consolidated by Aurubis AG, namely Aurubis Bulgaria AD, Pirdop.

The change in non-controlling interests includes a proportional share of the dividend payment, amounting to € 70 thousand. The consolidated result of € 204 thousand in fiscal year 2022/23 had a counteracting effect.

Changes in equity are presented in detail in the consolidated statement of changes in equity,
Consolidated Statement of Changes in Equity.

PROPOSED APPROPRIATION OF EARNINGS

The separate financial statements of Aurubis AG, Hamburg, have been prepared in accordance with German accounting principles (HGB — German Commercial Code).

Net income for the year of Aurubis AG	**€ 141,251,082.97**
Retained profit brought forward from the prior year	€ 133,013,669.45
Allocations to other revenue reserves	€ 70,600,000.00
Unappropriated earnings	**€ 203,664,752.42**

A proposal will be made to the Annual General Meeting that Aurubis AG's unappropriated earnings of € 203,664,752.42 are used to pay a dividend of € 1.40 per no-par-value share with a dividend entitlement and that € 142,542,110.42 be carried forward. The freely available shares at the balance sheet date, which numbered 43,659,030 (= € 61,122,642), were taken as a basis.

ADDITIONAL INFORMATION ON CAPITAL MANAGEMENT

The main purpose of management control is to increase the corporate value of the Aurubis Group, in that a positive contribution to the enterprise as a whole is generated beyond the capital costs. The Group's liquidity sourcing is secured through a combination of the Group's cash flow, external borrowing, as well as lines of credit available from our banks. Existing credit facilities and lines of credit can compensate for fluctuations in the cash flow development at any time. The objective is to keep the Group's debt structure in equilibrium in the long term. Control and monitoring are carried out on the basis of defined key ratios. Net debt and liquidity are controlled in the medium and short term by means of regular cash flow forecasts.

One of the main key ratios used to determine and compare profitability is operating ROCE (return on capital employed), which reflects the yield on the capital that is utilized in the operating business or for an investment. Operating ROCE defines the operating earnings before interest and taxes together with the operating result from investments measured using the equity method in relation to the operating capital employed as at the reporting date and represents the yield on the capital employed. Capital employed comprises equity and interest-bearing liabilities, less cash and cash equivalents.

Operating ROCE decreased to 11.3 % compared to 19.0 % in the same period from the previous year.

All external requirements under financial covenants were fulfilled in the fiscal year reported.

24. DEFERRED TAXES

An analysis of the deferred taxes is presented in the section Income taxes.

25. PENSION PROVISIONS AND SIMILAR OBLIGATIONS

Within the Aurubis Group, retirement benefits for eligible employees are provided on the basis of both defined benefit plans and defined contribution plans.

The majority of defined benefit plan commitments in the Aurubis Group relate to Germany and the US. On the one hand, these represent individual contractual direct commitments. On the other hand, the Group provides benefits in the form of defined benefit commitments within collective plans. Both funded and unfunded plans exist.

In Germany, the Group provides eligible employees with pension benefits as well as disability and surviving dependent benefits. These are provided to a great extent through pension and support benefit funds, the assets of which may solely be utilized to satisfy pension obligations towards employees, former employees, and surviving dependents.

Generally, the amount of the pension benefit per qualified year of service is determined as a percentage of a pensionable salary. In Germany, pensions are reviewed every three years and adjusted, where necessary, in a manner corresponding to the price index development.

In Germany, the company pension plan for new employees hired after September 29, 2003, was amended and is now based on defined contribution commitments. Processing is carried out by an external pension fund and an insurance company.

Furthermore, a subsidiary in the US grants employees pension, health care, and life insurance benefits for the period after retirement under specific conditions related to age and duration of employment with the company. These retirement benefits are based on collective agreements that only apply to unionized employees. These represent lifelong pension benefits whose level depends on the duration of employment. The amount of the benefits does not depend on the salary. Health care benefits are provided after the employee leaves the company until an established minimum age. While the pension commitments are mainly financed through the specific assets of a separate pension fund, there is no separate fund for the health care and life insurance benefits provided in the US.

Within the Group, actuarial reports were obtained for all benefit obligations. The reports take uniform Group-wide accounting policies into consideration, while nevertheless reflecting special country-specific circumstances.

In addition to the “Heubeck-Richttafeln 2018 G” mortality tables, the following market discount rates, salary, and pension trends were used as a basis to calculate the pension obligations:

in %	**9/30/2023**	9/30/2022
Discount rate	4.1	3.6
Expected income development	3.0	3.0
Expected pension development	2.2	2.4

The increase in the actuarial interest rate was primarily due to changes in the macroeconomic environment.

A discount rate of 5.6 % (previous year: 5.2 %) was assumed as the basis for the measurement of the pension provision of Aurubis

Buffalo Inc., Buffalo. Income and pension trends are not relevant for the calculation of the pension obligations of the US subsidiary.

The net pension provision for defined benefit obligations disclosed in the consolidated statement of financial position as at September 30, 2023 and September 30, 2022 is as follows:

in € thousand	9/30/2023	9/30/2022
Present value of pension commitments	504,856	520,905
of which funded	400,803	436,043
– Fair value of plan assets	432,692	463,300
	72,164	**57,605**
Effect on the assets cap	42,104	0
Net carrying amount on September 30	114,268	57,605
of which disclosed as assets	0	0
of which disclosed as liabilities	114,268	57,605

The asset cap is calculated as the difference between the present value of the total benefits and the present value (of the entitlement actually earned to date) for the pension fund's pension commitments.

The net liability for pension commitments, taking into account the separate reconciliations for the present value of the defined benefit obligation and the plan assets, is derived as follows:

Development of the present value of the pension obligations

in € thousand	2022/23	2021/22
Present value of unfunded benefit obligations	84,862	134,691
Present value of funded benefit obligations	436,043	555,179
Present value of the pension commitments as at October 1	**520,905**	**689,870**
Current service cost	12,437	16,956
Past service cost	9	3
Gain deriving from plan settlements	-11	-49
Interest cost on the pension obligations	18,482	7,960
Remeasurements	-20,573	-163,187
Actuarial gains/losses deriving from demographic assumptions	-29	-1,173
Actuarial gains/losses deriving from financial assumptions	-37,082	-165,841
Actuarial gains/losses deriving from adjustments based on experience	16,538	3,827
Benefits paid	-22,404	-24,731
Payments for plan settlements	0	-11,651
Exchange rate difference	-3,989	5,734
Present value of the pension commitments as at September 30	**504,856**	**520,905**

Development of the plan assets

in € thousand	2022/23	2021/22
Fair value of the plan assets as at October 1	**463,300**	**476,143**
Interest income	16,611	5,519
Remeasurement effects	-36,833	-1,433
Benefits paid	-16,260	-18,457
Payments for plan settlements	0	-11,651
Contributions made by employer	8,170	8,399
Exchange rate difference	-2,296	4,780
Fair value of the plan assets as at September 30	**432,692**	**463,300**

Development of the net liability

in € thousand	2022/23	2021/22
Net liability as at October 1	**57,605**	**213,727**
Current service cost	12,437	16,956
Past service cost	9	3
Gain deriving from plan settlements	-11	-49
Net interest result	1,871	2,441
Remeasurement effects	16,260	-161,754
Benefits paid	-6,144	-6,274
Employer contributions to the plan	-8,170	-8,399
Exchange rate difference	-1,693	954
	72,164	**57,605**
Effect on the assets cap	**42,104**	**0**
Net liability as at September 30	**114,268**	**57,605**

The remeasurement effects are directly recorded in other comprehensive income and are disclosed under generated Group equity. The net interest result is disclosed under interest expense. In contrast, the other components of the pension expenses (current and past service cost and the loss deriving from plan settlements) are recorded in personnel expenses.

In Germany, the defined benefit plans are primarily administered through processes in operation within the pension fund and the support benefit fund. In this context, the pension fund is overseen by the German Federal Financial Supervisory Authority (BaFin).

Regulations related to the pension fund's capital investment portfolio are defined by the "Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Investment Ordinance, AnlV)." The Investment Ordinance regulates the permitted quantitative distribution and mix of capital investments for the pension fund. A large portion of the pension fund's assets are invested in a segmented special fund.

The risk capital investments (equity instruments and debt instruments with a rating lower than investment grade) may account for a maximum of 35 % of the carrying amount of the pension fund's coverage assets in accordance with the Investment Ordinance. With the approval of BaFin, the percentage of real estate held directly or indirectly via an interest in a limited partnership is currently 25.31 % of the carrying amount of the coverage assets. Derivatives are primarily only used for hedging purposes. The risk of longevity is taken into account by the actuary, after performing a review, by adjusting the biometric parameters where necessary.

The support benefit fund is also oriented to the Investment Ordinance with respect to permitted capital investments.

The plan assets in the Group are made up as follows:

in € thousand	9/30/2023	9/30/2022
Cash and cash equivalents	3,609	22,269
Equity instruments	68,476	54,226
Debt instruments	134,311	128,874
Real estate	160,360	197,150
Reinsurance policies	60,210	55,992
Other current net assets	5,726	4,789
Total plan assets	**432,692**	**463,300**

The debt instruments include non-listed shares of a bonded loan (Schuldscheindarlehen) issued by Aurubis AG in the amount of € 22,000 thousand. The plan assets do not include any real estate used internally. The equity and debt instruments held via security funds are allocated to their corresponding investment classes in the overview.

Market prices are generally available for the equity instruments as a result of their respective quotations on an active market.

The debt instruments are also regularly traded on an active market.

Real estate is held directly and indirectly and is located exclusively in Germany. There is no active market from which market prices can be derived. Appraisals were obtained for all of the real estate included in the plan assets.

The company is subject to various risks in connection with the defined benefit plans. The company is subject to general technical insurance risks in particular, such as the risk of longevity, the risk of interest rate changes, the market price risk, and, to a small extent, a risk of inflation.

SENSITIVITY ANALYSIS

The following sensitivity analysis shows the effect of changes in the parameters on the present value of the defined benefit obligations. Each change in a significant actuarial assumption was analyzed separately, i.e., if one parameter varied, the other parameters remained constant. Possible correlation effects between the individual assumptions are not taken into consideration in this connection:

		Effect on the obligation			
		9/30/2023		9/30/2022	
in € thousand	Change in parameter	**Increase**	**Decrease**	Increase	Decrease
Actuarial interest rate	+/-50 basis points	-27,078	29,755	-30,166	33,564
Expected income development	+/-50 basis points	4,256	-4,166	5,055	-4,881
Expected pension development	+/-50 basis points	18,867	-17,473	22,423	-20,590
Life expectancy	+/-1 year	18,331	-18,137	20,139	-19,763

The undiscounted future pension payments are expected to fall due within the following time bands:

in € thousand	**9/30/2023**	9/30/2022
Less than 1 year	23,673	22,914
Between 1 and 5 years	113,017	105,446
More than 5 years	813,426	810,852
Total	**950,116**	**939,212**

The weighted average duration of obligations deriving from defined benefit plans as at September 30, 2023 is 12.7 years (previous year: 14.1 years).

The expense for defined contribution pension plans amounted to € 23,678 thousand in the year reported (previous year: € 23,465 thousand). This includes both voluntary commitments and the employer's contribution made by the Group to statutory pension schemes.

26. OTHER PROVISIONS

	Non-current		Current		Total	
in € thousand	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022
Personnel-related provisions	41,252	46,654	34,872	42,811	76,124	89,465
Provisions for onerous contracts	0	0	695	65	695	65
Environmental provisions	13,348	16,506	13,478	7,908	26,827	24,414
Sundry provisions	48	188	14,104	16,821	14,152	17,008
	54,648	63,347	63,150	67,605	117,798	130,952

The individual classes of provisions developed as follows during the fiscal year reported:

in € thousand	Balance as at 10/1/2022	Used	Released	Allocated	Exchange rate difference	**Balance as at 9/30/2023**
Personnel-related provisions	89,465	-21,364	-271	8,346	-52	76,124
Provisions for onerous contracts	65	-65	0	695	0	695
Environmental provisions	24,414	-5,753	-699	8,869	-4	26,827
Sundry provisions	17,008	-3,540	-2,448	3,133	0	14,152
	130,952	**-30,723**	**-3,418**	**21,043**	**-56**	**117,798**

Non-current personnel-related provisions primarily include provisions for bridging payments and anniversary bonuses. The weighted average duration of these obligations as at September 30, 2023 is 9.5 years with an increased discount rate of 4.1 % (previous year: 3.6 %). Furthermore, the long-term personnel-related provisions include obligations from partial retirement contracts, which decreased in the fiscal year due to payments in the passive phase by € 4,645 thousand.

Provisions for environmental risks primarily relate to clean-up measures at the Lünen and Beerse sites. The provisions have terms of up to 29 years. The probable costs were determined taking into account past experience in comparable cases, existing appraisals, and the clean-up methods that will be used on the basis of present knowledge. In the fiscal year, an allocation to reserves of € 8,500 thousand was made in connection with restoration obligations for a landfill at the Lünen site.

27. LIABILITIES

Financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2023	9/30/2022
Non-current (with a residual term of more than 1 year)		
Bank borrowings	167,237	167,221
Lease liabilities	37,154	41,886
Non-current borrowings	**204,391**	**209,107**
Derivative financial instruments belonging to the category "FV P&L"	97,855	6,281
Derivative financial instruments held as hedging instruments in the context of hedge accounting	5,427	5,194
Other non-current financial liabilities	**103,282**	**11,475**
Non-current financial liabilities	**307,673**	**220,582**
Current (with a residual term of less than 1 year)		
Trade accounts payable	1,566,190	1,582,695
Trade accounts payable	**1,566,190**	**1,582,695**
Bank borrowings	46,352	105,929
Lease liabilities	11,929	12,469
Current borrowings	**58,281**	**118,398**
Derivative financial instruments belonging to the category "FV P&L"	31,340	85,113
Liabilities to related parties	17,528	19,199
Derivative financial instruments held as hedging instruments in the context of hedge accounting	11,842	40,416
Sundry other current financial liabilities	130,109	150,906
Other current financial liabilities	**190,819**	**295,634**
Current financial liabilities	**1,815,290**	**1,996,727**

The decrease in sundry other current financial liabilities is mainly due to the release of margin calls for energy transactions. The position also includes personnel-related obligations such as Christmas bonus payments, outstanding vacation entitlements, and success-based bonus payments, as well as liabilities related to severance pay for employees.

At a level of € 213,589 thousand as at September 30, 2023, bank borrowings were lower than those at the previous fiscal year-end (€ 273,150 thousand). The decrease is related to the schedule repayment of a bonded loan (Schuldscheindarlehen) totaling € 79,500 thousand in June 2023.

Aurubis had no bank borrowings secured by mortgages and liens on fixed assets. Financial assets have not been pledged as collateral for bank borrowings.

As at September 30, 2023, outgoing payments in the amount of € 411,668 thousand (previous year: € 531,317 thousand) deriving from forward foreign exchange transactions with a negative fair value are matched by receipts of € 403,851 thousand (previous year: € 486,727 thousand). Derivatives with positive fair values qualify as assets and are therefore not included here.

The following table shows the Aurubis Group's contractually agreed redemption payments for non-derivative financial liabilities and the discounted net cash flows of the derivative financial instruments with negative fair values. Foreign currency amounts are translated at the closing rate.

in € thousand	Carrying amount as at 9/30/2023	Payments: Less than 1 year	Payments: From 1 to 5 years	Payments: More than 5 years
Bank borrowings	213,589	46,352	167,221	16
Lease liabilities	49,083	11,929	25,174	11,980
Trade accounts payable	1,566,190	1,566,190	0	0
Liabilities to related parties	17,528	17,528	0	0
Derivatives belonging to the category “FV P&L”	129,195	31,340	97,855	0
Derivatives designated as hedging instruments for hedge accounting purposes	17,269	11,842	5,427	0
Sundry other current financial liabilities	130,109	130,109	0	0
Total	**2,122,963**	**1,815,290**	**295,677**	**11,996**

in € thousand	Carrying amount as at 9/30/2022	Payments: Less than 1 year	Payments: From 1 to 5 years	Payments: More than 5 years
Bank borrowings	273,150	105,929	167,221	0
Lease liabilities	54,355	12,469	26,671	15,215
Trade accounts payable	1,582,695	1,582,695	0	0
Liabilities to related parties	19,199	19,199	0	0
Derivatives belonging to the category “FV P&L”	91,394	85,113	6,281	0
Derivatives designated as hedging instruments for hedge accounting purposes	45,610	40,416	5,194	0
Sundry other current financial liabilities	150,906	150,906	0	0
Total	**2,217,309**	**1,996,727**	**205,367**	**15,215**

Non-financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2023	9/30/2022
Non-current (with a residual term of more than 1 year)		
Non-current non-financial liabilities	943	5,131
Non-current non-financial liabilities	**943**	**5,131**
Current (with a residual term of less than 1 year)		
Income tax liabilities	23,716	32,331
Income tax liabilities	**23,716**	**32,331**
Other tax liabilities	12,266	11,777
Social security obligations	11,021	11,668
Advance payments received on orders	31,965	75,838
Sundry other current non-financial liabilities	34,343	8,447
Other current non-financial liabilities	**89,595**	**107,730**
Current non-financial liabilities	**113,311**	**140,061**

The advance payments received on customer orders reported for the previous year, amounting to € 75,838 thousand, were fully realized as revenues in the fiscal year reported. The previous year was influenced by customer orders for cathodes received shortly before the reporting date. The sundry other current non-financial liabilities include limited subsidies for the Hamburg Industrial Heat project recognized in profit and loss, amounting to € 20,000 thousand. These are collected for profit over the contract term of the energy supply.

Other tax liabilities mainly comprise liabilities from wage taxes and VAT.

28. LEASES

As part of its business activities, Aurubis leases facilities that are involved in the storage and handling of copper concentrates, as well as ships and rail tank wagons for the transport of concentrates and sulfuric acid. The Group also has lease agreements for office buildings, parking lots, containers and vehicles. The right-of-use assets accounted for in this regard in fixed assets developed as follows:

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Total
Costs of acquisition or construction 9/30/2022	12,156	81,069	13,680	106,905
Additions	1,244	3,567	2,520	7,331
Disposals	-334	-621	-1,555	-2,510
Currency exchange rate differences	0	0	-27	-27
Costs of acquisition or construction 9/30/2023	**13,066**	**84,016**	**14,618**	**111,700**
Accumulated depreciation and write-downs as at 9/30/2022	-7,557	-40,126	-7,187	-54,870
Depreciation and impairment losses for the fiscal year	-1,123	-8,855	-3,115	-13,093
Disposals	334	621	1,462	2,417
Currency exchange rate differences	0	0	105	105
Accumulated depreciation and write-downs as at 9/30/2023	**-8,345**	**-48,360**	**-8,735**	**-65,440**
Carrying amounts 9/30/2023	**4,721**	**35,656**	**5,883**	**46,260**

The interest expense for lease liabilities recognized in the income statement amounted to € 1,845 thousand in the fiscal year (previous year: € 1,841 thousand). Expected future payments for lease liabilities total € 58,461 thousand (previous year: € 65,008 thousand).

The following table shows the Aurubis Group's contractually agreed undiscounted interest and redemption payments for lease liabilities and their residual terms.

	9/30/2023				9/30/2022			
in € thousand	Less than 1 year	1 to 5 years	More than 5 years	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
Expected lease payments	13,614	29,676	15,171	58,461	14,177	31,563	19,268	65,008
Interest portion	1,685	4,502	3,191	9,378	1,708	4,892	4,053	10,653
Redemption portion	11,929	25,174	11,980	49,083	12,469	26,671	15,215	54,355

In fiscal year 2022/23, expenses of € 5,250 thousand deriving from current lease arrangements (previous year: € 5,020 thousand) and € 1,035 thousand deriving from leases of low-value assets (previous year: € 1,329 thousand) were recorded. Furthermore, expenses of € 3,320 thousand (previous year: € 2,718 thousand) for variable lease payments that were not included in the measurement of lease liabilities were recognized in profit or loss. Depreciation of right-of-use assets amounted to € 13,093 thousand in the fiscal year (previous year: € 12,038 thousand).

The total cash outflows for leases amounted to € 14,430 thousand in fiscal year 2022/23 (previous year: € 8,833 thousand).

Leases within the Aurubis Group may include extension and termination options. Both such options are included in the calculation of the lease liability if there is reasonable assurance that these will be exercised.

As in the previous year, there were no sale-and-leaseback transactions in fiscal year 2022/23.

29. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES/RECEIVABLES

in € thousand	9/30/2023	9/30/2022
Capital expenditure commitments	620,263	315,505
Warranty obligations	1,039	1,039
Commitments relating to discounted bills of exchange	990	1,342
Commitments under leases	618	2,566

The capital expenditure commitments mainly relate to property, plant and equipment.

In addition, commitments exist under leases, amounting to € 618 thousand, which were not considered for purposes of the measurement of the lease liabilities. These commitments mainly arise from variable lease payments and leases that Aurubis has entered into but which have not yet commenced.

In addition to the commitments already outlined, there are also obligations under long-term contracts.

The securing of our smelter network's supply of raw materials, especially copper concentrates, is of significant importance. In order to secure this supply, we have entered into long-term agreements with terms of five and ten years. Especially in the case of copper concentrates, pricing is based on the metal content of the transactions, as well as on the applicable LME exchange price at the time of the actual delivery. As both the metal contents and the metal prices are very volatile (and therefore difficult to forecast), from our perspective a reliable quantitative disclosure of the commitments deriving from raw material supply sourcing isn't possible.

An agreement is in place with an energy utility for the cost-based procurement of one billion kilowatt hours of electricity per annum over a term of 30 years, commencing in 2010. As the cost and price components are also subject to a high level of volatility, reliable quantitative disclosure of the related commitment is also not possible in this case.

In addition, the Group has entered into long-term agreements for the supply of oxygen to various sites. The commitments resulting from these agreements amount to € 98,236 thousand (previous year: € 128,005 thousand).

Obligations under other long-term contracts are mainly related to the provision of transport and handling services by various service providers and amount to € 121,184 thousand (previous year: € 145,907 thousand).

Aurubis receives partial compensation for the CO_2 costs included in the electricity price. This compensation is received with a time delay. The exact timing of the compensation payments and their amount can't be reliably estimated at the reporting date, so quantitative information isn't possible.

30. FINANCIAL INSTRUMENTS

The Aurubis Group is exposed to market risks, liquidity risks, and default risks as a result of the deployment of financial instruments.

MARKET RISKS

Market risks arise as a result of a possible change in risk factors that lead to a decrease in the market value of the underlying transactions affected by these risk factors. The following groups of general risk factors are relevant for the Aurubis Group: currency exchange rate risks, interest rate fluctuation risks, and other price risks.

Metal price and exchange rate fluctuations represent a potential risk in the buying and selling of metals. We mainly reduce this risk by means of foreign exchange and metal price hedging. We hedge metal surpluses daily using financial instruments such as spot and forward contracts. Similarly, spot and forward exchange contracts are used to hedge foreign currency risks. We minimize such foreign currency risks, deriving from exchange rate fluctuations for metal transactions concluded in foreign currencies in this manner. We only select firms with a good credit standing as counterparties for hedging transactions to minimize the default risk.

We hedge expected cash inflows transacted in foreign currencies, especially the US dollar, by partly using options and forward exchange transactions. We will also continue this practice in the future and expect to reduce the risks deriving from metal price and exchange rate fluctuations to a reasonable level by taking such measures.

Furthermore, our Aurubis Richmond project in the US has a counteracting effect with regard to our US dollar exposure.

Default risks deriving from trade accounts receivable are covered to a great extent through use of commercial credit insurance. We only permit internal risks to a very limited extent and after undertaking a review. We closely monitor the development of any outstanding receivables. During the reporting period, there were no significant cases of default concerning receivables. Economic developments during the coronavirus pandemic had a temporary impact on our customers' creditworthiness, which in turn had an influence on the willingness of credit insurance providers to grant lines of credit. Our customers' creditworthiness stabilized as a result of the economic recovery following the coronavirus crisis — as did credit insurers' willingness to grant lines of credit. The Ukraine crisis and its impacts on the energy sector in particular haven't had any noticeable effects on receivables management to date. We therefore also don't foresee any increased risks for the future.

The liquidity supply, which is very important for the Aurubis Group, was secured at all times during the past fiscal year. The lines of credit provided by our banks were also sufficient. The Aurubis Group's financial position in the new fiscal year will continue to be stable and it can finance possible liquidity fluctuations arising from its operating business activities through existing cash resources and available credit lines.

Risks that could arise from a resurgence of the sovereign debt crisis in the eurozone could potentially have a cumulative impact on the individual risks described in this section, for example those related to default on receivables or liquidity. For this reason in particular, we would classify the risks deriving from finance and financing as "medium."

CURRENCY EXCHANGE RATE RISKS

As a result of its business operations, the Aurubis Group is exposed to currency exchange rate fluctuations. Changes in exchange rates can lead to losses in the value of financial instruments. Foreign currency forward and option contracts are concluded to limit currency risks. These mainly relate to the US dollar. For this purpose, the foreign currency positions from underlying transactions are offset against each other on a daily basis and any remaining open positions are squared by means of foreign exchange derivatives. We work exclusively with business partners with good credit standing on all foreign exchange hedge transactions.

Furthermore, foreign currency forward and option contracts were concluded in the past fiscal year to hedge future receipts. Provided the criteria for cash flow hedges were fulfilled, the results of these hedge transactions are initially recognized in the accompanying financial statements in other comprehensive income in the amount of the effective portion of the hedge.

These results are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss. Fundamental shifts in currency relationships, in particular between the euro and the US dollar, can, however, only be hedged for a limited time in this context.

The foreign currency risk constitutes a cash flow risk and represents the risk position for the following period. This corresponds to the net amount of the nominal volume of the non-derivative and derivative financial instruments held, which are exposed to exchange rate risks. In addition, planned revenue transactions of the following periods are included to the extent that these are taken into account for currency risk management purposes to show the risk position for the following period.

Foreign currency risk

	€ / US$	
in € thousand	**9/30/2023**	9/30/2022
Risk position deriving from recorded transactions	-660,586	-644,499
Budgeted revenues	394,450	555,396
Forward foreign exchange contracts	398,504	254,573
Put option transactions	-29,734	-46,676
Net exposure	**102,634**	**118,794**

IFRS 7 requires a sensitivity analysis to be performed for each type of risk to indicate the market risks. The use of sensitivity analyses determines the potential impacts on profit or loss and on equity, as at the reporting date, of a change in the respective risk variable for each type of risk. The impacts for the periods are determined by relating the hypothetical changes in the risk variables to the amount reported as at the reporting date. In doing so, it is assumed that the amount reported as at the reporting date is representative for the entire year.

In order to determine the exchange rate risk, a sensitivity analysis is performed for the foreign currency that poses a significant risk for the business, in this case the US dollar. For the purpose of the sensitivity analysis for the currencies, it was assumed that the exchange rate of the euro compared with the US dollar would change by +/-10 %, respectively.

If the euro had been 10 % stronger or weaker against the US dollar on September 30, 2023 or September 30, 2022 as compared to the closing rate prevailing on the reporting date, then — from a foreign currency risk perspective — equity and net income for the year would have changed to the extent shown in the following table. All relevant recognized foreign currency items have been included in the calculation, as well as the budgeted revenues of the following period that were considered in the foreign currency risk exposure assessment.

Currency sensitivity

	€ / US$	
in € thousand	9/30/2023	9/30/2022
Closing rate	1.0594	0.9748
Devaluated rate (€ against US$)	**0.9535**	**0.8773**
Effect on earnings	43,562	61,438
of which budgeted revenues	43,828	61,711
of which non-derivative transactions	-5,478	-26,748
of which derivative transactions	5,212	26,475
Effect on equity	-25,308	-33,009
Appreciated rate (€ against US$)	**1.1653**	**1.0723**
Effect on earnings	-35,777	-50,516
of which budgeted revenues	-35,859	-50,491
of which non-derivative transactions	4,346	21,636
of which derivative transactions	-4,264	-21,661
Effect on equity	20,599	25,976

INTEREST RATE FLUCTUATION RISKS

Interest rate fluctuation risks arise due to potential changes in market interest rates and can result in a change in the fair value of fixed-interest financial instruments and interest payment fluctuations for variable interest rate financial instruments. Any interest rate risks that arise are hedged by interest rate swaps. Interest rate fluctuation risks are of significant importance in the financial sector. Provided the criteria for cash flow hedges are fulfilled for the hedging of variable interest payments, the results of these hedge transactions are initially recognized in other comprehensive income in the amount of the effective portion of the hedge transaction. They are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss in the respective fiscal year. As was the case in the previous year, no interest rate hedges were transacted during the fiscal year reported.

The table below shows the net exposure for variable interest-bearing risk positions.

Variable interest-bearing risk positions

	Total amount		Less than 1 year	
in € thousand	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022
Loans/time deposits	463,060	681,183	463,060	681,183
Other risk positions	-503,445	-352,055	-503,445	-352,055
of which hedged against the interest rate fluctuation risk	0	0	0	0
Net exposure	**-40,385**	**329,128**	**-40,385**	**329,128**

In accordance with IFRS 7, interest rate fluctuation risks are presented in a sensitivity analysis, which reflects the effects of a change in market interest rates on interest income, interest expenses, and equity.

In the event of an increase (decrease) in all relevant interest rates by 100 basis points (100 basis points), equity and earnings for the year ending September 30, 2023 and September 30, 2022, respectively, would change, as shown by the following table. The same items have been included in the calculation as were considered for the determination of the net exposure presented above.

Interest rate sensitivities

	9/30/2023		9/30/2022	
in € thousand	**+100 BP**	**-100 BP**	+100 BP	-50 BP
Effect on earnings	-404	404	3,077	-2,175
Effect on equity	0	0	0	0

OTHER PRICE RISKS

As a result of its business operations, the Aurubis Group is exposed to commodity price risks. Among other measures, non-ferrous metals futures contracts are entered into in order to mitigate these price risks. The contracts are mainly focused on the hedging of the copper price. For this purpose, incoming and outgoing metal quantities from underlying transactions are offset against each other on a daily basis and remaining open positions are squared by means of metal exchange transactions. We work exclusively with business partners with good credit standing on all metal hedge transactions.

If price-fixed metal delivery agreements for non-ferrous metals, which are contracted to cover the expected raw material requirement or the expected sale of finished products, are accounted for as derivative financial instruments, then market value changes in these are recognized in profit or loss. Gains and losses from the contrary development of the fair value of the hedged items and the hedge transactions are therefore recognized directly in profit or loss.

The Aurubis Group has secured its electricity consumption at the German sites by concluding a long-term agreement with an energy utility. Aurubis is exposed to an electricity price risk from the measurement of part of this agreement.

The nominal volumes of the derivative financial instruments covering copper, silver, gold, as well as electricity, coal, CO_2 and gas, which result from the gross total of the nominal amounts of the individual purchasing and sales contracts, are as follows.

Nominal volumes of the derivatives

in € thousand	**9/30/2023**	9/30/2022
Copper	1,801,334	2,002,066
Silver	84,306	167,186
Gold	360,626	538,435
Energy	478,482	608,924
	2,724,748	**3,316,611**

In accordance with IFRS 7, commodity price risks are shown in the form of a sensitivity analysis, which reflects the effects of a change in the commodity prices on equity and net income for the period.

In the event of a 10 % increase (decrease) in all relevant commodity prices, equity and earnings for the year would be changed for the year ending September 30, 2023 and September 30, 2022, respectively, as shown in the following table. The calculation includes all derivatives for copper, silver, gold, as well as electricity, coal, CO_2 and gas as at the reporting date.

Commodity price sensitivity

	Copper		Silver		Gold		Energy	
in € thousand	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022	**9/30/2023**	9/30/2022
Price increase								
Effect on earnings	50,765	12,140	1,765	7,010	17,462	33,329	-7,307	1,463
Effect on equity	0	0	0	0	0	0	9,317	5,451
Price decrease								
Effect on earnings	-50,765	-12,140	-1,765	-7,010	-17,462	-33,329	7,307	-1,463
Effect on equity	0	0	0	0	0	0	-9,317	-5,451

The effects on earnings shown in the commodity price sensitivity table for metals are partially or completely compensated through the measurement of the purchase or sales contracts that are not yet fixed, since these positions are provisionally measured at the respective price on the reporting date.

DERIVATIVE FINANCIAL INSTRUMENTS

The Aurubis Group uses derivative financial instruments to hedge currency exchange rate and other price risks. These are reported according to their residual term under other current/non-current financial assets/liabilities. Provided the criteria for the application of hedge accounting are fulfilled, these are treated as cash flow hedges.

Financial derivatives

	Assets				Equity and liabilities			
	9/30/2023		9/30/2022		**9/30/2023**		9/30/2022	
in € thousand	**Carrying amount**	**Nominal volume**	Carrying amount	Nominal volume	**Carrying amount**	**Nominal volume**	Carrying amount	Nominal volume
Forward foreign exchange contracts								
without a hedging relationship	2,958	505,775	19,404	810,666	1,017	197,287	2,311	146,994
as cash flow hedges	597	45,792	0	0	6,799	207,533	42,279	340,323
Foreign currency options								
without a hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	75	14,495	103	36,091	84	14,417	8	3,504
Metal futures contracts								
without a hedging relationship	15,537	847,960	57,553	1,436,149	28,444	1,617,415	57,208	1,466,450
as cash flow hedges	124	1,585	18	792	81	1,544	3,323	26,783
Other transactions								
without a hedging relationship	34,013	64,042	133,685	492,818	99,734	309,376	31,875	103,498
as cash flow hedges	19,239	43,266	76,605	19,790	10,305	70,980	0	0

The nominal volume of the derivative financial instruments is the sum of the nominal amounts of the individual purchase and sales contracts. By contrast, the fair value is based on the measurement of all contracts at the prices applicable on the measurement date. It indicates the potential impact on income of the prompt settlement of all derivatives as at the reporting date, without considering the hedged transactions.

The impact on earnings of changes in the fair value of financial derivatives that relate to a cash flow hedge is recognized in equity through other comprehensive income in the amount of the effective portion. The hedging costs for these financial derivatives are recorded in other comprehensive income and are disclosed as a separate reserve item. The cumulative amounts recorded in equity are reclassified to the income statement in the period in which the hedged cash flows impact the income statement, and are mainly recorded as a component of the cost of materials.

The ineffective portion of the fair value change is, by contrast, recognized directly in profit or loss. Ineffectiveness results in particular from the credit risk adjustment (CRA) and the cross currency basis spread (CCBS), which are not reflected in the hedged transaction. As was the case in the previous year, no ineffective changes in fair value of the hedge instruments were identified that had to be recognized during the fiscal year reported.

Average price of designated hedging instruments

	9/30/2023	9/30/2022
Forward foreign exchange contracts (US$/€)	1.0960	1.1169
Foreign currency options (US$/€)	1.1425	1.1751
Metal futures contracts - nickel (€/t)	18,874.41	19,343.79
Metal futures contracts - zinc (€/t)	0.00	2,986.15
Coal derivatives (US$/t)	130.17	59.20
Gas derivatives (€/MWh)	19.65	16.39
Electricity derivatives (€/MWh)	109.20	29.37

The following overview shows a reconciliation of the other comprehensive income for the fiscal year that results from accounting for hedging relationships:

Cash flow hedges

in € thousand	2022/23 Measurement at market of cash flow hedges	2022/23 Hedging costs	2021/22 Measurement at market of cash flow hedges	2021/22 Hedging costs
Balance as at October 1	46,983	-513	18,326	161
Change in fair value	960	-331	50,203	-1,487
Reclassification to profit (+) or loss (-)	44,070	-608	21,546	-813
Balance as at September 30	**3,873**	**-236**	**46,983**	**-513**

The following two tables show when the cash flows from cash flow hedges will occur and when they will influence the income statement:

Cash flow hedges as at September 30, 2023

Occurrence and impact on income statement in € thousand	Carrying amount	Nominal volume	Less than 1 year	1 to 5 years	More than 5 years
Forward foreign exchange contracts					
Assets	597	45,792	45,792	0	0
Liabilities	6,799	207,533	207,533	0	0
Foreign currency options					
Assets	75	14,495	14,495	0	0
Liabilities	84	14,417	14,417	0	0
Metal futures contracts					
Assets	124	1,585	1,585	0	0
Liabilities	81	1,544	1,544	0	0
Other transactions					
Assets	19,239	43,266	7,893	35,373	0
Liabilities	10,305	70,980	27,737	43,243	0

Cash flow hedges as at September 30, 2022

Occurrence and impact on income statement in € thousand	Carrying amount	Nominal volume	Less than 1 year	1 to 5 years	More than 5 years
Forward foreign exchange contracts					
Assets	0	0	0	0	0
Liabilities	42,279	340,323	269,223	71,100	0
Foreign currency options					
Assets	103	36,091	36,091	0	0
Liabilities	8	3,504	3,504	0	0
Metal futures contracts					
Assets	18	792	792	0	0
Liabilities	3,323	26,783	25,198	1,585	0
Other transactions					
Assets	76,605	19,790	4,067	15,723	0
Liabilities	0	0	0	0	0

LIQUIDITY RISKS

Liquidity risks constitute the risks that the business is unable to settle its own liabilities. The contractually agreed undiscounted interest and redemption payments of the financial liabilities are shown in the section Liabilities.

The adequate sourcing of the Group with liquid funds is ensured not only by the Group's cash flow but also by the existing short-term and long-term credit lines with our banks. Fluctuations in cash flow can therefore be compensated for. An autonomous executive committee monitors the development of Aurubis' liquidity position on a timely and regular basis and reports to the Executive Board.

DEFAULT RISKS

Default risks exist for all classes of financial instruments, in particular for trade accounts receivable. The concentration of the credit risk is limited due to the wide-ranging and heterogeneous customer base. The largest individual customer account receivable balances are regularly controlled. The credit risk arising from derivative financial instruments is limited in that the corresponding contracts are only concluded with contractual parties and banks that have a good credit standing.

The customers have been classified according to their credit rating within the context of the credit risk management process, whereby each customer has been given a specific credit limit.

The carrying amounts of the financial assets recognized in the statement of financial position, less any write-downs, represent the maximum potential default risk without taking into account the value of any securities received or other risk-mitigating agreements.

Furthermore, to minimize default risks as far as possible, we monitor the receivables due from our business associates on a regular basis. Apart from instruments that are customary within the market, such as letters of credit and guarantees, we also make particular use of commercial credit insurance to safeguard against potential default for receivables. If receivables are sold under factoring agreements, this is done without recourse.

Additional disclosures for financial instruments

Carrying amounts, valuations and fair values by measurement category in € thousand	Measurement category under IFRS 9	2022/2023 Carrying amount 9/30/2023	Measurement in the statement of financial position under IFRS 9: Amortized cost	Fair value through equity	Fair value through profit or loss	Measurement in the statement of financial position under IFRS 16	Fair value 9/30/2023
ASSETS							
Share interests in affiliated companies	FV P&L	10,458			10,458		10,458
Investments	FV P&L	9,226			9,226		9,226
Other financial fixed assets							
Other loans	AC	386	386				386
Trade accounts receivable	AC	353,505	353,505				353,505
	FV P&L	207,682			207,682		207,682
	FV OCI	1,647		1,647			1,647
Other receivables and financial assets							
Receivables from related parties	AC	16,317	16,317				16,317
Other financial assets	AC	104,391	104,391				104,391
	FV P&L	19,428			19,428		19,428
	n/a	8,222	8,222				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	52,508			52,508		52,508
Derivatives with a hedging relationship (hedge accounting)	n/a	20,035		20,035			20,035
Cash and cash equivalents	AC	493,741	493,741				493,741
EQUITY AND LIABILITIES							
Bank borrowings	AC	213,589	213,589				205,333
Lease liabilities	n/a	49,083				49,083	49,083
Trade accounts payable	AC	335,246	335,246				335,246
	FV P&L	1,230,944			1,230,944		1,230,944
Liabilities to related parties	AC	17,528	17,528				17,528
Other non-derivative financial liabilities	AC	129,011	129,011				129,011
	n/a	1,098	1,098				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	129,195			129,195		129,195
Derivatives with a hedging relationship (hedge accounting)	n/a	17,269		17,269			17,269
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		968,340	968,340	0	0		968,340
Financial assets at fair value through other comprehensive income (FV OCI)		1,647	0	1,647	0		1,647
Financial assets at fair value through profit or loss (FV P&L)		299,302	0	0	299,302		299,302
Financial liabilities at amortized cost (AC)		695,374	695,374	0	0		687,118
Financial liabilities at fair value through profit or loss (FV P&L)		1,360,139	0	0	1,360,139		1,360,139

Carrying amounts, valuations and fair values by measurement category in € thousand	2021/2022						
			Measurement in the statement of financial position under IFRS 9				
	Measurement category under IFRS 9	Carrying amount 9/30/2022	Amortized cost	Fair value through equity	Fair value through profit or loss	Measurement in the statement of financial position under IFRS 16	Fair value 9/30/2022
ASSETS							
Share interests in affiliated companies	FV P&L	10,462			10,462		10,462
Investments	FV P&L	116			116		116
Securities classified as fixed assets	FV OCI	5,021		5,021			5,021
Other financial fixed assets							
Other loans	AC	381	381				381
Trade accounts receivable	AC	293,010	293,010				293,010
	FV P&L	244,855			244,855		244,855
	FV OCI	84,756		84,756			84,756
Other receivables and financial assets							
Receivables from related parties	AC	16,368	16,368				16,368
Other financial assets	AC	49,477	49,477				49,477
	FV P&L	10,927			10,927		10,927
	n/a	14,500	14,500				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	210,642			210,642		210,642
Derivatives with a hedging relationship (hedge accounting)	n/a	76,726		76,726			76,726
Cash and cash equivalents	AC	706,048	706,048				706,048
EQUITY AND LIABILITIES							
Bank borrowings	AC	273,150	273,150				261,673
Liabilities under finance leases	n/a	54,355				54,355	54,355
Trade accounts payable	AC	349,323	349,323				349,323
	FV P&L	1,233,372			1,233,372		1,233,372
Liabilities to related parties	AC	19,199	19,199				19,199
Other non-derivative financial liabilities	AC	142,619	142,619				142,619
	n/a	8,287	8,287				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	91,394			91,394		91,394
Derivatives with a hedging relationship (hedge accounting)	n/a	45,610		45,610			45,610
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		1,065,284	1,065,284	0	0		1,065,284
Financial assets at fair value through other comprehensive income (FV OCI)		89,777	0	89,777	0		89,777
Financial assets at fair value through profit or loss (FV P&L)		477,002	0	0	477,002		477,002
Financial liabilities at amortized cost (AC)		784,291	784,291	0	0		772,814
Financial liabilities at fair value through profit or loss (FV P&L)		1,324,766	0	0	1,324,766		1,324,766

As a general rule, the market value of financial instruments to be recognized at fair value is determined on the basis of quotations on the relevant exchanges. If no such quotations are available, measurement is carried out applying a process that is customary for the market (measurement methods), based on instrument-specific market parameters and interest rates drawn from recognized sources.

If observable input parameters are not available or only partially available, the fair value is calculated on the basis of appropriate measurement methods. In the Aurubis Group, this applies in particular to the extrapolation of market data for electricity, coal and CO_2, with due regard to market information about price determination and liquidity considerations. If insufficient market information is available, management's best estimate for a certain input parameter is used to determine the value. Thus, if observable input parameters are not available or only partially available on the market, the measurement process is significantly influenced by the use of estimates and assumptions.

Due to the predominantly short-term nature of cash and cash equivalents, trade accounts receivable and payable, other financial assets, receivables from and payables to related parties, and other non-derivative financial liabilities, an assumption is made that the fair values correspond to the carrying amounts.

An assumption has been made for share interests in non-corporate entities and non-quoted corporate entities that the carrying amount corresponds to the market value. It would only be possible to reliably determine the market value in conjunction with specific sales negotiations.

Pursuant to IFRS 13, the following tables show the measurement methods used to determine the fair value for Level 1, Level 2, and Level 3, as well as the main non-observable parameters that were used for measurement.

In this connection, the individual levels are defined in accordance with IFRS 13 as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Procedures under which all input parameters with a significant effect on the fair value are observable either directly or indirectly in the market
- Level 3: Procedures that use input parameters which have a significant influence on the fair value and are not based on observable market data

Financial instruments from Level 1 measured at fair value

Type	Measurement method
Securities classified as fixed assets	Exchange quotations

Financial instruments from Level 2 measured at fair value

Type	Measurement method and applied input parameters
Forward foreign exchange contracts	Par method, taking into account actively traded forward rates and the currently valid interest rate for discounting purposes as at the reporting date
Foreign currency options	Black-Scholes model. Calculation based on the exchange rates as at the reporting date, taking into account the expected volatility of the respective exchange rate during the term of the option and customary market interest rates
Metal futures contracts	Discounted cash flow method, taking into account actively traded metal forward rates and customary market interest rates for discounting purposes as at the reporting date
Other transactions	Discounted cash flow method. Discounting of the expected future cash flows over the remaining term of the contracts, based on use of current market interest rates

Financial instruments from Level 2 not measured at fair value

Type	Measurement method and applied input parameters
Financial liabilities	Discounted cash flow method: discounting of expected future cash flows with currently applicable interest rates for financial liabilities with comparable conditions and residual terms

Financial instruments from Level 3 measured at fair value

Type	Measurement method	Significant non-observable measurement parameters	Interdependence between significant non-observable parameters and fair value
Share interests in affiliated companies and investments	Discounted cash flow method	Future expected cash flows	The fair value is continually reviewed by applying significant, non-observable measurement parameters to determine if any measurement adjustments need to be made
Energy supply contract	Discounted cash flow method	Extrapolation of market data for electricity, coal and CO_2	The fair value would be higher (lower) if: – the price for electricity increased more (less) than expected – the price for coal and CO_2 increased less (more) than expected

If the parameters used for measurement fall into different levels of the measurement hierarchy, the fair value measurement is fully classified as belonging to the lowest level to which an input parameter is attributed, where this parameter significantly influences the fair value in its entirety.

If there are any reclassifications to other levels in the measurement hierarchy, the Aurubis Group accounts for these as at the beginning of the relevant fiscal year.

The following overview shows the main measurement parameters that provide the basis for those financial instruments that are accounted for at fair value and presented in the Notes to the Consolidated Financial Statements.

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2023

Aggregated by classes, in € thousand	9/30/2023	Level 1	Level 2	Level 3
Share interests in affiliated companies	**10,458**	**0**	**0**	**10,458**
Investments	**9,226**	**0**	**0**	**9,226**
Trade accounts receivable	**209,329**	**0**	**209,329**	**0**
Other financial assets	**19,428**	**0**	**19,428**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	52,508	0	52,508	0
Derivatives with a hedging relationship	20,035	0	20,035	0
Assets	**320,984**	**0**	**301,300**	**19,684**
Bank borrowings	**205,333**	**0**	**205,333**	**0**
Trade accounts payable	**1,230,944**	**0**	**1,230,944**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	129,195	0	32,642	96,553
Derivatives with a hedging relationship	17,269	0	17,269	0
Liabilities	**1,582,741**	**0**	**1,486,188**	**96,553**

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2022

Aggregated by classes, in € thousand	9/30/2022	Level 1	Level 2	Level 3
Share interests in affiliated companies	**10,462**	**0**	**0**	**10,462**
Investments	**116**	**0**	**0**	**116**
Securities classified as fixed assets	**5,021**	**5,021**	**0**	**0**
Trade accounts receivable	**329,611**	**0**	**329,611**	**0**
Other financial assets	**10,927**	**0**	**10,927**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	210,642	0	113,393	97,249
Derivatives with a hedging relationship	76,726	0	76,726	0
Assets	**643,505**	**5,021**	**530,657**	**107,827**
Bank borrowings	**261,673**	**0**	**261,673**	**0**
Trade accounts payable	**1,233,372**	**0**	**1,233,372**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	91,394	0	91,394	0
Derivatives with a hedging relationship	45,610	0	45,610	0
Liabilities	**1,632,049**	**0**	**1,632,049**	**0**

No reclassifications were made between the individual levels in fiscal year 2022/23.

The following overview shows a reconciliation of the financial instruments measured at fair value and classified in Level 3:

Reconciliation of financial instruments in Level 3 as at September 30, 2023

Aggregated by classes in € thousand	Balance as at 10/1/2022	Sales/ purchases	Gains (+)/ losses (-) recorded in the income statement	**Balance as at 9/30/2023**	Gains (+)/ losses (–) for financial instruments held at the reporting date
Share interests in affiliated companies	10,462	0	-4	10,458	-4
Investments	116	9,110	0	9,226	0
Derivative assets without a hedging relationship	97,249	0	-97,249	0	-97,249
Derivative liabilities without a hedging relationship	0	0	-96,553	-96,553	-96,553

Reconciliation of financial instruments in Level 3 as at September 30, 2022

Aggregated by classes in € thousand	Balance as at 10/1/2021	Changes resulting from capital measures	Reclassifications between the individual levels	Gains (+)/losses (-) recorded in the income statement	**Balance as at 9/30/2022**	Gains (+)/ losses (–) for financial instruments held at the reporting date
Share interests in affiliated companies	12,544	-945	0	-1,137	**10,462**	-1,137
Investments	116	0	0	0	**116**	0
Derivative assets without a hedging relationship	0	0	0	97,249	**97,249**	97,249
Derivative assets with a hedging relationship	2,268	0	-2,268	0	0	0
Derivative liabilities without a hedging relationship	-57,030	0	0	57,030	0	57,030

Gains and losses deriving from derivative financial instruments classified as Level 3 without a hedging relationship relate to part of an energy supply contract and are disclosed in the income statement under “Cost of materials.” The negative development of the fair value of these financial instruments is particularly the result of the significantly reduced observable market data for electricity and coal as at September 30, 2023 compared to the previous year.

Gains and losses resulting from measurement at fair value of non-consolidated companies and investments are recognized as other financial income/expenses in the income statement.

The fair value of these financial instruments is partially based on non-observable input parameters, which are mainly related to the price of electricity, coal and CO_2. If the Aurubis Group had taken other possible suitable alternative measurement parameters as a basis for measuring the relevant financial instruments on September 30, 2023, the recorded fair value would have been € 20,079 thousand (previous year: € 16,571 thousand) higher in the case of an increase in the electricity price and a decrease in the coal and CO_2 price by 20 %, respectively, at the end of the term or € 19,139 thousand (previous year: € 15,886 thousand) lower in the case of a decrease in the electricity price and an increase in the coal and CO_2 price by 20 %, respectively, at the end of the term. In order to calculate the maximum impacts which can arise from the relative uncertainty in the determination of the fair values of financial instruments whose measurement is based on non-observable parameters, the Aurubis Group remeasures such financial instruments, incorporating parameters that are at the outer limits of the range of reasonably possible alternatives for non-observable input data. Since it is nevertheless unlikely that a scenario will arise in which all of the non-observable parameters are at the outer limits of the range of reasonably possible alternatives at the same time, the estimated values previously mentioned should exceed the actual uncertainty factors when determining the fair value as at the reporting date. The disclosures shown do not represent a prediction or an indication of any future changes in the fair value.

OFFSETTING OPTIONS FOR DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

The financial instruments that Aurubis enters into are subject to netting agreements with financial institutions that include a mutual right of offset. However, these agreements do not fulfill the criteria for offsetting in the statement of financial position, as the netting right can only be utilized if one of the contracting parties defaults.

The following table shows the financial assets and liabilities in the Aurubis Group that are subject to offsetting options.

Offsetting options for derivative financial assets and liabilities

in € thousand	2022/23	2021/22
Financial assets		
Gross amount of financial assets in the statement of financial position	72,543	287,368
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial assets in the statement of financial position	72,543	287,368
Offsetable due to framework agreements	-47,828	-63,627
Total net value of financial assets	**24,715**	**223,741**
Financial liabilities		
Gross amount of financial liabilities in the statement of financial position	-146,464	-137,004
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial liabilities in the statement of financial position	-146,464	-137,004
Offsetable due to framework agreements	47,828	63,627
Total net value of financial liabilities	**-98,636**	**-73,377**

Net earnings by measurement category

in € thousand	2022/23	2021/22
Financial assets at amortized cost (AC)	-22,745	-15,816
Financial assets at fair value through other comprehensive income (FV OCI)	0	192
Financial assets and liabilities at fair value through profit or loss (FV P&L)	-58,795	224,585
Financial liabilities at amortized cost (AC)	1,869	28,229
	-79,671	**237,190**

The net income/expense deriving from the financial assets measured at fair value through other comprehensive income relates exclusively to equity instruments. The net income/expense deriving from the financial assets and liabilities measured at fair value through profit or loss mainly include the gains/losses deriving from metal futures contracts on the exchanges, forward foreign exchange contracts, and transactions to hedge energy price risks. Furthermore, fixed-price metal delivery contracts treated as derivatives are taken into account, as are purchase or sales contracts that are not yet price-fixed, which result in a partial compensation effect since they are measured at the respective price on the reporting date. Dividends, but not interest, are included in the calculation. The foreign currency impact deriving from items accounted for at amortized cost, which is included in the net result in fiscal year 2022/23, amounts to € -13,634 thousand (previous year: € 12,521 thousand).

31. RESEARCH AND DEVELOPMENT

Research and development costs of € 11,848 thousand were recognized in profit or loss for the Aurubis Group for fiscal year 2022/23 (previous year: € 11,756 thousand). Moreover, development costs of € 2,771 thousand (previous year: € 280 thousand) were capitalized in the fiscal year.

Notes to the cash flow statement

The consolidated cash flow statement reports the cash flows in the Aurubis Group in fiscal year 2022/23 and in the prior-year comparative period. In accordance with IAS 7, a distinction is made between the cash inflow from operating activities, the cash outflow from investing activities, and the cash outflow from financing activities.

Commencing with earnings before taxes, adjustment is made for all non-cash-effective expenses and income, the financial result (consisting of the result from investments measured using the equity method, interest expenses, interest income, and other financial expenses and income), income taxes paid out, and changes in working capital to arrive at the cash inflow from operating activities (net cash flow).

Despite the weaker results of operations in the past fiscal year, the net cash flow significantly improved due to the reduction in net working capital. The net cash flow as at September 30, 2023 was € 573 million (previous year: € 295 million). The cash outflow from investment activities, which almost tripled year-on-year, could thus mainly be financed from operating business.

As in the previous year, the company takes part in factoring programs. The cash flows deriving from the factoring programs are included under the cash flow from operating activities since this corresponds to the economic substance of the transactions. The total amount of trade accounts receivable sold within the factoring programs is disclosed in note 21 “Other receivables and other assets”.

The cash outflow from investment activities totaled € 610 million (previous year: € 208 million) and primarily includes payments for investments in property, plant and equipment totaling € 601 million (previous year: € 334 million). The high level of investment activity extended across the entire Group. In the fiscal year, a total of € 213 million in invested funds flowed into the construction of the Aurubis Richmond (US) recycling plant (previous year: € 26 million). At the European sites, among other projects, capital expenditure included the Industrial Heat project at the Hamburg site (€ 44 million) and the investment made in connection of the scheduled maintenance shutdown at the Pirdop site (€ 43 million).

Cash and cash equivalents of € 494 million were available to the Group as at September 30, 2023 (previous year: € 706 million). The net cash position (cash and cash equivalents less borrowings) as at September 30, 2023 was € 232 million (previous year: € 379 million).

The following table shows the cash-effective and non-cash-effective changes in borrowings.

in € million	Balance as at 10/1/2022	Cash-effective	Additions for leases	**Balance as at 9/30/2023**
Bank borrowings	273	-60	0	213
Lease liabilities	54	-14	9	49
	327	**-74**	**9**	**262**

Segment reporting

	Multimetal Recycling		Custom Smelting & Products		Other	
	2022/23	2021/22	**2022/23**	2021/22	**2022/23**	2021/22
in € thousand	**operating**	operating	**operating**	operating	**operating**	operating
Revenues						
Total revenues	5,435,115	5,960,094	17,319,659	18,570,083	0	0
Inter-segment revenues	4,966,122	5,315,462	724,944	694,193	0	0
Revenues with third parties	468,993	644,632	16,594,715	17,875,890	0	0
EBITDA	231,869	286,808	396,886	524,287	-71,262	-57,101
Depreciation and amortization	-54,717	-80,573	-156,087	-136,129	-5,027	-3,817
EBIT	177,152	206,235	240,799	388,158	-76,289	-60,918
Interest income	8,665	1,897	35,958	15,906	1,754	1,755
Interest expense	-6,574	-3,050	-48,405	-23,926	-3,676	-2,535
Result from investments measured using the equity method	-5,172	241	24,309	9,553	0	0
Other financial income	0	0	0	58	0	192
Other financial expenses	0	0	-4	-73	0	-1,064
Earnings before taxes	174,071	205,322	252,657	389,676	-78,211	-62,570
Consolidated net income						
Return on capital employed (ROCE) in %	15.4	25.7	13.0	18.7		
Capital expenditure on intangible assets and property, plant and equipment*	332,730	113,890	290,791	247,740	0	0
Average number of employees	1,731	1,660	4,938	5,080	389	349

Regarding the basic derivation of the ROCE, we refer to the Combined Management Report.

*Prior-year figures adjusted.

Financial performance, assets, liabilities and financial position of the Aurubis Group

	Total		Reconciliation/ Consolidation		Group	
	2022/23	2021/22	**2022/23**	2021/22	**2022/23**	2021/22
	operating	operating	**IFRS**	IFRS	**IFRS**	IFRS
	17,063,708	18,520,522	0	0	17,063,708	18,520,522
	557,493	753,994	-178,027	393,965	379,466	1,147,959
	-215,831	-220,519	-3,141	213	-218,972	-220,306
	341,662	533,475	-181,168	394,178	160,494	927,653
	46,377	19,558	-34,911	-12,366	11,466	7,191
	-58,655	-29,511	34,911	12,365	-23,743	-17,146
	19,137	9,794	-2,445	8,650	16,692	18,444
	0	250	0	0	0	250
	-4	-1,137	0	0	-4	-1,137
	348,517	532,428	-183,612	402,827	164,905	935,255
					141,142	714,992
	623,521	361,630	0	0	623,521	361,630
	7,058	7,089	0	0	7,058	7,089

In the course of the further development of the Aurubis Group's strategy, the segmentation was adjusted with effect from October 1, 2021. From fiscal year 2021/22 onwards, the two segments Multimetal Recycling and Custom Smelting & Products have formed the underlying structure and provided the basis for segment reporting in accordance with IFRS 8.

The Multimetal Recycling (MMR) segment comprises the recycling activities in the Group and thus the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment includes the recycling activities of the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain).

The Custom Smelting & Products (CSP) segment comprises the production facilities for processing copper concentrates and for manufacturing and marketing standard and specialty products such as cathodes, wire rod, continuous cast shapes, strip products, sulfuric acid, and iron silicate. The CSP segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes, which are further processed into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US), Stolberg (Germany), and Pori (Finland) sites produce flat rolled products and specialty wire products.

Internal reporting is generally based on the accounting policies in accordance with IFRS, which are applied in the consolidated financial statements. For internal management purposes, the IFRS-based results are reconciled to the operating result.

The operating result is derived from the IFRS results of operations by:

- Adjusting for measurement results deriving from the application of IAS 2. In this context, the metal price fluctuations resulting from the application of the average cost method are eliminated; in a similar manner, non-permanent write-downs or write-ups in the value of metal inventories as at the reporting date are eliminated
- Adjusting for unrealized reporting date-related effects deriving from market valuations of metal derivatives; these concern the main metal inventories
- Adjusting for unrealized reporting date-related effects of market valuations of energy derivative transactions
- Eliminating any non-cash effects deriving from purchase price allocations
- Adjusting for effects deriving from the application of IFRS 5

The reconciliation to the IFRS-based consolidated financial statements is shown in the "Reconciliation/Consolidation" column. In this connection, a total of € -650 thousand (previous year: € 172 thousand) in earnings before taxes (EBT) derives from consolidation impacts, while € -182,962 thousand (previous year: € 402,655 thousand) derives from reconciliation to the IFRS EBT.

The Group generates most of its revenues with business associates in countries within the European Union. The breakdown of external revenues by region is based on the location of the customers, and is as follows:

in € thousand	2022/23	2021/22
Germany	5,814,986	6,523,477
Other European Union countries	6,272,543	6,686,161
Rest of Europe	1,454,596	1,572,089
Asia	1,803,894	1,872,532
Americas	612,282	816,058
Other	1,105,406	1,050,205
Group total	**17,063,708**	**18,520,522**

During the fiscal year, no individual business partner of the Aurubis Group was responsible for a revenue share of 10 % or more.

The breakdown of capital expenditure (in intangible assets and property, plant and equipment) and non-current assets by region is based on the location of the respective assets:

	Capital expenditure		Fixed assets	
in € thousand	2022/23	2021/22	2022/23	2021/22
Germany	242,514	230,904	1,294,105	1,156,988
Bulgaria	80,793	39,603	377,785	345,512
Belgium	70,408	46,465	488,736	455,207
Other European countries	7,778	6,608	34,705	30,907
North America	222,027	38,050	275,005	80,399
Group total	**623,521**	**361,630**	**2,470,335**	**2,069,013**

The locations in other European countries are mainly operational sites within the European Union.

SEGMENT DATA

The revenues of the individual segments consist of inter-segment revenues and of revenues with non-group third parties. The total third-party revenues of the individual segments correspond to the consolidated revenues of the Group. The prices and conditions for products and services exchanged between Group companies and segments correspond to those with third parties.

	Multimetal Recycling		Custom Smelting & Products		Total	
in € thousand	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Wire rod	0	0	6,424,052	7,439,630	6,424,052	7,439,630
Copper cathodes	152,833	167,118	3,317,959	2,701,325	3,470,792	2,868,443
Precious metals	0	0	3,590,276	3,528,910	3,590,276	3,528,910
Shapes	0	0	1,194,387	1,741,202	1,194,387	1,741,202
Strip, bars and profiles	0	0	1,318,283	1,669,685	1,318,283	1,669,685
Other	316,160	477,514	749,758	795,138	1,065,918	1,272,652
	468,993	**644,632**	**16,594,715**	**17,875,890**	**17,063,708**	**18,520,522**

Other revenues mainly include the sale of tin bars, sulfuric acid, and precious metal-bearing intermediate products.

Operating EBIT represents operating earnings before taxes, adjusted for the financial result attributable to the segment. Based on this, operating EBITDA is operating EBIT adjusted for depreciation of property, plant and equipment and amortization of intangible assets belonging to the segment.

In addition to scheduled depreciation and amortization, the CSP segment also includes unscheduled impairment losses recognized against non-current assets within the meaning of IAS 36 for the Aurubis Buffalo cash-generating unit (CGU) in the amount of € 15,828 thousand. In the previous year, impairment losses were recognized against other fixed assets in the MMR segment for the Beerse/Berango CGU in the amount of € 26,680 thousand. Of this amount, € 8,655 thousand related to impairment losses on goodwill and € 18,024 thousand to impairment losses on other fixed assets.

The average number of employees for each segment includes all the employees of companies that were consolidated in the accompanying consolidated financial statements.

Other disclosures

DISCLOSURES CONCERNING RELATIONSHIPS TO RELATED PARTIES

In accordance with IAS 24, related parties are regarded as all individual persons and entities that can be influenced by, or that can themselves influence, the company.

The employees' representatives on the Supervisory Board received compensation for their employment at Aurubis AG at a level that is normal for the market.

Within the Aurubis Group, various Group companies purchase different types of products and services from and provide different types of products and services to related companies as part of their normal business activities. Such delivery and service relationships are conducted using market prices. In the case of services, these are charged on the basis of existing contracts.

The following amounts relate to joint ventures accounted for using the equity method:

9/30/2023

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	125,186	31,979	4,071	787
Cablo GmbH	6,606	50,508	9,142	8,273

9/30/2022

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	188,904	31,014	0	986
Cablo GmbH	10,100	37,007	12,859	9,454

The following amounts relate to non-consolidated related companies:

9/30/2023

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	0	0	0	36
Subsidiaries	20,457	1,777	3,103	8,433

9/30/2022

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	0	133	0	36
Subsidiaries	19,742	1,739	3,502	8,722

With the exception of Salzgitter AG, no individual shareholders of Aurubis AG are able to exercise a significant influence on the Aurubis Group.

Salzgitter Group companies account for € 1,206 thousand in expenses for the fiscal year (previous year: € 1,087 thousand) and income of € 72 thousand (previous year: € 70 thousand). As at the reporting date, there were related liabilities of € 49 thousand (previous year: € 49 thousand) and receivables of € 3 thousand (previous year: € 3 thousand).

As at the reporting date, no letters of comfort had been issued to related parties.

SUBSEQUENT EVENTS

On December 5, 2023, the Supervisory Board approved additional growth and investment projects.

These primarily include a new precious metals processing facility at the Hamburg site with a volume of € 300 million and an increase in the previously approved investment budget for the construction of the Aurubis Richmond, US, recycling plant to about € 740 million, excluding future lease obligations. Furthermore, an investment of around € 30 million in the expansion of the system for reducing diffuse emissions at the Hamburg site and just under € 15 million for the expansion of our solar park in Pirdop, Bulgaria, were approved.

No further significant events subject to report occurred after the reporting date.

DISCLOSURES CONCERNING THE EXECUTIVE BOARD AND SUPERVISORY BOARD

TOTAL COMPENSATION

Members of the Executive Board and the members of the Supervisory Board are key management personnel as defined by IAS 24.

Key management personnel and former members of the Executive Board received to the following short-term and post-employment benefits:

Compensation by the Aurubis Group:

	Short-term benefits payable to governing bodies and employees (salary and other benefits)		Post-employment benefits (addition to pension obligations)	
in € thousand	**2022/23**	2021/22	**2022/23**	2021/22
Active Executive Board members	2,475	2,963	780	620
Supervisory Board members	1,633	1,565	0	0
Total	**4,108**	4,528	**780**	620

The basis for the short-term benefits payable to Executive Board members active during the reporting year are the expenses recognized in the consolidated financial statements, which include both fixed and variable compensation components.

Obligations of the Aurubis Group:

	Short-term benefits payable to governing bodies and employees (salary and other benefits)		Post-employment benefits	
in € thousand	**2022/23**	2021/22	**2022/23**	2021/22
Former Executive Board members	0	0	30,812	34,113
Active Executive Board members	512	1,213	3,109	2,316
Supervisory Board members	0	1,435	0	0
Total	**512**	2,648	**33,921**	36,429

Obligations resulting from payments currently due to employees include the expected variable annual payment that is compensation to be paid in the following year.

In addition to short-term and post-employment benefits, active members of the Executive Board receive a share-based compensation component with a cash settlement, as well as a performance cash plan.

The system for variable compensation includes both annual variable compensation (two-thirds of the annual bonus, due as a short-term benefit) and multiannual variable compensation, which is a forward-looking (long-term) benefit. The multiannual compensation consists of both a performance cash plan over four fiscal years and stock deferred (virtual stock — converted from one-third of the annual bonus) over three fiscal years. The ratio of multiannual to annual variable compensation is 60:40.

The recognition and measurement standards of IFRS 2 are to be applied to the share-based compensation component with a cash settlement. This component involves virtual deferred stock. The resulting obligation equates to the fair value of the virtual stock.

Other expenses of the Aurubis Group arising from share-based payments and other long-term employee benefits:

	Share-based payments		Other long-term benefits	
in € thousand	**2022/23**	2021/22	**2022/23**	2021/22
Active Executive Board members	635	259	1,214	1,559

Additional Aurubis Group obligations arising from share-based payments and other long-term employee benefits:

	Share-based payments		Other long-term benefits	
in € thousand	**2022/23**	2021/22	**2022/23**	2021/22
Active Executive Board members	1,502	1,322	3,723	3,517

Thus, the compensation earned by the members of the Executive Board for the performance of their duties in the fiscal year amounted to € 5,104 thousand (previous year: € 5,401 thousand) and the members of the Supervisory Board received € 1,633 thousand (previous year: € 1,565 thousand). In addition to the amounts mentioned, Supervisory Board members representing the employees, who are Aurubis Group employees, received compensation within the scope of their employment. The amount of this compensation was commensurate with their functions and duties in the Group.

Additional details of the individual compensation of the members of the Executive Board and the Supervisory Board are presented and explained in the compensation report.

REPORTABLE SECURITIES TRANSACTIONS

DIRECTOR'S DEALINGS

In accordance with Art. 19 of the Market Abuse Regulation (EU No. 596/2014), the members of the Executive Board and the Supervisory Board must disclose the acquisition and sale of shares in the company. This does not apply if the total transactions per person do not exceed € 20,000 per calendar year.

No members of the Supervisory Board or Executive Board informed the company that they had acquired or sold no-par-value shares in the company in the period from October 1, 2022 to September 30, 2023.

DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The declaration required under Section 161 of the German Stock Corporation Act (AktG) has been issued by the Executive Board and the Supervisory Board and has been made permanently accessible to the shareholders on the company's website.

It is also available online at www.aurubis.com/en/about-aurubis/corporate-governance.

NOTIFICATION PURSUANT TO SECTION 160 (1) NO. 8 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The voting rights notifications, which were issued by shareholders in accordance with Section 33 (1) of the German Securities Trading Act (WpHG), covering transactions that exceed or fall below the relevant notification thresholds and which were received prior to preparation of the financial statements of Aurubis AG, are made available in the separate financial statements of Aurubis AG.

They are also available online at www.aurubis.com/en/about-aurubis/corporate-governance.

DISCLOSURES CONCERNING AUDITORS' FEES

The following fees were recorded as expenses for fiscal year 2022/23 and the prior year for services rendered by the global Deloitte network:

in € thousand	**2022/23**	2021/22
Financial statement auditing services	1,608	1,165
Other assurance services	143	142
Total	**1,751**	**1,307**

The following fees related to services rendered by auditor Deloitte GmbH Wirtschaftsprüfungsgesellschaft:

in € thousand	**2022/23**	2021/22
Financial statement auditing services	1,115	726
Other assurance services	127	62
Total	**1,242**	**788**

Investments

pursuant to Section 313 (2) of the German Commercial Code (HGB) as at September 30, 2023

	Company name and registered office	% of capital held directly and indirectly	Held by
1	Aurubis AG, Hamburg		
	Fully consolidated companies		
2	Aurubis Olen nv, Olen	100	1
3	Aurubis Finland Oy, Pori	100	2
4	Aurubis Holding USA LLC, Buffalo	100	2
5	Aurubis Buffalo Inc., Buffalo	100	4
6	Cumerio Austria GmbH, Vienna	100	1
7	Aurubis Bulgaria AD, Pirdop	99.86	6
8	Aurubis Engineering EAD, Sofia	100	6
9	Aurubis Italia Srl, Avellino	100	1
10	Aurubis Stolberg GmbH & Co. KG, Stolberg*	100	1
11	Aurubis Stolberg Asset GmbH & Co. KG, Stolberg	100	10
12	Peute Baustoff GmbH, Hamburg	100	1
13	RETORTE GmbH Selenium Chemicals & Metals, Röthenbach	100	1
14	E.R.N. Elektro-Recycling NORD GmbH, Hamburg	100	1
15	Aurubis Product Sales GmbH, Hamburg	100	1
16	Deutsche Giessdraht GmbH, Emmerich	100	1
17	Metallo Group Holding NV, Beerse	100	1
18	Aurubis Beerse NV, Beerse	100	17
19	Aurubis Berango S.L.U., Berango	100	18
20	Aurubis Richmond LLC, Augusta	100	4
	Companies accounted for using the equity method		
21	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg	50	10
22	CABLO GmbH, Gelsenkirchen	40	1
	Non-consolidated companies		
23	azeti GmbH, Berlin	100	1
24	Aurubis Holding Sweden AB, Stockholm	100	2
25	Aurubis Sweden AB, Finspång	100	24
26	Aurubis Stolberg Verwaltungs-GmbH, Stolberg	100	1
27	Aurubis Stolberg Asset Verwaltungs-GmbH, Stolberg	100	10
28	Aurubis Hong Kong Ltd., Hong Kong	100	2
29	Aurubis Metal Products (Shanghai) Co. Ltd., Shanghai	100	28
30	Retorte do Brasil, Joinville	51	13
31	Schwermetall Halbzeugwerk GmbH, Stolberg	50	10
32	JoSeCo GmbH, Kirchheim/Swabia	50	13
33	Aurubis Turkey Kimya Anonim Sirketi, Istanbul	100	7
34	Librec AG, Biberist	30.5	1

*Use has been made of the exemption provision pursuant to Section 264b of the German Commercial Code (HGB) regarding preparation of the Management Report.

Hamburg, December 19, 2023

The Executive Board

Roland Harings	Dr. Heiko Arnold	Rainer Verhoeven	Inge Hofkens
Chairman	Member	Member	Member

Responsibility Statement

We confirm to the best of our knowledge that, in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group, and that the Combined Management Report provides a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hamburg, December 19, 2023

The Executive Board

Roland Harings Chairman	Dr. Heiko Arnold Member	Rainer Verhoeven Member	Inge Hofkens Member