



## Raspadskaya Announces Preliminary Operational Results for Q4 and FY 2020

**22 January 2021** – PAO Raspadskaya (MICEX: RASP; “Raspadskaya” or the “Company”) announces its preliminary operational results for Q4 and FY 2020.

		Q4 2020	Q3 2020	Q4 2020/ Q3 2020, change	Q4 2019	Q4 2020/ Q4 2019 change	FY 2020	FY 2019	FY 2020/ FY 2019 change
<b>Total raw coal production</b>	kt	2,764	1,434	93%	2,712	2%	9,263	12,824	-28%
<b>Sales</b>									
Concentrate – Russia	kt	726	752	-3%	619	17%	2,742	2,353	17%
Concentrate – export	kt	1,170	1,350	-13%	786	49%	5,413	5,318	2%
<b>Total sales of concentrate</b>	kt	<b>1,896</b>	<b>2,102</b>	<b>-10%</b>	<b>1,406</b>	<b>35%</b>	<b>8,155</b>	<b>7,672</b>	<b>6%</b>
<b>Total sales of raw coal<sup>1</sup></b>	kt	<b>240</b>	<b>164</b>	<b>47%</b>	<b>221</b>	<b>9%</b>	<b>917</b>	<b>2,011</b>	<b>-54%</b>
<b>Weighted average price of concentrate<sup>2</sup></b>	RUB/t	<b>3,828</b>	<b>3,556</b>	<b>8%</b>	<b>4,865</b>	<b>-21%</b>	<b>3,820</b>	<b>5,830</b>	<b>-34%</b>
<b>Exchange rate</b>	RUB/US\$	<b>76.22</b>	<b>73.56</b>		<b>63.72</b>		<b>72.14</b>	<b>64.73</b>	

<sup>1</sup> Hard coking coal

<sup>2</sup> FCA Mezhdurechensk, the prices for Q4 and FY 2020 are preliminary and may differ immaterially from the final ones

### Q4 2020 highlights

In Q4 2020, total raw coal production at the Company’s enterprises surged by 93% QoQ to 2.8 million tonnes. While output grew at all assets, the largest contribution came from the Raspadskaya mine’s increase of 0.9 million tonnes after its longwalls overcame previously identified mining faults. The mine met its Q4 2020 production target and partly closed the gap that formed in Q3 2020.

In late Q3 2020, Razrez Raspadsky resumed production amid improving market trends and diminishing stockpiles, as well as to compensate for the production challenges at the Raspadskaya mine.

Coal concentrate sales went down in the reporting period, primarily due to a decrease in coal available for processing as production declined at the Raspadskaya mine in Q3 2020.

Total sales of raw coal rose as a result of greater output of K-grade coal at the Raspadskaya-Koksovaya mine, most of which is shipped to customers in raw form.

In Q4 2020, price trends varied depending on the sales region with growth seen for exports and moderate reductions domestically, primarily because prices are based on historical periods. With the exception of spot shipments, there is usually a lag of roughly one month for export prices, compared with three months for domestic prices. Quotations were minimal in Q3 2020, which led to the reduction in sales prices on the domestic market during the reporting period.

### FY 2020 highlights

In FY 2020, the Company’s total raw coal production decreased by 28% YoY to 9.2 million tonnes. The primary driver of this reduction was the mining halt at Razrez Raspadsky from May to

September due to unfavourable market conditions, as well as lower production at the Rospadskaya mine in Q3 2020 amid challenging mining conditions.

During the reporting period, the open pit site at the Rospadskaya-Koksovaya mine increased its annual raw coal production by 156 thousand tonnes YoY to 1.67 million tonnes by using some of the idled equipment from Razrez Rospadsky.

Total sales of concentrate rose by 6% YoY to 8.2 million tonnes, primarily due to the drawdown of stockpiles. The Company also worked continuously to eliminate logistical bottlenecks so that export shipments can be increased.

Raw coal sales climbed by 54% YoY amid a decrease in the use of the Company's coal at Yuzhkuzbassugol's plants.

The share of coal concentrate exports in the sales structure during FY 2020 was 66%, up by 2% YoY to 5.4 million tonnes. The growth in coal concentrate exports was caused by increased sales to the premium markets of Asia-Pacific countries.

The weighted average price of concentrate decreased amid an overall downward trend in global benchmarks in 2020.

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#### **About the Company**

PAO Rospadskaya is an integrated group of coal mining and enrichment facilities located in the Kemerovo region of Russia. It is a subsidiary of EVRAZ, a major vertically integrated metals and mining company.

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