POLISH FINANCIAL SUPERVISION AUTHORITY

Consolidated half-year report PSr 2026

(in accordance with § 61 section 2 and § 63 section 3 of the Decree of the Minister of Finance dated 6 June 2025)

for issuers of securities involved in production, construction, trade or services activities

for the first half of financial year **2026** from **1 January 2026** to **30 June 2026**
containing the condensed consolidated financial statements prepared under International Accounting Standard 34 in PLN and condensed financial statements under International Accounting Standard 34 in PLN.

publication date: 19 August 2026

KGHM Polska Miedź Spółka Akcyjna
(name of the issuer)

KGHM Polska Miedź S.A. (name of the issuer in brief)	**Raw materials** (issuer branch title per the Warsaw Stock Exchange)
59 – 301 (postal code)	**LUBIN** (city)
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PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k.
(auditing company)

This report is a direct translation from the original Polish version.
In the event of differences resulting from the translation, reference should be made to the official Polish version.

SELECTED FINANCIAL DATA

data concerning the condensed consolidated financial statements of the KGHM Polska Miedź S.A. Group

		in PLN mn		in EUR mn	
		from 1 January 2026 to 30 June 2026	**from 1 January 2025 to 30 June 2025**	**from 1 January 2026 to 30 June 2026**	**from 1 January 2025 to 30 June 2025**
I.	Revenues from contracts with customers	24 711	17 556	5 824	4 149
II.	Profit on sales	6 057	2 101	1 427	497
III.	Profit before income tax	7 908	1 315	1 864	311
IV.	Profit for the period	5 579	580	1 315	137
V.	Profit for the period attributable to shareholders of the Parent Entity	5 579	579	1 315	137
VI.	Profit for the period attributable to non-controlling interest	-	1	-	-
VII.	Other comprehensive net income	1 640	477	386	113
VIII.	Total comprehensive income	7 219	1 057	1 701	250
IX.	Total comprehensive income attributable to the shareholders of the Parent Entity	7 219	1 057	1 701	250
X.	Total comprehensive income attributable to non-controlling interest	-	-	-	-
XI.	Number of shares issued (million)	200	200	200	200
XII.	Earnings per ordinary share (in PLN/EUR) attributable to the shareholders of the Parent Entity	27.90	2.90	6.58	0.69
XIII.	Net cash generated from/(used in) operating activities	2 556	1 818	602	430
XIV.	Net cash generated from/(used in) investing activities	(1 618)	(2 034)	(381)	(481)
XV.	Net cash generated from/(used in) financing activities	(152)	(133)	(36)	(31)
XVI.	Total net cash flow	786	(349)	185	(82)
		As at 30 June 2026	**As at 31 December 2025**	**As at 30 June 2026**	**As at 31 December 2025**
XVII.	Non-current assets	48 253	45 015	11 231	10 650
XVIII.	Current assets	17 609	13 225	4 099	3 129
XIX.	Total assets	65 862	58 240	15 330	13 779
XX.	Non-current liabilities	13 201	13 273	3 073	3 140
XXI.	Current liabilities	12 847	12 069	2 990	2 855
XXII.	Equity	39 814	32 898	9 267	7 784
XXIII.	Equity attributable to shareholders of the Parent Entity	39 742	32 828	9 250	7 767
XXIV.	Equity attributable to non-controlling interest	72	70	17	17

data concerning the condensed financial statements of KGHM Polska Miedź S.A.

		in PLN mn		in EUR mn	
		from 1 January 2026 to 30 June 2026	**from 1 January 2025 to 30 June 2025**	**from 1 January 2026 to 30 June 2026**	**from 1 January 2025 to 30 June 2025**
I.	Revenues from contracts with customers	21 927	14 860	5 168	3 512
II.	Profit on sales	5 602	1 541	1 320	364
III.	Profit before income tax	7 579	634	1 786	150
IV.	Profit for the period	5 493	113	1 295	27
V.	Other comprehensive net income	1 402	756	330	178
VI.	Total comprehensive income	6 895	869	1 625	205
VII.	Number of shares issued (million)	200	200	200	200
VIII.	Earnings per ordinary share (in PLN/EUR)	27.47	0.57	6.48	0.14
IX.	Net cash generated from/(used in) operating activities	2 301	1 526	542	361
X.	Net cash generated from/(used in) investing activities	(906)	(1 497)	(214)	(354)
XI.	Net cash generated from/(used in) financing activities	(718)	(98)	(169)	(23)
XII.	Total net cash flow	677	(69)	159	(16)
		As at 30 June 2026	**As at 31 December 2025**	**As at 30 June 2026**	**As at 31 December 2025**
XIII.	Non-current assets	44 794	42 166	10 426	9 976
XIV.	Current assets	15 140	11 394	3 524	2 696
XV.	Total assets	59 934	53 560	13 950	12 672
XVI.	Non-current liabilities	10 300	10 951	2 397	2 591
XVII.	Current liabilities	11 525	11 095	2 683	2 625
XVIII.	Equity	38 109	31 514	8 870	7 456

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Condensed consolidated financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Note 2.3	Revenues from contracts with customers	24 711	17 556
Note 3.1	Cost of sales	(17 497)	(14 425)
	Gross profit	**7 214**	**3 131**
Note 3.1	Selling costs and administrative expenses	(1 157)	(1 030)
	Profit on sales	**6 057**	**2 101**
Note 4.2	Share in profits of a joint venture accounted for using the equity method	580	-
Note 4.2	Gain due to reversal of an allowance for impairment of loans granted to a joint venture	605	151
Note 4.2	Interest income on loans granted to a joint venture calculated using the effective interest rate method	258	287
	Profit or loss on involvement in a joint venture	1 443	438
Note 3.2	Other operating income, including:	914	336
	other interest calculated using the effective interest rate method	16	27
	reversal of impairment losses on financial instruments	-	3
Note 3.2	Other operating costs, including:	(349)	(1 739)
	impairment losses on financial instruments	(3)	-
Note 3.3	Finance income	-	362
Note 3.3	Finance costs	(157)	(183)
	Profit before income tax	**7 908**	**1 315**
	Income tax expense	(2 329)	(735)
	PROFIT FOR THE PERIOD	**5 579**	**580**
	Profit for the period attributable to:		
	shareholders of the Parent Entity	5 579	579
	non-controlling interest	-	1
	Weighted average number of ordinary shares (million)	**200**	**200**
	Basic/diluted earnings per share (in PLN)	**27.90**	**2.90**

amounts in PLN millions, unless otherwise stated

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Profit for the period	**5 579**	**580**
Effective part of the change in the fair value of hedging instruments and the cost of hedging, net of the tax effect	1 386	153
Exchange differences from the translation of statements of operations with a functional currency other than PLN	245	(283)
Other comprehensive income, which will be reclassified to profit or loss	**1 631**	**(130)**
Measurement of equity financial instruments at fair value through other comprehensive income, net of the tax effect	67	693
Actuarial losses, net of the tax effect	(56)	(86)
Transfer of the loss from measurement at fair value of equity financial instruments to retained earnings following their disposal, net of the tax effect	5	-
Share in other comprehensive income of a joint venture accounted for using the equity method	(7)	-
Other comprehensive income, which will not be reclassified to profit or loss	**9**	**607**
Total other comprehensive net income	**1 640**	**477**
TOTAL COMPREHENSIVE INCOME	**7 219**	**1 057**
Total comprehensive income attributable to:		
shareholders of the Parent Entity	7 219	1 057
non-controlling interest	-	-

amounts in PLN millions, unless otherwise stated

CONSOLIDATED STATEMENT OF CASH FLOWS

		from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
	Cash flow from operating activities		
	Profit before income tax	7 908	1 315
	Depreciation/amortisation recognised in profit or loss	1 033	1 014
	Share in profits of a joint venture accounted for using the equity method	(580)	-
	Interest on loans granted to a joint venture	(258)	(287)
	Other interest	24	70
	Dividend income	(36)	-
	Impairment losses on property, plant and equipment and intangible assets	3	26
	Gain due to the reversal of an allowance for impairment of loans granted to a joint venture	(605)	(151)
	Loss on disposal of property, plant and equipment and intangible assets	4	6
	Gains on disposal of subsidiaries	-	(89)
	Exchange differences, of which:	(344)	991
	from investing activities and on cash	(424)	1 293
	from financing activities	80	(302)
	Change in provisions for decommissioning of mines, liabilities related to future employee benefits programs and other provisions	218	205
	Change in other receivables and liabilities other than working capital	443	(105)
	Change in assets and liabilities due to derivatives	(1 253)	55
	Reclassification of other comprehensive income to profit or loss due to the realisation of hedging derivatives	954	(26)
	Other adjustments	-	(9)
	Exclusions of income and costs, total	(397)	1 700
	Income tax paid	(1 177)	(582)
Note 4.11	Changes in working capital, including:	(3 778)	(615)
Note 4.11	change in trade payables within the reverse factoring mechanism	(1 284)	83
	Net cash generated from/(used in) operating activities	**2 556**	**1 818**
	Cash flow from investing activities		
	Expenditures on mining and metallurgical assets, including:	(2 194)	(2 104)
Note 4.5	paid capitalised interest on borrowings	(138)	(174)
	proceeds from settlement of an instrument hedging interest rate of bonds	-	30
	Expenditures on other property, plant and equipment and intangible assets	(408)	(334)
	Expenditures on financial assets designated for decommissioning of mines and other technological facilities	(38)	(35)
	Proceeds from repayment of loans granted to a joint venture (principal)	-	384
	Proceeds from disposal of property, plant and equipment and intangible assets	12	29
	Proceeds from disposal of subsidiaries	-	13
	Proceeds from disposal of investment properties	9	-
	Interest received on loans granted to a joint venture	1 008	30
	Advances granted on property, plant and equipment and intangible assets	(3)	(9)
	Other	(4)	(8)
	Net cash generated from/(used in) investing activities	**(1 618)**	**(2 034)**

amounts in PLN millions, unless otherwise stated

		from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
	Cash flow from financing activities		
Note 4.5	Proceeds from borrowings	1 249	434
	Proceeds from derivatives related to external sources of financing	-	29
Note 4.5	Repayment of borrowings	(1 279)	(429)
Note 4.5	Repayment of lease liabilities	(70)	(63)
	Expenditures due to derivatives related to external sources of financing	-	(30)
	Interest paid, of which:	(54)	(83)
	trade payables within the reverse factoring mechanism	(18)	(56)
Note 4.5	borrowings	(36)	(27)
	Other	2	9
	Net cash generated from/(used in) financing activities	**(152)**	**(133)**
	NET CASH FLOW	**786**	**(349)**
	Exchange gains/(losses)	(12)	64
	Cash and cash equivalents at beginning of the period	443	715
	Cash and cash equivalents at end of the period, including:	**1 217**	**430**
	restricted cash	10	13

amounts in PLN millions, unless otherwise stated

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Note		As at 30 June 2026	As at 31 December 2025
	ASSETS		
	Mining and metallurgical property, plant and equipment	26 433	25 711
	Mining and metallurgical intangible assets	3 038	2 799
	Mining and metallurgical property, plant and equipment and intangible assets	29 471	28 510
	Other property, plant and equipment	3 235	3 089
	Other intangible assets	270	181
	Other property, plant and equipment and intangible assets	3 505	3 270
	Joint venture accounted for using the equity method	2 493	1 814
	Loans granted to a joint venture	8 688	8 436
Note 4.2	Total involvement in a joint venture	11 181	10 250
	Derivatives	1 138	168
	Other financial instruments measured at fair value	1 878	1 792
	Other financial instruments measured at amortised cost	604	566
Note 4.3	Financial instruments, total	3 620	2 526
	Deferred tax assets	200	189
	Other non-financial assets	276	270
	Non-current assets	**48 253**	**45 015**
	Inventories	12 214	9 608
Note 4.3	Trade receivables, including:	1 916	1 885
	trade receivables measured at fair value through profit or loss	1 424	1 342
	Tax assets	823	659
Note 4.3	Derivatives	426	128
Note 4.3	Other financial assets	250	237
	Other non-financial assets	763	265
Note 4.3	Cash and cash equivalents	1 217	443
	Current assets	**17 609**	**13 225**
	TOTAL ASSETS	**65 862**	**58 240**
	EQUITY AND LIABILITIES		
	Share capital	2 000	2 000
	Other reserves from measurement of financial instruments	(271)	(1 729)
	Accumulated other comprehensive income other than from measurement of financial instruments	1 677	1 495
	Retained earnings	36 336	31 062
	Equity attributable to shareholders of the Parent Entity	39 742	32 828
	Equity attributable to non-controlling interest	72	70
	Equity	**39 814**	**32 898**
Note 4.3	Borrowings and leases	1 928	2 434
Note 4.3	Debt securities	2 600	2 600
Note 4.3	Derivatives	1 225	1 626
Note 4.6	Employee benefits liabilities	3 009	2 892
Note 4.7	Provisions for decommissioning costs of mines and other technological facilities	2 144	2 123
	Deferred tax liabilities	1 931	1 227
Note 4.8	Other liabilities	364	371
	Non-current liabilities	**13 201**	**13 273**
Note 4.3	Borrowings and leases	1 367	811
Note 4.3	Debt securities	3	4
Note 4.3	Derivatives	1 099	1 440
Note 4.3	Trade and other payables	2 807	4 510
Note 4.6	Employee benefits liabilities	2 399	2 216
	Tax liabilities	3 207	1 746
	Provisions for liabilities and other charges	154	137
Note 4.8	Other liabilities	1 811	1 205
	Current liabilities	**12 847**	**12 069**
	Non-current and current liabilities	**26 048**	**25 342**
	TOTAL EQUITY AND LIABILITIES	**65 862**	**58 240**

amounts in PLN millions, unless otherwise stated

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to shareholders of the Parent Entity						
	Share capital	**Other reserves from measurement of financial instruments**	**Accumulated other comprehensive income**	**Retained earnings**	**Total**	**Equity attributable to non-controlling interest**	**Total equity**
As at 1 January 2025	**2 000**	**(162)**	**1 778**	**27 374**	**30 990**	**68**	**31 058**
Profit for the period	**-**	-	-	579	**579**	1	**580**
Other comprehensive income	-	846	(368)	-	**478**	(1)	**477**
Total comprehensive income	**-**	**846**	**(368)**	**579**	**1 057**	**-**	**1 057**
As at 30 June 2025	**2 000**	**684**	**1 410**	**27 953**	**32 047**	**68**	**32 115**
As at 1 January 2026	**2 000**	**(1 729)**	**1 495**	**31 062**	**32 828**	**70**	**32 898**
Transactions with non-controlling interest	-	-	-	-	-	2	**2**
Other changes	-	-	-	(5)	(5)	-	**(5)**
Transactions with owners – dividend approved but not paid	-	-	-	(300)	(300)	-	**(300)**
Profit for the period	-	-	-	5 579	5 579	-	**5 579**
Other comprehensive income	-	1 458	182	-	1 640	-	**1 640**
Total comprehensive income	**-**	**1 458**	**182**	**5 579**	**7 219**	**-**	**7 219**
As at 30 June 2026	**2 000**	**(271)**	**1 677**	**36 336**	**39 742**	**72**	**39 814**

Part 1 – General information

Note 1.1 Corporate information

KGHM Polska Miedź S.A. is the Parent Entity of the KGHM Polska Miedź S.A. Group ("the Parent Entity", "the Company") with its registered office in Lubin at 48 M. Skłodowskiej-Curie Street and is a joint stock company registered at the Regional Court for Wrocław Fabryczna in Wrocław, Section IX (Economic) of the National Court Register, entry no. KRS 23302, on the territory of the Republic of Poland. Since 1997, the shares of KGHM Polska Miedź S.A. have been listed on the Warsaw Stock Exchange. As at the date of preparation of these consolidated financial statements, the State Treasury is the largest shareholder of the Company, with 31.79% share.

The main business activities of the Parent Entity include the mining of copper ore and non-ferrous metal deposits, carried out by mines on the basis of concessions granted to KGHM Polska Miedź S.A., as well as the production of electrolytic copper, precious metals (including silver and gold) and other non-ferrous metals, carried out in metallurgical plants, using advanced technologies. The Company's operations are characterised by a highly integrated technology chain. The Company carries out tasks on its own, from exploration and acquisition of raw materials through their extraction, production, transport, reaching customers and stakeholders to responsible waste management, so as to limit its negative impact on the environment as much as possible. The Parent Entity has a multi-divisional organisational structure, comprised of a Head Office and 10 divisions located in Lower Silesia: 3 mines (Lubin Mine Division, Polkowice-Sieroszowice Mine Division, Rudna Mine Division), 3 metallurgical plants (Głogów Smelter/Refinery, Legnica Smelter/Refinery, Cedynia Wire Rod Division), the Concentrator Division, the Tailings Division, the Mine-Smelter Emergency Rescue Division and the Data Center Division.

Also, in the case of the KGHM Polska Miedź S.A. Group (the Group), the exploration and mining of copper, nickel and precious metals ore deposits is a key area of activity. On international markets, mining activities are carried out by companies of the KGHM INTERNATIONAL LTD. Group (a subgroup), which hold legal titles for exploration for and mining of raw materials in the USA, Canada and Chile. Moreover, the Group conducts activities that include other supporting and supplementary activities, which are listed in Note 2.1

The condensed consolidated financial statements were prepared under the assumption that the Group's companies will continue as a going concern during a period of at least 12 months from the end of the reporting period in an unaltered form and business scope, and there are no reasons to suspect any intentional or forced discontinuation or significant limitation of its current activities. As at the date of signing of the condensed consolidated financial statements the Management Board of the Parent Entity is not aware of any facts or circumstances that may cast doubt about the going concern in the foreseeable future.

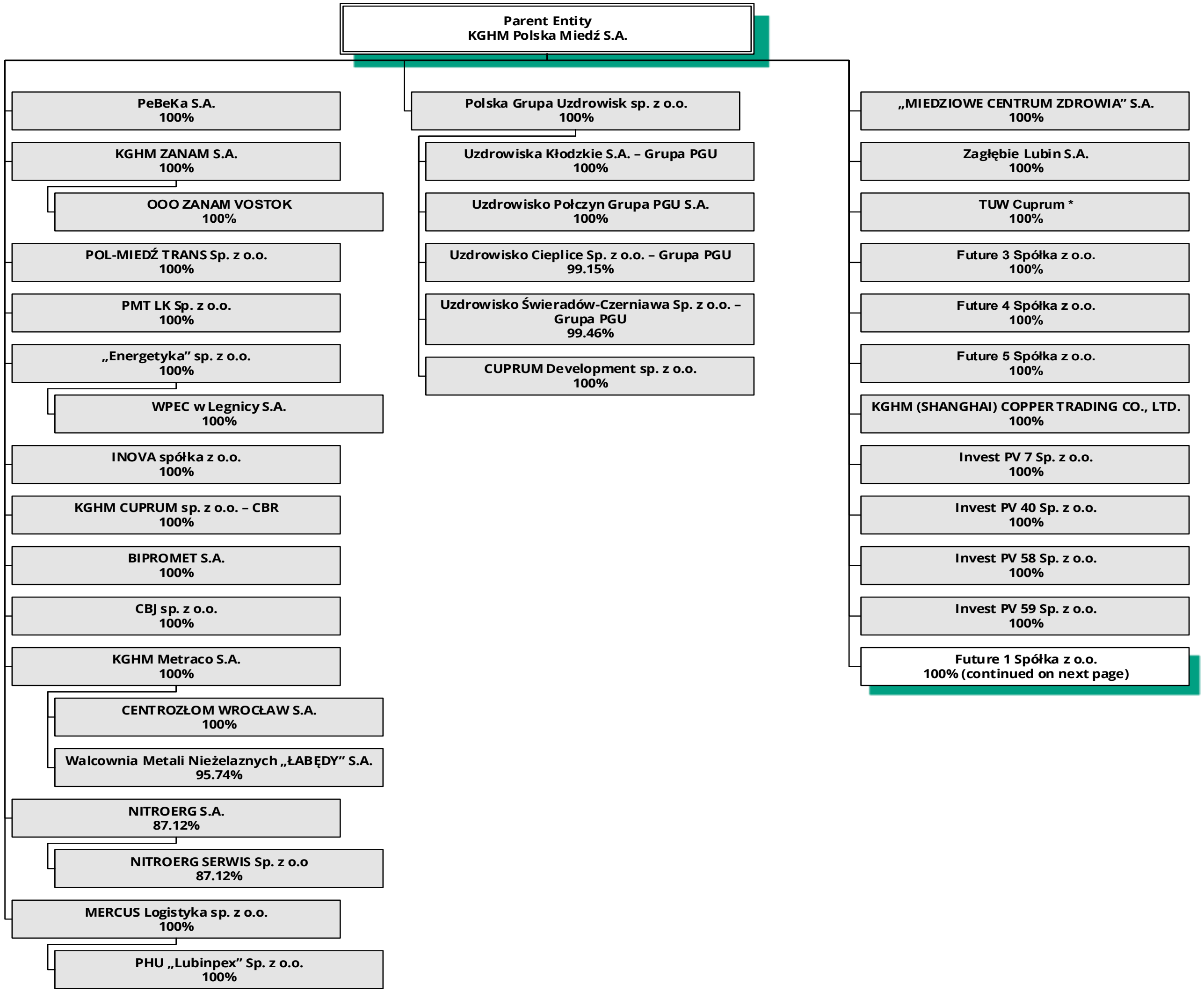
Note 1.2 Declaration by the Management Board of KGHM Polska Miedź S.A.

The Management Board of KGHM Polska Miedź S.A. declares that according to its best judgement:

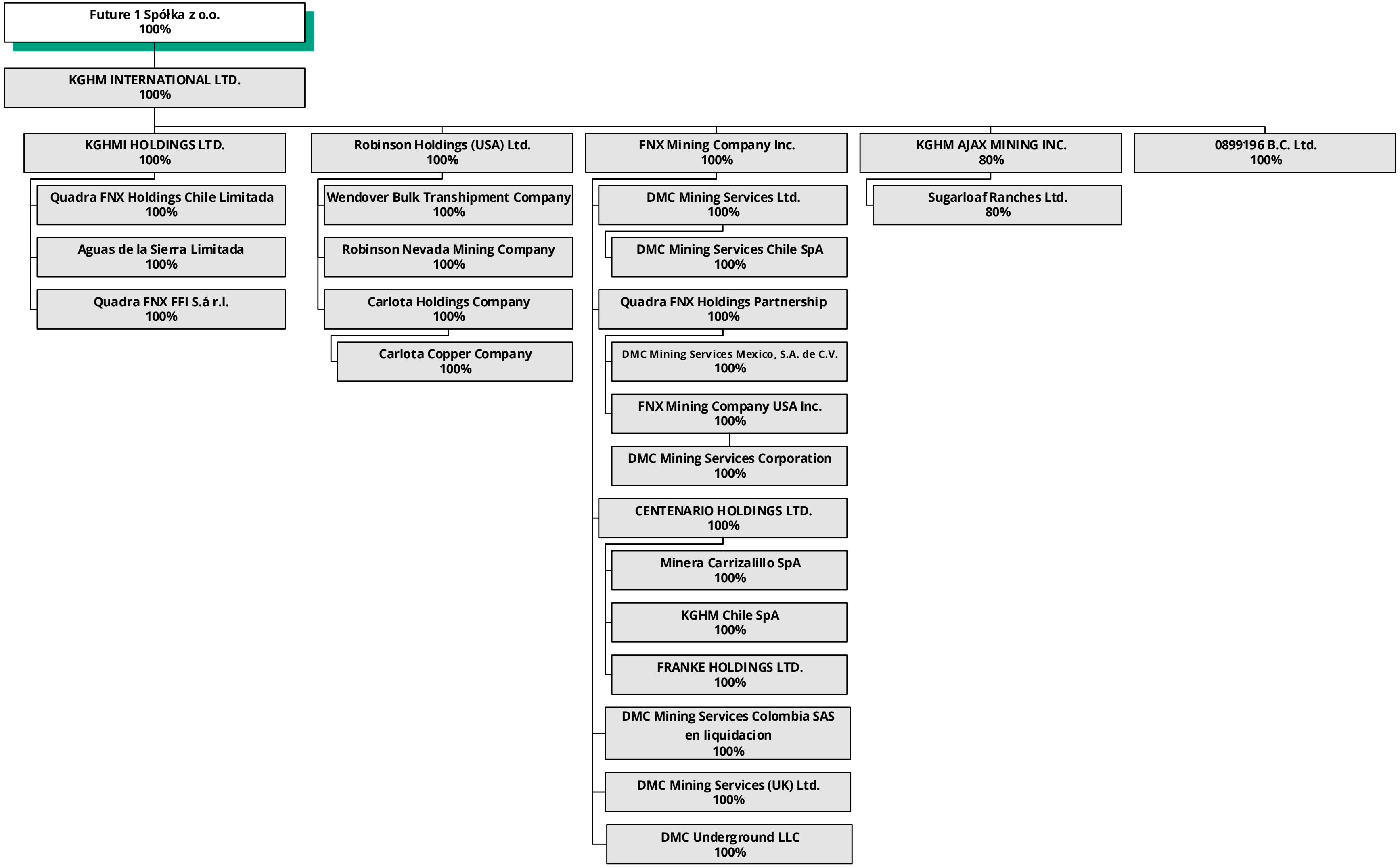
– the condensed consolidated financial statements for the first half of 2026 and comparative data have been prepared in accordance with accounting principles currently in force, and give a true, fair and clear view of the financial position of the KGHM Polska Miedź S.A. Group and the profit for the period of the Group,
– the condensed separate financial statements of KGHM Polska Miedź S.A. for the first half of 2026 and comparative data have been prepared in accordance with accounting principles currently in force, and give a true, fair and clear view of the financial position of KGHM Polska Miedź S.A. and the profit for the period of KGHM Polska Miedź S.A.,
– the Management Board's report on the activities of the Group in the first half of 2026 presents a true picture of the development and achievements, as well as the condition, of the KGHM Polska Miedź S.A. Group, including a description of the basic exposures and risks.

Note 1.3 Structure of the KGHM Polska Miedź S.A. Group

As at 30 June 2026, KGHM Polska Miedź S.A. included 60 subsidiaries in its condensed consolidated financial statements and used the equity method to account for the shares of a joint venture Sierra Gorda S.C.M.



** An entity excluded from consolidation due to the insignificant impact on the condensed consolidated financial statements.*


Future 1 Spółka z o.o.
100%
KGHM INTERNATIONAL LTD.
100%
KGHMI HOLDINGS LTD.
100%
Quadra FNX Holdings Chile Limitada
100%
Aguas de la Sierra Limitada
100%
Quadra FNX FFI S.á r.l.
100%
Robinson Holdings (USA) Ltd.
100%
Wendover Bulk Transhipment Company
100%
Robinson Nevada Mining Company
100%
Carlota Holdings Company
100%
Carlota Copper Company
100%
FNX Mining Company Inc.
100%
DMC Mining Services Ltd.
100%
DMC Mining Services Chile SpA
100%
Quadra FNX Holdings Partnership
100%
DMC Mining Services Mexico, S.A. de C.V.
100%
FNX Mining Company USA Inc.
100%
DMC Mining Services Corporation
100%
CENTENARIO HOLDINGS LTD.
100%
Minera Carrizalillo SpA
100%
KGHM Chile SpA
100%
FRANKE HOLDINGS LTD.
100%
DMC Mining Services Colombia SAS en liquidacion
100%
DMC Mining Services (UK) Ltd.
100%
DMC Underground LLC
100%
KGHM AJAX MINING INC.
80%
Sugarloaf Ranches Ltd.
80%
0899196 B.C. Ltd.
100%

Note 1.4 Exchange rates applied

The following exchange rates were applied in the conversion of selected financial data in EUR:

- for the conversion of turnover, profit or loss and cash flow for the current period, the rate of ***4.2432 EURPLN****,
- for the conversion of turnover, profit or loss and cash flow for the comparable period, the rate of ***4.2313 EURPLN*****,
- for the conversion of assets, equity and liabilities as at 30 June 2026, the current average exchange rate announced by the National Bank of Poland (NBP) as at 30 June 2026, of ***4.2963 EURPLN,***
- for the conversion of assets, equity and liabilities as at 31 December 2025, the current average exchange rate announced by the NBP as at 31 December 2025, of ***4.2267 EURPLN.***

** The rate represents the arithmetic average of current average exchange rates announced by the NBP for each day in the period from January to June 2026.*
*** The rate represents the arithmetic average of current average exchange rates announced by the NBP for each day in the period from January to June 2025.*

Note 1.5 Accounting policies and the impact of new and amended standards and interpretations

The following half-year report includes:

1. the condensed consolidated financial statements of the KGHM Polska Miedź S.A. Group for the period from 1 January to 30 June 2026 and the comparable period from 1 January to 30 June 2025, together with selected explanatory information,
2. the condensed separate financial statements of KGHM Polska Miedź S.A. for the period from 1 January to 30 June 2026 and the comparable period from 1 January to 30 June 2025, together with selected explanatory information.

The condensed consolidated financial statements for the period from 1 January to 30 June 2026 and as at 30 June 2026 as well as the condensed separate financial statements for the period from 1 January to 30 June 2026 and as at 30 June 2026 were reviewed by a certified auditor.

The consolidated half-year report for the period from 1 January 2026 to 30 June 2026, in that part concerning the condensed consolidated financial statements of the KGHM Polska Miedź S.A. Group and in that part concerning the condensed separate financial statements of KGHM Polska Miedź S.A., was prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union, and for a full understanding of the financial position and operating results of KGHM Polska Miedź S.A. and the KGHM Polska Miedź S.A. Group, should be read jointly with the Annual report RR 2025 and the Consolidated annual report SRR 2025.

The financial statements contained in this half-year report were prepared using the same accounting policies and valuation methods for the current and comparable periods as well as the principles applied in the annual financial statements (consolidated and separate), prepared as at 31 December 2025.

Note 1.5.1 Impact of new and amended standards and interpretations

From 1 January 2026, the following amendments to standards entered into force:

1. **Amendments to IFRS 9 and IFRS 7** *on classification and measurement of financial instruments in the following scopes:*
   - classification of financial assets associated with ESG features: the amendment to IFRS 9 concerns mainly loans granted and will not have an impact on the Group's consolidated financial statements, since the Group does not have loans associated with ESG features,
   - principles of derecognition of liabilities, when they are settled in cash using an electronic payment system. This amendment will not have an impact on the consolidated financial statements of the Group, because the Group derecognises a financial liability which is settled in cash using an electronic payment system as at the date of settlement,
   - introduction in IFRS 7 paragraph 11A of changes in information disclosure requirements of equity instruments designated at fair value through other comprehensive income. The Group holds such instruments and will appropriately adjust the scope of disclosure to the amended requirements.
2. **Amendments to IFRS 9 and IFRS 7** *on contracts referencing nature-dependent electricity.* The amendments concern contracts, which expose the entity (purchaser of electricity) to variability in the underlying amount of electricity because the electricity is generated from a source dependent on uncontrollable natural conditions (such as wind or sun). As at the date of preparation of these condensed consolidated financial statements, the Group has nature-dependent PPA agreements for the purchase of electricity. The Group uses all the energy supplied from these sources for its own needs, as the purchased volume constitutes an insignificant part of the Group's electricity demand and therefore it does not resell it. Pursuant to paragraph 2.4 of IFRS 9, the Group treats these agreements as being outside the scope of this standard.

3. **Annual improvements to IFRS Accounting Standards – volume 11**. Amendments introduced to standards under this cycle of amendments will not have a significant impact on the consolidated financial statements of the Group.

Up to the date of publication of these condensed consolidated financial statements, the aforementioned amendments were adopted for use by the European Union.

EXPECTED IMPACT OF IFRS 18 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2026

The IFRS 18 standard "Presentation and disclosure in financial statements" will apply to reporting periods beginning on or after 1 January 2027 and will supersede IAS 1 "Presentation of financial statements". At the same time, amendments were also made to IAS 7, IAS 8, IAS 33, IAS 34 and IFRS 7, which will also enter into force on 1 January 2027.
The key areas which will change by IFRS 18 relate to the following areas:

1. new requirements as to the structure of the statement of profit or loss, in particular:
   - mandatory categorisation of income and expenses into one of 5 categories (operating, investing, financing, income taxes, discontinued operations),
   - mandatory new subtotals – operating profit, profit before financing and taxes,
   - improved guidance on the presentation and disclosure of operating costs.
2. enhanced requirements as to the location of information in financial statements, including: defining roles for main financial statements and additional information, expanding guidelines on aggregation rules and labelling items,
3. new disclosure requirements on management-defined performance measures.

An appropriate categorisation of income and expenses requires an entity to assess in advance whether it carries out one or both of the specified main economic activities, i.e. investing in assets or providing financing to clients.
Moreover, IFRS 18 sets out specific requirements for the appropriate categorisation of exchange differences, derivatives and designated hedging instruments, as well as hybrid contracts with a host liability.

Impact of the implementation of IFRS 18

The Group is at an advanced stage of assessing the impact of the implementation of the new IFRS 18 standard, and the expected impact for the period ending on 30 June 2026 is described below in detail.

The IFRS 18 standard will be applied retrospectively in accordance with IAS 8.
The adoption of IFRS 18 will not affect the Group's profit for the period or its comprehensive income. However, in accordance with the requirements of the new standard, the Group will present new subtotals such as "operating profit" and "profit before financing and income tax".

Statement of profit or loss

As a result of the analyses, the Group assessed that it does not conduct any of the specified main business activities (MBAs) under IFRS 18.

In accordance with the rules of categorisation for entities that do not operate any of the MBAs, the Group will classify into the investment category certain income and expenses recognised in profit or loss resulting from the following types of assets:

- investments in joint ventures accounted for using the equity method,
- financial assets measured at fair value through profit or loss, such as: loans granted,
- equity instruments such as: shares in companies listed on the stock exchange, shares in companies not listed on the stock exchange and other financial assets, and
- other financial assets measured at amortised cost, including cash and cash equivalents.

These incomes and expenses will include, in particular:

- share in profits of a joint venture accounted for using the equity method,
- gain on reversal of an allowance for impairment of loans granted to a joint venture,
- interest income on loans granted to a joint venture,
- interest income on cash,
- dividend income,
- exchange gains/losses on intra-group loans.

In accordance with the rules of categorisation for entities that do not operate any of the MBAs, the Group will classify in the financing category certain incomes and expenses recognised in profit or loss resulting from both liabilities arising as a result of transactions involving only the obtaining financing and other liabilities. These incomes and expenses will include, in particular:

- interest on bank and other loans,
- interest on leases,
- interest costs on reverse factoring,

- net interest costs on defined benefit schemes,
- costs resulting from a change in the amount of provisions (i.e. unwinding of the discount effect).

The application of the aforementioned rules for categorising incomes and expenses would result in the recognition of operating profit for the period from 1 January to 30 June 2026 of PLN 6 204 million and profit before financing and income tax of PLN 8 145 million.

In the context of operating costs, the Group assessed that the presentation in the functional arrangement used before the implementation of IFRS 18 remains valid and will be continued.

Due to the improved requirements regarding the location of information in the financial statements, the Group:

1. reviewed the current method of aggregating and disaggregating items in the main financial statements and in the supplementary information, which will result in appropriate changes in the presentation of the financial statements,
2. reviewed the labels of selected items in the financial statements and considered it justified to more precisely identify the items previously marked as "other".

Statement of cash Flows

In accordance with the amended requirements of IAS 7, the consolidated statement of cash flows would begin with operating profit (PLN 6 204 million for the period from 1 January to 30 June 2026 pursuant to IFRS 18), instead of – as in previous reporting periods – with profit before tax (PLN 7 908 million for the period from 1 January to 30 June 2026). Therefore, the list of non-cash adjustments presented in the operating activities of the statement of cash flows would be adjusted by the following items:

- share in profits of a joint venture accounted for using the equity method (PLN 580 million),
- interest on loans granted to a joint venture (PLN 258 million),
- gain on reversal of an allowance for impairment of loans granted to a joint venture (PLN 605 million),
- dividend income (PLN 36 million),
- exchange gains/losses on investing and financing activities (PLN 344 million).

Moreover, interest paid and capitalised at the initial value of fixed assets (PLN 138 million for the period from 1 January to 30 June 2026), previously presented in cash flows from investing activities, would be reclassified to cash flows from financing activities in accordance with the updated IAS 7.

Management-defined performance measures

The Group identified adjusted EBITDA (PLN 9 276 million for the period from 1 January to 30 June 2026) as a management-defined performance measure, meeting the definition set in paragraph 117 of IFRS 18, which will be subject to the disclosure requirements of the new standard.

Note 1.6 Impact of the international tax system reform: pillar 2 of the BEPS 2.0 project

The act of 6 November 2024 *on top-up taxation of individual companies of international and Polish groups* (hereafter: the Act) implemented rules of the Council Directive (EU) 2022/2523 of 14 December 2022 *on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union* to the Polish legal system. Adoption of the Act is the realisation of guidelines of the so-called pillar 2 of the BEPS 2.0 project, which introduces a general framework for a global minimum tax approved under the work of the OECD forum (OECD Framework).

Pursuant to the Act, the Company meets the criteria of a so-called MNE (multinational enterprise) and therefore is obliged to report a specific level of the tax rate of its subsidiaries at the level of individual jurisdictions. As at the date of publication of these condensed consolidated financial statements of the Group, regulations on the global and domestic top-up tax were implemented in the following jurisdictions in which the Group operates: Canada, Luxembourg (up to 31 March 2026), the United Kingdom and Poland.
While the rules of the Directive should have been in force from 2024, the OECD Framework include a transitional period, which postpones the obligations in this regard by 4 subsequent years. Based on a detailed technical analysis of the assumptions stipulated in transitional rules, in the Group's opinion it will be able to use them in the majority of jurisdictions in which it operates. Moreover, according to the current estimates, the probability of paying the top-up tax in any of the jurisdictions is judged by the Group to be low.

In accordance with the requirements of IAS 12 paragraph 88A, the Group does not recognise deferred tax assets and liabilities related to income taxes of pillar 2 and does not disclose information about these assets and liabilities. Based on the results of the conducted analyses, these condensed consolidated financial statements do not contain any amounts arising from the reform of the international tax system – pillar 2.

For 2025, the Group did not incur any liability due to the top-up tax and therefore the Group is not obliged to pay it. However, the Group will be required to pay the top-up tax for the years 2026 and 2027 if the conditions of maintaining the exemption under the temporary safe harbours for this period are not met, and if at the level of any of the jurisdictions in which the subsidiaries of the Group are currently present, the effective tax rate (calculated in accordance with the BEPS (Base erosion and profit shifting) rules) is below 15%. In the years following 2027, the Group will be obliged to pay the top-up tax if, in any of the jurisdictions in which the Group is present, the effective tax rate (calculated in accordance with the BEPS rules) is below 15%. Since the Group's entities are generally located in high-tax jurisdictions, according to the Group's current knowledge and judgment, the probability of paying the top-up tax in 2026 and in the future is judged as low.

Note 1.7. Impairment of assets

Pursuant to IAS 36, as at 30 June 2026 the Group assessed the occurrence of indications of impairment of its assets. As a result of the performed evaluation, no indications of impairment of assets were identified.

Assessment of the existence of indications of impairment of production assets and assets in the pre-operational phase of the KGHM Polska Miedź S.A. Group
The Management Board of KGHM Polska Miedź S.A. assessed the existence of indications as to the possibility of impairment of assets, in accordance with the requirements of International Accounting Standard 36 *Impairment of assets*. The analysis was carried out taking into account both external factors resulting from the economic and market environment, as well as internal factors relating to the nature of the entity's operations, the efficiency of the use of assets and changes in their expected utility. The Company identifies those indications that are material and permanent, i.e. they may have a significant impact on the recoverable amount of the assets or their ability to generate future economic benefits. The assessment of the permanency of the indications is carried out using professional judgement, taking into account the nature of a given factor, the causes of its occurrence and the expected period of impact. Based on the experience resulting from the impairment analyses carried out, the Company assumes that the indication may in principle be considered permanent if it persists for a period of at least 12 months. At the same time, the Company points out that the adopted horizon of 12 months does not result directly from the applicable accounting regulations or legal acts, but constitutes a developed analytical practice aimed at ensuring the consistency of the process of identifying indications of impairment and limiting the impact of short-term and temporary fluctuations in market factors. In justified cases, the assessment of the permanency of the indication may also take into account other circumstances indicating its long-term nature. In the first half of 2026, the share price of KGHM Polska Miedź S.A. was characterized by high volatility, caused, among others, by significant fluctuations in the prices of metals, especially copper and silver. The average share price of the Company in the first half of 2026 increased by 13.6% compared to the share price at the end of 2025 (the average share price in the first half of 2026 was PLN 318.86). In the same period, the average WIG20 index increased by 8.9%, and the average WIG index increased by 9.4%. As at 30 June 2026, the share price was PLN 331.25 and was 18.0% higher than the share price as at 31 December 2025 (PLN 280.80). As a result, the Company's market capitalisation increased from PLN 56 160 million to PLN 66 250 million, which means that as at 30 June 2026 it remained at 174% of the Company's net asset value. It should also be noted that the average ratio of market capitalisation to book value of net assets in the entire first half of 2026 was 192%. From the point of view of the Company's operations, the key factor influencing the level of market capitalisation is the price of copper. In the first half of 2026, the price of copper was highly volatile, peaking in May 2026 (14 097 USD/t) due to the weakening of the US dollar, global trade tensions and supply deficit on the copper market. The average copper price in the first half of 2026 was 13 083 USD/t, which is a higher level than the prices recorded in 2025 (average 9 945 USD/t). In the case of the Polish assets, of significance are PLN-expressed metals prices, which are also affected by the USD/PLN exchange rate. Fluctuations in the price of copper are usually to a large extent offset by changes in the USD/PLN exchange rate. The average USD/PLN exchange rate in the first half of 2026 amounted to PLN 3.64, which is at a lower level than the exchange rate recorded in 2025 (average of PLN 3.76). Finally, the average price of copper in the first half of 2026 expressed in PLN was 47 585 PLN/t, which meant that it was higher than the prices observed in 2025 (average 37 303 PLN/t). More significant fluctuations could be observed on the precious metals market. The average gold price in the first half of 2026 was USD 4 693 per ounce, which meant that it was higher than the prices recorded in 2025 (average USD 3 436 per ounce). As the price of gold increased, so did the price of silver. The average price of silver in the first half of 2026 was USD 79 per ounce, which means that it was higher than the prices recorded in 2025 (average USD 40 per ounce). Favourable macroeconomic data in 2026 contributed to a decrease in market interest rates, to 3.78 for WIBOR 1M, 3.85 for WIBOR 3M and 3.90 for WIBOR 6M at the end of June 2026, which had a positive impact on the profitability of the business activities. The yield on 10-year bonds was 1.55 p.p. higher than the NBP reference rate. <u>Domestic production assets</u> KGHM Polska Miedź S.A. maintains full operational capacity and consistently advances planned production, sales and investment budget targets. The financial results achieved by the Company exceed the budget targets, which is also a result of conducted optimisation initiatives and cost discipline applied in response to macroeconomic conditions. The Company continued actions aimed at making the subsequent parts of the copper deposit available and at construction of the mining infrastructure. Current, long-term production plans are up to 2055 and in the current period no indications were identified that could negatively impact the future availability of deposits. KGHM Polska Miedź S.A. continues exploration work on the basis of concessions and concession proceedings aimed at ensuring

the resource base appropriate for operating activities and prolonging mine life.
In the context of risks and hazards associated with climate, in the current period, no material impact on the activities of KGHM Polska Miedź S.A. was identified.

On 1 January 2026, the Act of 21 November 2025 amending the Act on the minerals extraction tax and certain other acts, introducing a temporary reduction of the coefficient in the tax calculation formula for copper and silver (2026-2028) and a mechanism for deducting a part of capital expenditures from the tax (from 2029), entered into force.

In accordance with the aforementioned act, the reduction in the amount of the copper tax will depend on, to a large extent, the application of the investment relief mechanism, which will serve de facto as a source of financing capital expenditures and will not have to directly result in a significant change in net cash flows.

The Company will be able to deduct a maximum of 40% of the value of eligible expenditures (no more than 30% of the input tax), which will require the involvement of significant capital in order to fully use the reduction on the minerals extraction tax.

In addition, in the case of KGHM Polska Miedź S.A., a significant group of tax-deductible eligible investments are development investments, which by definition are not included in the impairment testing in the value in use model. As the result, the amendments to the act on the minerals extraction tax do not constitute a prerequisite indicating the possibility of changing the recoverable amount of the Company's assets.

The Strategy of the KGHM Polska Miedź S.A. Group 2055+, approved on 3 July 2026, maintains the current direction of development of the Polish resource base and the strengthening of Polish production assets, ensuring their long-term operational stability. As the result, neither the strategy's individual nor combined assumptions constitute a prerequisite indicating a risk of a change in the value of KGHM Polska Miedź S.A. assets.

The Management Board of KGHM Polska Miedź S.A. assessed the adequacy of the assumptions adopted as at 31 December 2023 in the conducted impairment test of Polish production assets (mining and metallurgical assets), including mainly macroeconomic assumptions, forecasts of medium- and long-term production plans and the relation between operating costs and planned capital expenditures. No indications were identified that would necessitate a revision of the key assumptions adopted at that time.

Foreign production and development assets
As for the foreign assets, despite the deterioration in production results compared to the previous year, favourable macroeconomic conditions allowed for a significant improvement in the financial result in the KGHM INTERNATIONAL LTD. and Sierra Gorda S.C.M. segments. In the KGHM INTERNATIONAL LTD. segment the situation remains stable. Despite the fact that the production results of the Robinson mine are lower than those of the previous year and show non-performance in relation to the budget assumptions for the current year, mainly due to much higher technological demands put on the processing of Liberty ore compared to the ore from the Ruth West 5 pit in the corresponding prior year period, high metal prices resulted in very favourable financial results being obtained, which exceeded the budget assumptions. The realisation of the Victoria project is progressing within the budget and on schedule. In the Sierra Gorda S.C.M. segment, production was slightly lower than in the first half of 2025. On 30 June 2026, together with South32 Ltd. the investment decision was made to build a fourth grinding line at the ore processing plant of the Sierra Gorda mine, currently the project is in the preparatory stage, and no operational advancement has yet begun. In particular, no agreements have been concluded with key contractors so far, negotiations on the terms of financing the project are still ongoing, and the results of additional tests - which are an important element of the investment process - are still pending. Taking into account the aforementioned uncertainties, as at 30 June 2026 the Management Board does not identify any indications to conduct impairment testing.

Summary

Taking into account the significant level of uncertainty in the external environment, in particular as to the market copper and silver prices as well as USD exchange rate, which makes it more difficult to draw conclusions regarding long-term trends and not meeting the permanency criteria described above, in the opinion of KGHM Polska Miedź S.A., there were no indications of an impairment risk of Polish or international production assets and the Victoria project, as well as indications of the possibility of reversing the impairment losses already recognised, and therefore no impairment tests were carried out for these assets as at 30 June 2026.
KGHM Polska Miedź S.A. will continue to monitor global economic conditions on an ongoing basis in terms of stabilisation or a lack of it of the indicated trends. If the persistence of the observed changes is confirmed, the Company will assess their impact on the recoverable amount of the assets, in accordance with the principles set forth in IAS 36.

A summary of analyses undertaken to assess the risk of impairment of assets of the Group as at 31 December 2025 was presented in part 3 of the Consolidated annual report SRR 2025.

Part 2 - Information on segments and revenues

Note 2.1 Information on segments

The operating segments identified in the KGHM Polska Miedź S.A. Group reflect the structure of the Group, the manner in which the Group and its individual entities are managed and the regular reporting to the Parent Entity's Management Board.

As a result of the aggregation of operating segments and taking into account the criteria stipulated in IFRS 8, the following reporting segments are currently identified within the KGHM Polska Miedź S.A. Group:

Reporting segment	Operating segments aggregated in a given reporting segment	Indications of similarity of economic characteristics of segments, taken into account in aggregations
KGHM Polska Miedź S.A.	KGHM Polska Miedź S.A.	Not applicable (it is a single operating and reporting segment)
KGHM INTERNATIONAL LTD.	Companies of the KGHM INTERNATIONAL LTD. Group, in which the following mines, deposits or mining areas and mining enterprises constitute operating segments: Robinson, Carlota, DMC, Victoria and Ajax projects.	Operating segments within the KGHM INTERNATIONAL LTD. Group are located in North and South America. The Management Board analyses the results of the following operating segments: Robinson, Carlota, Victoria and Ajax projects and other. In addition, the Management Board receives and analyses reports on the whole KGHM INTERNATIONAL LTD. Group. Operating segments are engaged in the exploration and mining of copper, molybdenum, silver, gold, nickel, platinum and palladium deposits. The operating segments were aggregated based on the similarity of long-term margins achieved by individual segments, and the similarity of products, processes and production methods.
Sierra Gorda S.C.M.	Sierra Gorda S.C.M. (joint venture)	Not applicable (it is a single operating and reporting segment)
Other segments	This item includes other Group companies (every individual company is a separate operating segment).	Aggregation was carried out as a result of not meeting the criteria necessitating the identification of a separate additional reporting segment.

The following companies were not included in any of the aforementioned segments:

- Future 1 Sp. z o.o., which acts as a holding company with respect to the KGHM INTERNATIONAL LTD. Group,
- Future 3 Sp. z o.o., Future 4 Sp. z o.o., Future 5 Sp. z o.o., which operate in the structure related to the establishment of a Tax Group.

These companies do not conduct operating activities which could impact the results achieved by individual segments, and as a result their inclusion could distort the data presented in this part of the condensed consolidated financial statements due to significant settlements with other Group entities.

Each of the segments KGHM Polska Miedź S.A., KGHM INTERNATIONAL LTD. and Sierra Gorda S.C.M. have their own Management Boards, which report the results of their business activities to the Management Board of the Parent Entity.

The segment KGHM Polska Miedź S.A. is composed only of the Parent Entity, and the segment Sierra Gorda S.C.M. is composed only of the joint venture Sierra Gorda S.C.M. Other companies of the KGHM Polska Miedź S.A. Group are presented below by segment: KGHM INTERNATIONAL LTD. and Other segments.

amounts in PLN millions, unless otherwise stated

THE SEGMENT KGHM INTERNATIONAL LTD.	
Location	**Company**
The United States of America	Carlota Copper Company, Carlota Holdings Company, DMC Mining Services Corporation, FNX Mining Company USA Inc., Robinson Holdings (USA) Ltd., Robinson Nevada Mining Company, Wendover Bulk Transhipment Company
Chile	Aguas de la Sierra Limitada, Minera Carrizalillo SpA, KGHM Chile SpA, Quadra FNX Holdings Chile Limitada, DMC Mining Services Chile SpA
Canada	KGHM INTERNATIONAL LTD., 0899196 B.C. Ltd., Centenario Holdings Ltd., DMC Mining Services Ltd., FNX Mining Company Inc., FRANKE HOLDINGS LTD., KGHM AJAX MINING INC., KGHMI HOLDINGS LTD., Quadra FNX Holdings Partnership, Sugarloaf Ranches Ltd.
The United Kingdom	DMC Mining Services (UK) Ltd.
Mongolia	DMC Underground LLC
Luxembourg	Quadra FNX FFI S.à r.l.*
Poland	Quadra FNX FFI sp. z o. o.**

OTHER SEGMENTS	
Type of activity	**Company**
Support of the core business	BIPROMET S.A., CBJ sp. z o.o., „Energetyka" sp. z o.o., INOVA spółka z o.o., KGHM CUPRUM sp. z o.o. – CBR, KGHM ZANAM S.A., KGHM Metraco S.A., PeBeKa S.A., POL-MIEDŹ TRANS Sp. z o.o., MERCUS Logistyka sp. z o.o., NITROERG S.A., PMT LK Sp. z o.o.
Sanatorium-healing and hotel services	Uzdrowiska Kłodzkie S.A. - Grupa PGU, Uzdrowisko Cieplice Sp. z o.o. - Grupa PGU, Uzdrowisko Połczyn Grupa PGU S.A., Uzdrowisko Świeradów - Czerniawa Sp. z o.o. – Grupa PGU
Investment funds, financing activities	Polska Grupa Uzdrowisk sp. z o.o.
Other activities	CENTROZŁOM WROCŁAW S.A., CUPRUM Development sp. z o.o., KGHM (SHANGHAI) COPPER TRADING CO., LTD., MIEDZIOWE CENTRUM ZDROWIA S.A., NITROERG SERWIS Sp. z o.o., PHU "Lubinpex" Sp. z o.o., Walcownia Metali Nieżelaznych "ŁABĘDY" S.A., Zagłębie Lubin S.A., OOO ZANAM VOSTOK, Invest PV 7 Sp. z o.o., Invest PV 40 Sp. z o.o., Invest PV 58 Sp. z o.o., Invest PV 59 Sp. z o.o., WPEC w Legnicy S.A.

** Until 31 March 2026 (Note 5.1).*
*** From 1 April 2026 (Note 5.1).*

The Parent Entity and the KGHM INTERNATIONAL LTD. Group (a subgroup) have a fundamental impact on the structure of assets and the generation of revenues in the KGHM Polska Miedź S.A. Group. The activities of KGHM Polska Miedź S.A. are concentrated on the mining industry in Poland, while those of the KGHM INTERNATIONAL LTD. Group are concentrated on the mining industry in the countries of North and South America. The profile of activities of the majority of the remaining subsidiaries of the KGHM Polska Miedź S.A. Group differs from the main profile of the Parent Entity's activities.

The Parent Entity's Management Board monitors the operating results of individual segments in order to make decisions on allocating the Group's resources and assess the financial results achieved.

Financial data prepared for management reporting purposes is based on the same accounting policies as those applied when preparing the consolidated financial statements of the Group, while the financial data of individual reporting segments constitutes the amounts presented in appropriate financial statements prior to consolidation adjustments at the level of the KGHM Polska Miedź S.A. Group, i.e.:

- The segment KGHM Polska Miedź S.A. – comprises data from the separate financial statements of the Parent Entity prepared in accordance with IFRSs. In the separate financial statements, interest in subsidiaries (including indirect share in KGHM INTERNATIONAL LTD.) are measured at cost less any impairment losses,
- The segment KGHM INTERNATIONAL LTD. – comprises consolidated data of the KGHM INTERNATIONAL LTD. Group prepared in accordance with IFRSs. The involvement in Sierra Gorda S.C.M. is accounted for using the equity method,
- The segment Sierra Gorda S.C.M. – comprises the 55% share of assets, liabilities, revenues and costs of this venture presented in the financial statements of Sierra Gorda S.C.M. prepared in accordance with IFRSs,
- Other segments – comprises aggregated data of individual subsidiaries after excluding transactions and balances between them.

The Management Board of the Parent Entity assesses a segment's performance based on adjusted EBITDA and the profit or loss for the period.
The Group defines adjusted EBITDA as profit/loss for the period pursuant to IFRS, excluding taxes (current and deferred income tax as well as the mining tax), finance income and costs, other operating income and costs, profit or loss on involvement in joint ventures, depreciation/amortisation recognised in expenses by nature and recognition/reversal of impairment losses on property, plant and equipment and intangible assets included in the cost of sales, selling costs and administrative expenses.
Adjusted EBITDA – as a financial indicator not defined by IFRSs – is not a standardised measure and therefore its method of calculation may vary between entities, and consequently the presentation and calculation of adjusted EBITDA applied by the Group may not be comparable to that applied by other market entities.
Revenues from transactions with external entities and inter-segment transactions are carried out at arm's length. Eliminations of mutual settlements, revenues and costs between segments were presented in the item "Consolidation adjustments".
Unallocated assets and liabilities concern companies which have not been classified to any segment. Liabilities which have not been allocated to the segments comprise trade payables and deferred tax liabilities.

Note 2.2 Financial results of reporting segments

		KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Elimination of data of the segment Sierra Gorda S.C.M. (Reconciliation items to consolidated data)	Adjustments ***** (Reconciliation items to consolidated data)	Consolidated financial statements
		from 1 January 2026 to 30 June 2026						
Note 2.3	**Total revenues from contracts with customers, of which:**	**21 927**	**1 788**	**2 563**	**8 325**	**(2 563)**	**(7 329)**	**24 711**
	- inter-segment	333	8	-	6 996	-	(7 329)	**8**
	- external	21 594	1 780	2 563	1 329	(2 563)	-	**24 703**
	Cost of sales, selling costs and administrative expenses	(16 325)	(1 318)	(1 419)	(8 295)	1 419	7 284	**(18 654)**
	Segment result – profit/(loss) for the period	**5 493**	**2 097**	**580**	**15**	**(580)**	**(2 026)**	**5 579**
	Additional information on significant costs/revenues items of the segment							
	Depreciation/amortisation recognised in expenses by nature	(956)	(312)	(515)	(170)	515	16	**(1 422)**
	(Recognition)/reversal of impairment losses on non-current assets, including:	82	605	-	1	-	(86)	**602**
	reversal of allowances for impairment of loans	86	605	-	-	-	(86)	**605**
	Share in profit or loss of a joint venture accounted for using the equity method	-	580	-	-	-	-	**580**
		As at 30 June 2026						
	Assets	**59 934**	**18 335**	**13 426**	**7 161**	**(13 426)**	**(19 568)**	**65 862**
	Liabilities, including:	**21 825**	**17 151**	**11 131**	**3 856**	**(11 131)**	**(16 784)**	**26 048**
	Segment liabilities	21 825	17 151	11 131	3 856	(11 131)	(17 137)	**25 695**
	Liabilities unallocated to segments	-	-	-	-	-	353	**353**
	Other information	from 1 January 2026 to 30 June 2026						
	Cash expenditures on property, plant and equipment and intangible assets – cash flow	1 892	435	550	387	(550)	(112)	**2 602**
	Production and cost data	from 1 January 2026 to 30 June 2026						
	Payable copper (kt)	291.5	19.3	40.2				
	Molybdenum (million pounds)	-	-	1.8				
	Silver (t)	696.7	-	14.9				
	TPM (koz t)**	48.6	15.5	9.3				
	C1 cash cost of producing copper in concentrate (USD/lb)***	2.44	1.25	0.86				
	Segment result - Adjusted EBITDA	**6 558**	**782**	**1 659**	**199**	**-**	**-**	**9 198**
	EBITDA margin******	**30%**	**44%**	**65%**	**2%**	**-**	**-**	**34%**

** 55% of the Group's share in Sierra Gorda S.C.M.'s financial and production data.*
*** TPM (Total Precious Metals) – precious metals (gold, platinum, palladium).*
**** Unit cash cost of payable copper production, reflecting ore mining and processing costs, transport costs, the minerals extraction tax, administrative expenses during the mining phase and smelter treatment and refining charges (TC/RC) less by-product value.*
***** Adjusted EBITDA to revenues from contracts with customers. For the purposes of calculating the Group's EBITDA margin (34%), the consolidated revenues from contracts with customers were increased by revenues from contracts with customers of the segment Sierra Gorda S.C.M. [9 198 / (24 711 + 2 563) * 100%]*
****** Adjustments include consolidation eliminations and financial data of companies unallocated to any segment.*

Financial results of reporting segments for the comparable period

		KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Reconciliation items to consolidated data: Elimination of data of the segment Sierra Gorda S.C.M	Reconciliation items to consolidated data: Adjustments*****	Consolidated financial statements
		from 1 January 2025 to 30 June 2025						
Note 2.3	**Revenues from contracts with customers, of which:**	**14 860**	**1 712**	**2 027**	**6 570**	**(2 027)**	**(5 586)**	**17 556**
	- inter-segment	309	8	-	5 277	-	(5 586)	**8**
	- external	14 551	1 704	2 027	1 293	(2 027)	-	**17 548**
	Cost of sales, selling costs and administrative expenses	(13 319)	(1 179)	(1 147)	(6 502)	1 147	5 545	**(15 455)**
	Segment result – profit/(loss) for the period	**113**	**546**	**364**	**55**	**(364)**	**(134)**	**580**
	Additional information on significant costs/revenues items of the segment							
	Depreciation/amortisation recognised in expenses by nature	(890)	(376)	(422)	(152)	422	15	**(1 403)**
	(Recognition)/reversal of impairment losses on non-current assets, including:	(22)	146	-	-	-	1	**125**
	impairment losses on investments in subsidiaries	(68)	-	-	-	-	68	**-**
	(recognition)/reversal of allowances for impairment of loans	67	151	-	-	-	(67)	**151**
		As at 31 December 2025						
	Segment assets	**53 560**	**16 614**	**12 959**	**6 923**	**(12 959)**	**(18 857)**	**58 240**
	Liabilities, of which:	**22 046**	**17 544**	**11 334**	**3 649**	**(11 334)**	**(17 897)**	**25 342**
	Segment liabilities	22 046	17 544	11 334	3 649	(11 334)	(18 155)	**25 084**
	Liabilities unallocated to segments	-	-	-	-	-	258	**258**
	Other information	**from 1 January 2025 to 30 June 2025**						
	Cash expenditures on property, plant and equipment and intangible assets – cash flow	1 892	405	553	299	(553)	(158)	**2 438**
	Production and cost data	**from 1 January 2025 to 30 June 2025**						
	Payable copper (kt)	272.4	29.2	42.4				
	Molybdenum (million pounds)	-	-	1.7				
	Silver (t)	646.3	0.1	10.8				
	TPM (koz t)**	43.7	25.3	14.7				
	C1 cash cost of producing copper in concentrate (USD/lb)***	3.15	0.99	1.12				
	Segment result - Adjusted EBITDA	**2 431**	**910**	**1 302**	**220**	**-**	**-**	**4 863**
	EBITDA margin******	**16%**	**53%**	**64%**	**3%**	**-**	**-**	**25%**

** 55% of the Group's share in Sierra Gorda S.C.M.'s financial and production data.*
*** TPM (Total Precious Metals) – precious metals (gold, platinum, palladium).*
**** Unit cash cost of payable copper production, reflecting ore mining and processing costs, transport costs, the minerals extraction tax, administrative expenses during the mining phase and smelter treatment and refining charges (TC/RC) less by-product value.*
***** Adjusted EBITDA to revenues from contracts with customers. For the purposes of calculating the Group's EBITDA margin (25%), the consolidated revenues from contracts with customers were increased by revenues from contracts with customers of the segment Sierra Gorda S.C.M. [4 863 / (17 556 + 2 027) * 100%]*
****** Adjustments arise from consolidation eliminations and financial data of companies unallocated to any segment.*

amounts in PLN millions, unless otherwise stated

Reconciliation of adjusted EBITDA	from 1 January 2026 to 30 June 2026						
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Other segments	Consolidation adjustments*	Consolidated financial statements	Sierra Gorda S.C.M. **	Adjusted EBITDA (segments, total)
	1	2	3	4	5 (1+2+3+4)	6	7 (5+6-4)
Profit/(loss) for the period	**5 493**	**2 097**	**15**	**(2 026)**	**5 579**	**580**	
[-] Profit or loss on involvement in joint ventures	-	1 443	-	-	1 443	-	
[-] Taxes	(2 086)	(121)	(20)	(102)	(2 329)	(316)	
[-] Depreciation/amortisation recognised in expenses by nature	(956)	(312)	(170)	16	(1 422)	(515)	
[-] Finance income/(costs)	(155)	(462)	(19)	479	(157)	(253)	
[-] Other operating income/(costs)	2 132	767	24	(2 358)	565	5	
[-] (Recognition)/reversal of impairment losses on non-current assets recognised in cost of sales, selling costs and administrative expenses	-	-	1	-	1	-	
Segment result - Adjusted EBITDA	**6 558**	**782**	**199**	**(61)**	**7 478**	**1 659**	**9 198**

Reconciliation of adjusted EBITDA	from 1 January 2025 to 30 June 2025						
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Other segments	Consolidation adjustments*	Consolidated financial statements	Sierra Gorda S.C.M. **	Adjusted EBITDA (segments, total)
	1	2	3	4	5 (1+2+3+4)	6	7 (5+6-4)
Profit/(loss) for the period	**113**	**546**	**55**	**(134)**	**580**	**364**	
[-] Profit or loss on involvement in joint ventures	-	438	-	-	438	-	
[-] Taxes	(521)	(171)	(18)	(25)	(735)	(167)	
[-] Depreciation/amortisation recognised in expenses by nature	(890)	(376)	(152)	15	(1 403)	(422)	
[-] Finance income/(costs)	169	(489)	(30)	529	179	(333)	
[-] Other operating income/(costs)	(1 076)	235	35	(597)	(1 403)	(16)	
[-] (Recognition)/reversal of impairment losses on non-current assets recognised in cost of sales, selling costs and administrative expenses	-	(1)	-	-	(1)	-	
Segment result - Adjusted EBITDA	**2 431**	**910**	**220**	**(56)**	**3 505**	**1 302**	**4 863**

** Adjustments arise from consolidation eliminations and financial data of companies unallocated to any segment.*
***55% share of the Group in the financial data of Sierra Gorda S.C.M.*

amounts in PLN millions, unless otherwise stated

Note 2.3 Revenues from contracts with customers of the Group – breakdown by products

	from 1 January 2026 to 30 June 2026						
					Reconciliation items to consolidated data		
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Elimination of data of the segment Sierra Gorda S.C.M	Consolidation adjustments	Consolidated data
Products							
Copper	14 430	948	2 019	3	(2 019)	(20)	**15 361**
Silver	5 843	34	151	-	(151)	-	**5 877**
Gold	895	290	164	-	(164)	-	**1 185**
Services	130	507	-	1 519	-	(1 110)	**1 046**
Energy	68	-	-	260	-	(185)	**143**
Salt	28	-	-	-	-	16**	**44**
Blasting materials and explosives	-	-	-	167	-	(70)	**97**
Mining machinery, transport vehicles and other types of machinery and equipment	-	-	-	199	-	(181)	**18**
Fuel additives	-	-	-	61	-	-	**61**
Lead	125	-	-	-	-	-	**125**
Products from other non-ferrous metals	-	-	-	61	-	(3)	**58**
Other products	278	9	229	403	(229)	(264)	**426**
Merchandise and materials							
Steel	-	-	-	107	-	(34)	**73**
Petroleum and its derivatives	-	-	-	222	-	(192)	**30**
Salt	-	-	-	44	-	(44)**	**-**
Other merchandise and materials	130	-	-	5 279	-	(5 242)	**167**
TOTAL	**21 927**	**1 788**	**2 563**	**8 325**	**(2 563)**	**(7 329)**	**24 711**

** 55% of the Group's share in revenues of Sierra Gorda S.C.M.*
*** Including: PLN 44 million – reclassification from revenues from the sale of merchandise and materials to revenues from the sale of products.*

amounts in PLN millions, unless otherwise stated

	from 1 January 2025 to 30 June 2025						
					Reconciliation items to consolidated data		
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Elimination of data of the segment Sierra Gorda S.C.M	Consolidation adjustments	Consolidated data
Products							
Copper	10 911	1 027	1 668	5	(1 668)	(20)	**11 923**
Silver	2 748	11	44	-	(44)	-	**2 759**
Gold	554	286	191	-	(191)	-	**840**
Services	118	378	-	1 315	-	(977)	**834**
Energy	69	-	-	251	-	(180)	**140**
Salt	12	-	-	-	-	7**	**19**
Blasting materials and explosives	-	-	-	169	-	(77)	**92**
Mining machinery, transport vehicles and other types of machinery and equipment	-	-	-	176	-	(145)	**31**
Fuel additives	-	-	-	56	-	-	**56**
Lead	137	-	-	-	-	-	**137**
Products from other non-ferrous metals	-	-	-	60	-	-	**60**
Other products	136	10	124	464	(124)	(323)	**287**
Merchandise and materials							
Steel	-	-	-	174	-	(28)	**146**
Petroleum and its derivatives	-	-	-	198	-	(174)	**24**
Salt	-	-	-	19	-	(19)**	**-**
Other merchandise and materials	175	-	-	3 683	-	(3 650)	**208**
TOTAL	**14 860**	**1 712**	**2 027**	**6 570**	**(2 027)**	**(5 586)**	**17 556**

** 55% of the Group's share in revenues of Sierra Gorda S.C.M.*
*** Including: PLN 19 million – reclassification from revenues from the sale of merchandise and materials to revenues from the sale of products.*

amounts in PLN millions, unless otherwise stated

Note 2.4 Revenues from contracts with customers of the Group – breakdown by type of contracts

	from 1 January 2026 to 30 June 2026						
					Reconciliation items to consolidated data		
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Elimination of data of the segment Sierra Gorda S.C.M	Consolidation adjustments	Consolidated data
Total revenues from contracts with customers	**21 927**	**1 788**	**2 563**	**8 325**	**(2 563)**	**(7 329)**	**24 711**
Revenues from sales contracts, for which the price is set after the date of recognition of the sales (M+ principle), of which:	17 739	1 281	2 631	332	(2 631)	(349)	**19 003**
settled	16 887	75	340	324	(340)	(341)	**16 945**
unsettled	852	1 206	2 291	8	(2 291)	(8)	**2 058**
Revenues from realisation of long-term contracts	-	498	-	128	-	(122)	**504**
Revenues from other sales contracts	4 188	9	(68)	7 865	68	(6 858)	**5 204**
Total revenues from contracts with customers, of which:	**21 927**	**1 788**	**2 563**	**8 325**	**(2 563)**	**(7 329)**	**24 711**
in factoring	4 957	52	-	164	-	(145)	**5 028**
not in factoring	16 970	1 736	2 563	8 161	(2 563)	(7 184)	**19 683**

** 55% of the Group's share in revenues of Sierra Gorda S.C.M.*

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Total revenues from contracts with customers, of which:	**24 711**	**17 556**
transferred at a certain moment	23 506	16 517
transferred over time	1 205	1 039

amounts in PLN millions, unless otherwise stated

	from 1 January 2025 to 30 June 2025						
					Reconciliation items to consolidated data		
	KGHM Polska Miedź S.A.	KGHM INTERNATIONAL LTD.	Sierra Gorda S.C.M.*	Other segments	Elimination of data of the segment Sierra Gorda S.C.M.	Consolidation adjustments	Consolidated data
Total revenues from contracts with customers	**14 860**	**1 712**	**2 027**	**6 570**	**(2 027)**	**(5 586)**	**17 556**
Revenues from sales contracts, for which the price is set after the date of recognition of the sales (M+ principle), of which:	9 392	1 335	1 893	234	(1 893)	(241)	**10 720**
settled	8 982	120	258	227	(258)	(236)	**9 093**
unsettled	410	1 215	1 635	7	(1 635)	(5)	**1 627**
Revenues from realisation of long-term contracts	-	349	-	69	-	(64)	**354**
Revenues from other sales contracts	5 468	28	134	6 267	(134)	(5 281)	**6 482**
Total revenues from contracts with customers, of which:	**14 860**	**1 712**	**2 027**	**6 570**	**(2 027)**	**(5 586)**	**17 556**
in factoring	4 211	-	-	100	-	(100)	**4 211**
not in factoring	10 649	1 712	2 027	6 470	(2 027)	(5 486)	**13 345**

** 55% of the Group's share in revenues of Sierra Gorda S.C.M.*

amounts in PLN millions, unless otherwise stated

Note 2.5 Revenues from contracts with customers of the Group – geographical breakdown reflecting the location of end customers

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025	Percentage share 2026	Percentage share 2025
Europe, of which:	**18 157**	**13 219**	**73.48%**	**75.30%**
Poland	5 681	4 533	23.0%	25.8%
Germany	2 863	2 588	11.6%	14.7%
The United Kingdom	2 450	1 186	9.9%	6.8%
Czechia	1 565	1 125	6.3%	6.4%
Italy	1 503	1 000	6.1%	5.7%
Switzerland	1 347	512	5.5%	2.9%
Hungary	790	763	3.2%	4.3%
France	688	429	2.8%	2.4%
Sweden	444	387	1.8%	2.2%
Austria	228	187	0.9%	1.1%
Other countries	598	509	2.4%	2.9%
Asia, of which:	**2 846**	**2 092**	**11.5%**	**11.9%**
China	1 097	1 261	4.4%	7.2%
Türkiye	542	248	2.2%	1.4%
Hong Kong	457	-	1.8%	0.0%
South Korea	377	146	1.5%	0.8%
The United Arab Emirates	170	-	0.7%	0.0%
Saudi Arabia	138	38	0.6%	0.2%
Thailand	2	145	0.0%	0.8%
Other countries	63	254	0.3%	1.4%
North America, of which:	**3 241**	**1 930**	**13.1%**	**11.0%**
The United States of America	2 137	1 501	8.6%	8.5%
Canada	1 104	429	4.5%	2.4%
South America	**250**	**168**	**1.0%**	**1.0%**
Australia	**186**	**86**	**0.8%**	**0.5%**
Africa	**31**	**61**	**0.1%**	**0.3%**
TOTAL, of which:	**24 711**	**17 556**	**100.0%**	**100.0%**
Poland	**5 681**	**4 533**	**23.0%**	**25.8%**
Oder countries	**19 030**	**13 023**	**77.0%**	**74.2%**

Note 2.6 Main customers

In the period from 1 January 2026 to 30 June 2026 and in the comparable period, the revenues from no single contractor exceeded 10% of the sales revenue of the Group.

Note 2.7 Non-current assets – geographical breakdown

	As at 30 June 2026	As at 31 December 2025
Poland	30 690	27 548
Canada	2 593	2 345
The United States of America	2 035	1 961
Chile	395	333
TOTAL*	**35 713**	**32 187**

** Non-current assets, excluding: derivatives, other financial instruments, other non-financial assets and deferred tax assets (IFRS 8.33b) in the total amount of PLN 12 540 million as at 30 June 2026 (PLN 12 828 million as at 31 December 2025).*

amounts in PLN millions, unless otherwise stated

Part 3 – Explanatory notes to the consolidated statement of profit or loss

Note 3.1 Expenses by nature

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Depreciation of property, plant and equipment and amortisation of intangible assets	1 422	1 403
Employee benefits expenses	5 213	4 535
Materials and energy, including:	9 466	6 942
purchased metal-bearing materials	6 253	3 952
electrical and other energy	1 027	918
External services	1 485	1 443
Minerals extraction tax	4 061	2 082
Other taxes and charges	508	495
Revaluation of inventories	3	3
Recognition/(reversal) of impairment losses on property, plant and equipment and intangible assets	(1)	1
Other costs	124	115
Total expenses by nature	**22 281**	**17 019**
Cost of merchandise and materials sold (+)	125	227
Change in inventories of finished goods and work in progress (+/-)	(2 713)	(868)
Cost of manufacturing products for internal use of the Group (-)	(1 039)	(923)
Total costs of sales, selling costs and administrative expenses, of which:	**18 654**	**15 455**
Cost of sales	17 497	14 425
Selling costs	264	245
Administrative expenses	893	785

amounts in PLN millions, unless otherwise stated

Note 3.2 Other operating income and (costs)

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Gains on derivatives, of which:	281	73
measurement	223	33
realisation	58	40
Interest income calculated using the effective interest rate method	16	27
Exchange differences on financial assets and liabilities other than borrowings	427	-
Reversal of impairment losses on trade receivables and other financial receivables	-	3
Provisions released	37	30
Gain on disposal of intangible assets	3	1
Gain on disposal of subsidiaries	-	89
Fair value gains on trade receivables	7	24
Government grants received	6	12
Income from servicing of letters of credit and guarantees	3	3
Compensation, fines and penalties received	35	9
Dividend income	36	-
Other	63	65
Total other operating income	**914**	**336**
Losses on derivatives, of which:	(188)	(177)
measurement	(35)	(70)
realisation	(153)	(107)
Fair value losses on trade receivables	(83)	(44)
Impairment losses on trade and other financial receivables	(3)	-
Impairment losses on fixed assets under construction and intangible assets not yet available for use	(4)	(25)
Exchange differences on financial assets and liabilities other than borrowings	-	(1 414)
Provisions recognised	(24)	(19)
Loss on disposal of property, plant and equipment	(7)	(7)
Donations granted	(15)	(26)
Other	(25)	(27)
Total other operating costs	**(349)**	**(1 739)**
Other operating income and (costs)	**565**	**(1 403)**

amounts in PLN millions, unless otherwise stated

Note 3.3 Finance income and (costs)

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Exchange differences on measurement and realisation of borrowings	-	303
Gains on derivatives - realisation	-	59
Total finance income	**-**	**362**
Interest on borrowings due to leases	(1)	(3)
Interest on trade payables within the reverse factoring mechanism	(15)	(55)
Bank fees and charges on drawn borrowings	(9)	(11)
Exchange differences on measurement and realisation of borrowings	(80)	-
Losses on derivatives - realisation	-	(61)
Unwinding of the discount effect, of which:	(51)	(51)
provisions for decommissioning of mines	(45)	(45)
financial liabilities	(6)	(6)
Other	(1)	(2)
Total finance costs	**(157)**	**(183)**
Finance income and (costs)	**(157)**	**179**

amounts in PLN millions, unless otherwise stated

Part 4 – Other explanatory notes

Note 4.1 Information on property, plant and equipment and intangible assets

Purchase of property, plant and equipment and intangible assets

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Purchase of property, plant and equipment, including:	2 198	2 084
leased assets	45	74
Purchase of intangible assets	268	136

Payables due to the purchase of property, plant and equipment and intangible assets

	As at 30 June 2026	As at 31 December 2025
Payables due to the purchase of property, plant and equipment and intangible assets	596	913

Capital commitments related to property, plant and equipment and intangible assets, not recognised in the consolidated statement of financial position

	As at 30 June 2026	As at 31 December 2025
Purchase of property, plant and equipment	1 844	2 015
Purchase of intangible assets	19	15
Total capital commitments	**1 863**	**2 030**

Note 4.2 Involvement in the joint venture

Joint venture Sierra Gorda S.C.M. accounted for using the equity method

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
As at the beginning of the reporting period	**1 814**	**-**
Share of profit for the reporting period	580	1 759
Reversal of an impairment loss on shares in the joint venture	-	252
Adjustment due to unrealised gains on transactions between the Group and the joint venture	-	345
Settlement of the Group's share of unsettled losses from prior years (accumulated comprehensive losses)	-	(496)
Share in other comprehensive income for the reporting period	(7)	(8)
Exchange differences from the translation of statements of operations with a functional currency other than PLN	106	(38)
As at the end of the reporting period	**2 493**	**1 814**

Unrecognised share of the Group of the losses of Sierra Gorda S.C.M.

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
As at the beginning of the reporting period	**-**	**(576)**
Settlement of the Group's share of unsettled losses from prior years (accumulated comprehensive losses)	-	496
Exchange differences resulting from the remeasurement of balances of unsettled losses on different balance sheet dates	-	80
As at the end of the reporting period	**-**	**-**

amounts in PLN millions, unless otherwise stated

Loans granted to the joint venture Sierra Gorda S.C.M.

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
As at the beginning of the reporting period	**8 436**	**9 800**
Repayment of loans (principal and interest)	(1 008)	(1 206)
Accrued interest	258	557
Gain due to reversal of allowances for impairment of loans granted to the joint venture	605	484
Exchange differences	397	(1 199)
As at the end of the reporting period	**8 688**	**8 436**

The Group classifies loans granted to Sierra Gorda S.C.M. as credit-impaired financial assets due to the high credit risk at the moment of initial recognition (POCI). POCI loans are measured at amortised cost using the effective interest rate, adjusted by the credit risk using the scenario analysis and available free cash of Sierra Gorda S.C.M.

Pursuant to the requirements of IFRS 9.5.5.17, the Group performed measurement of the loan. To estimate the expected credit losses, scenario analysis (IFRS 9.5.5.18) was used, comprising the Group's assumptions on the repayment of the loan granted. Scenario analysis was based on cash flows of Sierra Gorda S.C.M., which were subsequently discounted using the effective interest rate method adjusted by the credit risk, determined at the initial recognition of the loan pursuant to IFRS 9.B5.5.45 at the level of 6.42%.

As at 30 June 2026, the Group estimated the expected cash flows on repayment of receivables due to a loan granted to Sierra Gorda S.C.M., as a result of which pursuant to the requirements of IFRS 9.5.5.14, a gain due to the reversal of an allowance for impairment was recognised in the amount of PLN 605 million (USD 161 million), resulting in particular from the update of some of valuation parameters (mainly metal prices and USD/PLN exchange rate). The planned investment in the fourth production line described in Note 1.7 does not have a significant impact on the valuation of these receivables.

The Group adopted price paths on the basis of internal macroeconomic assumptions prepared based on available, long-term forecasts from financial and analytical institutions to estimate cash flows of Sierra Gorda S.C.M. as at 30 June 2026. A detailed forecast was prepared for the period 2026-2030, while for the period 2031-2035 a technical adjustment of prices was applied between the last year of the detailed forecast and 2036, for which a long-term metals price forecast was used at the following level:
- for copper – 9 480 USD/t;
- for gold – 2 600 USD/oz.

The Group adopted price paths on the basis of internal macroeconomic assumptions prepared based on available, long-term forecasts from financial and analytical institutions to estimate cash flows of Sierra Gorda S.C.M. as at 31 December 2025. A detailed forecast was prepared for the period 2026-2030, while for the period 2031-2035 a technical adjustment of prices was applied between the last year of the detailed forecast and 2036, for which a long-term metals price forecast was used at the following level:
- for copper – 9 250 USD/t;
- for gold – 2 500 USD/oz.

amounts in PLN millions, unless otherwise stated

Note 4.3 Financial instruments

Financial assets	As at 30 June 2026					As at 31 December 2025				
	At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging instruments	Total	At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging instruments	Total
Non-current	1 828	52	9 292	1 136	**12 308**	1 744	49	9 002	167	**10 962**
Loans granted to Sierra Gorda S.C.M.	-	-	8 688	-	**8 688**	-	-	8 436	-	**8 436**
Derivatives	-	2	-	1 136	**1 138**	-	1	-	167	**168**
Other financial instruments measured at fair value	1 828	50	-	-	**1 878**	1 744	48	-	-	**1 792**
Other financial instruments measured at amortised cost	-	-	604	-	**604**	-	-	566	-	**566**
Current	-	1 521	1 937	351	**3 809**	-	1 388	1 182	123	**2 693**
Trade receivables	-	1 424	492	-	**1 916**	-	1 342	543	-	**1 885**
Derivatives	-	75	-	351	**426**	-	5	-	123	**128**
Cash and cash equivalents	-	-	1 217	-	**1 217**	-	-	443	-	**443**
Other financial assets	-	22	228	-	**250**	-	41	196	-	**237**
Total	**1 828**	**1 573**	**11 229**	**1 487**	**16 117**	**1 744**	**1 437**	**10 184**	**290**	**13 655**

Financial liabilities	As at 30 June 2026				As at 31 December 2025			
	At fair value through profit or loss	At amortised cost	Hedging instruments	Total	At fair value through profit or loss	At amortised cost	Hedging instruments	Total
Non-current	121	4 737	1 104	**5 962**	21	5 248	1 605	**6 874**
Borrowings, lease and debt securities	-	4 528	-	**4 528**	-	5 034	-	**5 034**
Derivatives	121	-	1 104	**1 225**	21	-	1 605	**1 626**
Other financial liabilities	-	209	-	**209**	-	214	-	**214**
Current	142	4 642	1 087	**5 871**	215	5 542	1 283	**7 040**
Borrowings, lease and debt securities	-	1 370	-	**1 370**	-	815	-	**815**
Derivatives	12	-	1 087	**1 099**	157	-	1 283	**1 440**
Trade payables	-	2 807	-	**2 807**	-	3 213	-	**3 213**
Trade payables within the reverse factoring mechanism	-	-	-	**-**	-	1 297	-	**1 297**
Other financial liabilities	130	465	-	**595**	58	217	-	**275**
Total	**263**	**9 379**	**2 191**	**11 833**	**236**	**10 790**	**2 888**	**13 914**

amounts in PLN millions, unless otherwise stated

The fair value hierarchy of financial instruments measured at fair value in the statement of financial position

	As at 30 June 2026				As at 31 December 2025			
	fair value			carrying amount	fair value			carrying amount
Classes of financial instruments	level 1	level 2	level 3		level 1	level 2	level 3	
Loans granted	-	24	-	24	-	22	-	22
Listed shares	1 696	-	-	1 696	1 612	-	-	1 612
Unquoted shares	-	132	-	132	-	132	-	132
Trade receivables	-	1 424	-	1 424	-	1 342	-	1 342
Assets due to derivatives	-	1 564	-	1 564	-	296	-	296
Liabilities due to derivatives	-	(2 324)	-	(2 324)	-	(3 066)	-	(3 066)
Other financial assets	-	15	33	48	-	23	44	67
Other financial liabilities	-	(130)	-	(130)	-	(58)	-	(58)

The fair value hierarchy of financial instruments measured at amortised cost in the statement of financial position

	As at 30 June 2026				As at 31 December 2025			
	fair value			carrying amount	fair value			carrying amount
Classes of financial instruments	level 1	level 2	level 3		level 1	level 2	level 3	
Loans granted	-	-	8 192	8 688	-	-	7 729	8 436
Received long-term bank and other loans	-	(1 335)	-	(1 335)	-	(1 814)	-	(1 814)
Long-term debt securities	(2 644)	-	-	(2 600)	(2 620)	-	-	(2 600)

Fair value hierarchy of investment properties measured at fair value in the statement of financial position

	As at 30 June 2026				As at 31 December 2025			
	fair value			carrying amount	fair value			carrying amount
	level 1	level 2	level 3		level 1	level 2	level 3	
Investment properties	-	60	128	188	-	60	129	189

level 2 The fair value of properties was estimated using the pairwise comparison method.
level 3 The fair value of properties was estimated using the revenue stream discounting method and the estimation ratios method.

The Group does not disclose the fair value of financial instruments measured at amortised cost in the statement of financial position, other than those presented in the table above, because it makes use of the exemption arising from IFRS 7.29 (Disclosure of information on the fair value is not required when the carrying amount is approximate to the fair value).

There was no transfer in the Group of financial instruments between individual levels of the fair value hierarchy in the reporting period.

Methods and measurement techniques used by the Group in determining fair values of each class of financial assets or financial liabilities.

Level 1

Listed shares
Shares are measured based on quotations from the Warsaw Stock Exchange and the TSX Venture Exchange in Toronto.

Long-term debt securities
Long-term debt securities are measured based on quotations from the Catalyst Market of the Warsaw Stock Exchange.

Level 2

Unquoted shares
Unquoted shares are measured using the adjusted net assets. Observable Input data other than the ones from the active market were used in the measurement (e.g. transaction prices of real estate similar to the one subjected to measurement, market interest rates of State Treasury bonds and term deposits in financial institutions, and the risk-free discount rate published by the European Insurance and Occupational Pensions Authority).

Trade receivables
Receivables arising from the realisation of sales under contracts which are finally settled using future prices were measured using forward prices, depending on the period/month of contractual quoting. Forward prices are from the LSEG Workspace platform.
For trade receivables transferred to non-recourse factoring, a fair value is assumed at the level of the amount of the trade receivables transferred to the factor (nominal value from the invoice) less interest, which are the factor's compensation. Due to the short term between the transfer of receivables to the factor and their payment, fair value is not adjusted by the credit risk of the factor and impact of time lapse.

Loans granted
This item comprises loans measured at fair value, the fair value of which was estimated on the basis of contractual cash flows (per the contract) using the model of discounted cash flows, including the borrower's credit risk.

Other financial assets/liabilities
Receivables/payables due to the settlement of derivatives, whose date of payment falls two working days after the end of the reporting period, were recognised in this item. These instruments were measured to fair value set per the reference price applied in the settlement of these transactions.

Currency derivatives
In the case of derivatives on the currency market, the forward prices from the maturity dates of individual transactions were used to determine their fair value. The forward price for currency exchange rates was calculated on the basis of fixing and appropriate interest rates. Interest rates for currencies and the volatility ratios for exchange rates were taken from LSEG Workspace platform. The standard Garman-Kohlhagen model is used to measure options on currency markets.

Metals derivatives
In the case of derivatives on the commodity market, forward prices from the maturity dates of individual transactions were used to determine their fair value. In the case of copper, official closing prices from the London Metal Exchange were used, and with respect to silver and gold - the settlement prices of futures contracts from the COMEX exchange. Volatility ratios and forward prices for measurement of derivatives at the end of the reporting period were obtained from the LSEG Workspace platform. Levy's approximation to the Black-Scholes model was used for Asian options pricing on metals markets.

Energy resources derivatives
To determine the fair value of derivatives transactions on the natural gas market, forward prices from the maturity dates of individual transactions were used. Official prices of Endex ICE TTF futures, and volatility ratios at the balance-sheet date were obtained from the LSEG Workspace platform. Levy approximation to the Black-Scholes model was used for Asian options pricing on natural gas market.

Received long-term bank and other loans

The fair value of bank and other loans is estimated by discounting the cash flows associated with these liabilities in timeframes and under conditions arising from agreements, and by applying current rates, taking into account the credit risk of Group companies.

Level 3

Loans granted

Loans granted measured at amortised cost in the statement of financial position are included in this category, because of the use of unobservable assumptions in the fair value measurement. With respect to estimating the fair value of these loans, a significant element of the estimation are the forecasted cash flows of Sierra Gorda S.C.M., which are unobservable input data, and pursuant to IFRS 13 the fair value of these assets is classified to level 3 of the hierarchy.

The forecasted cash flows of Sierra Gorda S.C.M., which are the basis for estimating the fair value of loans measured at amortised cost, are the most sensitive to copper price volatility, which affects other assumptions, such as forecasted production and operating margin. Therefore the Group, pursuant to IFRS 13 p.93.f, performed a sensitivity analysis of the fair value of loans to copper price volatility.

Price paths adopted to estimate the cash flows of Sierra Gorda S.C.M. are presented in Note 4.2.

Classes of financial instruments	Fair value 30 June 2026	Sensitivity analysis of the fair value to changes in copper price	
		Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life
Loans granted measured at amortised cost	**8 192**	8 233	8 156
Loans granted measured at amortised cost (USD million)	**2 172**	2 183	2 163

Classes of financial instruments	Carrying amount 30 June 2026	Sensitivity analysis of the carrying amount to changes in copper price	
		Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life
Loans granted measured at amortised cost	**8 688**	8 701	8 686
Loans granted measured at amortised cost (USD million)	**2 304**	2 307	2 304

Classes of financial instruments	Fair value 31 December 2025	Sensitivity analysis of the fair value to changes in copper price	
		Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life
Loans granted measured at amortised cost	**7 729**	7 818	7 626
Loans granted measured at amortised cost (USD million)	**2 146**	2 171	2 117

Classes of financial instruments	Carrying amount 31 December 2025	Sensitivity analysis of the carrying amount to changes in copper price	
		Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life
Loans granted measured at amortised cost	**8 436**	8 485	8 373
Loans granted measured at amortised cost (USD million)	**2 342**	2 356	2 325

Other financial assets

This item includes receivables due to conditional payments associated with the agreements on the sale of subsidiaries S.C.M. Franke and Project Nikolas Company INC., which were estimated based on a probabilistic model stipulated in the binding offer and including the discount of payments for subsequent years.

amounts in PLN millions, unless otherwise stated

Note 4.4 Management of risk of commodity, currency, interest rate and risk of changes in prices of energy and energy carriers in the KGHM Polska Miedź S.A. Group

Commodity, currency and interest rate risk management

In managing commodity, currency and interest rate risk, the scale and profile of activities of the Parent Entity and of the mining companies of the KGHM INTERNATIONAL LTD. Group is of the greatest significance for, and has the greatest impact on, the results of the KGHM Polska Miedź S.A. Group.

The Parent Entity actively manages market risk by taking actions and making decisions in this regard within the context of the whole KGHM Polska Miedź S.A. Group's global exposure.

The primary technique used by the Group in market risk management are hedging strategies involving derivatives. Natural hedging is also used. The Parent Entity applies hedging transactions, as understood by hedge accounting.

The impact of derivatives and hedging transactions on the items in the statement of profit or loss of the Group and on the items in the statement of comprehensive income is presented below.

Statement of profit or loss	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Revenues from contracts with customers (reclassification adjustment)	(888)	60
Other operating income / (costs):	93	(104)
on realisation of derivatives	(95)	(67)
on measurement of derivatives	188	(37)
Other finance income / (costs):	-	(2)
on realisation of derivatives	-	(2)
Impact of derivatives and hedging instruments on profit or loss for the period, excluding the tax effect	**(795)**	**(46)**

Statement of other comprehensive income	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Impact of measurement of hedging transactions (effective portion)	757	245
Reclassification to the statement of profit or loss due to realisation of a hedged item	954	(26)
Reclassification to non-current assets due to realisation of a hedged item*	-	(30)
Impact of hedging transactions, excluding the tax effect	**1 711**	**189**
TOTAL COMPREHENSIVE INCOME	**916**	**143**

**Reclassification to non-current assets in 2025 was due to capitalisation of borrowing costs under the hedge accounting in the cost of non-current assets.*

The table below presents information on changes in other comprehensive income due to cash flow hedging (excluding the tax effect) in connection with the application of hedge accounting in the first half of 2026 and in the first half of 2025.

Other comprehensive income due to cash flow hedging (excluding the tax effect)	2026	2025
As at 1 January	**(2 763)**	**78**
Impact of measurement of hedging transactions (effective part)	757	245
Reclassification to revenues from contracts with customers due to realisation of a hedged item	888	(60)
Reclassification to other operating costs due to realisation of a hedged item (settlement of the hedging cost)	66	34
Reclassification to non-current assets due to realisation of a hedged item*	-	(30)
As at 30 June	**(1 052)**	**267**

**Reclassification to non-current assets in 2025 was due to capitalisation of borrowing costs under the hedge accounting in the cost of non-current assets.*

Ineffectiveness of hedging recognised in profit or loss for the first half of 2026 and for the first half of 2025 was immaterial. Due to the full matching of applied instruments to the hedged positions on the metals and currency markets, the Company does not identify potential sources of inefficiency.

The management of market risk in the Parent Entity, and especially the management of the risk of changes in metals prices, exchange rates and interest rates, should be considered through an analysis of the hedging position together with the position being hedged (hedged position). A hedging position is understood as the Parent Entity's position in derivatives. A hedged position is comprised of highly probable, future cash flows (revenues from the physical sale of products).

In the first half of 2026, copper sales of the Parent Entity amounted to 293.5 thousand tonnes (net sales of 171.2 thousand tonnes)[1], while the notional amount of copper price hedging strategies settled in the period amounted to 37.7 thousand tonnes, representing approx. 13% of the total sales of this metal realised by the Parent Entity and approx. 22% of net sales in this period (in the first half of 2025, 9% and 13% respectively). The notional amount of settled silver price hedging transactions in the first half of 2026 represented approx. 38% of sales of this metal by the Parent Entity during that period (10% in the first half of 2025). In the case of currency transactions in the first half of 2026, approx. 6% of revenues from copper and silver sales realised by the Parent Entity in this period were hedged (10% in the first half of 2025).

As part of the realisation of the strategic hedging plan of the Parent Entity's revenues from metals sales against market risk, in the first half of 2026, the following derivatives were implemented (Asian options):

Derivatives entered into from 1 January 2026 to 30 June 2026	**Notional of the transaction**	**Maturity settlement period**		**Period of profit/loss impact**	
Type of derivative	copper [t] silver [mn ounces] currency [USD mn]	from	to	from	to
Copper – *collar*	57 000	July'26	- June'27	July'26	- July'27
Copper – *seagull**	81 000	July'27	- Dec'28	July'27	- Jan'29
Silver – *collar*	3.06	July'26	- Dec'27	July'26	- Jan'28
Silver – *seagull**	6.93	July'27	- June'29	July'27	- July'29
Silver – purchased put option	4.20	May'26	- Sep'26	May'26	- Oct'26
USD/PLN – *collar*	1 110	July'26	- Dec'27	July'26	- Jan'28

**In accordance with hedge accounting principles, collar structures, which are a part of seagull structures, were designated as hedging revenues from sales of copper and silver.*

In the first half of 2026, QP adjustment swap transactions were entered into on the copper and gold markets with maturities to December 2026, as part of the management of a net trading position[2].

As at 30 June 2026, the Parent Entity held an open derivatives position on the metal and currency markets for:

- 232.35 thousand tonnes of copper entered into as a part of the strategic management of market risk, and 8.75 thousand tonnes of copper (net) entered into as a part of the management of a net trading position (so-called adjustment transactions),
- 32.82 million troy ounces of silver,
- 34.4 thousand ounces of gold (net) entered into as part of the management of a net trading position (adjustment transactions), and
- USD 1.11 billion of planned revenues from sales of metals.

Furthermore, as at 30 June 2026, the Parent Entity had loans with fixed interest rate. Commodity risk was also related to derivatives embedded in the purchase contracts for metal-bearing materials.

With respect to managing currency risk, the Parent Entity uses natural hedging by borrowing in currencies in which it generates revenues. As at 30 June 2026, the bank and investment loans which were drawn in USD, following their conversion to PLN, amounted to PLN 1 905 million (as at 31 December 2025: PLN 2 173 million).

In the first half of 2026, none of the Group's subsidiaries had implemented any derivatives transactions on the commodity, currency and interest rate markets, and did not hold any open positions on these markets as at 30 June 2026.

Condensed tables of open transactions in derivatives held by the Parent Entity as at 30 June 2026, entered into as part of the strategic management of market risk, are presented below. The hedged notional amounts of transactions in the presented periods (half-year and quarters) are allocated evenly on a monthly basis. The purchased put options represent the hedging against the risk of changes in metals prices, the sold call options limit the participation in prices/exchange rates increases, while the sold put options limit the advantage of the hedge in the case of price/exchange rate decreases.

[1] *Copper sales less copper in purchased metal-bearing materials.*
[2] *Applied in order to react to changes in contractual arrangements with customers, non-standard pricing terms as regards metals sales and the purchase of copper-bearing materials.*

amounts in PLN millions, unless otherwise stated

Management of the risk of changes in copper price – open derivatives as at 30 June 2026

	Instrument/ option structure	Notional	Average weighted option strike price			Average weighted premium	Effective hedge price
			sold put option	purchased put option	sold call option		
		[tonnes]	[USD/t]	[USD/t]	[USD/t]	[USD/t]	[USD/t]
2nd half	seagull	9 450	7 500	9 300	11 300	(143)	9 157
	seagull	9 600	7 600	9 213	11 563	(134)	9 079
	seagull	9 300	7 500	9 465	11 565	(142)	9 323
	seagull	9 600	7 800	9 800	11 800	(132)	9 668
	collar	9 600	-	12 063	14 263	(126)	11 937
	collar	9 450	-	11 910	14 310	(133)	11 777
	collar	9 450	-	12 468	14 868	(128)	12 340
	Total VII-XII 2026	**66 450**					
1st half	seagull	9 600	7 600	9 213	11 563	(134)	9 079
	seagull	9 300	7 500	9 465	11 565	(142)	9 323
	seagull	9 600	7 800	9 800	11 800	(132)	9 668
	seagull	9 300	7 700	10 297	12 297	(115)	10 182
	collar	9 600	-	12 063	14 263	(126)	11 937
	collar	9 450	-	11 910	14 310	(133)	11 777
	collar	9 450	-	12 468	14 868	(128)	12 340
2nd half	seagull	9 300	7 700	10 297	12 297	(115)	10 182
	seagull	9 300	7 700	10 229	12 229	(74)	10 155
	seagull	9 000	8 500	12 140	14 740	(138)	12 002
	seagull	18 000	9 000	12 267	15 267	(89)	12 178
	Total I-XII 2027	**111 900**					
1st half	seagull	9 000	8 500	12 140	14 740	(138)	12 002
	seagull	18 000	9 000	12 267	15 267	(89)	12 178
2nd half	seagull	9 000	8 500	12 140	14 740	(138)	12 002
	seagull	18 000	9 000	12 267	15 267	(89)	12 178
	Total I-XII 2028	**54 000**					

Management of the risk of changes in silver price – open derivatives as at 30 June 2026

	Instrument/ option structure	Notional	Average weighted option strike price			Average weighted premium	Effective hedge price
			sold put option	purchased put option	sold call option		
		[mn ounces]	[USD/ounce]	[USD/ounce]	[USD/ounce]	[USD/ounce]	[USD/ounce]
3rd quarter	seagull	0.495	22.00	33.48	45.48	(0.38)	33.10
	collar	0.975	-	34.54	47.54	(0.45)	34.09
	collar	1.050	-	37.50	50.50	(0.40)	37.10
	collar	0.510	-	42.75	58.25	-	42.75
	collar	0.510	-	87.21	103.21	(0.50)	86.71
	purchased put option	2.520	-	62.12	-	(1.45)	60.67
4th quarter	seagull	0.495	22.00	33.48	45.48	(0.38)	33.10
	collar	0.975	-	34.54	47.54	(0.45)	34.09
	collar	1.050	-	37.50	50.50	(0.40)	37.10
	collar	0.510	-	42.75	58.25	-	42.75
	collar	0.510	-	87.21	103.21	(0.50)	86.71
	Total VII-XII 2026	**9.600**					
1st half	seagull	0.990	22.00	33.48	45.48	(0.38)	33.10
	collar	1.950	-	34.54	47.54	(0.45)	34.09
	seagull	2.100	22.71	39.64	55.64	-	39.64
	collar	1.020	-	42.75	58.25	-	42.75
	collar	1.020	-	87.21	103.21	(0.50)	86.71
2nd half	seagull	2.100	22.71	39.64	55.64	-	39.64
	collar	1.020	-	42.75	58.25	-	42.75
	seagull	0.990	26.00	45.05	62.05	-	45.05
	collar	1.020	-	87.21	103.21	(0.50)	86.71
	seagull	0.990	40.00	71.48	101.48	(1.00)	70.48
	Total I-XII 2027	**13.200**					

1st half	seagull	2.100	22.71	39.64	55.64	-	39.64
	seagull	0.990	26.00	45.05	62.05	-	45.05
	seagull	0.990	34.00	87.86	107.36	(0.45)	87.41
	seagull	0.990	40.00	71.48	101.48	(1.00)	70.48
2nd half	seagull	0.990	26.00	45.05	62.05	-	45.05
	seagull	0.990	34.00	87.86	107.36	(0.45)	87.41
	seagull	0.990	40.00	71.48	101.48	(1.00)	70.48
Total I-XII 2028		**8.040**					
1st half	seagull	0.990	34.00	87.86	107.36	(0.45)	87.41
	seagull	0.990	40.00	71.48	101.48	(1.00)	70.48
Total I-VI 2029		**1.980**					

Management of the risk of changes in USD/PLN exchange rate – open derivatives as at 30 June 2026

	Instrument/ option structure	Notional	Average weighted option strike price			Average weighted premium	Effective hedge price
			sold put option	purchased put option	sold call option		
		[USD mn]	[USD/PLN]	[USD/PLN]	[USD/PLN]	[PLN per USD 1]	[USD/PLN]
2nd half	collar	390	-	3.56	3.91	(0.03)	3.53
TOTAL VII-XII 2026		**390**					
1st half	collar	360	-	3.54	4.04	(0.03)	3.51
2nd half	collar	360	-	3.54	4.04	(0.03)	3.51
TOTAL I-XII 2027		**720**					

The table below presents detailed data on derivative transactions designated as hedging, held by the Parent Entity as at 30 June 2026.

Open derivatives	**Notional of the transaction**	**Average weighted price /exchange rate**		**Maturity - settlement period**		**Period of profit/loss impact****	
		purchased	*sold*				
Type of derivative	copper [t] silver [mn ounces] currency [USD mn]		[USD/t] [USD/ounce] [USD/PLN]	from	to	from	to
Commodity option structures							
Copper – *collar*	57 000	12 146	14 479	July'26	- June'27	July'26	- July'27
Copper – *seagull**	175 350	10 869	13 318	July'26	- Dec'28	July'26	- Jan'29
Silver – *purchased put option*	2.520	62.12	-	July'26	- Sep'26	July'26	- Oct'26
Silver – *collar*	12.120	50.42	64.81	July'26	- Dec'27	July'26	- Jan'28
Silver – *seagull**	18.180	54.67	74.02	July'26	- June'29	July'26	- July'29
Currency option structures							
USD/PLN – *collar*	1 110	3.55	3.99	July'26	- Dec'27	July'26	- Jan'28

* *Data concerns collar structures i.e. purchased put options and sold call options designated as hedging (CFH – Cash Flow Hedge) entered into under the individual seagull strategies hedging market risk.*

** *Reclassification of profit or losses on a cash flow hedging instrument from other comprehensive income to the statement of profit or loss takes place in the reporting period in which the hedged position impacts profit or loss (as an adjustment of a hedged position and to other operating income/costs for the settled hedging cost). However, the recognition of the profit or loss on the settlement of the transaction takes place at the date of its settlement.*

Management of risk of changes in prices of energy resources

In market risk management resulting from changes in prices of energy resources, the scale and profile of activities of the Parent Entity is of the greatest significance and impact on the results of the KGHM Polska Miedź S.A. Group. The risk of changes in prices of electricity and energy commodities is a commodity risk for the Parent Entity, the measurement of which is based on its impact on cash flows.

The Parent Entity's exposure to the risk of volatility in electricity prices, energy commodities and related merchandise involves the following markets:

- electricity and natural gas, which are required to engage in mining and processing operations, including natural gas used to generate electricity to meet the Parent Entity's needs in its own generating sources,
- CO_2 emission allowances, which have to be redeemed due to the level of greenhouse gas emissions by installations operated by the Parent Entity being higher than the level of greenhouse gas emissions for which the Parent Entity received freely-granted allowances to emit CO_2,

amounts in PLN millions, unless otherwise stated

- property rights to energy resulting from certificates of origin of energy from renewable sources (RES) and energy efficiency certificates (hereafter: property rights), subject to redemption (required for purposes of redemption due to the sale of electricity by the Parent Entity to end users as well as the consumption of purchased electricity for own needs).

The management of commodity price risk with respect to planned purchases of electricity and natural gas is based on the management of exposure to the risk of changes in the prices of electricity and natural gas in a time horizon of up to 36 subsequent months, resulting from electricity and gas purchase plans, less previously-signed purchase contracts with delivery in future periods.

In the case of changes in electricity prices, the source of exposure are sales prices in bilateral contracts and energy sales prices on the Polish Power Exchange (PPE), where the Parent Entity purchases electricity in forward products (RTEE) as well as on the intra-day and next-day market (RDB and RDN).

In the case of the risk of changes in gas prices, the source of exposure is a contract entered into with ORLEN S.A., according to which the price of the purchased gas largely depends on the prices quoted on the Polish Power Exchange for E-type gas (as regards both forward and SPOT contracts). As part of the management of risk of changes in the prices of energy resources, in the first half of 2026 the Parent Entity entered into option transactions on the TTF (*Title Transfer Facility)* natural gas market. *Seagull* option structures on the contract *Endex ICE TTF Natural Gas Month Ahead* for the period from April 2026 to March 2027 for the total volume of 137.95 GWh were entered into.

Management of the risk of changes in natural gas prices – open derivatives as at 30 June 2026

Instrument/ option structure		Notional	Average weighted option strike price			Average weighted premium	Effective hedge price
			sold put option	purchased put option	sold call option		
		[GWh]	[EUR/MWh]	[EUR/MWh]	[EUR/MWh]	[EUR/MWh]	[EUR/MWh]
Q3	seagull	99.36	25.00	34.17	50.00	-	34.17
Q4	seagull	119.29	25.00	34.17	50.00	-	34.17
Total VII-XII 2026		**218.65**					
Q1	seagull	116.59	25.00	34.17	50.00	-	34.17
Q2	seagull	26.21	22.80	32.00	50.00	-	32.00
Q3	seagull	33.12	22.80	32.00	50.00	-	32.00
Q4	seagull	39.76	22.80	32.00	50.00	-	32.00
Total I-XII 2027		**215.68**					

Commodity risk related to CO_2 emission allowances is connected with the exposure to changes in the prices of emission allowances quoted in EUR on an exchange (e.g. European Energy Exchange) and in the EUR/PLN. In terms of changes in the prices of CO_2 emission allowances, the Parent Entity has a net short position, resulting from the obligation to redeem allowances due to CO_2 systemic emissions which occur as a result of the combustion of coal within coal-bearing materials in installations functioning in the copper smelters, and also as a result of the combustion of gas in the CCGT (Combined Cycle Gas Turbine) blocks generating electricity to meet the Parent Entity's needs.

In terms of the risk of changes in property rights, the Parent Entity has a net short position resulting from the obligation to redeem property rights due to the sale of electricity to an end user as well as to the consumption of purchased electricity for own needs, while the source of exposure are mainly the prices of property rights on the wholesale market, (i.e. on the Polish Power Exchange). KGHM Polska Miedź S.A. sells electricity mostly to customers which provide services to the Parent Entity on properties belonging to KGHM Polska Miedź S.A.

Exposure of the Parent Entity to a given risk – demand volume of individual merchandise for own needs

Merchandise	Unit	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
CO_2 emission allowances (actual emission of CO_2)	EUA	636 315	651 461
Property rights, so-called green certificates *	GWh	18.0	16.3
Property rights, so-called blue certificates**	GWh	1.00	0.96
Property rights, so-called white certificates***	TOE	1 511	1 332
Natural gas	GWh	1 140	1 215
Electricity	GWh	1 335	1 275

** 9% from the consumed electricity for own needs in 2026, reflecting the obligation for industrial consumers of 15% and 8.5% from the consumed electricity for own needs in 2025, reflecting the obligation for industrial consumers of 15%.*
*** 0.5% from the consumed electricity for own needs, reflecting the obligation for industrial consumers of 15%.*
**** 1.5% from the consumed electricity for own needs purchased on PPE for own needs/11.63 (11.63 converter of TOE to MWh).*

amounts in PLN millions, unless otherwise stated

Credit risk connected with derivative transactions

All entities with which derivative transactions (excluding embedded derivatives) were entered into by the Group operated in the financial sector.

The credit risk due to derivatives held is continuously monitored by reviewing the credit ratings and is limited by diversifying the portfolio while implementing hedging strategies.

The following table presents the rating level of the financial institutions with which the Group entered into derivatives transactions, representing an exposure to credit risk.

Rating level		As at 30 June 2026	As at 31 December 2025
Medium-high	from A+ to A- according to S&P and Fitch, and from A1 to A3 according to Moody's	100%	100%

Taking into consideration the receivables due to open derivative transactions held by the Group (excluding embedded derivatives) as at 30 June 2026 and net receivables due to settled derivatives, the maximum single entity share of the amount exposed to credit risk arising from these transactions amounted to 28%, or PLN 433 million (as at 31 December 2025: 15%, or PLN 47 million).

The Parent Entity assumes that, due to its cooperating solely with renowned financial institutions, as well as continuous monitoring of their ratings, it is not materially exposed to credit risk resulting from derivatives concluded with them.

Exposure to credit risk by main counterparties

	As at 30 June 2026			As at 31 December 2025		
	Open derivatives	Settled derivatives		Open derivatives	Settled derivatives	
	Financial receivables[3]	*Net financial receivables*[4]	**Exposure to credit risk**	*Financial receivables*	*Net financial receivables*[4]	**Exposure to credit risk**
Counterparty 1	433	-	**433**	47	-	**47**
Counterparty 2	405	-	**405**	41	4	**45**
Counterparty 3	266	-	**266**	42	-	**42**
Other	447	15	**462**	166	19	**185**
Total	**1 551**	**15**	**1 566**	**296**	**23**	**319**

In order to reduce cash flows and at the same time to limit credit risk, the Parent Entity carries out net settlements (based on standard framework agreements entered into with its counterparties, regulating the trade of financial instruments, meaning ISDA or based on a formula of the Polish Bank Association), by offsetting receivables and liabilities due to settled derivatives.

Receivables and liabilities due to settled derivatives by main counterparties as at 30 June 2026 and 31 December 2025

	As at 30 June 2026	
	*Gross/net financial receivables**	*Gross/net financial liabilities**
Counterparty 1	-	(28)
Counterparty 2	-	(4)
Counterparty 3	-	(14)
Other	15	(84)
Total	**15**	**(130)**

** In the current reporting period, there were no financial receivables and liabilities due to settled derivatives that are subject to compensation.*

	As at 31 December 2025					
	Gross financial receivables	*Gross financial liabilities*	Including subject to compensation		*Net financial receivables*	*Net financial liabilities*
			Financial receivables	*Financial liabilities*		
Counterparty 1	-	(9)	-	-	-	(9)
Counterparty 2	5	(4)	1	(4)	4	(3)
Counterparty 3	-	(8)	-	-	-	(8)
Other	19	(38)	-	-	19	(38)
Total	**24**	**(59)**	**1**	**(4)**	**23**	**(58)**

[3] *Excluding embedded derivatives.*

[4] *The Parent Entity offsets receivables and liabilities due to settled derivatives (that is for which the future cash flows are known at the end of the reporting period) pursuant to the principles of net settlements of cash flows adopted in framework agreements with individual customers.*

amounts in PLN millions, unless otherwise stated

The fair value of open derivatives of the KGHM Polska Miedź S.A. Group as at the end of the reporting period broken down by hedging transactions[5] and trade transactions (including embedded and adjustment derivatives) is presented in the table below. The impact of measurement of open hedging derivatives presented in the table below for *seagull* option structures applies to *collar* structures designated as hedging.[6]

Type of derivative	As at 30 June 2026					As at 31 December 2025				
	Financial assets		Financial liabilities			Financial assets		Financial liabilities		
	Non-current	Current	Non-current	Current	Total	Non-current	Current	Non-current	Current	Total
Hedging instruments (CFH)*, of which:	**1 136**	**351**	**(1 104)**	**(1 087)**	**(704)**	**167**	**123**	**(1 605)**	**(1 283)**	**(2 598)**
Derivatives – Metals (price of copper, silver)										
Options – *collar* (copper)	12	65	(14)	(87)	**(24)**	-	-	-	-	**-**
Options – *seagull** (copper)	315	9	(454)	(499)	**(629)**	87	15	(323)	(308)	**(529)**
Purchased put option (silver)	-	50	-	-	**50**	-	-	-	-	**-**
Options – *collar* (silver)	137	211	(86)	(315)	**(53)**	14	3	(409)	(896)	**(1 288)**
Options – *seagull** (silver)	651	8	(526)	(169)	**(36)**	66	-	(873)	(79)	**(886)**
Derivatives – Currency (USDPLN exchange rate)										
Options - *collar*	21	8	(24)	(17)	**(12)**	-	105	-	-	**105**
Trade instruments, of which:	**2**	**75**	**(121)**	**(12)**	**(56)**	**1**	**5**	**(21)**	**(157)**	**(172)**
Derivatives – Metals (price of copper, silver, gold)										
Sold put option (copper seagull)	-	-	(50)	-	**(50)**	-	-	(14)	(1)	**(15)**
Sold put option (silver seagull)	-	-	(70)	-	**(70)**	-	-	(5)	-	**(5)**
QP adjustment swap transactions (copper)	-	6	-	-	**6**	-	-	-	(21)	**(21)**
QP adjustment swap transactions (gold)	-	42	-	(6)	**36**	-	4	-	(23)	**(19)**
Derivatives – Energy resources (natural gas)										
Options – *seagull (TTF)*	2	14	(1)	(6)	**9**	1	1	(2)	(2)	(2)
Embedded derivatives (price of copper, gold)										
Purchase contracts for metal-bearing materials	-	13	-	-	**13**	-	-	-	(110)	**(110)**
TOTAL OPEN DERIVATIVES	**1 138**	**426**	**(1 225)**	**(1 099)**	**(760)**	**168**	**128**	**(1 626)**	**(1 440)**	**(2 770)**

** Collar structures i.e. purchased put options and sold call options were designated as hedging (CFH) under seagull options structures hedging market risk.*

The fair value of open derivatives (assets and liabilities) as at 30 June 2026 has changed as compared to 31 December 2025 because of:

- the settlement of transactions in derivatives with maturities in the period from 1 January to 30 June 2026, which were open at the end of 2025,
- entering into new transactions on the forward metals, currency and natural gas markets,
- the change in macroeconomic conditions (e.g. forward prices of copper, silver, gold, USD/PLN forward rates, natural gas, interest rates and volatility implied at the measurement date).

[5] Within the KGHM Polska Miedź S.A. Group, the Parent Entity applies cash flow hedge accounting (CFH).

[6] In the process of market risk management, the Parent Entity implements, among others, seagull strategies. Within these structures, it applies cash flow hedge accounting in accordance with IFRS 9 and it designates for hedge accounting (CFH – Cash Flow Hedge) only purchased put options and sold call options (collar structures). However, the Company treats the sold put options financing these strategies as trade instruments.

amounts in PLN millions, unless otherwise stated

Note 4.5 Liquidity risk and capital management

Capital management policy

Capital management in the Group is aimed at securing funds for development and maintaining the appropriate level of liquidity.
In accordance with adopted market practice, the Group monitors the level of financial security, among others on the basis of the Net Debt/Adjusted EBITDA ratio presented in the table below:

Ratios	Calculations	30 June 2026	31 December 2025
Net Debt/adjusted EBITDA	Relation of net debt to adjusted EBITDA	**0.42**	**0.76**
Net Debt	Borrowings, debt securities and lease liabilities less free cash and cash equivalents, taking into account the impact of derivatives related to external sources of financing	4 691	5 424
Adjusted EBITDA*	Total of adjusted EBITDA of reporting segments excluding the adjusted EBITDA of Sierra Gorda S.C.M. for the period of 12 months ending on the last day of the reporting period	11 139	7 161

** Definition may be found in Note 2.1.*

In view of the obligation to maintain financial covenants under bank and other loan agreements at a specific level, the Group also pays attention to the adjusted operating profit, calculated on the basis of consolidated data, which enables the calculation of EBITDA according to the definition of the financial covenant, and among others, the following items are included in its calculation:

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
Profit on sales	6 057	3 959
Interest income on loans granted to a joint venture	258	557
Other operating income and (costs)	565	(1 623)
Adjusted profit from operating activities*	**6 880**	**2 893**

** Presented amount does not include the gain due to reversal of an allowance for impairment of loans granted to a joint venture.*

As at the end of the reporting period, during the first half of 2026 and after the end of the reporting period, up to the date of publication of this consolidated half-year report, the value of the financial covenant subject to the obligation to report as at 31 December 2025 and 30 June 2026 met the conditions stipulated in the credit agreements. There are no indications that the Group will have difficulties with fulfilling the covenants obligations when they will be checked again on 31 December 2026.

Liquidity management policy

The basic goal of financial liquidity management in the Group is assuring that the companies are able to meet their current and future obligations.

In managing the risk of liquidity loss, the Group maintains an adequate level of cash and access to a broad portfolio of flexible sources of financing.

The Group continuously forecasts and monitors the liquidity based on expected cash flows. In order to minimise the risk of a liquidity gap, the Group takes actions which guarantee safety and financial stability through diversification of sources of financing and assuring their long-term maturity period.

The management of financial liquidity in the Group is performed based on the “Financial Liquidity Management Policy in the Group”. The basic principles resulting from the Policy are:

- assuring the stable and effective financing of the Group’s activities,
- continuous monitoring of the debt level of the Group,
- effective management of working capital, and
- coordinating by the Parent Entity of financial liquidity management processes in Group companies.

In the first half of 2026, the Group carried out actions aimed at prolonging the availability of external sources of financing and ensuring that their amount corresponds with forecasted financial needs. At the same time, the process of optimising financial liquidity management was continued, including effective management of working capital and debt through the proper use of financial instruments, such as bank and other loans, cash pooling and factoring, taking into account the need to minimise the costs of their service.

amounts in PLN millions, unless otherwise stated

The primary instrument used by the Group to deal with current operating activities is cash pooling – local in PLN, USD and EUR and international in USD, which ensures obtaining benefits resulting from the joint liquidity management of the Group.

Net debt changes

		As at 1 January 2026	Cash flows	Accrued interest	Exchange differences	Other changes	As at 30 June 2026
[+]	Bank loans	1 109	(319)	36	35	14	875
[+]	Loans	1 406	209	29	70	-	1 714
[+]	Debt securities	2 604	(65)	64	-	-	2 603
[+]	Leases	730	(99)	29	1	45*	706
[=]	**Total debt**	**5 849**	**(274)**	**158**	**106**	**59**	**5 898**
[-]	Free cash and cash equivalents	425	782	-	-	-	1 207
[=]	**Net debt**	**5 424**	**(1 056)**	**158**	**106**	**59**	**4 691**

** Conclusion and modification of lease agreements.*

Reconciliation of cash flows related to borrowings in the consolidated statement of cash flows

		from 1 January 2026 to 30 June 2026
Financing activities		
[+]	Proceeds from borrowings	1 249
[+]	Repayment of borrowings	(1 279)
[+]	Repayment of lease liabilities	(70)
[+]	Repayment of interest on borrowings, debt securities	(25)
[+]	Repayment of interest on leases	(11)
Investing activities		
[+]	Paid capitalised interest on borrowings	(138)
[-]	**Change in free cash and cash equivalents**	**782**
[=]	**TOTAL**	**(1 056)**

amounts in PLN millions, unless otherwise stated

Details on external financing sources

As at 30 June 2026, the Group had open credit lines, loans and debt securities with a total balance of available financing being the equivalent of PLN 16 978 million, out of which PLN 5 192 million had been drawn.

The structure of external financing sources is presented below.

Unsecured, revolving syndicated credit facility	30 June 2026	31 December 2025
Amount granted	5 656 (USD 1 500 million)	5 402 (USD 1 500 million)
Amount of the liability	-	-
Purpose: general corporate purposes		
Covenants: the agreement determines an obligation to comply with the financial covenant Net Consolidated Total Debt/Consolidated EBITDA and non-financial covenants; the obligation exists to report the level of financial covenant as at 30 June and as at 31 December. A breach of a financial covenant constitutes an event of default and may result in the termination of the agreement by the syndicate. The Parent Entity's management does not identify circumstances indicating that the Group may have difficulties in meeting the covenants. As at the reporting date, during the financial year and after the reporting date, up to the publication of these consolidated financial statements, the value of the financial covenant subject to the obligation to report as at 31 December 2025 and as at 30 June 2026, complied with the conditions of the agreement.		
Interest: based on SOFR plus a margin, which is dependent on the financial covenant.		
Maturity: 2 December 2030 with an option to extend it by another 2 years (5+1+1)		

Investment loans	30 June 2026	31 December 2025
Amount granted	4 118	3 479
Amount of the liability	1 714	1 406
Purpose: financing of investment projects		
Covenants: the loans agreements with the European Investment Bank concluded by the Parent Entity oblige the Group to comply with the financial covenant Net Consolidated Total Debt/Consolidated EBITDA and non-financial covenants; the obligation exists to report the level of financial covenant as at 30 June and as at 31 December. A breach of a financial covenant constitutes grounds for early repayment of loans. The Parent Entity's management does not identify circumstances indicating that the Group may have difficulties in meeting the covenants. As at the reporting date, during the financial year and after the reporting date, up to the publication of these consolidated financial statements, the value of the financial covenant subject to the obligation to report as at 31 December 2025 and as at 30 June 2026, complied with the provisions of the agreement.		
Interest: instalments of the loans drawn by the Parent Entity are based on a fixed interest rate or on SOFR plus a margin, which is dependent on the financial covenant.		
Maturities of individual instalments: 30 October 2026, 30 August 2028, 23 May 2029, 28 June 2030, 23 April 2031, 11 September 2031, 6 March 2035		

Other bank loans	30 June 2026	31 December 2025
Amount granted	4 604	4 333
Amount of the liability	875	1 109
Purpose: general corporate purposes and financing of investment projects		
Interest: based on a fixed or variable interest rate WIBOR, SOFR, EURIBOR plus a margin		
Maturities: up to 5 years		

amounts in PLN millions, unless otherwise stated

Debt securities	30 June 2026	31 December 2025
Nominal value of the issuance	2 600	2 600
Amount of the liability	2 603	2 604

Purpose: general corporate purposes

The Company issued bonds on the Polish market under the bond issuance program up to the amount of PLN 4 000 million which was established by an issuance agreement dated 29 May 2024.
The issuance dated 26 June 2024 in the amount of PLN 1 000 million, under which 7-year bonds, C-series, were issued with a redemption date of 26 June 2031.
The issuance dated 17 December 2025 in the amount of PLN 1 600 million, under which 7-year bonds, D-series, were issued with a redemption date of 17 December 2032.

Interest: based on WIBOR 6M

Total bank and other loans, debt securities	30 June 2026	31 December 2025
Amount granted / Nominal value of the issuance	16 978	15 814
Amount of the liability	5 192	5 119

The aforementioned sources fully cover the current, medium and long-term liquidity needs of the Group.

The syndicated credit facility in the amount of USD 1 500 million, the investment loans in the amount of PLN 3 549 million, and bilateral bank loans granted to the Parent Entity in the amount of PLN 4 541 million, are unsecured. Repayment of a part of the liabilities of other Group companies due to bilateral bank loans and other loans are secured, and the carrying amount of assets which are the guarantees of repayment of external financing as at 30 June 2026 amounted to PLN 259 million, including property, plant and equipment in the amount of PLN 143 million.

Cash and cash equivalents	As at 30 June 2026	As at 31 December 2025
Cash in bank accounts	581	340
Other financial assets with a maturity of up to 3 months from the date of acquisition - deposits	630	98
Other cash	6	5
Total cash and cash equivalents	**1 217**	**443**

Liabilities due to guarantees granted

Guarantees are an essential financial liquidity management tool of the Group, thanks to which the Group's companies and the joint venture Sierra Gorda S.C.M. do not have to use their cash in order to secure their liabilities towards other entities.

As at 30 June 2026, the Group held liabilities due to guarantees granted in the total amount of PLN 1 118 million and due to promissory note liabilities in the amount of PLN 274 million. As at 31 December 2025, the total balance of liabilities due to guarantees granted amounted to PLN 1 119 million, while promissory note liabilities amounted to PLN 211 million.

amounts in PLN millions, unless otherwise stated

The most significant guarantees - contingent liabilities (IAS 37)

	Guarantee amount	
	As at 30 June 2026	As at 31 December 2025
Security on the proper execution by the Parent Entity of future environmental obligations related to the obligation to restore terrain, following the conclusion of operations of the Żelazny Most tailings storage facility Validity period up to 2 years.	138	137
Security on the obligations incurred by Brokerage House due to settlements of transactions entered into by the Parent Entity on the markets run by Towarowa Giełda Energii S.A. Validity period up to 1 year.	50	85
Security on claims to cover costs by the Group related to collecting and processing waste Validity period up to 2 years.	17	21
Security on the obligations related to proper execution of agreements concluded by the Group Validity period up to 5 years.	60 (PLN 2 million, CAD 2 million, USD 14 million)	53 (PLN 4 million, CAD 2 million, EUR 2 million, USD 10 million)

The most significant financial guarantees (IFRS 9)

	Carrying amount*		Guarantee amount	
	As at 30 June 2026	As at 31 December 2025	As at 30 June 2026	As at 31 December 2025
Guarantee set as security on a bank loan drawn by Sierra Gorda S.C.M. Validity period until September 2027.	9 (USD 2 million)	11 (USD 3 million)	830 (USD 220 million)	793 (USD 220 million)

** The carrying amount was set at the initial value of the guarantee granted less the amount of revenues recognised in profit or loss due to guarantees (the amount of expected credit loss (Stage 1) is PLN 5 million as at 30 June 2026 and PLN 9 million as at 31 December 2025)*

The most significant guarantees - off-balance-sheet liabilities

	Guarantee amount	
	As at 30 June 2026	As at 31 December 2025
Guarantee securing potential claims against the Parent Entity in connection with the obligation of a manager of a tailings storage facility to create a restoration fund. The fund may be in the form of a separate bank account, a provision or a bank guarantee. Validity period up to 1 year.	230	141

amounts in PLN millions, unless otherwise stated

Note 4.6 Employee benefits liabilities

	As at 30 June 2026	As at 31 December 2025
Non-current	3 009	2 892
Current	270	290
Liabilities due to future employee benefits programs	**3 279**	**3 182**
Remuneration liabilities	300	503
Social insurance liabilities	539	457
Accruals (unused annual leave, bonuses, other)	1 290	966
Other current employee benefits liabilities	**2 129**	**1 926**
Total employee benefits liabilities	**5 408**	**5 108**

Discount rate adopted for the measurement of liabilities due to future employee benefits programs in the Parent Entity:

as at 30 June 2026	2026	2027	2028	2029	2030 and beyond
- discount rate	5.25%	5.25%	5.25%	5.25%	5.25%

as at 31 December 2025	2026	2027	2028	2029	2030 and beyond
- discount rate	5.25%	5.25%	5.25%	5.25%	5.25%

Note 4.7 Provisions for decommissioning costs of mines and other technological facilities

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
Provisions at the beginning of the reporting period	**2 132**	**2 128**
Changes in estimates recognised in fixed assets	(26)	58
Utilisation	(1)	(2)
Other	51	(52)
Provisions at the end of the reporting period, of which:	**2 156**	**2 132**
non-current provisions, including:	2 144	2 123
Mine Closure Fund and Tailings Storage Facility Restoration Fund	621	599
current provisions	12	9

amounts in PLN millions, unless otherwise stated

Note 4.8 Other liabilities

	As at 30 June 2026	As at 31 December 2025
Deferred income	120	123
Trade payables	190	195
Other financial liabilities	19	19
Other non-financial liabilities	35	34
Other non-current liabilities	**364**	**371**
Deferred income, including:	59	42
trade payables	39	21
Accruals, including:	1 112	818
provision for purchase of property rights related to electricity	17	11
due to acquired and freely-granted allowances to emit CO_2	703	501
other accounted costs on the basis of contracts entered into	219	182
Liabilities due to settled derivatives	130	58
Liabilities due to the dividend payout	300	-
Other financial liabilities	165	217
Other non-financial liabilities	45	70
Other current liabilities	**1 811**	**1 205**
Total non-current and current liabilities	**2 175**	**1 576**

Note 4.9 Related party transactions

Operating income from related entities	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Revenues from sales of products, merchandise and materials to a joint venture Sierra Gorda S.C.M.	8	8
Interest income on loans granted to the joint venture Sierra Gorda S.C.M.	258	287
Revenues from other transactions with the joint venture Sierra Gorda S.C.M.	3	3
Revenues from other transactions with other related parties	29	28
Total	**298**	**326**

Purchase from related entities	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Purchase of services, merchandise and materials	37	35
Other purchase transactions	3	3
Total	**40**	**38**

Trade and other receivables from related parties	As at 30 June 2026	As at 31 December 2025
From the joint venture Sierra Gorda S.C.M. - loans granted	8 688	8 436
From the joint venture Sierra Gorda S.C.M. - other receivables	13	16
From other related parties	32	6
Total	**8 733**	**8 458**

Trade and other payables towards related parties	As at 30 June 2026	As at 31 December 2025
Towards the joint venture Sierra Gorda S.C.M.	9	11
Towards other related parties	21	6
Total	**30**	**17**

The State Treasury is an entity controlling KGHM Polska Miedź S.A. at the highest level. The Company makes use of the exemption on the disclosure of detailed information on transactions with the Polish Government and entities controlled or jointly controlled by the Polish Government, or over which the Polish Government has significant influence (IAS 24.25).

Pursuant to the scope of IAS 24.26, as at 30 June 2026 and in the period from 1 January to 30 June 2026, the Group concluded the following transactions with the Polish Government and entities controlled or jointly controlled by the Polish Government, unusual due to their nature or amount:

- due to an agreement on setting mining usufruct for the extraction of mineral resources and for exploration for and evaluation of mineral resources – balance of payables in the amount of PLN 219 million (as at 31 December 2025: PLN 242 million), including fees on setting mining usufruct for the extraction of mineral resources recognised in costs in the amount of PLN 18 million (as at 31 December 2025: PLN 35 million),
- due to a reverse factoring agreement – the Group had no payables, and the interest costs in the period from 1 January to 30 June 2026 amounted to PLN 5 million (as at 31 December 2025, payables in the amount of PLN 438 million and interest costs from 1 January to 30 June 2025 in the amount of PLN 44 million),
- other transactions and economic operations: spot currency exchange, depositing cash, granting bank loans, guarantees, and letters of credit (including documentary letters of credit), running bank accounts, servicing of business credit cards, servicing of documentary collection, servicing of special purpose funds acting as an agent and market maker in a bond issuance, and entering into transactions on the forward interest rate and forward currency markets, as part of the cooperation with banks related to the State Treasury.

State Treasury companies may purchase bonds issued by KGHM Polska Miedź S.A.

The remaining transactions between the Group and the Polish Government and with entities controlled or jointly controlled by the Polish Government, or over which the government has significant influence, were within the scope of normal, daily economic operations. These transactions concerned the following:

- the purchase of products (energy, fuels, services), merchandise and materials, fixed assets to meet the needs of current operating activities. In the period from 1 January to 30 June 2026, the turnover from these transactions amounted to PLN 1 427 million (from 1 January to 30 June 2025: PLN 1 397 million), and, as at 30 June 2026, the unsettled balance of liabilities from these transactions amounted to PLN 510 million (as at 31 December 2025: PLN 202 million),
- sales to Polish State Treasury Companies. In the period from 1 January to 30 June 2026, the turnover from these sales amounted to PLN 414 million (from 1 January to 30 June 2025: PLN 342 million), and, as at 30 June 2026, the unsettled balance of receivables from these transactions amounted to PLN 174 million (as at 31 December 2025: PLN 234 million).

Remuneration of the Supervisory Board of the Parent Entity (in PLN thousands)	**from 1 January 2026 to 30 June 2026**	**from 1 January 2025 to 30 June 2025**
Remuneration due to service in the Supervisory Board, salaries and other current benefits	1 144	1 276

Remuneration of the Management Board of the Parent Entity (in PLN thousands)	**from 1 January 2026 to 30 June 2026**	**from 1 January 2025 to 30 June 2025**
Salaries and other current benefits due to service	12 044	10 466
Post-termination benefits	2 052	120
Total	**14 096**	**10 586**

Remuneration of other key managers (in PLN thousands)	**from 1 January 2026 to 30 June 2026**	**from 1 January 2025 to 30 June 2025**
Salaries and other current employee benefits	4 190	3 578

Based on the definition of key management personnel pursuant to IAS 24 and based on an analysis of the rights and scope of responsibilities of managers of the Group arising from corporate documents and from management contracts, the members of the Board of Directors of KGHM INTERNATIONAL LTD. and the President of the Management Board of KGHM INTERNATIONAL LTD. were recognised as other key managers of the Group.

amounts in PLN millions, unless otherwise stated

Note 4.10 Assets and liabilities not recognised in the statement of financial position

The value of contingent assets and liabilities and other liabilities not recognised in the statement of financial position were determined based on estimates.

		As at 30 June 2026	As at 31 December 2025
	Contingent assets	**939**	**490**
	Guarantees received	220	256
	Capital expenditures incurred in 2026, deductible from the minerals extraction tax after 2028*	487	-
	Promissory notes receivables	216	216
	Other	16	18
	Contingent liabilities	**796**	**774**
Note 4.5	Guarantees	280	319
	Promissory note liability	274	211
	Liability due to a claim arising from the executed contract	29	29
	Financial support granted to municipalities in the form of a donation	110	120
	Tax audit in a subsidiary of the KGHM INTERNATIONAL LTD. Group	28	25
	Other	75	70

** The amendment to the Act of 2 March 2012 on the minerals extraction tax introduced the possibility of reducing the minerals extraction tax by 40% of eligible capital expenditures incurred from 1 January 2026. The first reduction of the minerals extraction tax by these expenditures may take place in the tax settlement for January 2029, and the amount of the deduction may not exceed 30% of the tax calculated in accordance with the requirements of the Act on the minerals extraction tax for the monthly settlement period. Eligible capital expenditures not settled under the entitled deduction incurred after 31 December 2025 but before the settlement period may be settled in subsequent monthly settlement periods, but within 15 years from the end of the calendar year in which these expenditures were incurred.*

amounts in PLN millions, unless otherwise stated

Note 4.11 Changes in working capital

	Inventories	Trade receivables	Trade payables	Other payables*	Working capital
As at 1 January 2026	(9 608)	(1 885)	3 213	1 297	**(6 983)**
As at 30 June 2026	(12 214)	(1 916)	2 807	-	**(11 323)**
Impact of changes from the statement of financial position	**(2 606)**	**(31)**	**(406)**	**(1 297)**	**(4 340)**
Exchange differences from the translation of statements of operations with a functional currency other than PLN	37	24	(7)	-	**54**
Depreciation/amortisation recognised in inventories	329	-	-	-	**329**
Change in payables due to the purchase of property, plant and equipment and intangible assets	-	-	201	9	**210**
Change in liabilities due to interest	-	-	-	4	**4**
Reclassification to property, plant and equipment	(35)	-	-	-	**(35)**
Adjustments	**331**	**24**	**194**	**13**	**562**
Change recognised in the statement of cash flows from operating activities	**(2 275)**	**(7)**	**(212)**	**(1 284)**	**(3 778)**

** Trade payables within the reverse factoring mechanism*

	Inventories	Trade receivables	Trade payables	Other payables*	Working capital
As at 1 January 2025	(8 063)	(1 345)	3 132	2 000	**(4 276)**
As at 30 June 2025	(8 765)	(1 204)	2 546	2 046	**(5 377)**
Impact of changes from the statement of financial position	**(702)**	**141**	**(586)**	**46**	**(1 101)**
Exchange differences from the translation of statements of operations with a functional currency other than PLN	(70)	(48)	21	-	**(97)**
Depreciation/amortisation recognised in inventories	345	-	-	-	**345**
Change in payables due to the purchase of property, plant and equipment and intangible assets	-	-	217	36	**253**
Change in liabilities due to interest	-	-	-	1	**1**
Reclassification to property, plant and equipment	(16)	-	-	-	**(16)**
Adjustments	**259**	**(48)**	**238**	**37**	**486**
Change recognised in the statement of cash flows from operating activities	**(443)**	**93**	**(348)**	**83**	**(615)**

** Trade payables within the reverse factoring mechanism*

Part 5 – Additional information to the consolidated half-year report

Note 5.1 Effect of changes in the organisational structure of the KGHM Polska Miedź S.A. Group

Completion of the cross-border transformation process of Quadra FNX FFI S.à r.l.

In the first half of 2026, the process of cross-border transformation of a subsidiary of the KGHM INTERNATIONAL LTD. Group – Quadra FNX FFI S.à r.l. – was completed. On 1 April 2026, the company was entered in the Register of Entrepreneurs, the new name of the company is Quadra FNX FFI sp. z o. o.

Note 5.2 Seasonal or cyclical activities

The KGHM Polska Miedź S.A. Group is not affected by seasonal or cyclical activities.

Note 5.3 Information on the issuance, redemption and repayment of debt and equity securities

In the first half of 2026, there was no issuance, redemption and repayment of debt and equity securities in the Group.

Note 5.4 Information related to a paid (declared) dividend, total and per share

In accordance with Resolution No. 8/2026 of the Ordinary General Meeting of KGHM Polska Miedź S.A. dated 9 June 2026 regarding the appropriation of profit of KGHM Polska Miedź S.A. for 2025 in the amount of PLN 1 946 million, the profit generated was appropriated as follows: the amount of PLN 300 million (PLN 1.50/share) as a shareholder dividend (PLN 1.50/share) and the amount of PLN 1 646 million as a transfer to the Company's reserve capital. The Ordinary General Meeting of KGHM Polska Miedź S.A. set a dividend date at 25 June 2026 and a payment date of dividend for 2025 at 9 July 2026.

In accordance with Resolution No. 6/2025 of the Ordinary General Meeting of KGHM Polska Miedź S.A. dated 18 June 2025 regarding the allocation of profit of KGHM Polska Miedź S.A. for 2024, it was decided to transfer the profit in the amount of PLN 2 788 million, in its entirety, to the Company's reserve capital.

All shares of the Parent Entity are ordinary shares.

Note 5.5 Impact of the war in Ukraine, effects of tariffs policy and the global trade war, conflict in the Middle East

The war in Ukraine

In the reporting period, the KGHM Polska Miedź S.A. Group did not record any negative impact from factors related to the war in Ukraine, and the potential impact in subsequent periods is assessed as low.
The most significant risk categories related to the war in Ukraine which impact the Group's operations are:

- change in the supply chain and the availability of materials and components, fuels and energy on international markets,
- volatility in copper and silver prices on the metals markets,
- volatility in the USD/PLN exchange rate,
- volatility in prices of energy carriers and electricity, and
- the general uncertainty on financial markets.

From the point of view of the Group, the war in Ukraine has an impact on market risk connected with volatility in metals prices and stock exchange indices during the reporting period. More information is presented in Note 1.7 Impairment of assets.

To assess the impact of the above-mentioned risk categories on the operation of the Group, the detailed analysis of information in the areas of production, sales, supply chain, personnel management and finance is carried out on an ongoing basis.

Since the beginning of the war in Ukraine, the KGHM Polska Miedź S.A. Group has not experienced a significantly negative impact of volatility of supply chains on its business activities. Taking into account the continuity of supplies of energy carriers (natural gas, coal, coke), the KGHM Polska Miedź S.A. Group currently has full capacity to maintain the continuity of operation of the core production line and all production processes.

Nevertheless, it cannot be ruled out that the continuation of this armed conflict as well as the system of economic sanctions may have a significantly negative impact in subsequent periods on suppliers and customers of the Group and lead to unfavourable deviations in the continuity of materials and services supply chains as well as receipt of products in the Group.

However, the geopolitical situation related to the direct aggression of Russia against Ukraine and the implemented system of sanctions does not restrict the operations of KGHM Polska Miedź S.A. and other Group companies, while the risk of interruptions to the going concern of the Company and the KGHM Polska Miedź S.A. Group in this regard is estimated to be low.

The ongoing war in Ukraine and limited availability of Russian cathodes on European markets have already been discounted by the market and did not constitute an additional factor affecting the sales results of basic copper products in the first half of 2026. At the same time, the situation associated with the war in Ukraine is not a significant factor in shaping the demand for copper semi-finished products (ETP wire rod and OFE wire). On this product market, the good economic situation is mainly driven by significant investments related to the energy transformation in Europe.

In terms of the availability of capital and the level of debt, the Group holds no bank loans drawn from institutions threatened with sanctions.

In KGHM Polska Miedź S.A. as well as in all international mines of the KGHM Polska Miedź S.A. Group and in Sierra Gorda S.C.M., no production stoppages which would have been directly attributable to the war in Ukraine were recorded.

There have been no significant changes in the payment morality of customers, and therefore the inflow of receivables in the Parent Entity takes place without any major disturbances.

Effects of customs policy and global trade war (the USA, China, the European Union)

In the reporting period, the Group did not record a negative impact due to factors related to customs policy and the global trade war involving the USA, China and the European Union, and the potential impact on the Group in subsequent periods is judged to be low. The US market does not play a significant role in the geographical structure of sales of products manufactured by the KGHM Polska Miedź S.A. Group outside of the USA's borders and therefore the direct impact of announced tariffs will be limited.

Trade of copper and copper-made products is excluded from the general trade agreement and is regulated by other provisions under the detailed procedure "Section 232", wherein tariffs are varied for copper at different processing stages. Trade barriers announced by the USA on copper and copper-made products will have the greatest impact on the American market. In trade relations with China, Chinese export restrictions on rare earth metals and complementary products remain a key factor. China controls most of the processing capacity for these metals, and according to European Commission data, a significant portion of the import of rare earth metals required by European industry comes from China. These changes may result in delays or difficulties in obtaining export licenses, particularly in relation to the energy transition. Renewable energy components may therefore become more expensive and less available, which may cause delays in investments in wind farms (especially offshore wind farms). Protecting the EU market from imports of low-emission technologies is becoming a key element in the European Union's trade relations with China. An example of such actions was an auction performed in December 2025 in Italy for solar panel supplies, which banned the participation of Chinese modules, cells and inverters. Although no further such radical and formal systemic blockades were observed in the first half of 2026, the gradual introduction of non-tariff quality and environmental criteria, as well as requirements regarding the location of production (local content), is visible at the level of individual EU member states. These actions are aimed at giving priority to components manufactured within the EU. The possibility of extending such trade restrictions by additional European countries, including Poland, remains valid later in 2026. With regard to the Polish economy, potential barriers to accessing competitively priced Chinese components – essential for expanding renewable energy generation capacity – may result in a slowdown in the country's energy transition. Limited supply or increased costs of these technologies could hinder CO_2 emission reductions and temporarily halt the growth of renewable energy sources in the Polish energy mix, which directly impacts the regulatory and market environment in which the KGHM Polska Miedź S.A. Group operates.

The European Union is also considering tightening its general approach to economic relations with China. Currently, EU bodies are examining trade relations and the impact of imports from China on the competitiveness of the EU economy. This issue remains a significant element of EU economic policy and may result in further regulatory changes affecting the conditions for conducting business.

Mining and production operations in Poland are and will continue to be of key importance for KGHM Polska Miedź S.A. However, the potential escalation of trade barriers in various regions of the world could negatively impact the dynamics of global economic growth and, consequently, the demand for raw materials. Therefore, economic and political processes affecting international trade are continuously monitored and analysed by the Company.

Conflict in the Middle East

In the reporting period, the Group did not record any negative impact from factors related to the conflict in the Middle East.

Due to the escalation of geopolitical tensions in the Middle East, and the periodic escalation of the conflict involving Iran, Israel and the United States, the most significant categories of conflict-related risks affecting the operations of the Company and the Group are the following:

- potential impact on global economies,
- volatility of crude oil and natural gas prices,
- volatility of exchange rates (mainly USD/PLN),
- volatility of gold and silver prices,
- supply chain disruptions and the availability of fuels and energy on international markets.

Currently, the situation in the Middle East is focused primarily on Iran, which remains one of the key oil producers in the region, while development of the situation in the Strait of Hormuz region could impact global energy markets and transportation costs. Further developments of the situation depend on geopolitical events and diplomatic actions.

Due to the high uncertainty related to development of the political situation in the Middle East, neither its scale nor the potential impact on the KGHM Polska Miedź S.A. Group as at the publication date can be estimated for subsequent periods.

Note 5.6 Subsequent events

Approval of the strategy of the KGHM Polska Miedź S.A. Group 2055+

On 3 July 2026, the Supervisory Board of KGHM Polska Miedź S.A. approved the Strategy of the KGHM Polska Miedź S.A. Group 2055+ submitted by the Management Board of the Company. Details are described in section 1, Advancement of the Strategy of the KGHM Polska Miedź S.A. Group in the Management Board's Report on the activities of the Group in the first half of 2026.

Part 6 – Quarterly financial information of the Group

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
	Revenues from contracts with customers	12 839	8 614	24 711	17 556
Note 6.1	Cost of sales	(10 131)	(7 091)	(17 497)	(14 425)
	Gross profit	**2 708**	**1 523**	**7 214**	**3 131**
Note 6.1	Selling costs and administrative expenses	(651)	(550)	(1 157)	(1 030)
	Profit on sales	**2 057**	**973**	**6 057**	**2 101**
	Share in profit of a joint venture accounted for using the equity method	359	-	580	-
	Gain due to the reversal of allowances for impairment of loans granted to a joint venture	502	148	605	151
	Interest income on loans granted to a joint venture calculated using the effective interest rate method	128	140	258	287
	Profit or loss on involvement in a joint venture	989	288	1 443	438
Note 6.2	Other operating income, including:	257	95	914	336
	other interest calculated using the effective interest rate method	8	15	16	27
	reversal of impairment losses on financial instruments	-	3	-	3
Note 6.2	Other operating costs, including:	(121)	(861)	(349)	(1 739)
	impairment losses on financial instruments	(2)	2	(3)	-
Note 6.3	Finance income	-	211	-	362
Note 6.3	Finance costs	(36)	(125)	(157)	(183)
	Profit before income tax	**3 146**	**581**	**7 908**	**1 315**
	Income tax expense	(1 096)	(331)	(2 329)	(735)
	PROFIT FOR THE PERIOD	**2 050**	**250**	**5 579**	**580**
	Profit for the period attributable to:				
	shareholders of the Parent Entity	2 050	249	5 579	579
	non-controlling interest	-	1	-	1
	Weighted average number of ordinary shares (million)	**200**	**200**	**200**	**200**
	Basic and diluted earnings per share (in PLN)	**10.25**	**1.25**	**27.90**	**2.90**

** Data not subject to review and audit.*

amounts in PLN millions, unless otherwise stated

Explanatory notes to the condensed consolidated statement of profit or loss

Note 6.1 Expenses by nature

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Depreciation of property, plant and equipment and amortisation of intangible assets	712	707	1 422	1 403
Employee benefits expenses	2 853	2 293	5 213	4 535
Materials and energy, including:	5 016	3 290	9 466	6 942
purchased metal-bearing materials	3 364	1 902	6 253	3 952
electrical and other energy	511	428	1 027	918
External services	759	755	1 485	1 443
Minerals extraction tax	2 158	1 022	4 061	2 082
Other taxes and charges	221	216	508	495
Revaluation of inventories	3	4	3	3
Recognition/(reversal) of impairment losses on property, plant and equipment and intangible assets	(1)	1	(1)	1
Other costs	75	65	124	115
Total expenses by nature	**11 796**	**8 353**	**22 281**	**17 019**
Cost of merchandise and materials sold (+)	51	107	125	227
Change in inventories of finished goods and work in progress (+/-)	(516)	(386)	(2 713)	(868)
Cost of manufacturing products for internal use of the Group (-)	(549)	(433)	(1 039)	(923)
Total costs of sales, selling costs and administrative expenses, of which:	**10 782**	**7 641**	**18 654**	**15 455**
Cost of sales	10 131	7 091	17 497	14 425
Selling costs	138	116	264	245
Administrative expenses	513	434	893	785

** Data not subject to review and audit.*

amounts in PLN millions, unless otherwise stated

Note 6.2 Other operating income and (costs)

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Gains on derivatives, of which:	77	27	281	73
measurement	24	(9)	223	33
realisation	53	36	58	40
Exchange differences on financial assets and liabilities other than borrowings	76	-	427	-
Interest income calculated using the effective interest rate method	8	15	16	27
Reversal of impairment losses on trade and other financial receivables	-	3	-	3
Release of provisions	3	21	37	30
Gain on disposal of intangible assets	-	1	3	1
Gain on disposal of subsidiaries	-	(9)	-	89
Fair value gains on trade receivables	6	4	7	24
Government grants received	3	6	6	12
Income from servicing of letters of credit and guarantees	-	(3)	3	3
Compensation, fines and penalties received	28	5	35	9
Dividend income	36	-	36	-
Other	20	25	63	65
Total other operating income	**257**	**95**	**914**	**336**
Losses on derivatives, of which:	(52)	(28)	(188)	(177)
measurement	64	56	(35)	(70)
realisation	(116)	(84)	(153)	(107)
Fair value losses on trade receivables	(19)	(44)	(83)	(44)
Impairment losses on trade and other financial receivables	(2)	2	(3)	-
Impairment losses on fixed assets under construction and intangible assets not yet available for use	-	(22)	(4)	(25)
Exchange differences on financial assets and liabilities other than borrowings	-	(734)	-	(1 414)
Provisions recognised	(19)	(5)	(24)	(19)
Loss on disposal of property, plant and equipment	(2)	(6)	(7)	(7)
Donations granted	(14)	(11)	(15)	(26)
Other	(13)	(13)	(25)	(27)
Total other operating costs	**(121)**	**(861)**	**(349)**	**(1 739)**
Other operating income and (costs)	**136**	**(766)**	**565**	**(1 403)**

** Data not subject to review and audit.*

amounts in PLN millions, unless otherwise stated

Note 6.3 Finance income and (costs)

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Exchange differences on measurement and realisation of borrowings	-	152	-	303
Gains on derivatives - realisation	-	59	-	59
Total finance income	**-**	**211**	**-**	**362**
Interest on borrowings due to leases	-	(1)	(1)	(3)
Interest on trade payables within the reverse factoring mechanism	(3)	(33)	(15)	(55)
Unwinding of the discount effect due to:	(26)	(25)	(51)	(51)
provisions for decommissioning of mines	(23)	(22)	(45)	(45)
financial liabilities	(3)	(3)	(6)	(6)
Exchange differences on measurement and realisation of borrowings	(2)	-	(80)	-
Bank fees and charges on drawn borrowings	(4)	(5)	(9)	(11)
Losses on derivatives - realisation	-	(61)	-	(61)
Other	(1)	-	(1)	(2)
Total finance costs	**(36)**	**(125)**	**(157)**	**(183)**
Finance income and (costs)	**(36)**	**86**	**(157)**	**179**

** Data not subject to review and audit.*

Condensed financial statements of KGHM Polska Miedź S.A.

SEPARATE STATEMENT OF PROFIT OR LOSS

		from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Note 3.1	Revenues from contracts with customers	21 927	14 860
Note 3.2	Cost of sales	(15 519)	(12 634)
	Gross profit	**6 408**	**2 226**
Note 3.2	Selling costs and administrative expenses	(806)	(685)
	Profit on sales	**5 602**	**1 541**
Note 3.3	Other operating income, including:	2 467	457
	interest income calculated using the effective interest rate method	138	201
	fair value gains on financial assets measured at fair value through profit or loss	1 561	24
Note 3.3	Other operating costs, including:	(335)	(1 533)
	fair value losses on financial assets measured at fair value through profit or loss	(83)	(381)
Note 3.4	Finance income	-	363
Note 3.4	Finance costs	(155)	(194)
	Profit before income tax	**7 579**	**634**
	Income tax expense	(2 086)	(521)
	PROFIT FOR THE PERIOD	**5 493**	**113**
	Weighted average number of ordinary shares (million)	**200**	**200**
	Basic and diluted earnings per share (in PLN)	**27.47**	**0.57**

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Profit for the period	**5 493**	**113**
Effective portion of the change in the fair value of hedging instruments and the cost of hedging, net of the tax effect	1 386	154
Other comprehensive income, which will be reclassified to profit or loss	**1 386**	**154**
Measurement of equity financial instruments at fair value through other comprehensive income net of the tax effect	70	686
Actuarial losses net of the tax effect	(54)	(84)
Other comprehensive income, which will not be reclassified to profit or loss	**16**	**602**
Total other comprehensive net income	**1 402**	**756**
TOTAL COMPREHENSIVE INCOME	**6 895**	**869**

amounts in PLN millions, unless otherwise stated

SEPARATE STATEMENT OF CASH FLOWS

	Cash flow from operating activities	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
	Profit before income tax	7 579	634
	Depreciation/amortisation recognised in profit or loss	881	826
	Interest on investment activities	(112)	(150)
	Other interest	32	93
	Dividend income	(59)	(10)
	Fair value gains/(losses) on loans measured at fair value through profit or loss	(1 554)	339
	Impairment losses on property, plant and equipment and intangible assets	4	21
	Gains due to change in the value of loans measured at amortised cost	(86)	(67)
	Impairment losses on investments in subsidiaries	-	68
	Exchange differences, of which:	(154)	402
	from investing activities and on cash	(237)	706
	from financing activities	83	(304)
	Change in provisions for decommissioning of mines, liabilities related to future employee benefits programs and other provisions	189	175
	Change in other receivables and liabilities other than working capital	672	(15)
	Change in assets and liabilities due to derivatives	(1 253)	55
	Reclassification of other comprehensive income to profit or loss due to the realisation of hedging derivatives	954	(26)
	Other adjustments	40	13
	Exclusions of income and costs, total	(446)	1 724
	Income tax paid	(1 056)	(533)
Note 4.10	Change in working capital, including:	(3 776)	(299)
Note 4.10	change in trade payables within the reverse factoring mechanism	(1 284)	83
	Net cash generated from/(used in) operating activities	**2 301**	**1 526**
	Cash flow from investing activities		
	Expenditures on mining and metallurgical assets, including:	(1 857)	(1 866)
	paid capitalised interest on borrowings	(121)	(148)
	proceeds from settlement of an instrument hedging interest rate of bonds	-	28
	Expenditures on other property, plant and equipment and intangible assets	(35)	(26)
	Expenditures on acquisition of shares in subsidiaries	(13)	(223)
	Advances grated for property, plant and equipment and intangible assets	(23)	(38)
	Expenditures on financial assets designated for decommissioning of mines and other technological facilities	(38)	(35)
	Proceeds from repayment of loans granted (principal)	944	633
	Interest received on loans granted	116	57
	Other	-	1
	Net cash generated from/(used in) investing activities	**(906)**	**(1 497)**

amounts in PLN millions, unless otherwise stated

Cash flow from financing activities		
Proceeds from borrowings	797	399
Proceeds from cash pooling	-	40
Repayment of lease liabilities	(52)	(49)
Repayment of interest, of which:	(58)	(101)
trade payables within the reverse factoring mechanism	(18)	(56)
borrowings	(40)	(45)
Expenditures on cash pooling	(180)	-
Repayment of borrowings	(1 225)	(386)
Proceeds from derivatives related to external sources of financing	-	29
Expenditures due to derivatives related to external sources of financing	-	(30)
Net cash generated from/(used in) financing activities	**(718)**	**(98)**
NET CASH FLOW	**677**	**(69)**
Exchange gains/(losses) on cash and cash equivalents	1	(1)
Cash and cash equivalents at the beginning of the period	216	367
Cash and cash equivalents at the end of the period, including:	**894**	**297**
restricted cash	**5**	**5**

amounts in PLN millions, unless otherwise stated

SEPARATE STATEMENT OF FINANCIAL POSITION

	ASSETS	As at 30 June 2026	As at 31 December 2025
	Mining and metallurgical property, plant and equipment	23 628	23 084
	Mining and metallurgical intangible assets	1 333	1 258
	Mining and metallurgical property, plant and equipment and intangible assets	24 961	24 342
	Other property, plant and equipment	105	115
	Other intangible assets	58	59
	Other property, plant and equipment and intangible assets	163	174
	Investments in subsidiaries - shares	6 814	6 801
Note 4.3	Loans granted, of which:	9 204	8 290
	measured at fair value through profit or loss	3 972	3 225
	measured at amortised cost	5 232	5 065
Note 4.2	Derivatives	1 138	168
	Other financial instruments measured at fair value through other comprehensive income	1 788	1 703
	Other financial instruments measured at amortised cost	642	608
Note 4.2	Financial instruments, total	12 772	10 769
	Other non-financial assets	84	80
	Non-current assets	**44 794**	**42 166**
	Inventories	10 746	8 312
Note 4.2	Trade receivables, including:	1 196	1 239
	Trade receivables measured at fair value through profit or loss	984	980
	Tax assets	756	588
Note 4.2	Derivatives	426	128
Note 4.2	Cash pooling receivables	316	523
Note 4.2	Other financial assets, including:	324	286
	Loans granted	103	85
	Other non-financial assets	482	102
Note 4.2	Cash and cash equivalents	894	216
	Current assets	**15 140**	**11 394**
	TOTAL ASSETS	**59 934**	**53 560**

	EQUITY AND LIABILITIES		
	Share capital	2 000	2 000
	Other reserves from measurement of financial instruments	(243)	(1 699)
	Accumulated other comprehensive income	(694)	(640)
	Retained earnings	37 046	31 853
	Equity	**38 109**	**31 514**
Note 4.2	Borrowings and leases	1 296	2 174
Note 4.2	Liabilities due to issuance of debt financial instruments	2 600	2 600
Note 4.2	Derivatives	1 225	1 626
Note 4.5	Employee benefits liabilities	2 677	2 571
Note 4.6	Provisions for decommissioning costs of mines and other technological facilities	1 372	1 380
	Deferred tax liabilities	866	326
Note 4.7	Other liabilities	264	274
	Non-current liabilities	**10 300**	**10 951**
Note 4.2	Borrowings and leases	1 220	733
Note 4.2	Liabilities due to issuance of debt financial instruments	3	4
Note 4.2	Cash pooling liabilities	430	611
Note 4.2	Derivatives	1 099	1 440
Note 4.2	Trade and other payables	2 487	4 263
Note 4.5	Employee benefits liabilities	1 897	1 699
	Tax liabilities	2 975	1 468
	Provisions for liabilities and other charges	89	78
Note 4.7	Other liabilities	1 325	799
	Current liabilities	**11 525**	**11 095**
	Non-current and current liabilities	**21 825**	**22 046**
	TOTAL EQUITY AND LIABILITIES	**59 934**	**53 560**

amounts in PLN millions, unless otherwise stated

SEPARATE STATEMENT OF CHANGES IN EQUITY

	Share capital	Other reserves from measurement of financial instruments	Accumulated other comprehensive income	Retained earnings	Total equity
As at 1 January 2025	**2 000**	**(117)**	**(636)**	**29 907**	**31 154**
Profit for the period	-	-	-	113	**113**
Other comprehensive income	-	840	(84)	-	**756**
Total comprehensive income	-	840	(84)	113	**869**
As at 30 June 2025	**2 000**	**723**	**(720)**	**30 020**	**32 023**
As at 1 January 2026	**2 000**	**(1 699)**	**(640)**	**31 853**	**31 514**
Transactions with owners – dividend approved but not paid	-	-	-	(300)	**(300)**
Profit for the period	-	-	-	5 493	**5 493**
Other comprehensive income	-	1 456	(54)	-	**1 402**
Total comprehensive income	-	1 456	(54)	5 493	**6 895**
As at 30 June 2026	**2 000**	**(243)**	**(694)**	**37 046**	**38 109**

Part 1 – General information

Note 1.1 Impact of new and amended standards and interpretations

EXPECTED IMPACT OF IFRS 18 FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2026

The scope of the changes introduced by the IFRS 18 standard is described in part 1, note 1.5 of the half-year condensed consolidated financial statements of this report.

Impact of the implementation of IFRS 18 on separate financial statements

The Company is at an advanced stage of assessing the impact of the implementation of the new IFRS 18 standard, and the expected impact for the period ending on 30 June 2026 is described below in detail.

The IFRS 18 standard will be applied retrospectively in accordance with IAS 8.
The adoption of IFRS 18 will affect neither the Company's profit for the period nor its comprehensive income. However, in accordance with the requirements of the new standard, the Company will present new subtotals such as "operating profit" and "profit before financing and income tax".

Statement of profit or loss

As a result of the analyses, the Company assessed that it does not conduct any of the specified main business activities (MBAs) under IFRS 18.

In accordance with the rules of categorisation for entities that do not operate any of the MBAs, the Company will classify into the investment category certain income and expenses recognised in profit or loss resulting from the following types of assets:

- investments in subsidiaries recognised at cost,
- financial assets measured at fair value through profit or loss, such as: loans granted,
- equity instruments such as: shares in companies listed on the stock exchange, shares in companies not listed on the stock exchange and other financial assets, and
- other financial assets measured at amortised cost, including cash and cash equivalents.

These incomes and expenses will include, in particular:

- dividend income,
- interest income on loans granted, cash and cash pooling,
- impairment loss/reversal of impairment loss on shares in subsidiaries,
- allowance for impairment/reversal of allowance for impairment of loans granted,
- fair value gain/(loss) on loans granted,
- exchange gains/losses on loans granted,
- exchange gains/losses on cash.

In accordance with the rules of categorisation for entities that do not operate any of the MBAs, the Company will classify to the financing category certain incomes and expenses recognised in profit or loss, resulting from both liabilities arising as a result of transactions involving only the obtaining of financing as well as from other liabilities. These incomes and expenses will include, in particular:

- interest on bank and other loans,
- interest on leases,
- interest costs on reverse factoring,
- interest costs on cash pooling liabilities,
- net interest costs on defined benefit programs,
- costs resulting from a change in the amount of provisions (i.e. unwinding of the discount effect).

The application of the aforementioned rules for categorising incomes and expenses would result in the recognition of operating profit for the period from 1 January to 30 June 2026 of PLN 5 719 million and profit before financing and income tax of PLN 7 814 million.

In the context of operating costs, the Company assessed that the presentation in the functional arrangement used before the implementation of IFRS 18 remains valid and will be continued.

Due to the improved requirements regarding the location of information in the financial statements, the Company:

1. reviewed the current method of aggregating and disaggregating items in the main financial statements and in the supplementary information, which will result in appropriate changes in the presentation of the financial statements,
2. reviewed the labels of selected items in the financial statements and considered it appropriate to more precisely identify the items previously marked as "other".

Statement of cash Flows

In accordance with the amended requirements of IAS 7, the separate statement of cash flows would begin with operating profit (PLN 5 719 million for the period from 1 January to 30 June 2026 pursuant to IFRS 18), instead of – as in previous reporting periods – with profit before tax (PLN 7 579 million for the period from 1 January to 30 June 2026). Therefore, the list of non-cash adjustments presented in the operating activities of the statement of cash flows would be adjusted by the following items:

- interest on investment activities (PLN 112 million),
- dividend income (PLN 59 million),
- fair value gains on loans measured at fair value through profit or loss (PLN 1 554 million),
- gains on changes in the value of loans measured at amortised cost (PLN 86 million) and
- exchange gains/losses on investing and financing activities (PLN 154 million).

Moreover, interest paid and capitalised at the initial value of fixed assets (PLN 121 million for the period from 1 January to 30 June 2026), previously presented in cash flows from investing activities, would be reclassified to cash flows from financing activities in accordance with the updated IAS 7.

Management-defined performance measures

The Company identified adjusted EBITDA (PLN 6 632 million for the period from 1 January to 30 June 2026) as a management-defined performance measure, meeting the definition set in paragraph 117 of IFRS 18, which will be subject to the disclosure requirements of the new standard.

Part 2 – Impairment of assets

Assessment of the occurrence of indications of impairment of production assets of KGHM Polska Miedź S.A.

The Management Board of KGHM Polska Miedź S.A. assessed the existence of indications as to the possibility of impairment of assets, in accordance with the requirements of International Accounting Standard 36 *Impairment of assets*. The analysis was carried out taking into account both external factors resulting from the economic and market environment, as well as internal factors relating to the nature of the entity's operations, the efficiency of the use of assets and changes in their expected utility.

The Company identifies those indications that are material and permanent, i.e. they may have a significant impact on the recoverable amount of the assets or their ability to generate future economic benefits.

The assessment of the permanency of the indications is carried out using professional judgement, taking into account the nature of a given factor, the causes of its occurrence and the expected period of impact. Based on the experience resulting from the impairment analyses carried out, the Company assumes that the indication may in principle be considered permanent if it persists for a period of at least 12 months.

At the same time, the Company points out that the adopted horizon of 12 months does not result directly from the applicable accounting regulations or legal acts, but constitutes a developed analytical practice aimed at ensuring the consistency of the process of identifying indications of impairment and limiting the impact of short-term and temporary fluctuations in market factors. In justified cases, the assessment of the permanency of the indication may also take into account other circumstances indicating its long-term nature.

In the first half of 2026, the share price of KGHM Polska Miedź S.A. was characterized by high volatility, caused, among others, by significant fluctuations in the prices of metals, especially copper and silver. The average share price of the Company in the first half of 2026 increased by 13.6% compared to the share price at the end of 2025 (the average share price in the first half of 2026 was PLN 318.86). In the same period, the average WIG20 index increased by 8.9%, and the average WIG index increased by 9.4%. As at 30 June, 2026, the share price was PLN 331.25 and was 18% higher than the share price as at 31 December 2025 (PLN 280.80). As a result, the Company's market capitalisation increased from PLN 56 160 million to PLN 66 250 million, which means that as at 30 June 2026 it remained at 174% of the Company's net asset value. It should also be noted that the average ratio of market capitalisation to book value of net assets in the entire first half of 2026 was 192%.

From the point of view of the Company's operations, the key factor influencing the level of market capitalisation is the price of copper. In the first half of 2026, the price of copper was highly volatile, peaking in May 2026 (14 097 USD/t) due to the weakening of the US dollar, global trade tensions and supply deficit on the copper market. The average copper price in the first half of 2026 was 13 083 USD/t, which is higher than the prices recorded in 2025 (average 9 945 USD/t).

In the case of the Polish assets, of significance are PLN-expressed metals prices, which are also affected by the USD/PLN exchange rate. Fluctuations in the price of copper are usually to a large extent offset by changes in the USD/PLN exchange rate. The average USD/PLN exchange rate in the first half of 2026 amounted to PLN 3.64, which is at a lower level than the exchange rate recorded in 2025 (average of PLN 3.76).

Finally, the average price of copper in the first half of 2026 expressed in PLN was 47 585 PLN/t, which meant that it was higher than the prices recorded in 2025 (average 37 303 PLN/t). More significant fluctuations could be observed on the precious metals market. The average gold price in the first half of 2026 was USD 4 693 per ounce, which meant that it was higher than the prices recorded in 2025 (average USD 3 436 per ounce). As the price of gold increased, so did the price of silver. The average price of silver in the first half of 2026 was USD 79 per ounce, which means that it was higher than the prices recorded in 2025 (average USD 40 per ounce).

Favourable macroeconomic data in 2026 contributed to a decrease in market interest rates, to 3.78 for WIBOR 1M, 3.85 for WIBOR 3M and 3.90 for WIBOR 6M at the end of June 2026, which had a positive impact on the profitability of the business activities. The yield on 10-year bonds was 1.55 p.p. higher than the NBP reference rate.

KGHM Polska Miedź S.A. maintains full operational capacity and consistently advances planned production, sales and investment budget targets. The financial results achieved by the Company exceed the budget targets, which is also a result of conducted optimisation initiatives and cost discipline applied in response to macroeconomic conditions.

The Company continued actions aimed at making the subsequent parts of the copper deposit available and at construction of the mining infrastructure. Current, long-term production plans are up to 2055 and in the current period no indications were identified that could negatively impact the future availability of deposits. KGHM Polska Miedź S.A. continues exploration work on the basis of concessions and concession proceedings aimed at ensuring the resource base appropriate for operating activities and prolonging mine life.

In the context of risks and hazards associated with climate, in the current period, no material impact on the activities of KGHM Polska Miedź S.A. was identified.

On 1 January 2026, the Act of 21 November 2025 amending the Act on the minerals extraction tax and certain other acts, introducing a temporary reduction of the coefficient in the tax calculation formula for copper and silver (2026-2028) and a mechanism for deducting a part of capital expenditures from the tax (from 2029), entered into force.

In accordance with the aforementioned act, the reduction in the amount of the copper tax will depend on, to a large extent, the application of the investment relief mechanism, which will serve de facto as a source of financing capital expenditures and will not have to directly result in a significant change in net cash flows.

The Company will be able to deduct a maximum of 40% of the value of eligible expenditures (no more than 30% of the input tax), which will require the involvement of significant capital in order to fully use the reduction on the minerals extraction tax.

In addition, in the case of KGHM Polska Miedź S.A., a significant group of tax-deductible eligible investments are development investments, which by definition are not included in the impairment testing in the value in use model. As a result, the amendments to the act on the minerals extraction tax do not constitute a prerequisite indicating the possibility of changing the recoverable amount of the Company's assets.

The Strategy of the KGHM Polska Miedź S.A. Group 2055+, approved on 3 July 2026, maintains the current direction of development of the Polish resource base and the strengthening of Polish production assets, ensuring their long-term operational stability. As a result, neither the strategy’s individual nor combined assumptions constitute a prerequisite indicating a risk of a change in the value of KGHM Polska Miedź S.A. assets.

The Management Board of KGHM Polska Miedź S.A. assessed the adequacy of the assumptions adopted as at 31 December 2023 in the conducted impairment test of Polish production assets (mining and metallurgical assets), including mainly macroeconomic assumptions, forecasts of medium- and long-term production plans and the relations between operating costs and planned capital expenditures. No indications were identified that would necessitate a revision of the key assumptions adopted at that time.

Taking into account the significant level of uncertainty in the external environment, in particular as to the market copper and silver prices as well as USD exchange rate, which makes it more difficult to draw conclusions regarding long-term trends and not meeting the permanency criteria described above, in the opinion of KGHM Polska Miedź S.A., there were no indications of an impairment risk of Polish or international production assets and the Victoria project, nor of indications of the possibility of reversing the impairment losses already recognised, and therefore no impairment tests were carried out for these assets as at 30 June 2026

KGHM Polska Miedź S.A. will continue to monitor global economic conditions on an ongoing basis in terms of stabilisation or a lack of it of the indicated trends. If the persistence of the observed changes is confirmed, the Company will assess their impact on the recoverable amount of the assets, in accordance with the principles set forth in IAS 36.

A summary of analyses undertaken to assess the risk of impairment of assets of the Company as at 31 December 2025 was presented in the part 3 of the Annual report RR 2025.

amounts in PLN millions, unless otherwise stated

Part 3 – Explanatory notes to the separate statement of profit or loss

Note 3.1 Revenues from contracts with customers – geographical breakdown reflecting the location of end customers

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Europe		
Poland	4 845	3 725
Germany	2 815	2 540
The United Kingdom	2 445	1 184
Czechia	1 554	1 117
Italy	1 497	993
Switzerland	1 345	510
Hungary	789	760
France	684	425
Sweden	432	368
Austria	218	176
Slovakia	177	92
Romania	66	59
Bosnia and Herzegovina	56	16
Other countries (dispersed sales)	224	273
North and South America		
The United States of America	1 378	976
Canada	576	27
Chile	20	4
Argentina	6	5
Uruguay	2	-
Australia		
Australia	185	86
Asia		
China	1 097	856
Türkiye	538	247
Hong Kong	457	-
United Arab Emirates	170	-
Saudi Arabia	138	38
South Korea	127	33
Singapore	48	-
Taiwan	5	-
Philippines	3	-
Thailand	2	145
India	-	144
Africa		
Morocco	28	6
Algeria	-	55
TOTAL	**21 927**	**14 860**

amounts in PLN millions, unless otherwise stated

Note 3.2 Expenses by nature

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Depreciation of property, plant and equipment and amortisation of intangible assets	956	890
Employee benefits expenses	3 561	2 944
Materials and energy, including:	8 482	6 122
purchased metal-bearing materials	6 253	3 952
electrical and other energy	1 023	920
External services, including:	1 361	1 350
transport	185	179
repairs, maintenance and servicing	467	449
mine preparatory work	322	365
Minerals extraction tax	4 061	2 082
Other taxes and charges	362	366
Other costs	65	56
Total expenses by nature	**18 848**	**13 810**
Cost of merchandise and materials sold (+)	130	170
Change in inventories of finished goods and work in progress (+/-)	(2 560)	(566)
Cost of manufacturing products for internal use (-)	(93)	(95)
Total costs of sales, selling costs and administrative expenses, of which:	**16 325**	**13 319**
Cost of sales	15 519	12 634
Selling costs	99	89
Administrative expenses	707	596

amounts in PLN millions, unless otherwise stated

Note 3.3 Other operating income and (costs)

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Gains on derivatives, of which:	281	73
measurement	223	33
realisation	58	40
Interest on loans granted and other financial receivables	140	202
Reversal of impairment losses on financial instruments measured at amortised cost, including:	88	73
loans	86	72
Release of provisions	34	27
Fair value gains on financial assets measured at fair value through profit or loss, including:	1 561	24
loans	1 554	-
Exchange differences on financial assets and liabilities other than borrowings	238	-
Dividends income	59	10
Fees and charges on re-invoicing of costs of bank guarantees securing payments of liabilities	9	8
Compensation, fines and penalties received	8	5
Other	49	35
Total other operating income	**2 467**	**457**
Losses on derivatives, of which:	(188)	(176)
measurement	(35)	(69)
realisation	(153)	(107)
Fair value losses on financial assets measured at fair value through profit or loss, including:	(83)	(381)
loans	-	(339)
Provisions recognised	(18)	(9)
Donations granted	(15)	(26)
Impairment losses on fixed assets under construction and intangible assets not yet available for use	(4)	(21)
Losses on disposal of property, plant and equipment (including costs associated with disposal)	(8)	(7)
Exchange differences on financial assets and liabilities other than borrowings	-	(801)
Impairment losses on shares in subsidiaries	-	(68)
Losses on modification of financial assets	-	(15)
Other	(19)	(29)
Total other operating costs	**(335)**	**(1 533)**
Other operating income and (costs)	**2 132**	**(1 076)**

amounts in PLN millions, unless otherwise stated

Note 3.4 Finance income and (costs)

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Exchange differences on measurement and realisation of borrowings	-	304
Gains on derivatives - realisation	-	59
Total finance income	**-**	**363**
Exchange differences on measurement and realisation of borrowings	(83)	-
Unwinding of the discount effect, including on:	(40)	(40)
provisions for decommissioning of mines and other technological facilities	(36)	(36)
Interest on borrowings	(7)	(26)
Fees and charges on external financing	(10)	(12)
Interest on trade payables within the reverse factoring mechanism	(15)	(55)
Losses on derivatives – realisation	-	(61)
Total finance costs	**(155)**	**(194)**
Finance income and (costs)	**(155)**	**169**

amounts in PLN millions, unless otherwise stated

Part 4 – Other explanatory notes

Note 4.1 Information on property, plant and equipment and intangible assets

Purchase of property, plant and equipment and intangible assets	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Purchase of property, plant and equipment, including:	1 506	1 461
leases	4	54
Purchase of intangible assets	86	32

	As at 30 June 2026	As at 31 December 2025
Payables due to the purchase of property, plant and equipment and intangible assets	939	1 327

Capital commitments related to property, plant and equipment and intangible assets, not recognised in the statement of financial position	As at 30 June 2026	As at 31 December 2025
Purchase of property, plant and equipment	6 159	4 882
Purchase of intangible assets	91	27
Total	**6 250**	**4 909**

amounts in PLN millions, unless otherwise stated

Note 4.2 Financial instruments

	Financial assets:	As at 30 June 2026					As at 31 December 2025				
		At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging instruments	Total	At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging instruments	Total
	Non-current	1 788	3 974	5 874	1 136	**12 772**	1 703	3 226	5 673	167	**10 769**
Note 4.3	Loans granted	-	3 972	5 232	-	**9 204**	-	3 225	5 065	-	**8 290**
	Derivatives	-	2	-	1 136	**1 138**	-	1	-	167	**168**
	Other financial instruments measured at fair value	1 788	-	-	-	**1 788**	1 703	-	-	-	**1 703**
	Other financial instruments measured at amortised cost	-	-	642	-	**642**	-	-	608	-	**608**
	Current	-	1 074	1 731	351	**3 156**	-	1 008	1 261	123	**2 392**
	Trade receivables	-	984	212	-	**1 196**	-	980	259	-	**1 239**
	Derivatives	-	75	-	351	**426**	-	5	-	123	**128**
	Cash and cash equivalents	-	-	894	-	**894**	-	-	216	-	**216**
	Cash pooling receivables*	-	-	316	-	**316**	-	-	523	-	**523**
	Other financial assets	-	15	309	-	**324**	-	23	263	-	**286**
	Total	**1 788**	**5 048**	**7 605**	**1 487**	**15 928**	**1 703**	**4 234**	**6 934**	**290**	**13 161**

** Receivables from subsidiaries of the KGHM Polska Miedź S.A. Group which indebted themselves under the cash pooling system.*

amounts in PLN millions, unless otherwise stated

	Financial liabilities:	As at 30 June 2026				As at 31 December 2025			
		At fair value through profit or loss	At amortised cost	Hedging instruments	Total	At fair value through profit or loss	At amortised cost	Hedging instruments	Total
	Non-current	121	4 091	1 104	**5 316**	21	4 975	1 605	**6 601**
Note 4.4	Borrowings, lease and debt securities	-	3 896	-	**3 896**	-	4 774	-	**4 774**
	Derivatives	121	-	1 104	**1 225**	21	-	1 605	**1 626**
	Other financial liabilities		195		**195**	-	201	-	**201**
	Current	142	4 607	1 087	**5 836**	215	5 826	1 283	**7 324**
Note 4.4	Borrowings, lease and debt securities	-	1 223	-	**1 223**	-	737	-	**737**
Note 4.4	Cash pooling liabilities*	-	430	-	**430**	-	611	-	**611**
	Other liabilities due to settlement under cash pooling contracts **	-	26	-	**26**	-	25	-	**25**
	Derivatives	12	-	1 087	**1 099**	157	-	1 283	**1 440**
	Trade payables	-	2 487		**2 487**	-	2 966	-	**2 966**
	Trade payables within the reverse factoring mechanism	-	-	-	**-**	-	1 297	-	**1 297**
	Other financial liabilities	130	441	-	**571**	58	190	-	**248**
	Total	**263**	**8 698**	**2 191**	**11 152**	**236**	**10 801**	**2 888**	**13 925**

** Liabilities of KGHM Polska Miedź S.A. towards Group companies within the credit limit of the group of accounts participating in the cash pooling system.*
*** Other current liabilities of KGHM Polska Miedź S.A. towards participants in the cash pooling system in the form of cash transferred by them which was not used by KGHM Polska Miedź S.A. for its own needs, to be returned after the end of the reporting period.*

amounts in PLN millions, unless otherwise stated

The fair value hierarchy of financial instruments measured at fair value in the statement of financial position

	As at 30 June 2026				As at 31 December 2025			
Classes of financial instruments	level 1	level 2	level 3	carrying amount	level 1	level 2	level 3	carrying amount
Loans granted	-	-	3 972	3 972	-	-	3 225	3 225
Listed shares	1 659	-	-	1 659	1 574	-	-	1 574
Unquoted shares	-	129	-	129	-	129	-	129
Trade receivables	-	984	-	984	-	980	-	980
Other financial assets	-	15	-	15	-	23	-	23
Assets due to derivatives	-	1 564	-	1 564	-	296	-	296
Liabilities due to derivatives	-	(2 324)	-	(2 324)	-	(3 066)	-	(3 066)
Other financial liabilities	-	(130)	-	(130)	-	(58)	-	(58)

The fair value hierarchy of financial instruments measured at amortised cost in the statement of financial position

	As at 30 June 2026				As at 31 December 2025			
	fair value			carrying amount	fair value			carrying amount
Classes of financial instruments	level 1	level 2	level 3		level 1	level 2	level 3	
Loans granted	-	920	4 286	5 335	-	893	3 984	5 150
Long-term bank and other loans received	-	(842)	-	(842)	-	(1 672)	-	(1 672)
Long-term debt securities	(2 644)	-	-	(2 600)	(2 620)	-	-	(2 600)

Methods and measurement techniques used by the Company in determining fair values of each class of financial assets or financial liabilities.

Level 1

Listed shares
Shares are measured based on quotations from the Warsaw Stock Exchange and the TSX Venture Exchange in Toronto.

Long-term debt securities
Long-term debt securities (bonds issued by the Company) are measured based on quotations from the Catalyst Market of the Warsaw Stock Exchange.

Level 2

Long-term loans granted
The fair value of loans measured at amortised cost was estimated on the basis of contractual cash flows (per the contract) using the model of discounted cash flows, including the borrower's credit risk. IBOR current market interest rate was used in the discounting process.

Unquoted shares
Unquoted shares are measured using the adjusted net assets. Observable input data other than the ones from the active market were used in the measurement (e.g. transaction prices of real estate similar to the one subjected to measurement, market interest rates of State Treasury bonds and term deposits in financial institutions, and the risk-free discount rate published by the European Insurance and Occupational Pensions Authority).

Trade receivables
Receivables arising from the realisation of sales under contracts which are finally settled using future prices were measured using forward prices, depending on the period/month of contractual quoting. Forward prices are from the LSEG Workspace platform.
For trade receivables transferred to non-recourse factoring, a fair value is assumed at the level of the amount of the trade receivables transferred to the factor (nominal value from the invoice) less interest, which are the factor's compensation. Due to the short term between the transfer of receivables to the factor and their payment, fair value is not adjusted by the credit risk of the factor and impact of time lapse.

Other financial assets/liabilities
The fair value of receivables/payables due to the settlement of derivatives, whose date of payment falls two working days after the end of the reporting period, was set per the reference price applied in the settlement of these transactions.

Currency derivatives
To determine the fair value of derivatives on the currency market, the forward prices from the maturity dates of individual transactions were used. The forward price for currency exchange rates was calculated on the basis of fixing and appropriate interest rates. Interest rates for currencies and the volatility ratios for exchange rates were taken from the LSEG Workspace platform. The standard Garman-Kohlhagen model is used to measure options on currency markets.

Metals derivatives
To determine the fair value of derivatives on the commodity market, forward prices from the maturity dates of individual transactions were used. In the case of copper, official closing prices from the London Metal Exchange were applied, and with respect to silver and gold - the settlement prices of futures contracts from the COMEX exchange. Volatility ratios and forward prices for measurement of derivatives at the end of the reporting period were obtained from the LSEG Workspace platform. Levy approximation to the Black-Scholes model was used for Asian options pricing on metals markets.

Energy resources derivatives
To determine the fair value of derivatives transactions on the natural gas market, forward prices from the maturity dates of individual transactions were used. Official prices of Endex ICE TTF futures, and volatility ratios at the balance-sheet date were obtained from the LSEG Workspace platform. Levy approximation to the Black-Scholes model was used for Asian options pricing on natural gas market.

Received long-term bank and other loans
The fair value of bank and other loans is estimated by discounting the cash flows associated with these liabilities in timeframes and under conditions arising from agreements, and by applying current rates.

Level 3

Long-term loans granted
The fair value of loans was estimated using the forecasted cash flows of international assets (Sierra Gorda S.C.M.), which pursuant to IFRS 13 are unobservable input data, and the fair value of assets determined using such data is classified to level 3 of the fair value hierarchy.

amounts in PLN millions, unless otherwise stated

The Company does not disclose the fair value of financial instruments measured at amortised cost (except for long-term loans granted, long-term bank and other loans received and long-term debt securities) in the statement of financial position, because it makes use of the exemption arising from IFRS 7.29.
There was no transfer in the Company of financial instruments between levels of the fair value hierarchy in the reporting period.

Note 4.3 Receivables due to loans granted

	as at 30 June 2026	as at 31 December 2025
Loans measured at amortised cost – gross amount	5 338	5 157
Allowance for impairment	(3)	(7)
Loans measured at amortised cost – carrying amount	5 335	5 150
Loans measured at fair value – carrying amount	3 972	3 225
Total, of which:	**9 307**	**8 375**
Long-term loans	9 204	8 290
Short-term loans	103	85

The following table presents changes in the carrying amount of loans granted measured at fair value.

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
At the beginning of the reporting period	**3 225**	**3 668**
Repayment	(807)	(623)
Fair value gains	1 554	214
Fair value losses	-	(34)
At the end of the reporting period	**3 972**	**3 225**

The following tables present the change in the gross amount of loans granted measured at amortised cost.

	Total	Degree 1 Medium rating	Degree 3 Below-medium rating	POCI Medium rating
Gross amount as at 1 January 2026	**5 157**	**3 676**	**-**	**1 481**
Withholding tax on interest on KGHMI's loans	(1)	(1)	-	-
Repayment	(253)	(51)	-	(202)
Exchange differences	237	168	-	69
Interest accrued using the effective interest rate	116	67	-	49
Gain due to reversal of initially recognised allowance for impairment*	82	-	-	82
Gross amount as at 30 June 2026	**5 338**	**3 859**	**-**	**1 479**

**interest accrued on the part of the loan granted that was not recognised as a POCI asset at the time of initial recognition of the loan, and in the periods following initial recognition was recognised as an asset as a result of a reversal of the allowances for impairment initially recognised.*

	Total	Degree 1 Medium rating	Degree 3 Below-medium rating	POCI Below-medium rating
Gross amount as at 1 January 2025	**6 469**	**4 441**	**202**	**1 826**
Withholding tax on interest on KGHMI's loans	(5)	(5)	-	-
Repayment	(1 024)	(546)	(209)	(269)
Exchange differences	(667)	(475)	-	(192)
Interest accrued using the effective interest rate	367	261	7	99
Gain due to reversal of initially recognised allowance for impairment*	17	-	-	17
Gross amount as at 31 December 2025	**5 157**	**3 676**	**-**	**1 481**

**interest accrued on the part of the loan granted that was not recognised as a POCI asset at the time of initial recognition of the loan, and in the periods following initial recognition was recognised as an asset as a result of a reversal of the allowances for impairment initially recognised.*

amounts in PLN millions, unless otherwise stated

The following tables present the change in the amount of loss allowance for expected credit losses on loans measured at amortised cost.

	Total	Degree 1	Degree 3	POCI
Loss allowance for expected credit losses as at 1 January 2026	**7**	**4**	**-**	**3**
Changes in risk parameters	(4)	(1)	-	(3)
Loss allowance for expected credit losses as at 30 June 2026	**3**	**3**	**-**	**-**

	Total	Degree 1	Degree 3	POCI
Loss allowance for expected credit losses as at 1 January 2025	**164**	**27**	**61**	**76**
Changes in risk parameters	(145)	(20)	(61)	(64)
Exchange differences	(12)	(3)	-	(9)
Loss allowance for expected credit losses as at 31 December 2025	**7**	**4**	**-**	**3**

The Company classifies loans granted to one of the three following categories:

1. Measured at amortised cost, which were determined to be credit-impaired at the moment of initial recognition (POCI),
2. Measured at amortised cost, which were not determined to be credit-impaired at the moment of initial recognition,
3. Measured at fair value through profit or loss.

Loans that at the last stage of cash flows between companies in the Future 1 Sp. z o.o. holding structure of KGHM INTERNATIONAL LTD. were transferred as a loan to the joint venture Sierra Gorda S.C.M., advanced by the KGHM INTERNATIONAL LTD. Group, were classified as POCI loans (identified allowance for impairment due to a high credit risk at the moment of granting). These loans, pursuant to the terms of the annexes from December 2024, are paid on demand, but not later than on 31 December 2032.

The Company presents, in the category of loans classified as measured at fair value through profit or loss, loans that at the last stage of cash flows between companies in the Future 1 Sp. z o.o. holding structure of KGHM INTERNATIONAL LTD. were transferred mainly as increases in share capital of Sierra Gorda S.C.M.

In order to calculate expected credit losses (ECL), the Company uses, among others, the following parameters:

- the borrower's rating - granted using internal methodology of the Company based on Moody's methodology. The Company granted loans mainly to subsidiaries, of which over 99% of borrowers were assigned ratings between Baa2 – Ba2 (in the comparable period, Baa2-Ba1),
- the curve of accumulated parameters of PD (parameter of probability of default, used to calculate the expected credit losses) for a given borrower, which is set on the basis of market sector quotations of Credit Default Swap contracts from the Reuters system, which quantify market expectations as to the potential probability of default in a given sector and in a given rating. As at 30 June 2026, PD parameters for the adopted ratings were as follows:

Baa2 to Ba2 ratings according to Moody's (30 June 2026)

Up to one year	0.5%
1-3 years	2.69%
More than 3 years (at the date of loans' maturity)	13.62%

Baa2 to Ba1 ratings according to Moody's (31 December 2025)

Up to one year	0.54%
1-3 years	2.91%
More than 3 years (at the date of loans' maturity)	11.87%

- the level of the LGD parameter (loss given default, expressed as a percentage of the amount outstanding) for the purposes of estimating expected credit losses for loans classified as first and second degree, is adopted at the level of 75% (based on estimations from Moody's Annual Default Study: Corporate Default and Recovery Rates, 1920 – 2016).

The fair value of the loans (mainly intended to finance the joint venture Sierra Gorda S.C.M.) classified to level 3 of the fair value hierarchy (including the fair value of loans measured at fair value in the financial statements and the fair value of loans estimated for disclosure purposes and measured at amortised cost in the financial statements) has been estimated on the basis of the cash flows generated by Sierra Gorda S.C.M. and other significant international operating assets, which were then allocated to individual loans at different levels of the existing financing structure. The estimate of cash flows generated by Sierra Gorda S.C.M. and other mines was determined on the basis of current forecasts of pricing paths of commodities and current mining plans.

amounts in PLN millions, unless otherwise stated

The expected repayments of loans were discounted using:

- the effective interest rate method adjusted by the credit risk, determined at the initial recognition of the loan pursuant to IFRS 9.B5.5.45 at the level of 4.27% - 7.27% - for loans measured at amortised cost,
- the market interest rate at the level of 5.77% - 6.86% - for loans measured at fair value.

In the period from 1 January to 30 June 2026 the following was recognised:

- gains on reversal of expected credit losses due to loans classified as POCI in the amount of PLN 3 million (USD 1 million calculated using an average NBP exchange rate on the date of recognition of the reversal of loss) and gains due to unrecognised credit loss in the amount of PLN 82 million (USD 21.7 million calculated using an average NBP exchange rate as at the date of recognition),
- for loans measured at fair value – an estimated total increase in fair value by the amount of PLN 1 554 million (The Company analysed the loans' terms and conditions, and afterwards concluded annexes to the agreements, as a result of which the discount rate was lowered to the level of 5.77%),
- in the case of other loans measured at amortised cost, the Company calculated the allowance for impairment on the basis of the model of expected credit losses, and recognised a gain due to the reversal of allowance for impairment in the amount of PLN 1 million.

Sensitivity analysis of the fair value of loans due to the change in forecasted cash flows of Sierra Gorda

As at 30 June 2026 and in the comparable period, the Company classified the fair value measurement of loans granted to level 3 of the fair value hierarchy because of the utilisation in the measurement of a significant unobservable parameter, that is the forecasted cash flows of Sierra Gorda.

Because of the significant sensitivity of the forecasted cash flows of Sierra Gorda S.C.M. to changes in the copper price, pursuant to IFRS 13 para. 93.f, the Company performed a sensitivity analysis of the fair value (level 3) of loans to changes in copper prices.

As at 30 June 2026, the price paths were adopted on the basis of internal macroeconomic assumptions prepared based on available, long-term forecasts from financial and analytical institutions to estimate cash flows of Sierra Gorda S.C.M. A detailed forecast was prepared for the period 2026-2030, while for the period 2031-2035 a technical adjustment of prices was applied between the last year of the detailed forecast and 2036, for which a long-term metals price forecast was used at the following level:

- for copper– 9 480 USD/t (4.30 USD/lb);
- for gold – 2 600 USD/oz.

As at 31 December 2025, the price paths were adopted on the basis of internal macroeconomic assumptions prepared based on available long-term forecasts from financial and analytical institutions to estimate cash flows of Sierra Gorda S.C.M. A detailed forecast was prepared for the period 2026-2030, while for the period 2031-2035 a technical adjustment of prices was applied between the last year of the detailed forecast and 2036, for which a long-term metals price forecast was used at the following level:

- for copper– 9 250 USD/t (4.20 USD/lb);
- for gold – 2 500 USD/oz.

	30 June 2026		Fair value		31 December 2025		Fair value	
Classes of financial instruments	**Fair value**	**Carrying amount**	Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life	**Fair value**	**Carrying amount**	Base plus 0.1 USD/lb (220 USD/t) during mine life	Base minus 0.1 USD/lb (220 USD/t) during mine life
Loans granted measured at fair value	**3 972**	**3 972**	4 023	3 890	**3 225**	**3 225**	3 333	3 121
Loans granted measured at amortised cost	**4 286**	**4 450**	4 305	4 265	**3 984**	**4 278**	4 025	3 943

amounts in PLN millions, unless otherwise stated

Note 4.4 Net debt

	As at 30 June 2026	As at 31 December 2025
Bank loans	-	754
Loans	842	918
Debt securities - bonds	2 600	2 600
Leases	454	502
Non-current liabilities due to borrowings	**3 896**	**4 774**
Bank loans	826	293
Loans	304	349
Cash pooling liabilities*	430	611
Debt securities	3	4
Leases	90	91
Current liabilities due to borrowings	**1 653**	**1 348**
Total borrowings	**5 549**	**6 122**
[-] Free cash and cash equivalents	889	210
[=] Net debt	**4 660**	**5 912**

** Liabilities of KGHM Polska Miedź S.A. towards Group companies within the credit limit in the group of accounts participating in the cash pooling system.*

Note 4.5 Employee benefits liabilities

	As at 30 June 2026	As at 31 December 2025
Jubilee bonuses	587	538
Retirement and disability benefits	557	517
Coal equivalent	1 719	1 724
Other benefits	32	29
Total liabilities due to future employee benefits programs	**2 895**	**2 808**
Remuneration and social insurance liabilities	595	709
Accruals due to employee benefits	1 084	753
Employee benefits	**1 679**	**1 462**
Total employee benefits liabilities, of which:	**4 574**	**4 270**
non-current liabilities	2 677	2 571
current liabilities	1 897	1 699

Discount rate adopted for the measurement of liabilities due to future employee benefits programs as at 30 June 2026

	2026	2027	2028	2029	2030 and beyond
discount rate	5.25%	5.25%	5.25%	5.25%	5.25%

Discount rate adopted for the measurement of liabilities due to future employee benefits programs as at 31 December 2025

	2026	2027	2028	2029	2030 and beyond
discount rate	5.25%	5.25%	5.25%	5.25%	5.25%

amounts in PLN millions, unless otherwise stated

Note 4.6 Provisions for decommissioning costs of mines and other technological facilities

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 31 December 2025
Provision as at the beginning of the reporting period	**1 385**	**1 301**
Changes in estimates recognised in fixed assets	(16)	61
Utilisation	-	(2)
Other	8	25
Provision as at the end of the reporting period, of which:	**1 377**	**1 385**
Non-current provision, of which:	1 372	1 380
Mine Closure Fund and Tailings Storage Facility Restoration Fund	621	599
Current provision	5	5

Note 4.7 Other liabilities

	As at 30 June 2026	As at 31 December 2025
Trade payables	188	193
Other	76	81
Other non-current liabilities	**264**	**274**
Accruals, including:	637	445
provision for purchase of property rights related to electricity	16	11
due to acquired and freely-granted allowances to emit CO_2	573	372
Liabilities due to the settlement of the Tax Group	25	113
Deferred income	55	18
Other liabilities due to settlements under cash pooling contracts	26	25
Liabilities due to the dividend payout	300	-
Other	282	198
Other current liabilities	**1 325**	**799**

Note 4.8 Related party transactions

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Operating income from related parties	**494**	**520**
From subsidiaries	491	517
From other related parties	3	3

amounts in PLN millions, unless otherwise stated

In the period from 1 January 2026 to 30 June 2026, the Company received dividends from subsidiaries in the amount of PLN 23 million (from 1 January to 30 June 2025; PLN 10 million).

	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Purchase of merchandise and materials and other purchases from subsidiaries	6 907	5 216

	As at 30 June 2026	As at 31 December 2025
Trade and other receivables from related parties	**10 002**	**9 191**
From subsidiaries, including:	9 993	9 180
loans granted	9 307	8 375
From other related parties	9	11

	As at 30 June 2026	As at 31 December 2025
Payables towards related parties	**1 780**	**1 973**
Towards subsidiaries	1 771	1 962
Towards other related parties	9	11

Remuneration of the key managers of KGHM Polska Miedź S.A., i.e. members of the Management Board and members of the Supervisory Board of KGHM Polska Miedź S.A., is presented in part 4, note 4.9 of the consolidated financial statements.

The State Treasury is an entity controlling KGHM Polska Miedź S.A. at the highest level. The Company makes use of the exemption to disclose a detailed scope of information on transactions with the Polish Government and entities controlled or jointly controlled by the Polish Government, or over which the Polish Government has significant influence (IAS 24.25).

Pursuant to the scope indicated in IAS 24.26, the Company announces that as at 30 June 2026 and in the period from 1 January to 30 June 2026 it carried out the following transactions with the Polish Government and entities controlled or jointly controlled by the Polish Government, unusual due to their nature or amount:

- due to an agreement on setting mining usufruct for the extraction of mineral resources and for exploration for and evaluation of mineral resources – balance of payables as at 30 June 2026 in the amount of PLN 219 million (as at 31 December 2025: PLN 242 million); including fees on setting mining usufruct for the extraction of mineral resources recognised in costs in the amount of PLN 18 million (for 2025: PLN 35 million),
- due to a reverse factoring agreement – as at 30 June 2026, the Company had no payables, and interest costs from 1 January to 30 June 2026 amounted to PLN 5 million (as at 31 December 2025 a payable of PLN 438 million and interest costs from 1 January to 30 June 2025 in the amount of PLN 44 million),
- banks related to the State Treasury executed the following transactions and economic operations on the Company's behalf: spot currency exchange, depositing cash, cash pooling, granting bank loans, guarantees and letters of credit (including documentary letters of credit), processing of a documentary collection, running bank accounts, servicing of business credit cards, servicing of special purpose funds, acting as an agent and market maker in a bond issuance, and entering into transactions on the forward interest rate and forward currency markets.

State Treasury companies may purchase bonds issued by KGHM Polska Miedź S.A.

Other transactions between the Company and the Polish Government and with entities controlled or jointly controlled by the Polish Government, or over which the Polish Government has significant influence, were within the scope of normal, daily economic operations. These transactions concerned the following:

- the purchase of materials, merchandise and services to meet the needs of current operating activities. In the period from 1 January to 30 June 2026, the turnover from these transactions amounted to PLN 1 207 million (from 1 January to 30 June 2025: PLN 1 241 million), and, as at 30 June 2026, the unsettled balance of liabilities from these transactions amounted to PLN 444 million (as at 31 December 2025: PLN 132 million),
- sales to Polish State Treasury Companies. In the period from 1 January to 30 June 2026, the turnover from these sales amounted to PLN 94 million (from 1 January to 30 June 2025: PLN 50 million), and, as at 30 June 2026, the unsettled balance of receivables from these transactions amounted to PLN 121 million (as at 31 December 2025: PLN 152 million).

amounts in PLN millions, unless otherwise stated

Note 4.9 Assets and liabilities not recognised in the statement of financial position

The value of contingent assets and liabilities and other liabilities not recognised in the statement of financial position were determined based on estimates.

	As at 30 June 2026	As at 31 December 2025
Contingent assets	**944**	**491**
Guarantees received	137	141
Capital expenditures incurred in 2026, deductible from the minerals extraction tax after 2028*	487	-
Promissory notes receivables	318	348
Other	2	2
Contingent liabilities	**830**	**847**
Guarantees	683	693
Financial support granted to municipalities in the form of a donation	110	120
Other	37	34

** The amendment to the Act of 2 March 2012 on the minerals extraction tax introduced the possibility of reducing the minerals extraction tax by 40% of eligible capital expenditures incurred from 1 January 2026. The first reduction of the minerals extraction tax by these expenditures may take place in the tax settlement for January 2029, and the amount of the deduction may not exceed 30% of the tax calculated in accordance with the requirements of the Act on the minerals extraction tax for the monthly settlement period. Eligible capital expenditures not settled under the entitled deduction incurred after 31 December 2025 but before the settlement period may be settled in subsequent monthly settlement periods, but within 15 years from the end of the calendar year in which these expenditures were incurred.*

amounts in PLN millions, unless otherwise stated

Note 4.10 Changes in working capital

	Inventories	Trade receivables	Trade payables	Other payables*	Working capital
As at 1 January 2026	(8 312)	(1 239)	2 966	1 297	**(5 288)**
As at 30 June 2026	(10 746)	(1 196)	2 487	-	**(9 455)**
Impact of changes in the statement of financial position	**(2 434)**	**43**	**(479)**	**(1 297)**	**(4 167)**
Depreciation/amortisation recognised in inventories	71	-	-	-	**71**
Change in payables due to the purchase of property, plant and equipment and intangible assets	-	-	307	9	**316**
Change in liabilities due to interest	-	-	-	4	**4**
Total adjustments	**71**	**-**	**307**	**13**	**391**
Change in the statement of cash flows from operating activities	**(2 363)**	**43**	**(172)**	**(1 284)**	**(3 776)**

** Trade payables within the reverse factoring mechanism*

	Inventories	Trade receivables	Trade payables	Other payables*	Working capital
As at 1 January 2025	(7 037)	(885)	2 825	2 000	**(3 097)**
As at 30 June 2025	(7 617)	(786)	2 432	2 046	**(3 925)**
Impact of changes in the statement of financial position	**(580)**	**99**	**(393)**	**46**	**(828)**
Depreciation/amortisation recognised in inventories	60	-	-	-	**60**
Change in payables due to the purchase of property, plant and equipment and intangible assets	-	-	432	36	**468**
Change in liabilities due to interest	-	-	-	1	**1**
Total adjustments	**60**	**-**	**432**	**37**	**529**
Change in the statement of cash flows from operating activities	**(520)**	**99**	**39**	**83**	**(299)**

** Trade payables within the reverse factoring mechanism*

Part 5 – Quarterly financial information of KGHM Polska Miedź S.A.

SEPARATE STATEMENT OF PROFIT OR LOSS

		from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
	Revenues from contracts with customers	11 434	7 323	21 927	14 860
Note 5.1	Cost of sales	(9 104)	(6 206)	(15 519)	(12 634)
	Gross profit	**2 330**	**1 117**	**6 408**	**2 226**
Note 5.1	Selling costs and administrative expenses	(486)	(384)	(806)	(685)
	Profit on sales	**1 844**	**733**	**5 602**	**1 541**
Note 5.2	Other operating income, including:	1 763	216	2 467	457
	interest income calculated using the effective interest rate method	54	102	138	201
	fair value gains on financial assets measured at fair value through profit or loss	1 399	(19)	1 561	24
Note 5.2	Other operating costs, including:	(111)	(797)	(335)	(1 533)
	fair value losses on financial assets measured at fair value through profit or loss	(19)	(248)	(83)	(381)
Note 5.3	Finance income	-	211	-	363
Note 5.3	Finance costs	(36)	(122)	(155)	(194)
	Profit before income tax	**3 460**	**241**	**7 579**	**634**
	Income tax expense	(935)	(255)	(2 086)	(521)
	PROFIT FOR THE PERIOD	**2 525**	**(14)**	**5 493**	**113**
	Weighted average number of ordinary shares (million)	**200**	**200**	**200**	**200**
	Basic and diluted earnings per share (in PLN)	**12.63**	**(0.07)**	**27.47**	**0.57**

**Data not subject to review and audit*

amounts in PLN millions, unless otherwise stated

Explanatory notes to the condensed separate statement of profit or loss

Note 5.1 Expenses by nature

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Depreciation of property, plant and equipment and amortisation of intangible assets	478	445	956	890
Employee benefits expenses	2 032	1 498	3 561	2 944
Materials and energy, including:	4 469	2 931	8 482	6 122
purchased metal-bearing materials	3 364	1 902	6 253	3 952
electrical and other energy	492	432	1 023	920
External services, including:	707	685	1 361	1 350
transport	95	89	185	179
repairs, maintenance and servicing	251	239	467	449
mine preparatory work	159	179	322	365
Minerals extraction tax	2 158	1 022	4 061	2 082
Other taxes and charges	171	172	362	366
Other costs	45	37	65	56
Total expenses by nature	**10 060**	**6 790**	**18 848**	**13 810**
Cost of merchandise and materials sold (+)	61	76	130	170
Change in inventories of finished goods and work in progress (+/-)	(482)	(232)	(2 560)	(566)
Costs of manufacturing products for internal use (-)	(49)	(44)	(93)	(95)
Total costs of sales, selling costs and administrative expenses, of which:	**9 590**	**6 590**	**16 325**	**13 319**
Cost of sales	9 104	6 206	15 519	12 634
Selling costs	54	44	99	89
Administrative expenses	432	340	707	596

**Data not subject to review and audit*

amounts in PLN millions, unless otherwise stated

Note 5.2 Other operating income and (costs)

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Gains on derivatives, of which:	77	27	281	73
measurement	24	(9)	223	33
realisation	53	36	58	40
Interest on loans granted and other financial receivables	55	103	140	202
Reversal of impairment losses on financial instruments measured at amortised cost, including:	85	67	88	73
loans	84	67	86	72
Release of provisions	-	19	34	27
Fair value gains on financial assets measured at fair value through profit or loss, including:	1 399	(19)	1 561	24
loans	1 392	-	1 554	-
Exchange differences on financial assets and liabilities other than borrowings	66	-	238	-
Dividends income	59	10	59	10
Fees and charges on re-invoicing of costs of bank guarantees securing payments of liabilities	3	2	9	8
Compensations, fines and penalties received	3	3	8	5
Other	16	4	49	35
Total other operating income	**1 763**	**216**	**2 467**	**457**
Losses on derivatives, of which:	(52)	(27)	(188)	(176)
measurement	64	57	(35)	(69)
realisation	(116)	(84)	(153)	(107)
Fair value losses on financial assets measured at fair value through profit or loss, of which:	(19)	(248)	(83)	(381)
loans	-	(229)	-	(339)
Provisions recognised	(14)	(3)	(18)	(9)
Donations granted	(14)	(11)	(15)	(26)
Loss on disposal of property, plant and equipment (including costs associated with disposal)	(3)	(6)	(8)	(7)
Impairment losses on fixed assets under construction and intangible assets not yet available for use	-	(21)	(4)	(21)
Exchange differences on financial assets and liabilities other than borrowings	-	(415)	-	(801)
Impairment losses on shares in subsidiaries	-	(68)	-	(68)
Losses on modification of financial assets	-	17	-	(15)
Other	(9)	(15)	(19)	(29)
Total other operating costs	**(111)**	**(797)**	**(335)**	**(1 533)**
Other operating income and (costs)	**1 652**	**(581)**	**2 132**	**(1 076)**

**Data not subject to review and audit*

amounts in PLN millions, unless otherwise stated

Note 5.3 Finance income and (costs)

	from 1 April 2026 to 30 June 2026*	from 1 April 2025 to 30 June 2025*	from 1 January 2026 to 30 June 2026	from 1 January 2025 to 30 June 2025
Exchange differences on measurement and realisation of borrowings	-	152	-	304
Gains on derivatives – realisation	-	59	-	59
Total finance income	**-**	**211**	**-**	**363**
Exchange differences on measurement and realisation of borrowings	(4)	-	(83)	-
Unwinding of the discount effect, including on:	(21)	(19)	(40)	(40)
provisions for decommissioning of mines and other technological facilities	(18)	(17)	(36)	(36)
Interest on borrowings	(3)	(3)	(7)	(26)
Fees and charges on external financing	(5)	(6)	(10)	(12)
Interest on trade payables within the reverse factoring mechanism	(3)	(33)	(15)	(55)
Losses on derivatives - realisation	-	(61)	-	(61)
Total finance costs	**(36)**	**(122)**	**(155)**	**(194)**
Finance income and (costs)	**(36)**	**89**	**(155)**	**169**

**Data not subject to review and audit*

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD

These financial statements were authorised for issue on 18 August 2026.

President
of the Management Board

Remigiusz Paszkiewicz

Vice President
of the Management Board

Zbigniew Bryja

Vice President
of the Management Board

Piotr Krzyżewski

Vice President
of the Management Board

Mirosław Laskowski

Vice President
of the Management Board

Anna Sobieraj - Kozakiewicz

SIGNATURE OF PERSON RESPONSIBLE FOR ACCOUNTING

Executive Director
of Accounting Services Centre
Chief Accountant

Agnieszka Sinior