PRESS RELEASE

Public Joint Stock Company «Mining and Metallurgical Company «NORILSK NICKEL»
(PJSC «MMC «NORILSK NICKEL», «Nornickel», the «Company», the «Group»)

NORNICKEL REPORTS FULL YEAR 2024 AUDITED CONSOLIDATED IFRS FINANCIAL RESULTS

Moscow, February 10, 2025 — PJSC MMC Norilsk Nickel the world's largest palladium and Class I nickel and a major producer of platinum and copper, reports audited consolidated IFRS financial results for the full year of 2024.

FY2024 HIGHLIGHTS

- Consolidated revenue decreased 13% y-o-y amounting to USD 12.5 billion driven by the decline of nickel and PGM prices;
- EBITDA decreased 25% y-o-y to USD 5.2 billion owing to lower revenue and export duties effective for the full year, while EBITDA margin was down 7 p.p. to 41%;
- Cash operating costs decreased 3% y-o-y to USD 5.1 billion mostly driven by the weakening of Russian rouble, decrease in mineral extraction tax owing to lower metal prices and continuing execution of operating efficiency programme that allowed to mitigate growing inflation in Russia and the expenses related to export duties;
- CAPEX decreased 20% y-o-y to USD 2.4 billion driven by lower rouble exchange rate, as well as the execution of investment efficiency programme including optimization of payments to contractors and prioritization of investment projects using risk-based approach;
- The Sulphur Programme at Nadezhda Plant reached its designed capacity with sulfur dioxide emissions being reduced by 390 thousand tonnes y-o-y and the efficiency of cleaning sulfur-containing gases confirmed by the government watchdog Rosprirodnadzor at 99.1%;
- Net working capital decreased 3% y-o-y to USD 3 billion driven mostly by lower work-in-progress metal inventory and materials as well as weaker Russian rouble;
- Free cash flow was down 31% to USD 1.9 billion. Free cash flow adjusted for interest and lease payments amounted to USD 335 mln;
- Net debt increased 6% y-o-y to USD 8.6 billion with net debt/EBITDA ratio as of December 31, 2024 remained at conservative level of 1.7x;
- In March and October, the Company placed two 100-billion roubles corporate bonds, which became a record on the Russian public debt market.

KEY CORPORATE HIGHLIGHTS

USD million (unless stated otherwise)	**2024**	**2023**	**Change,%**
Revenue	12,535	14,409	(13%)
EBITDA[1]	5,196	6,884	(25%)
EBITDA margin	41%	48%	(7 p.p.)
Net profit	1,815	2,870	(37%)
Capital expenditures	2,438	3,038	(20%)
Net working capital[2]	3,007	3,092	(3%)
Net debt[2]	8,586	8,093	6%
Net debt/12M EBITDA	1.7x	1.2x	0.5x
Dividends paid per share (USD)[3]	9.7	–	100%
Free cash flow[2]	1,858	2,686	(31%)
Free cash flow (adjusted)[4]	335	1,347	(75%)

1) A non-IFRS measure, for the calculation see the notes below
2) A non-IFRS measure, for the calculation see an analytical review document ("Data book") available in conjunction with Consolidated IFRS Financial Results on the Company's web site
3) Paid during the current period before the split of shares
4) Commented further in the text

MANAGEMENT DISCUSSION AND ANALYSIS

The President of Nornickel, Vladimir Potanin, commented on the results,

"Our business as part of Russian economy remains under significant external pressure. Sanctions and restrictions as well as falling prices of our key metals continued to weigh on our revenue, profitability and ability to generate cash flow. Nevertheless, in 2024 we managed to focus on operations and reverse the negative momentum. Our cost management resulted in the decrease of cash operating expenses by 3% despite significant inflationary pressure. We also stopped the growth of net working capital that used to be a major negative trend in the last few years.

Our production is resilient and all targets are met. Following fast capital repair of a smelter at Nadezhda Plant and the execution of production efficiency programme we exceeded our initial production guidance keeping the output stable.

We continued our investments in mining, downstream operations and environment. An important highlight of 2024 was validation of the Sulphur programme at Nadezhda Plant that cut the SO2 emissions in Norilsk by almost 400 thousand tonnes.

Our priorities remain unchanged: fulfillment of all commitments to our personnel and the state, financial stability and conservative approach to debt management".

HEALTH AND SAFETY

In 2024, Nornickel demonstrated significant improvement in health and safety performance. The fatal injury rate reached the historical minimum due to improvement of the health and safety management system and introduction of the wide range of initiatives aiming at prevention of occupational injuries. Regretfully, in the reported period, we recorded 3 fatal accidents (versus 5 in 2023). All accidents have been thoroughly investigated and reported to the Board, action plans to tackle causes of each incident were prepared. The management reiterates its major strategic focus of transforming Norilsk Nickel into a zero-fatality mining company.

METAL MARKETS

NICKEL

Nickel in 2024: nickel market recorded the third consecutive year of oversupply; the price has returned to the levels before a speculative spike in 2022-2023; around 40% of all nickel producers are loss-making at the current price as growing Indonesian supply is weighing on other high-cost operations all over the globe.

The nickel rally in March-May was driven by delays with mining permit renewals in Indonesia, the LME's ban on Russian nickel produced on or after 13 April 2024, the social unrest in New Caledonia, and a broad-based price rally across the LME metals. However, the price lost all the gains and declined to $17,000/t in June amid the announcements by the Indonesian government that additional nickel ore mining quotas have been issued. Despite subsequent closures of several production assets, the bearish sentiment continued to dominate the LME trading, so the price plunged to $15,500/t by the end of July. In early October, LME nickel reached a three-month high of $18,000/t as China's Central Bank unveiled the most aggressive financial stimuli since the pandemic, but slumped to $15,000/t by the end of the year as the fundamentals came back into focus.

As a result, the average annual LME nickel price in 2024 decreased 22% y-o-y to $16,812/t.

In 2024, primary nickel use increased by 4% y-o-y to 3.39 Mt driven by the stainless (+4% y-o-y), battery (+4% y-o-y), special steel (+8% y-o-y) and alloying (+8% y-o-y) sectors. In turn, primary nickel supply rose just by 3% to 3.54 Mt y-o-y as increase in Indonesian NPI (+9% y-o-y) and nickel metal production (+15% y-o-y) was offset by sluggish Chinese NPI (-15% y-o-y) and ferronickel output (-24% y-o-y) as well as lower than expected nickel chemicals production (+1% y-o-y) due to subdued demand from the battery sector.

We estimate that the nickel market was in ~150 kt surplus in 2024, mostly represented by high-grade nickel of China-origin. Nickel exchange stocks increased by 120 kt over the same period, primarily in Asian warehouses, while some portion of this surplus was absorbed by off-warrant inventories.

Nickel outlook: neutral in the near-term, but more positive long-term; we expect the market surplus to remain at around 150 kt in 2025. Closures of several high-cost nickel operations and robust nickel demand are expected to rebalance the market, so that could be a potential upside for the nickel price.

The growing nickel supply (+5% y-o-y to 3.71 Mt) amid the commissioning of new projects in Indonesia and new Class 1 capacity additions in China will be in line with an increase in nickel use (+5% y-o-y to 3.56 Mt) driven by stainless (+4% y-o-y), alloys (+7% y-o-y) and special steel (+8% y-o-y) as well as a mature growth in the EV batteries (+9% y-o-y).

We estimate that 40% of all nickel producers are cash-negative with the current price environment as a result of significant growth of low-cost Indonesian nickel supply. However, as Indonesia accounts for over 60% of global nickel mine production, any issues associated with the mining quota approvals or worsening weather conditions, e.g. monsoons and severe rainfalls, could negatively affect production in the country. All in all, considering the scale of the potential supply curtailments risks in Indonesia and elsewhere, especially in Australia and New Caledonia, as well as the robustness of the nickel use in the stainless steel sector and other melting applications, the market could be intrinsically more balanced than we initially anticipated.

COPPER

Copper in 2024: prices have experienced significant volatility last year. The rally in 1H2024 was backed by the fear of supply shortages, high investment demand and expected monetary policy easing. Closer to the year-end this trend was replaced by a correction caused by economic slowdown in major economies and slower demand in China.

In the first half of 2024, we predominantly witnessed copper price growth from $8,090/t to $10,860/t which was driven by the fears of concentrates shortage as a result of stoppages of Cobre Panama mine as well as, among others, production difficulties at Anglo American's and Vale's assets. Lower raw materials supply and declining treatment and refining charges forced Chinese smelters to review their production plans, intensifying the risks of refined metal deficit. This, together with increased investor activity, led to a record high of $10,860/t at the end of May. However, weaker-than-expected demand growth and mixed economic performance in China, as well as growing exchange stock levels caused the price to fall to $8,600/t in early August. Prices rebounded in late summer and September towards $9,800/t, supported by lower US interest rates, Chinese government stimuli and declining global exchange stocks. However, optimism faded by October as China's government measures were reconsidered by the market as insufficient to boost industrial demand. As a result, prices remained under pressure, ending December at $8,700/t.

In 2024, refined copper demand reached 26.4 Mt, marking a 3% year-on-year increase, driven by grid expansion, renewable energy projects, the green transition, and the shift to electrified transport. However, demand growth fell short of expectations due to slower global economic growth. Despite economic stimulus efforts in China, the country faced significant macroeconomic challenges, as well as an ongoing construction crisis. Nevertheless, its copper demand grew to 15.3 Mt, reflecting a 4% year-on-year rise.

Global refined copper production grew by 3% in 2024, reaching 26.6 Mt, primarily driven by ongoing production growth in China. China's output rose by 5% year-on-year to 12 Mt, while production in the rest of the world increased by 2% year-on-year to an estimated 14.6 Mt.

Due to higher-than-expected metal supply and sluggish demand growth, the refined copper market flipped to a 0.2 Mt surplus in 2024. This overproduction and weak demand is reflected in global exchanges (LME, SHFE, and CME) stocks that surged to a multiyear high of 432 kt by the end of the year.

Copper outlook: cautiously positive in the mid-term with better perspectives in the long-term. Monetary policy easing, a new wave of industrialization in the West sparked by the return of the Trump administration, together with additional economic support measures in China are expected to support demand. On the other hand, weak macroeconomic signals and potential consequences of new trade wars could undermine the growth of metal use. Much will depend on China's ability to reignite demand with new economic stimuli.

The grid expansion, green energy transition, car electrification, and AI datacentres boom are key drivers of copper consumption. Global copper demand is projected to grow by 3% in 2025, reaching 27.1 Mt. In China, copper consumption is expected to increase by 3% to 15.7 Mt in 2025, while Europe's demand will add 2% to 3.2 Mt. In the US, demand is anticipated to rise by 4%, reaching 1.6 Mt.

Mine production is expected to show further growth of 2% in 2025, bringing output to 23.2 Mt, as well as refined copper output is estimated at 27.2 Mt or +2% y-o-y, leading to a slight surplus of 100kt in 2025.

PALLADIUM

Palladium in 2024: palladium market was balanced as contracting automotive demand caused by loadings optimisation and weak automotive production was offset by lower recycling.

Palladium price followed a side-way trend moving predominantly in the $900-$1,100/toz price range. It bottomed out at $858/toz in the summer under the pressure of unprecedentedly high short speculative positions and mass destocking by automakers and autocatalyst producers. Price reaction to the major short covering in October moved the prices to the year's high of $1,232/toz.

PGM basket price found its fundamental support, as half of the South African PGM mines are unprofitable at the current PGM basket price. There were no mine closure announcements in the region in 2024 as almost all PGM mining companies had sufficient financial reserves and could cross-subsidise their projects. However, Sibanye-Stillwater declared production cuts in high-cost Stillwater operations in the US starting from 2025. At the same time, the price growth is limited by the significant amount of accumulated spent catalysts that will be sold by the scrapyards to recyclers once more attractive price levels are reached.

The average annual palladium price decreased 26% y-o-y to $984/toz in 2024.

In 2024, palladium demand (excl. investment) fell by 6% y-o-y to 9.1 Moz, as ICE-equipped light vehicle production shrunk slightly by 3% YoY to 77.5 million units. Even though the slowing BEV market penetration favours hybrids and benefits palladium demand, aggressive thrifting in PGM loadings by automotive catalyst producers in China, Japan and the US, offset this effect. Other industrial demand also fell by 2% as the decrease in dental applications surpassed the increase in chemical and electronic sectors.

Metal production fell by 1% to 9.1 Moz on the back of a 5% recycling decrease caused by lower secondary production in the US and Europe, which more than offset autocatalysts recycling growth in China fuelled by a nationwide trade-in program. Primary production stagnated despite the fact that the Russian production recovered (as a result of the much faster-than-expected smelter rebuilding), and the intensified efforts of South African miners to reduce work-in-progress stocks against the backdrop of falling mine supply.

Palladium outlook: cautiously positive; we expect the palladium market to be balanced in the short term. The lack of demand growth will be offset by lower PGM mine production in North America and South Africa that will be only partly compensated by rebounding recycling. However, demand acceleration may happen in response to interest rate cuts in the Western world, less aggressive electrification agenda under new administration in the US as well as new economy support stimuli in China.

We expect palladium demand to be relatively flat in 2025 at 9.1 Moz. The negative impact of the stagnant ICE-equipped auto market (77 million units, -1% y-o-y) will be offset by the wider introduction of hybrids, the reverse platinum substitution with palladium in automotive catalysts as well as higher metal use in electronics and chemical sector.

Global primary refined palladium output is expected to fall by 3% in 2025 to 6.2 Moz on the back of a cost-driven production cut at Stillwater mine in the US and anticipated PGM output optimization in South Africa. Palladium secondary supply is expected to rise by 9% in 2025 to 2.9 Moz on the back of more active old car scrapping following anticipated monetary policy easing in Europe and North America and new vehicle market revival. The prolongation of a trade-in program in China is also expected to keep the supply of spent autocatalysts elevated in the country.

In addition, we see upside risks for the palladium market amid fading government support for BEVs in the US as well as France, Germany and Canada where the governments paused EVs rebates. BEV production volumes in 2024 decreased by 9% in Europe (in particular, by 27% in Germany) and by 5% in the US. Also, the EU's import tariffs on Chinese BEVs will deprive European customers of cheap EV options, making ICE-equipped models even more price-attractive.

PLATINUM

Platinum in 2024: balanced market amid falling demand and stagnating production causing a side-way trend in platinum price to continue in 2024.

Platinum price keeps following the 3-year sideway trend. Just like palladium, the platinum price was moving predominantly in the $900-$1,100/toz price range throughout the year. Central Banks' buying-driven gold rally dragged along silver (predominantly due to the bright industrial demand perspective) but had no effect on platinum quotes. Shrinking margins of South African PGM mines and the price-elastic substitution with palladium in some applications put a cap on both upside and downside price movements for platinum.

The average annual platinum price decreased by 1% y-o-y to $956/toz in 2024.

In 2024, platinum demand (excl. investment) decreased by 3% y-o-y to 7.5 Moz. Metal use in the automotive industry suffers (-8%) from the diesel market shrinkage (9.8% market share in Europe from 13.6% a year ago) and reverse substitution with palladium as some OEMs have already substituted platinum in favour of palladium completely. At the same time, the demand for platinum jewellery is also contracting, especially in China, because of the long-stagnant price and insufficient marketing support. However, this is partially offset by the 4% y-o-y increase in platinum demand in other industrial applications.

Platinum production is expected to stagnate at 7.4 Moz due to the same reasons mentioned in the palladium section.

Platinum outlook: cautiously positive; total demand is seen relatively flat next year as falling consumption from the automotive sector and jewellery will be offset by the increase of metal use across all the other major industrial applications. Platinum supply is expected to fall, as rising recycling will not be enough to offset cost-driven mine supply cuts. Similar to palladium, the upside opportunity is associated with the reconsideration of transport electrification targets.

In 2025, platinum demand will decrease by 1% to 7.5 Moz. Falling global ICE-powered production and shrinking diesel market share will weigh on the automotive demand. Moreover, global platinum use in jewellery is expected to continue following a downward trend on the back of contracting demand in China and despite potential uplift in the US and Europe due to expected monetary policy easing. However, these negative tendencies will be partially offset by higher demand in other industrial applications, which include electronics, glass, medical, chemical and petrochemical sectors. Mine supply is expected to fall by 4% to 5.7 Moz due to expected cost-driven production cuts in South Africa and North America while recycling is forecasted to increase by 9% to 1.5 Moz due to the similar reasons mentioned in the palladium section. As a result, the platinum market is expected to be in a 0.2 Moz deficit in 2025.

KEY SEGMENTAL HIGHLIGHTS[1]

USD million (unless stated otherwise)	2024	2023	Change,%
Revenue	**12,535**	**14,409**	**(13%)**
GMK Group	9,653	10,488	(8%)
South cluster	715	1,066	(33%)
Kola division	6,684	8,396	(20%)
GRK Bystrinskoye	1,511	1,340	13%
Other non-metallurgical	1,008	1,064	(5%)
Eliminations	(7,036)	(7,945)	(11%)
EBITDA	**5,196**	**6,884**	**(25%)**
GMK Group	3,594	3,641	(1%)
South cluster	251	484	(48%)
Kola division	882	2,254	(61%)
GRK Bystrinskoye	1,108	963	15%
Other non-metallurgical	(18)	(25)	(28%)
Eliminations	58	343	(83%)
Unallocated	(679)	(776)	(13%)
EBITDA margin	**41%**	**48%**	**(7 p.p.)**
GMK Group	37%	35%	2 p.p.
South cluster	35%	45%	(10 p.p.)
Kola division	13%	27%	(14 p.p.)
GRK Bystrinskoye	73%	72%	1 p.p.
Other non-metallurgical	(2%)	(2%)	0 p.p.

1) Segments are defined in the consolidated financial statements

In 2024, revenue of GMK Group segment decreased 8% to USD 9,653 million primarily owing to decrease in matte sales to Kola Division, lower volumes of PGM sales due to high base effect in 2023 and lower metal prices.

Revenue of South cluster segment decreased 33% to USD 715 million driven by lower volume of semi-products sales to GMK Group as well as lower prices of semi-products realized.

Revenue of Kola division segment decreased 20% to USD 6,684 million primarily owing to lower nickel and palladium prices.

Revenue of GRK Bystrinskoye segment increased 13% to USD 1,511 million driven by higher gold and copper prices.

Revenue of Other non-metallurgical segment decreased 5% and amounted to USD 1,008 million.

In 2024, EBITDA of GMK Group segment remained almost unchanged and amounted to USD 3,594 million. Negative effect of lower revenue in 2024 was offset by partial shift from processing of purchased concentrates of South cluster to own feed and decrease in cash operating costs.

EBITDA of South cluster segment decreased 48% to USD 251 million primarily owing to lower revenue that was partially offset by decrease in cash operating costs.

EBITDA of Kola division segment decreased 61% to USD 882 million primarily owing to lower revenue that was partially offset by decrease in cash operating costs.

EBITDA of GRK Bystrinskoye segment increased 15% to USD 1,108 million primarily due to higher revenue.

EBITDA of Other non-metallurgical segment increased by USD 7 million to the negative USD 18 million.

Negative EBITDA impact unallocated to segments decreased by USD 97 million and amounted to –USD 679 million mainly due to decrease in administrative costs driven by the Russian rouble depreciation against US dollar.

METAL SALES

In 2024, revenue from metal sales was down 14% (or –USD 1,854 million) y-o-y to USD 11,848 million driven by:

- lower metal prices (-USD 1,585 million) for palladium and nickel, which were partially offset by higher prices for copper and gold;
- decrease of metal sales volume (-USD 269 million) primarily due to the high base effect of precious metal stock sales in 2023.

OTHER SALES

In 2024, other sales decreased 3% (or -USD 20 million) to USD 687 million primarily due to the Russian rouble depreciation and the decrease in revenue from resale of icebreaking and sea transportation services, which was partially offset by the increase in revenue from oil products and rentals.

COST OF SALES

Cost of metal sales

In 2024, the cost of metal sales decreased 2% (or -USD 112 million) to USD 6,232 million, driven by the following factors:

- decrease in cash operating costs by 3% (or -USD 182 million);
- increase in depreciation and amortization by 2% (or USD 21 million);
- comparative effect related to change in metal inventories y-o-y leading to the cost of metal sales increase by USD 49 million.

Cash operating costs

In 2024, total cash operating costs decreased 3% (or -USD 182 million) to USD 5,129 million mainly due to decrease in mineral extraction tax and other levies (-USD 125 million), decrease in third party services (-USD 88 million), decrease in materials and supplies (-USD 67 million), decrease in labour costs (-USD 54 million) and in transportation expenses (-USD 54 million), that was partly compensated by the introduction of export customs duties from October 1, 2023 (+USD 229 million).

Inflationary growth of cash operating costs amounted to +USD 281 million while Russian rouble depreciation against US Dollar amounted to cash operating costs decrease of -USD 351 million.

USD million	**2024**	**2023**	**Change,%**
Labour	1,838	1,892	(3%)
Materials and supplies	918	985	(7%)
Third party services	806	894	(10%)
Mineral extraction tax and other levies	748	873	(14%)
Export customs duties	350	121	3x
Transportation expenses	162	216	(25%)
Fuel	153	157	(3%)
Electricity and heat energy	108	115	(6%)
Purchases of raw materials and semi-products	26	33	(21%)
Purchases of refined metals for resale	–	5	(100%)
Other costs	20	20	0%
Total cash operating costs	**5,129**	**5,311**	**(3%)**
Depreciation and amortisation	960	939	2%
Decrease/(increase) in metal inventories	143	94	2x
Total	**6,232**	**6,344**	**(2%)**

Labour

In 2024, labour costs decreased 3% (or -USD 54 million) to USD 1,838 million amounting to 36% of the Group's total cash operating costs driven by the following factors:

- -USD 158 million – Russian rouble depreciation against US Dollar;
- +USD 104 million – primarily increase in labour costs due to indexation of salaries and wages.

Materials and supplies

In 2024, expenses for materials and supplies decreased 7% (or -USD 67 million) to USD 918 million driven by the following factors:

- -USD 76 million – Russian rouble depreciation against US Dollar;
- +USD 75 million – inflationary growth of materials and supplies prices;
- -USD 66 million – primarily lower repairs volume driven by improvement of efficiency in planning and execution of repairs as well as high base effect in 2023.

Mineral extraction tax and other levies

In 2024, mineral extraction tax and other levies decreased 14% (or -USD 125 million) to USD 748 million primarily due to lower metal prices partly offset by higher ore production volumes.

Third-party services

In 2024, cost of third-party services decreased 10% (or -USD 88 million) to USD 806 million mainly driven by:

- -USD 85 million – primarily due to cost optimization driven by improvement of efficiency in planning and execution of repairs as well as high base effect in 2023;
- +USD 50 million – inflationary growth of third-party services prices;
- -USD 53 million – Russian rouble depreciation against US Dollar.

Transportation expenses

In 2024, transportation expenses decreased 25% (or -USD 54 million) to USD 162 million driven by the following factors:

- -USD 17 million – Russian rouble depreciation against US Dollar;
- +USD 11 million – inflationary growth of transportation expenses;
- -USD 48 million – primarily due to optimization of logistics routes.

Fuel

In 2024, fuel expenses decreased 3% (or -USD 4 million) to USD 153 million mainly due to Russian rouble depreciation against US Dollar that was partially offset by inflation of fuel price.

Electricity and heat energy

In 2024, electricity and heat energy expenses decreased 6% (or –USD 7 million) to USD 108 million primarily due to Russian rouble depreciation against US Dollar that was partially offset by inflation.

Purchases of raw materials and semi-products

In 2024, purchases of raw materials and semi-products decreased 21% (or –USD 7 million) and amounted to USD 26 million.

Other costs

In 2024, other costs remained almost unchanged and amounted to USD 20 million.

Depreciation and amortisation

In 2024, depreciation and amortisation expenses increased 2% (or +USD 21 million) to USD 960 million mainly due to increase in property, plant and equipment that was partly offset by Russian rouble depreciation against US Dollar.

Decrease in metal inventories

Comparative effect of change in metal inventory amounted to USD 49 million resulted in a corresponding increase in cost of metal sales.

COST OF OTHER SALES

In 2024, cost of other sales decreased by USD 32 million to USD 656 million primarily due to Russian rouble depreciation against the US Dollar and lower revenue from resale of icebreaking and sea transportation services, which was partially offset by the increase in oil products sales and rentals.

SELLING AND DISTRIBUTION EXPENSES

USD million	**2024**	**2023**	**Change,%**
Export customs duties	176	43	4x
Transportation expenses	124	135	(8%)
Staff costs	26	28	(7%)
Depreciation and amortisation	23	23	0%
Marketing expenses	23	29	(21%)
Other	36	38	(5%)
Total	**408**	**296**	**38%**

In 2024, selling and distribution expenses increased 38% (or USD 112 million) to USD 408 million primarily driven by:

- +USD 133 million - export customs duties introduced on October 1, 2023;
- -USD 14 million – Russian rouble depreciation against US Dollar.

GENERAL AND ADMINISTRATIVE EXPENSES

USD million	**2024**	**2023**	**Change,%**
Staff costs	665	705	(6%)
Third party services	183	181	1%
Depreciation and amortisation	91	110	(17%)
Property tax and other miscellaneous taxes	77	75	3%
Other	30	22	36%
Total	**1,046**	**1,093**	**(4%)**

In 2024, general and administrative expenses decreased 4% (or -USD 47 million) to USD 1,046 million. The main factors of the change were:

- -USD 88 million – Russian rouble depreciation against US Dollar;
- +USD 20 million – primarily indexation of salaries;
- +USD 16 million – increase in third-party services primarily driven by consulting services expenses.

OTHER OPERATING EXPENSES, NET

USD million	**2024**	**2023**	**Change,%**
Social expenses	126	205	(39%)
Change in other allowances	74	47	57%
Loss on disposal of property, plant and equipment and intangible assets	36	36	0%
Change in decommissioning obligations	5	45	(89%)
Change in environmental provisions	3	(32)	n.a.
Expenses on industrial incidents response	2	10	(80%)
Proceeds from insurance claims settlements	(35)	(27)	30%
Other, net	(33)	(15)	2x
Total	**178**	**269**	**(34%)**

In 2024, other operating expenses, net decreased by USD 91 million to USD 178 million driven by the following factors:

- -USD 79 million – decrease in social expenses;
- +USD 35 million – change in environmental provisions related to compensation for environmental damages;
- +USD 27 million – change in other allowances;
- -USD 40 million – comparative effect of changes in decommissioning obligations.

FINANCE COSTS, NET

USD million	**2024**	**2023**	**Change,%**
Interest expense, net of amounts capitalised	620	337	84%
Unwinding of discount on provisions	185	147	26%
Interest expense on lease liabilities	52	35	49%
Loss/(gain) from currency conversion operations	45	(5)	n.a.
Fair value (gain)/loss on the cross-currency interest rate swap contracts	(16)	60	n.a.
Other, net	10	(7)	n.a.
Total	**896**	**567**	**58%**

In 2024, finance costs, net increased 58% (or USD 329 million) y-o-y to USD 896 million primarily driven by the following factors:

- +USD 283 million – increase in interest expenses related to replacement of foreign currency debt with RUB-denominated debt facilities at high nominal interest rates; nominal interest rates continued to rise in 2024 as a result of the Bank of Russia's measures to raise the key rate;
- +USD 50 million – negative revaluation of the results from currency conversion operations due to a change in the structure and increased volatility of the domestic foreign exchange market (a significant widening of bid-ask spreads) following the imposition of sanctions on the Moscow Exchange, as well as changes in the methodology of official exchange rate calculation by the Bank of Russia;
- +USD 38 million – increase in unwinding of discount on provisions due to the increase in interest rates and provisions in 2024;
- -USD 76 million – revaluation of cross-currency interest rate swaps to fair value mainly driven by comparative changes in the rouble exchange rate: the partial appreciation of the Russian rouble against the US dollar compared to that expected in estimations at the maturity of the swaps in 2024 and the depreciation of the Russian rouble in 2023.

INCOME TAX EXPENSE

In 2024, income tax expense decreased by USD 75 million driven mostly by lower profit before tax.

The effective income tax rate in 2024 of 24.5% was above the Russian statutory tax rate of 20%, which was primarily driven by the non-deductible provision for impairment of non-financial assets, net.

The breakdown of the income tax expense:

USD million	**2024**	**2023**	**Change,%**
Current income tax expense	340	966	(65%)
Deferred tax expense/(benefit)	249	(302)	n.a.
Total income tax expense	**589**	**664**	**(11%)**

EBITDA

USD million	2024	2023	Change,%
Operating profit	3,574	5,540	(35%)
Depreciation and amortisation	1,181	1,165	1%
Impairment of non-financial assets, net	441	179	2x
EBITDA	**5,196**	**6,884**	**(25%)**
EBITDA margin	**41%**	**48%**	**(7 p.p.)**

In 2024, EBITDA decreased 25% (or -USD 1,688 million) to USD 5,196 million primarily driven by lower revenue, which was partially offset by the decrease in cash operating costs.

STATEMENT OF CASH FLOWS

USD million	2024	2023	Change,%
Cash generated from operations before changes in working capital and income tax	**5,275**	**7,121**	**(26%)**
Movements in working capital in the cash flow statement	(504)	(229)	2x
Income tax paid	(338)	(1,164)	(71%)
Net cash generated from operating activities	**4,433**	**5,728**	**(23%)**
Capital expenditure	(2,438)	(3,038)	(20%)
Other investing activities	(137)	(4)	34x
Net cash used in investing activities	**(2,575)**	**(3,042)**	**(15%)**
Free cash flow	**1,858**	**2,686**	**(31%)**
Interest paid	(1,468)	(791)	86%
Payments of lease liabilities	(55)	(45)	22%
Dividends paid to non-controlling interests	–	(503)	(100%)
Free cash flow (adjusted)	**335**	**1 347**	**(75%)**
Other financing activities	(519)	(1,065)	(51%)
Net cash used in financing activities	**(2,042)**	**(2,404)**	**(15%)**
Effects of foreign exchange differences on balances of cash and cash equivalents	(133)	(25)	5x
Net change in cash and cash equivalents	**(317)**	**257**	**n.a.**

In 2024, net cash generated from operating activities decreased 23% to USD 4,433 million. Decrease in EBITDA and increase in working capital in 2024 were partly offset by decrease in income tax payments.

In 2024, net cash used in investing activities decreased 15% to USD 2,575 million primarily driven by decrease in capital expenditures.

In 2024, free cash flow decreased 31% to USD 1,858 million following the decrease in net cash generated from operating activities, which was partly offset by the decrease in cash used in investing activities.

In 2024, free cash flow adjusted for regular financing outflows (interest paid, payments of lease liabilities, dividends paid to non-controlling interests) decreased by USD 1,012 million and amounted to USD 335 million following the decrease in free cash flow and increase in interest paid.

Reconciliation of the net working capital changes between the balance sheet and cash flow statement is presented below:

USD million	**2024**	**2023**
Change of the net working capital in the balance sheet	**85**	**911**
Foreign exchange differences	(299)	(780)
Change in income tax payable	(103)	208
Change of provisions, reserves and long term components of working capital included in cash flow	(161)	(412)
Other changes	(26)	(156)
Change of working capital per cash flow	**(504)**	**(229)**

Capital investments breakdown by project is presented below:

USD million	**2024**	**2023**	**Change,%**
Polar Division, including:	849	1,223	(31%)
Skalisty mine	75	90	(17%)
Taymirsky mine	121	73	66%
Komsomolsky mine	16	41	(61%)
Oktyabrsky mine	52	5	10x
Talnakh Enrichment Plant	46	123	(63%)
Capitalised repairs	62	93	(33%)
Purchase of equipment	192	219	(12%)
Other Polar Division projects	285	579	(51%)
Kola MMC	264	233	13%
Environmental program (Sulfur Program at the Nadezhda Plant)	343	454	(24%)
South cluster	185	248	(25%)
Energy and gas infrastructure modernization	355	408	(13%)
Bystrinsky project (Chita)	98	65	51%
Other production projects	300	355	(15%)
Other non-production assets	44	52	(15%)
Total	**2,438**	**3,038**	**(20%)**

In 2024, CAPEX decreased 20% (or -USD 600 million) to USD 2,438 million driven by the effect of the Russian rouble depreciation against US Dollar, launch of the Sulfur Programme and the execution of investment efficiency programme including optimization of payments to contractors and prioritization of investment projects using risk-based approach.

DEBT AND LIQUIDITY MANAGEMENT

USD million	As of 31 December 2024	As of 31 December 2023	Change, USD million	Change,%
Non-current loans and borrowings	7,112	5,377	1,735	32%
Current loans and borrowings	2,834	4,335	(1,501)	(35%)
Lease liabilities	462	520	(58)	(11%)
Total debt	**10,408**	**10,232**	**176**	**2%**
Cash and cash equivalents	1,822	2,139	(317)	(15%)
Net debt	**8,586**	**8,093**	**493**	**6%**
Net debt /12M EBITDA	1,7x	1,2x	0,5x	

As of December 31, 2024, the Company's total debt increased 2% compared to December 31, 2023 and amounted to USD 10,408 million. Share of long-term debt in loan portfolio structure increased significantly.

As of December 31, 2024, the Company's net debt increased by USD 493 million due to the increase in total debt and decrease in cash.

The Company fully meets its financial obligations in line with transactional documentation.

In April 2024, rating agency NCR assigned the credit rating to the Company at the highest investment-grade level of "AAA.ru". In November 2024, national rating agency Expert RA confirmed the Company's credit rating at the highest investment level "ruAAA".

Attachment A

DISCLOSED CONSOLIDATED INCOME STATEMENT
FOR THE YEARS ENDED 31 DECEMBER 2024, 2023 AND 2022
US Dollars million

	For the year ended 31 December		
	2024	**2023**	**2022**
Revenue			
Metal sales	11,848	13,702	16,073
Other sales	687	707	803
Total revenue	**12,535**	**14,409**	**16,876**
Cost of metal sales	(6,232)	(6,344)	(6,103)
Cost of other sales	(656)	(688)	(810)
Gross profit	**5,647**	**7,377**	**9,963**
General and administrative expenses	(1,046)	(1,093)	(1,353)
Selling and distribution expenses	(408)	(296)	(261)
Impairment of non-financial assets, net	(441)	(179)	(90)
Other operating expenses, net	(178)	(269)	(678)
Operating profit	**3,574**	**5,540**	**7,581**
Foreign exchange (loss)/gain, net	(343)	(1,512)	251
Finance costs, net	(896)	(567)	(493)
Gain/(loss) from disposal of subsidiaries and foreign joint operations	–	32	(110)
Income from investments, net	69	41	150
Profit before tax	**2,404**	**3,534**	**7,379**
Income tax expense	(589)	(664)	(1,525)
Profit for the year	**1,815**	**2,870**	**5,854**
Attributable to:			
Shareholders of the parent company	1,313	2,384	5,458
Non-controlling interests	502	486	396
	1,815	**2,870**	**5,854**
EARNINGS PER SHARE			
Basic and diluted earnings per share attributable to shareholders of the parent company (US Dollars per share)	0.086	0.156	0.357

Attachment B

DISCLOSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024, 2023 AND 2022

US Dollars million

	At 31 December		
	2024	**2023**	**2022**
ASSETS			
Non-current assets			
Property, plant and equipment	15,261	15,181	16,264
Intangible assets	206	238	302
Investments in associates and joint ventures	181	76	8
Other financial assets	57	58	113
Deferred tax assets	328	335	340
Other non-current assets	292	350	365
	16,325	**16,238**	**17,392**
Current assets			
Inventories	3,114	3,817	4,945
Trade and other receivables	1,374	764	846
Advances paid and prepaid expenses	135	173	192
Other financial assets	69	3	40
Income tax receivable	38	101	17
Other taxes receivable	292	344	477
Cash and cash equivalents	1,822	2,139	1,882
Other current assets	1	1	4
	6,845	**7,342**	**8,403**
TOTAL ASSETS	**23,170**	**23,580**	**25,795**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	6	6	6
Share premium	1,212	1,212	1,212
Translation and other reserves	(6,979)	(6,146)	(4,541)
Retained earnings	12,638	11,324	10,448
Equity attributable to shareholders of the parent company	**6,877**	**6,396**	**7,125**
Non-controlling interests	1,220	1,199	1,442
	8,097	**7,595**	**8,567**
Non-current liabilities			
Loans and borrowings	7,112	5,377	7,189
Lease liabilities	381	466	190
Provisions	881	689	916
Social liabilities	299	399	613
Trade and other long-term payables	41	51	56
Derivative financial instruments	–	–	67
Deferred tax liabilities	381	142	415
Other non-current liabilities	59	30	93
	9,154	**7,154**	**9,539**
Current liabilities			
Loans and borrowings	2,834	4,335	4,295
Lease liabilities	81	54	43
Trade and other payables	1,209	1,273	1,381
Dividends payable	721	1,924	496
Employee benefit obligations	444	555	585
Provisions	173	90	180
Social liabilities	164	207	201
Derivative financial instruments	–	114	–
Income tax payable	49	7	169
Other taxes payable	244	272	339
	5,919	**8,831**	**7,689**
TOTAL LIABILITIES	**15,073**	**15,985**	**17,228**
TOTAL EQUITY AND LIABILITIES	**23,170**	**23,580**	**25,795**

Attachment C

DISCLOSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2024, 2023 AND 2022
US Dollars million

	For the year ended 31 December		
	2024	**2023**	**2022**
OPERATING ACTIVITIES			
Profit before tax	**2,404**	**3,534**	**7,379**
Adjustments for:			
Depreciation and amortisation	1,181	1,165	1,026
Impairment of non-financial assets, net	441	179	90
Loss on disposal of property, plant and equipment	36	36	70
(Gain)/loss from disposal of subsidiaries and foreign joint operations	–	(32)	110
Change in provisions and allowances	45	77	236
Finance costs, net	896	567	493
Income from investments, net	(69)	(41)	(150)
Foreign exchange loss/(gain), net	343	1,512	(251)
Other	(2)	124	(106)
	5,275	**7,121**	**8,897**
Movements in working capital:			
Inventories	190	(185)	(1,693)
Trade and other receivables	(610)	(4)	(347)
Advances paid and prepaid expenses	34	(62)	(60)
Other taxes receivable	3	12	(121)
Employee benefit obligations	(10)	39	129
Trade and other payables	(34)	51	(1,096)
Provisions	(181)	(179)	(160)
Other taxes payable	104	99	164
Cash generated from operations	**4,771**	**6,892**	**5,713**
Income tax paid	(338)	(1,164)	(1,127)
Net cash generated from operating activities	**4,433**	**5,728**	**4,586**
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(2,386)	(2,988)	(4,227)
Investments in associates and joint ventures	(131)	(71)	(29)
Purchase of intangible assets	(52)	(50)	(71)
Loans issued	(6)	(31)	–
Proceeds from repayment of loans issued	9	38	22
Net change in deposits placed	(29)	–	34
Proceeds from disposal of property, plant and equipment	1	1	11
Net cash inflow/(outflow) from disposal of subsidiaries and foreign joint operations	–	11	(46)
Other investment income and expense	19	48	157
Net cash used in investing activities	**(2,575)**	**(3,042)**	**(4,149)**

Attachment C

DISCLOSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2024, 2023 AND 2022 (CONTINUED)
US Dollars million

	For the year ended 31 December		
	2024	**2023**	**2022**
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	7,273	5,569	9,104
Repayments of loans and borrowings	(6,229)	(6,642)	(7,775)
Payments of lease liabilities	(55)	(45)	(50)
Dividends paid to shareholders of the parent company	(1,480)	–	(6,196)
Dividends paid to non-controlling interests	–	(503)	(73)
Receipt of dividends not remitted to shareholders and ADR holders	16	–	544
(Payments)/proceeds on exchange of flows under cross-currency interest rate swaps, net	(99)	8	(19)
Interest paid	(1,468)	(791)	(599)
Net cash used in financing activities	**(2,042)**	**(2,404)**	**(5,064)**
Net change in cash and cash equivalents	**(184)**	**282**	**(4,627)**
Cash and cash equivalents at the beginning of the year	**2,139**	**1,882**	**5,547**
Effects of foreign exchange differences on balances of cash and cash equivalents	(133)	(25)	962
Cash and cash equivalents at the end of the year	**1,822**	**2,139**	**1,882**

Attachment D

NET WORKING CAPITAL

USD million	**31/12/2024**	**31/12/2023**	**Change**	**incl. effects of foreign exchange differences**
Finished goods	1,027	1,194	(167)	(175)
Work-in-process	1,243	1,561	(318)	(157)
Other inventories	844	1,062	(218)	(128)
Trade and other receivables	1,374	764	610	(19)
Advances paid and prepaid expenses	135	173	(38)	(16)
Taxes receivable	330	445	(115)	(52)
Employee benefit obligations	(444)	(555)	111	73
Trade and other payables	(1,209)	(1,273)	64	138
Taxes payable	(293)	(279)	(14)	37
Total working capital	**3,007**	**3,092**	**(85)**	**(299)**

ABOUT THE COMPANY

MMC Norilsk Nickel is a diversified mining and metallurgical company, the world's largest producer of palladium and Class I nickel and a major producer of platinum, cobalt, copper and rhodium. The company also produces silver, gold, iridium, ruthenium and other products.

The production units of Norilsk Nickel Group are located at the Norilsk Industrial District, on the Kola Peninsula and Zabaykalsky Krai in Russia.

MMC Norilsk Nickel shares are listed on the Moscow Stock Exchange.

Media Relations:

Phone: +7 (495) 785 58 00

Email: pr@nornik.ru

Investor Relations:

Phone: +7 (495) 786 83 20

Email: ir@nornik.ru