

## Raspadskaya Announces Preliminary Operational Results for Q2 and H1 2020

**Moscow 24 July 2020** – Raspadskaya (MICEX: RASP; “Raspadskaya” or the “Company”) announces its preliminary operational results for Q2 and H1 2020.

		Q2 2020	Q1 2020	Q2 2020 / Q1 2020	Q2 2019	Q2 2020 / Q2 2019	H1 2020	H1 2019	H1 2020 / H1 2019
<b>Total raw coal production</b>	kt	2,112	2,952	-28%	3,231	-35%	5,064	7,146	-29%
<b>Sales</b>									
Concentrate – Russia	kt	709	554	28%	574	24%	1,264	1,069	18%
Concentrate – export	kt	1,461	1,433	2%	1,552	-6%	2,894	3,019	-4%
<b>Total sales of concentrate</b>	kt	<b>2,170</b>	<b>1,987</b>	<b>9%</b>	<b>2,126</b>	<b>2%</b>	<b>4,157</b>	<b>4,088</b>	<b>2%</b>
<b>Total sales of raw coal<sup>1</sup></b>	kt	<b>346</b>	<b>167</b>	<b>107%</b>	<b>655</b>	<b>-47%</b>	<b>513</b>	<b>1,213</b>	<b>-58%</b>
<b>Weighted average price of concentrate<sup>2</sup></b>	RUB/t	<b>4,032</b>	<b>3,858</b>	<b>5%</b>	<b>6,089</b>	<b>-34%</b>	<b>3,949</b>	<b>6,584</b>	<b>-40%</b>
<b>Exchange rate</b>	RUB/US\$	72.36	66.38		64.56		69.37	65.34	

<sup>1</sup> Hard coking coal

<sup>2</sup> FCA Mezhdurechensk; prices for Q2 and H1 2020 are preliminary and may differ immaterially from the final ones

### Highlights of Q2 2020

In Q2 2020, as the COVID-19 pandemic impacted countries worldwide, the situation on EVRAZ’ main sales markets deteriorated. In response, the management halted output of the surplus GZh-grade semi-soft coking coal at Rasrez Raspadsky in May. During the reporting period, the Company mined 2.1 million tonnes of raw coal, down 28% QoQ.

Some of the released equipment at Rasrez Raspadsky was allocated to Raspadskaya-Koksovaya’s open pit to increase production of premium OS-grade hard coking coal. Output of OS-grade coal from Raspadskaya-Koksovaya’s open pits rose by 9% QoQ.

The other coal assets are operating as planned. The drive to increase production efficiency continues, and additional measures are being implemented to optimise operational costs and reduce CAPEX.

In Q2 2020, Raspadskaya boosted overall concentrate sales by 9% QoQ. Domestic volumes (both own consumption and external sales) climbed by 28% and exports by 2%. Raw coal sales soared by 107%, driven by greater demand for premium K and OS-grade coal from customers.

During the reporting period, the weight average price for concentrate gained 5% QoQ, due to the increased domestic shipments of OS-grade concentrate and greater sales to third parties.

### Highlights of H1 2020

In H1 2020, the Company mined 5.1 tonnes of raw coal, down 29% YoY, which was primarily caused by the halt in operations at Razrez Raspadsky.

Overall concentrate sales rose amounted to 4.2 million tonnes, up 2% YoY, driven by the higher domestic volumes. Exports declined by 4%, as Raspadskaya avoided low-margin shipments amid falling prices.

During the reporting period, the weighted average price for concentrate dropped by 31% YoY in Russia and by 47% on the export market, a reflection of the global price trend.

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#### **About**

PAO Raspadskaya is an integrated group of coal mining and enrichment facilities located in the Kemerovo region of Russia. It comprises three underground mines, two open-pit operations, a coal preparation plant, and several coal transportation and production infrastructure enterprises. Raspadskaya is a subsidiary of EVRAZ, a major vertically integrated metals and mining company.

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