Financial performance (MD&A)

FY2025 highlights

- Consolidated revenue amounted to USD 13.8 billion on the back of improved metal prices.
- EBITDA amounted to USD 5.7 billion driven by higher metal revenue. EBITDA margin remained flat at 41%.
- Cash operating costs reached USD 5.7 billion, primarily due to inflationary pressure and the strengthening of Russian rouble. The growth rate of adjusted cash operating costs remains below the inflation rate in Russia due to execution of operating efficiency programme and digital transformation implemented by management.
- Net profit amounted to USD 2.5 billion as a result of positive impact of exchange rate differences due to the year-on-year dynamics of the ruble exchange rate. The increase in income tax expenses was driven by an increase in the statutory income tax rate to 25% and an increase in taxable profit.
- Net working capital amounted to USD 2.9 billion. The negative impact of rouble strengthening was offset by optimization of trade receivables and obtain advances from customers, as well as a reduction in metal inventories.
- CAPEX amounted to USD 2.6 billion. The Company continues to implement strategic projects, which include fulfilling environment obligations, investments in upgrading fixed assets to improve the reliability of the production chain and growth projects.
- Free cash flow totaled USD 3.5 billion, adjusted free cash flow amounted to USD 1.5 billion.
- Net debt reached USD 9.1 billion primarily due to strengthening of Russian rouble (revaluation of the rouble component of the debt). Net debt/EBITDA ratio as of 31 December, 2025 was of 1.6x.
- Optimization measures have kept growth in interest expenses despite increase in market interest rates and rebalance the Company's debt portfolio to match its revenue mix. This lay the foundation for further reduction in interest expenses.

USD 2.5 bn
net FX gains driven by y-o-y changes in the rouble exchange rate

USD 2.9 bn
net working capital

41%
EBITDA margin

Key corporate highlights, USD million, unless stated otherwise

Indicators	2024	2025	Change
Revenue	12,535	13,763	10%
EBITDA[1]	5,196	5,668	9%
EBITDA margin	41%	41%	0 p.p.
Net profit	1,815	2,470	36%
Capital expenditures	2,438	2,628	8%
Net working capital[2]	3,007	2,877	–4%
Net debt[2]	8,586	9,138	6%
Net debt/12M EBITDA	1.7x	1.6x	–0.1x
Dividends paid per share (USD)	9.7[3]	–	–100%
Free cash flow[2]	1,858	3,486	88%
Free cash flow (adjusted)[4]	335	1,481	4x

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 on the Company's web site in the Shareholders and Investors section.
3. Paid during the current period before the split of shares.
4. Free cash flow adjusted for regular financing outflows (interest paid, payments of lease liabilities, dividends paid to non-controlling interests).

Key segmental highlights,[1] USD million

Indicators	2024	2025	Change
Revenue	**12,535**	**13,763**	**10%**
GMK Group	9,653	11,053	15%
South cluster	715	909	27%
Kola division	6,684	7,068	6%
GRK Bystrinskoye	1,511	1,876	24%
Other non-metallurgical	1,008	1,318	31%
Eliminations	–7,036	–8,461	20%
EBITDA	**5,196**	**5,668**	**9%**
GMK Group	3,594	3,797	6%
South cluster	251	301	20%
Kola division	882	773	–12%
GRK Bystrinskoye	1,108	1,438	30%
Other non-metallurgical	–18	–12	–33%
Eliminations	58	38	–34%
Unallocated	–679	–667	–2%
EBITDA margin	**41%**	**41%**	**0 p.p.**
GMK Group	37%	34%	(3 p.p.)
South cluster	35%	33%	(2 p.p.)
Kola division	13%	11%	(2 p.p.)
GRK Bystrinskoye	73%	77%	4 p.p.
Other non-metallurgical	–2%	–1%	1 p.p.

In 2025, revenue of GMK Group segment increased 15% to USD 11,053 million primarily owing to increased semi-products sales and higher prices.

Revenue of South cluster segment increased 27% to USD 909 million driven by higher sales of semi-products to GMK Group.

Revenue of Kola division segment increased 6% to USD 7,068 million primarily owing to higher precious metals prices and higher nickel sales volumes that was partly offset by lower nickel price.

Revenue of GRK Bystrinskoye segment increased 24% to USD 1,876 million driven by higher gold and copper prices.

Revenue of Other non-metallurgical segment increased 31% and amounted to USD 1,318 million owing to metal resale in 2025, as well as increased sales of services to GMK Group and higher revenue from oil products sales.

In 2025, EBITDA of GMK Group segment increased 6% and amounted to USD 3,797 million primarily driven by higher revenue. This effect was partially offset by an increase in operating costs, primarily due to the appreciation of the Russian rouble.

EBITDA of South cluster segment increased 20% to USD 301 million primarily owing to higher revenue.

EBITDA of Kola division segment decreased 12% to USD 773 million primarily due to higher cost of semi-products for further processing, which was partially offset by higher revenue.

EBITDA of GRK Bystrinskoye segment increased 30% to USD 1,438 million primarily due to higher revenue.

Negative EBITDA impact unallocated to segments decreased 2% and amounted to the negative USD 667 million mainly due to lower transportation costs. An increase in administrative costs was offset by lower expenses relating to change in provisions.

Metal sales

In 2025, revenue from metal sales increased 10% or USD 1,135 million y-o-y to USD 12,983 million primarily driven by an increase in prices for all key metals, except nickel, as well as an increase in sales volume of other precious metals.

Other sales

In 2025, other sales increased 14% or USD 93 million to USD 780 million primarily due to the Russian rouble appreciation against the US Dollar and increase in sales prices primarily for oil products.

Cost of sales

Cost of metal sales

In 2025, the cost of metal sales increased 11% or USD 699 million to USD 6,920 million, driven by the following factors:

- increase in cash operating costs by 11% or USD 554 million;
- increase in depreciation and amortization by 24% or USD 232 million primarily due to increase in property, plant and equipment as well as the appreciation of the Russian rouble;
- comparative decrease in cost of metal sales by USD 87 million related to change in metal inventories y-o-y.

Cash operating costs

In 2025, total cash operating costs increased 11% or USD 554 million to USD 5,673 million mainly due to the Russian rouble appreciation against the US Dollar by USD 459 million and inflationary growth of cash operating costs by USD 266 million as well as purchases of refined metals for resale in 2025. These factors were partially offset by the net decrease in taxes and export customs duties by USD 219 million primarily due to the latter expiring in 2024.

[1] Segments are defined in the consolidated financial statements.

Cost of metal sales, USD million

Indicators	2024	2025	Change
Labour	1,859	2,319	25%
Materials and supplies	918	1,020	11%
Third party services	784	887	13%
Mineral extraction tax and other levies	748	873	17%
Fuel	149	175	17%
Transportation expenses	157	132	–16%
Electricity and heat energy	108	127	18%
Purchases of refined metals for resale	–	95	100%
Purchases of raw materials and semi-products	26	23	–12%
Export customs duties	350	–	–100%
Other costs	20	22	10%
Total cash operating costs	**5,119**	**5,673**	**11%**

Labour

In 2025, labour costs increased 25% or USD 460 million to USD 2,319 million amounting to 41% of the Group's total cash operating costs driven by the following factors:

- +USD 205 million – Russian rouble appreciation against US Dollar;
- +USD 173 million – increase in labour costs due to indexation of salaries and wages;
- +USD 82 million – increase in labour costs primarily due to the "Digital Investor" programme.

Materials and supplies

In 2025, expenses for materials and supplies increased 11% or USD 102 million to USD 1,020 million driven by the following factors:

- +USD 118 million – Russian rouble appreciation against US Dollar;
- +USD 31 million – inflationary growth of materials and supplies prices;
- –USD 47 million – primarily decrease in expenses for materials and supplies due to lower repairs volume.

Third-party services

In 2025, cost of third-party services increased 13% or USD 103 million to USD 887 million driven by the following factors:

- +USD 92 million – Russian rouble appreciation against US Dollar;
- +USD 38 million – inflationary growth of third-party services;
- –USD 27 million – primarily lower repairs volume.

Mineral extraction tax and other levies

In 2025, mineral extraction tax and other levies increased 17% or USD 125 million to USD 873 million mainly due to higher metal prices.

Fuel

In 2025, fuel expenses increased 17% or USD 26 million to USD 175 million mainly due to the Russian rouble appreciation against the US Dollar (USD 16 million) and inflation of fuel prices (USD 12 million).

Transportation expenses

In 2025, transportation expenses decreased 16% or USD 25 million to USD 132 million primarily due to reconfiguration of logistics routes that was partly offset by the Russian rouble appreciation against the US Dollar.

Electricity and heat energy

In 2025, electricity and heat energy expenses increased 18% or USD 19 million to USD 127 million primarily due to inflationary growth of expenses (USD 11 million) and the Russian rouble appreciation against the US Dollar (USD 8 million).

Cost of other sales

In 2025, cost of other sales increased by USD 37 million to USD 693 million primarily due to the Russian rouble appreciation against the US Dollar.

In 2025, transportation costs decreased

by **16%,**

or **USD 25 mln**

Selling and distribution expenses

Selling and distribution expenses, USD million

Indicators	2024	2025	Change
Transportation expenses	129	150	16%
Third party services	29	49	69%
Staff costs	27	45	67%
Depreciation and amortisation	23	24	4%
Marketing expenses	23	23	0%
Export customs duties	176	–	–100%
Other	12	28	2x
Total	**419**	**319**	**–24%**

In 2025, selling and distribution expenses decreased 24% or USD 100 million to USD 319 million primarily driven by:

- –USD 176 million – expiration of the export customs duties in 2024;
- +USD 47 million – increase in third party services, staff costs and other expenses primarily due to higher repairs and maintenance expenditure;
- +USD 27 million – Russian rouble appreciation against US Dollar.

General and administrative expenses

General and administrative expenses, USD million

Indicators	2024	2025	Change
Staff costs	665	813	22%
Third party services	183	213	16%
Property tax and other miscellaneous taxes	77	97	26%
Depreciation and amortisation	91	95	4%
Other	30	23	–23%
Total	**1,046**	**1,241**	**19%**

In 2025, general and administrative expenses increased 19% to USD 1,241 million. The main factors of the change were:

- +USD 111 million — the Russian rouble appreciation against the US Dollar;
- +USD 76 million — increase in staff costs primarily due to indexation of salaries.

Other operating expenses

Other operating expenses, NET, USD million

Indicators	2024	2025	Change
Social expenses	103	253	2x
Loss on disposal of property, plant and equipment and intangible assets	36	67	86%
Change in environmental provisions	3	–22	n.a.
Change in decommissioning obligations	5	53	11x
Change in other allowances	74	28	–62%
Proceeds from insurance claims settlements	–35	–42	20%
Other, net	–8	–4	–50%
Total	**178**	**333**	**87%**

In 2025, other operating expenses, net increased by USD 155 million to USD 333 million driven by the following factors:

- +USD 150 million — increase in social expenses primarily due to the revaluation of provisions under agreements on social and economic development of Norilsk;
- +USD 48 million — comparative effect of changes in decommissioning obligations including due to the comparative changes in discount rates;
- –USD 25 million — comparative effect of changes in environmental provisions.

Finance costs

Finance costs, NET, USD million

Indicators	2024	2025	Change
Interest expense, net of amounts capitalised	620	537	–13%
Unwinding of discount on provisions	185	294	59%
Interest expense on lease liabilities	52	59	13%
Loss/(income) from currency conversion operations	45	43	–4%
Fair value loss/(gain) on the cross-currency interest rate swap contracts	–16	–	–100%
Other, net	10	1	–90%
Total	**896**	**934**	**4%**

In 2025, finance costs, net increased 4% or USD 38 million y-o-y to USD 934 million primarily driven by the following factors:

- –USD 83 million — decrease in interest expenses primarily due to the increase in the amount of capitalised interest;
- +USD 109 million — increase in unwinding of discount on provisions due to the higher balance of provisions and comparative changes in discount rates.

Income tax expense

In 2025, income tax expense increased by 39% or USD 227 million, driven mostly by higher profit before tax and an increase in the statutory income tax rate in the Russian Federation to 25% starting from 2025.

EBITDA

EBITDA, USD million

Indicators	2024	2025	Change
Operating profit	3,574	3,938	10%
Depreciation and amortisation	1,181	1,411	19%
Impairment of non-financial assets, net	441	319	–28%
EBITDA	**5,196**	**5,668**	**9%**
EBITDA margin	**41%**	**41%**	**0 p.p.**

In 2025, EBITDA increased 9% or USD 472 million to USD 5,668 million primarily driven by higher revenue and lower taxes and customs duties, which was partially offset by the Russian rouble appreciation against the US Dollar and the inflationary costs growth.

Statement of cash flows

Statement of cash flows, USD million

Indicators	2024	2025	Change
Cash generated from operations before changes in working capital and income tax	5,275	5,882	12%
Movements in working capital in the cash flow statement	–504	489	n.a.
Income tax paid	–338	–353	4%
Net cash generated from operating activities	4,433	6,018	36%
Capital expenditure	–2,438	–2,628	8%
Other investing activities	–137	96	n.a.
Net cash used in investing activities	–2,575	–2,532	–2%
Free cash flow	1,858	3,486	2x
Interest paid	–1,468	–1,700	16%
Payments of lease liabilities	–55	–75	36%
Dividends paid to non-controlling interests	–	–230	–100%
Free cash flow (adjusted)	335	1,481	4x
Other financing activities	–519	–1,242	2x
Net cash used in financing activities	–2,042	–3,247	59%
Effects of foreign exchange differences on balances of cash and cash equivalents	–133	45	n.a.
Net change in cash and cash equivalents	–317	284	n.a.

Net cash generated from operating activities increased 36% to USD 6,018 million following the increase in EBITDA and decrease in working capital in 2025 compared to the increase in working capital in 2024.

In 2025, net cash used in investing activities decreased 2% to USD 2,532 million. Increase in net other investing cashflows was partly offset by the increase in capital expenditures.

In 2025, free cash flow almost doubled to USD 3,486 million following the increase in net cash generated from operating activities.

In 2025, free cash flow adjusted for regular financing outflows (interest paid, payments of lease liabilities, dividends paid to non-controlling interests) increased by USD 1,146 million and amounted to USD 1,481 million following the increase in free cash flow, which was partly offset by increase in interest paid and dividends paid to non-controlling interests.

Net working capital changes between the balance sheet and cash flow statement, USD million

Indicators	2024	2025
Change of the net working capital in the balance sheet	**85**	**130**
Foreign exchange differences	–299	443
Change in income tax payable	–103	–20
Change of provisions, reserves and long term components of working capital included in cash flow statement	–161	–169
Other changes	–26	105
Change of working capital in the cash flow statement	**–504**	**489**

Capital investments breakdown by project, USD million

Indicators	2024	2025	Change
Mine development, including:	264	160	–39%
• Skalisty mine	75	46	–39%
• Taymirsky mine	121	56	–54%
• Komsomolsky mine	16	9	–44%
• Oktyabrsky mine	52	49	–6%
Talnakh Enrichment Plant	46	88	91%
Environmental programme (Sulphur Programme at the Nadezhda Plant)	343	377	10%
South cluster	185	188	2%
Energy and gas infrastructure modernization	355	429	21%
Bystrinsky project	98	113	15%
Other commercial	96	211	2x
Other stay-in-business	1,051	1,062	1%
Total	**2,438**	**2,628**	**8%**

In 2025, CAPEX increased 8% or USD 190 million to USD 2,628 million driven by the appreciation of the Russian rouble against the US dollar. The Company continues to implement the strategic projects which include complying with environmental obligations, the development of mining and processing and metallurgical facilities, the energy and gas infrastructure modernisation in the Norilsk Industrial District along with the CAPEX aimed at further equipment reliability improvement and renovation of the fixed assets.

Debt and liquidity management

Debt and liquidity, USD million

Indicators	As of 31 December 2025	As of 31 December 2024	Change	
			USD million	%
Non-current loans and borrowings	7,587	7,112	475	7%
Current loans and borrowings	3,109	2,834	275	10%
Lease liabilities	548	462	86	19%
Total debt	**11,244**	**10,408**	**836**	**8%**
Cash and cash equivalents	2,106	1,822	284	16%
Net debt	9,138	8,586	552	6%
Net debt /12M EBITDA	1.6x	1.7x	–0.1x	

As of December 31, 2025, the Company's total debt increased 8% y-o-y compared to December 31, 2024 and amounted to USD 11,244 million. The increase in total debt was driven by the revaluation of RUB-denominated debt due to appreciation of the Russian rouble against the US dollar.

As of December 31, 2025, the Company's net debt increased by USD 552 million following the increase in total debt, which was partially offset by cash increase.

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

In April 2025, rating agency NCR confirmed the Company's credit rating at the highest investment-grade level of "AAA.ru". In November 2025, rating agency Expert RA confirmed the Company's credit rating at the highest investment-grade level of "ruAAA".